

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 2024

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-39888

Affirm Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

84-2224323
(I.R.S. Employer Identification No.)

650 California Street
San Francisco, California
(Address of principal executive offices)

94108
(Zip Code)

(415) 960-1518
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value \$0.00001 per share	AFRM	The Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of February 3, 2025, the number of shares of the registrant's Class A common stock outstanding was 277,254,755 and the number of shares of the registrant's Class B common stock outstanding was 40,801,695.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (“Form 10-Q”), as well as information included in oral statements or other written statements made or to be made by us, contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), that involve substantial risks and uncertainties. All statements other than statements of historical fact contained in this Report, including statements regarding our future results of operations and financial condition, business strategy, and plans and objectives of management regarding future operations, are forward-looking statements. In some cases, forward-looking statements may be identified by words such as “anticipate,” “believe,” “continue,” “could,” “design,” “estimate,” “expect,” “intend,” “may,” “plan,” “potentially,” “predict,” “project,” “should,” “will,” “would,” or the negative of these terms or other similar expressions. These forward-looking statements include, but are not limited to, statements concerning the following:

- our expectations regarding our future revenue, expenses, and other operating results and key operating metrics;
- our ability to attract new merchant partners and commerce platforms and grow our relationships with existing merchant partners and commerce platforms;
- our ability to compete successfully in a highly competitive and evolving industry;
- our ability to attract new consumers and retain and grow our relationships with our existing consumers;
- our expectations regarding the development, innovation, introduction of, and demand for, our products;
- our ability to successfully maintain our relationship with existing originating bank partners and card issuing bank partners and engage additional originating bank partners and card issuing bank partners;
- our ability to maintain, renew or replace our existing funding arrangements and build and grow new funding relationships;
- the impact of any of our funding sources becoming unwilling or unable to provide funding to us on terms acceptable to us, or at all;
- our ability to effectively price and score credit risk using our proprietary risk model;
- the performance of loans facilitated and originated through our platform;
- the future growth rate of our revenue and related key operating metrics;
- our ability to achieve sustained profitability in the future;
- our ability, and the ability of our originating bank and other partners, to comply, and remain in compliance with, laws and regulations that currently apply or become applicable to our business or the businesses of such partners;
- our ability to protect our confidential, proprietary, or sensitive information;
- past and future acquisitions, investments, and other strategic investments;
- our ability to maintain, protect, and enhance our brand and intellectual property;
- litigation, investigations, regulatory inquiries, and proceedings;
- developments in our regulatory environment;
- the impact of macroeconomic conditions on our business, including the impacts of inflation, an elevated interest rate environment and corresponding elevated negotiated interest rate spreads, ongoing recessionary concerns, and the potential impact of those macroeconomic conditions on the stability of the financial institutions with whom we do business; and
- the size and growth rates of the markets in which we compete.

Forward-looking statements, including statements such as “we believe” and similar statements, are based on our management’s current beliefs, opinions and assumptions and on information currently available as of the date of this Report. Such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These forward-looking statements are subject to a number of known and unknown risks, uncertainties and assumptions, including risks described in the section titled “Risk Factors” and elsewhere in this Form 10-Q and in our most recently filed Annual Report on Form 10-K for the fiscal year ended June 30, 2024 (the “Annual Report”). Other sections of this Form 10-Q may include additional factors that could harm our business and financial performance. Moreover, we operate in a very competitive, heavily regulated and rapidly changing environment. New risks emerge from time to time, and it is not possible for our management to predict all risks that we may face, nor can we assess the impact of all risks on our business or the extent to which any risk, or combination of risks, may cause our actual results to differ from those contained in, or implied by, any forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable as of the date of this Report, we cannot guarantee future results, levels of activity, performance, achievements, events, outcomes, timing of results or circumstances. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this Report or to conform these statements to actual results or to changes in our expectations. You should read this Form 10-Q and the documents that we have filed as exhibits to this Report with the understanding that our actual future results, levels of activity, performance, outcomes, achievements and timing of results or outcomes may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

Investors and others should note that we may announce material business and financial information to our investors using our investor relations website (investors.affirm.com), our filings with the Securities and Exchange Commission (“SEC”), webcasts, press releases, conference calls, and social media. We use these mediums, including our website, to communicate with investors and the general public about our company, our products, and other issues. It is possible that the information that we make available on our website may be deemed to be material information. We therefore encourage investors and others interested in our Company to review the information that we make available on our website. The contents of our website are not incorporated into this filing. We have included our investor relations website address only as an inactive textual reference for convenience and do not intend it to be an active link to our website.

