

Bread Pay™ & Sezzle

Merchant Marketing Quick Reference Guide

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Bread Pay™ Long-term Financing Options

Purpose

This Quick Reference Guide provides an overview of the standards implemented for creating and reviewing marketing related to Bread Pay™ Installment Loans / long-term financing options. This document does not contain all marketing requirements and is not legal advice, and Bread Financial™ may amend this Quick Reference Guide from time to time in accordance with Bread Pay™ program guidelines. All marketing materials related to Bread Pay™ products (including references to Bread Pay, Bread Financial, Comenity Capital Bank, and general “long-term financing” must be submitted to your Sezzle Merchant Support contact for review, approval, and retention by Bread Financial™ prior to publishing. “All marketing” includes, but is not limited to, ads for merchant sites, emails, social media, television, and radio.

Overview of General Marketing Guidelines

- Only market term lengths and rates that are actually offered by Bread Pay.
- Remove or update marketing and associated disclosures upon offers changing.
- Avoid using terminology that suggests promising a product or is likely to mislead the consumer.
- Advertisements containing trigger terms require specific disclosures. Trigger terms include APRs, periodic payment amounts, the number of payments, finance charges, and down payments.
- When required, use a symbol, such as an asterisk, to tick and tie marketing messages to their associated disclosure.
- Required disclosures must be easily found by the consumer and no more than one-click-away.

Installments / Long-term Financing

Describing Installments / Long-term Financing

“Installments” or “long-term financing” refer to a monthly payment plan for purchases from a merchant on a third-party website or by any other method made available. Installments or long-term loans are a Bread Pay™ loan product.

Advertising 0% APR

Always include the word “APR” next to the 0% (or any rate – do not use the term “interest”).

When advertising 0% APR, always couple with the words “as low as” or “available,” to avoid implying that all customers will qualify for this rate.

We treat APRs as trigger terms, which means a disclosure must be provided when advertising APRs. Please review the “Installments Disclosures” section below for more information.

When advertising 0% APR, specify which term lengths have 0% APR available. Examples include:

- 0% APR available for X-month financing*
- Pay over X months for as low as 0% APR*

Note: If 0% APR is available for ALL term lengths in the program, then the term lengths do not have to be mentioned in the advertisement.

Only advertise 0% APR if it is actually being offered. If a merchant does not offer a 0% APR, it should not be advertised. If not all lenders offer a 0% APR plan, additional disclosures are required, such as: 0% APR for XX months may be available depending on the lender.

Installments Disclosures

Disclosure Basics

Required disclosures should be:

- Clear,
- Conspicuous and
- Close to the corresponding triggering terms; (i.e. on the same page or, at most, one-click-away).

A customer must easily understand that the disclosures are tied to the triggering terms within the marketing message. This can be done with any unique symbol or identifier, such as an asterisk, placed at the end of the marketing message and tying to the associated footnoted disclosure which has the same symbol at the start.

If disclosures are located one-click-away, a link with “Learn More,” “Details,” or a similar call to action should be included in the marketing. The call to action can be omitted if the advertisement is clearly hyperlinked and can be hovered over or clicked to retrieve the disclosures.

When Disclosures Are Required

Disclosures are required when an advertisement contains one or more trigger terms. Please see the table below for examples of marketing messages and the corresponding required disclosures.

Note: The disclosures shown below are templates and may require adjustments based on each merchant’s individual financing program.

