

Bread Pay[®] & Sezzle

Merchant Marketing Quick Reference Guide

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Bread Pay® Long-term Financing Options

Purpose

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This Quick Reference Guide provides an overview of the standards implemented for creating and reviewing marketing related to Bread Pay® Installment Loans (monthly payments / 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. Other than marketing templates that do not contain trigger terms and are not customizable that Bread Financial® has pre-approved, all marketing materials related to Bread Pay® products (including references to Bread Pay, Bread Financial, Comenity Capital Bank, and general “monthly payments” and “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.

Review, Approval, and Retention

Prior to publishing any marketing materials related to our products and/or company, other than marketing templates that do not contain trigger terms and are not customizable that Bread Financial® has pre-approved, Merchant must submit such marketing materials to Bread Financial® for review, approval and retention. Bread Financial® shall conduct its initial review of the proposed marketing materials within seven to ten (7-10) business days (M-F, excluding holidays) after submission. Subsequent reviews of the proposed marketing materials will be reviewed within two to three (2-3) business days (M-F, excluding holidays) after submission.

In no event shall Merchant publish any marketing materials related to our products and/or company without the prior written approval of Bread Financial®. Merchant will promptly and expeditiously (with time of the essence) respond to and comply with any requests to change or alter any marketing or website copy in accordance with relevant policies and procedures or to comply with regulatory requirements or applicable law.

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, no more than one-click-away, and the font size must be at least 10-point font or 13 pixels.

Monthly Payments / Long-term Financing

Describing Monthly Payments / Long-term Financing

“Monthly Payments” 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. Monthly payments 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 “Long-term Financing Disclosures” section below for more information.

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.

Long-term Financing 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 21.99% APR.</p> <p>“As low as \$X/month*”</p> <p>“Pay as low as \$X/month*”</p>	<p>*Minimum purchase of \$XX.XX is required. Availability of terms may vary based on purchase price, product, and state of residence. Subject to approval of credit application. Rates range from XX.XX% to 34.99% APR, resulting in, for example ## monthly payments of \$XXX.XX at 21.99% APR, per \$1,000.00 borrowed.</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>APRs will vary depending on credit qualifications, loan amount, and term. Bread Pay® loans are made by Comenity Capital Bank, a Bread Financial® company.</p>

Mentions of Bread Pay [®]	<p>Whenever Bread Pay[®] is mentioned in an advertisement, we require the SCA and bank disclosure.</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>	Subject to approval of credit application. Bread Pay [®] loans are made by Comenity Capital Bank, a Bread Financial [®] company.
Limited Time Offers	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.	*Rates and terms only for checkouts completed between XX/XX/XXXX to XX/XX/XXXX. Minimum purchase of \$XX.XX is required. Availability of terms may vary based on purchase price, product, and state of residence. Subject to approval of credit application. Rates range from XX.XX% to 34.99% APR, resulting in, for example ## monthly payments of \$XXX.XX at 21.99% APR, per \$1,000.00 borrowed. APRs will vary depending on credit qualifications, loan amount, and term. Bread Pay [®] loans are made by Comenity Capital Bank, a Bread Financial [®] company.

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 additional disclosures. Remember that even though disclosures may not be required, any reference to monthly payments or long-term financing, other than marketing templates that do not contain trigger terms and are not customizable that Bread Financial® has pre-approved, still requires review and approval by Bread Financial. Reach out to your Sezzle Merchant Success contact to initiate that review.

- Pay over time
- Pay monthly
- Apply for a financing plan
- Pay in monthly installments
- Financing available
- Easy monthly payments