Part I - Financial Information

Item 1. Financial Statements

AFFIRM HOLDINGS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(in thousands, except shares and per share amounts)

	December 31, 2024	June 30, 2024
Assets		
Cash and cash equivalents	\$ 1,200,381	\$ 1,013,106
Restricted cash	536,776	282,293
Securities available for sale at fair value	666,684	1,131,628
Loans held for sale	—	36
Loans held for investment	6,796,167	5,670,056
Allowance for credit losses	(363,831)	(309,097)
Loans held for investment, net	6,432,336	5,360,959
Accounts receivable, net	203,626	353,028
Property, equipment and software, net	506,334	427,686
Goodwill	521,699	533,439
Intangible assets	12,193	13,502
Commercial agreement assets	76,091	104,602
Other assets	324,957	299,340
Total assets	\$ 10,481,077	\$ 9,519,619
Liabilities and stockholders' equity		
Liabilities:		
Accounts payable	\$ 50,626	\$ 41,019
Payable to third-party loan owners	157,245	159,643
Accrued interest payable	25,357	24,327
Accrued expenses and other liabilities	155,568	147,429
Convertible senior notes, net	1,151,048	1,341,430
Notes issued by securitization trusts	3,988,887	3,236,873
Funding debt	2,166,806	1,836,909
Total liabilities	7,695,537	6,787,630
Commitments and contingencies (Note 7)		
Stockholders' equity:		
Class A common stock, par value \$0.00001 per share: 3,030,000,000 shares authorized, 274,933,492 shares issued and outstanding as of December 31, 2024; 3,030,000,000 shares authorized, 267,305,456 shares issued and outstanding as of June 30, 2024	2	2
Class B common stock, par value \$0.00001 per share: 140,000,000 shares authorized, 40,801,782 shares issued and outstanding as of December 31, 2024; 140,000,000 authorized, 43,747,575 shares issued and outstanding as of June 30, 2024	1	1
Additional paid in capital	5,961,956	5,862,555
Accumulated deficit	(3,128,866)	(3,109,004)
Accumulated other comprehensive loss	(47,553)	(21,565)
Total stockholders' equity	2,785,540	2,731,989
Total liabilities and stockholders' equity	\$ 10,481,077	\$ 9,519,619

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

AFFIRM HOLDINGS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS, CONT.
(Unaudited)
(in thousands)

The following table presents the assets and liabilities of consolidated variable interest entities (“VIEs”), which are included in the interim condensed consolidated balance sheets above. The assets in the table below may only be used to settle obligations of consolidated VIEs and are in excess of those obligations. The liabilities in the table below include liabilities for which creditors do not have recourse to the general credit of the Company. Additionally, the assets and liabilities in the table below include third-party assets and liabilities of consolidated VIEs only and exclude intercompany balances that eliminate upon consolidation.

	December 31, 2024	June 30, 2024
Assets of consolidated VIEs, included in total assets above		
Restricted cash	\$ 223,798	\$ 145,829
Loans held for investment	6,628,228	5,461,660
Allowance for credit losses	(294,202)	(242,991)
Loans held for investment, net	6,334,026	5,218,669
Accounts receivable, net	2,969	2,961
Other assets	6,349	10,676
Total assets of consolidated VIEs	\$ 6,567,142	\$ 5,378,135
Liabilities of consolidated VIEs, included in total liabilities above		
Accounts payable	\$ 2,695	\$ 2,830
Accrued interest payable	24,963	24,220
Accrued expenses and other liabilities	6,818	11,115
Notes issued by securitization trusts	3,988,887	3,236,873
Funding debt	2,115,772	1,794,984
Total liabilities of consolidated VIEs	6,139,135	5,070,022
Total net assets of consolidated VIEs	\$ 428,007	\$ 308,113

