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Company Announcements Platform

California Financing Law License

Sezzle Inc. (**'Sezzle'** or **'the Company'**) notes that the California Department of Business Oversight (**'DBO'**) issued a public statement on 30 December 2019 (US time) regarding its intention not to approve an application by Sezzle for a California Financing Law license to make loans.

Sezzle continues to operate in the state of California in partnership with the Company's retailers who originate retail installment sales contracts and then subsequently assigns those contracts to Sezzle in order for Sezzle to service the payment processing. Under this model which, is widely used by the Company's competition, Sezzle is operating as a sales finance company and does not make loans.

Sezzle's objective is to obtain the loan license for the purposes of removing those merchants from the financing process. The DBO approved a competitor operating under a similar sales finance company model between the dates of our application and their public statement, so we believe there is a path to resolution.

We plan to continue to work with the DBO to correct any issues so that we can proceed with our plans to develop a loan product there. Sezzle is committed to doing what is best for its partners and our consumers will work to resolve this issue quickly to reduce any potential impact on the business.

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Further information

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About Sezzle Inc.

Sezzle is a rapidly growing fintech company whose mission is to financially empower the next generation. Sezzle's payment platform increases purchasing power for consumers by offering interest-free installment plans at online stores. This increase in purchasing power for consumers leads to increased sales and basket sizes for the more than 7,500 active merchants at Sept 30 2019 that offer Sezzle in the United States and Canada. For more information visit sezzle.com

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