Type of Marketing Message	Examples	Required Disclosure
“As low as” Example Payments	<p>These are example payments that show an example of the dollar amount paid per month. These examples are generally calculated using the longest term length in the program and a 9.99% APR.</p> <p>“As low as \$X/month*”</p> <p>“Pay as low as \$X/month*”</p>	<p>*Monthly payment of \$XX.XX/mo. is based on the product price of \$XXXX assuming a XX-month term and a 9.99% APR. Subject to approval of credit application. Rates range from X.XX% to 29.99% APR. APRs will vary depending on credit qualifications, loan amount, and term.</p>
APRs and Term Lengths	<p>We require a specific disclosure for advertisements that contain APRs and/or term lengths.</p> <p>“Y% APR is available for X-month financing*”</p> <p>“Pay over X months for as low as Y% APR*”</p> <p>“Financing plans available for X, Y, or Z months*”</p> <p>“Pay off in as little as X months”</p> <p>“Payment plans range from X% to Y% APR*”</p>	<p>*Subject to approval of credit application. Rates range from [0/5.99/6.99/7.99]% to 29.99% APR, resulting in, for example, [6/12/18/24/36 (longest term available)] monthly payments of \$[X] at 9.99% APR, per \$1,000 borrowed. APRs will vary depending on credit qualifications, loan amount, and term.</p>
Mentions of Bread Pay™	<p>Whenever Bread Pay™ is mentioned in an advertisement, we require the SCA and bank disclosure.</p>	<p>Subject to approval of credit application. Bread Pay™ loans are made by Comenity</p>

	<p>“Bread Pay™”</p> <p>“Pay over time with Bread Pay™”</p> <p>“Buy now, pay later with Bread Pay™”</p> <p>“Pay in monthly installments with Bread Pay™”</p> <p>“Financing available with Bread Pay™”</p>	Capital Bank, a Bread Financial™ company.
Targeted Financing	<p>Targeted financing is when additional term lengths and APRs (usually 0% APR) are offered on an irregular basis and vary by product or purchase price. When advertising a targeted financing program, the following sentence must be added to the disclosure: “Some financing terms will vary based on purchase price and/or product.”</p>	<p>*Subject to approval of credit application. Some financing terms will vary based on purchase price and/or product. Rates range from [0/5.99/6.99/7.99]% to 29.99% APR, resulting in, for example, [6/12/24/36 (longest term available)] monthly payments of \$[X] at 9.99% APR, per \$1,000 borrowed. APRs will vary depending on credit qualifications, loan amount, and term.</p>
Limited Time Offers	<p>A limited time offer is any offer that will only be available for a limited time, such as 0% APR financing being available for a particular term length during a holiday. The start and end dates of limited time offers must be specified in the disclosure.</p>	<p>*Rates and terms only for loans opened on XX/XX/XXXX to XX/XX/XXXX. Subject to approval of credit application. Rates range from [0/5.99/6.99/7.99]% to 29.99% APR, resulting in, for example, [6/12/24/36 (longest term available)] monthly payments of \$[X] at 9.99% APR, per \$1,000 borrowed. APRs will vary depending on credit qualifications, loan amount, and term.</p>

When Bread Pay™ is mentioned, the following disclosure will also be required on that same page. This must be on the same page or, at most, one-click-away with any unique symbol or identifier, such as an asterisk, placed at the end of the marketing message and tying to the associated footnoted disclosure which has the same symbol at the start.

Bread Pay™ loans are made by Comenity Capital Bank, a Bread Financial™ company.

Language That Does Not Trigger Additional Disclosures

Additional disclosures can be avoided by using language that does not contain trigger terms. The following phrases alone can generally be used in advertising without extensive additional disclosures. Remember that even though disclosures may not be required, any reference to long-term financing still requires review and approval by Bread Financial. Reach out to your Sezzle Merchant Success contact to initiate that review.

- Pay over time
- Buy now, pay later
- Pay monthly
- Apply for a financing plan
- Pay in monthly installments
- Financing available
- Easy monthly payments

Review, Approval, and Retention

Prior to publishing any marketing materials related to our products and/or company, Merchant must submit such marketing materials to Bread Financial™ for review, approval and retention. Bread Financial™ shall conduct its review of the proposed marketing materials no later than five (5) business days (M-F, excluding holidays) after submission.

In the event Bread Financial™ requests changes to the marketing materials, Merchant shall update and resubmit the revised marketing materials to Bread Financial™ for review, approval and retention no later than two (2) business days (M-F, excluding holidays) after the change request. Merchant will comply with any requests of Bread Financial to remove or update marketing materials as soon as possible, and within two (2) business days (M-F, excluding holidays) of such request.

In no event shall Merchant publish any marketing materials related to our products and/or company without the prior written approval of Bread Financial™