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

AFFIRM HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(Unaudited)
(in thousands, except share and per share amounts)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Revenue				
Merchant network revenue	\$ 244,895	\$ 188,357	\$ 429,234	\$ 334,307
Card network revenue	58,142	39,269	105,622	72,745
Total network revenue	303,037	227,626	534,856	407,052
Interest income	409,367	288,346	786,431	551,025
Gain on sales of loans	125,287	52,702	188,900	86,987
Servicing income	28,690	22,436	54,674	42,593
Total revenue, net	\$ 866,381	\$ 591,110	\$ 1,564,861	\$ 1,087,657
Operating expenses				
Loss on loan purchase commitment	\$ 70,278	\$ 53,630	\$ 124,515	\$ 88,496
Provision for credit losses	152,980	120,880	312,804	220,576
Funding costs	107,762	84,617	211,907	158,548
Processing and servicing	115,960	90,203	211,106	165,874
Technology and data analytics	148,213	119,833	282,503	252,798
Sales and marketing	136,038	161,265	281,271	308,131
General and administrative	139,412	132,777	277,894	273,111
Restructuring and other	60	56	(195)	1,721
Total operating expenses	\$ 870,703	\$ 763,261	\$ 1,701,805	\$ 1,469,255
Operating loss	\$ (4,322)	\$ (172,151)	\$ (136,944)	\$ (381,598)
Other income, net	87,181	4,549	121,483	43,256
Income (loss) before income taxes	\$ 82,859	\$ (167,602)	\$ (15,461)	\$ (338,342)
Income tax expense (benefit)	2,499	(700)	4,401	343
Net income (loss)	\$ 80,360	\$ (166,902)	\$ (19,862)	\$ (338,685)
Other comprehensive income (loss)				
Foreign currency translation adjustments	\$ (35,469)	\$ 13,824	\$ (27,123)	\$ 1,926
Unrealized gain (loss) on securities available for sale, net	(2,873)	4,853	2,716	6,206
Gain (loss) on cash flow hedges	(89)	(614)	(1,581)	149
Net other comprehensive income (loss)	\$ (38,431)	\$ 18,063	\$ (25,988)	\$ 8,281
Comprehensive income (loss)	\$ 41,929	\$ (148,839)	\$ (45,850)	\$ (330,404)
Per share data:				
Net income (loss) per share attributable to common stockholders for Class A and Class B				
Basic	\$ 0.25	\$ (0.54)	\$ (0.06)	\$ (1.11)
Diluted	\$ 0.23	\$ (0.54)	\$ (0.06)	\$ (1.11)
Weighted average common shares outstanding				
Basic	322,282,334	307,571,602	320,258,445	305,705,637
Diluted	345,196,568	307,571,602	320,258,445	305,705,637

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

AFFIRM HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(Unaudited)
(in thousands, except share amounts)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares ⁽¹⁾	Amount				
Balance as of June 30, 2024	311,053,031	\$ 3	\$ 5,862,555	\$ (3,109,004)	\$ (21,565)	\$ 2,731,989
Issuance of common stock upon exercise of stock options	432,277	—	3,596	—	—	3,596
Vesting of restricted stock units	2,492,095	—	—	—	—	—
Vesting of warrants for common stock	—	—	107,263	—	—	107,263
Stock-based compensation	—	—	143,711	—	—	143,711
Tax withholding on stock-based compensation	—	—	(63,208)	—	—	(63,208)
Foreign currency translation adjustments	—	—	—	—	8,346	8,346
Unrealized gain on securities available for sale	—	—	—	—	5,589	5,589
Loss on cash flow hedges	—	—	—	—	(1,492)	(1,492)
Net loss	—	—	—	(100,222)	—	(100,222)
Balance as of September 30, 2024	313,977,403	\$ 3	\$ 6,053,917	\$ (3,209,226)	\$ (9,122)	\$ 2,835,572
Issuance of common stock upon exercise of stock options	2,762,075	—	30,700	—	—	30,700
Issuance of common stock, employee share purchase plan	204,650	—	5,092	—	—	5,092
Repurchases of common stock	(3,526,590)	—	(250,000)	—	—	(250,000)
Vesting of restricted stock units	2,317,736	—	—	—	—	—
Vesting of warrants for common stock	—	—	86,776	—	—	86,776
Stock-based compensation	—	—	130,806	—	—	130,806
Tax withholding on stock-based compensation	—	—	(95,335)	—	—	(95,335)
Foreign currency translation adjustments	—	—	—	—	(35,469)	(35,469)
Unrealized loss on securities available for sale	—	—	—	—	(2,873)	(2,873)
Loss on cash flow hedges	—	—	—	—	(89)	(89)
Net income	—	—	—	80,360	—	80,360
Balance as of December 31, 2024	315,735,274	\$ 3	\$ 5,961,956	\$ (3,128,866)	\$ (47,553)	\$ 2,785,540

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

AFFIRM HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(Unaudited)
(in thousands, except share amounts)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares ⁽¹⁾	Amount				
Balance as of June 30, 2023	296,846,217	\$ 3	\$ 5,140,850	\$ (2,591,247)	\$ (15,423)	\$ 2,534,183
Issuance of common stock upon exercise of stock options	495,350	—	3,625	—	—	3,625
Vesting of restricted stock units	3,740,320	—	—	—	—	—
Vesting of warrants for common stock	—	—	95,910	—	—	95,910
Stock-based compensation	—	—	151,162	—	—	151,162
Tax withholding on stock-based compensation	—	—	(36,515)	—	—	(36,515)
Foreign currency translation adjustments	—	—	—	—	(11,898)	(11,898)
Unrealized gain on securities available for sale	—	—	—	—	1,353	1,353
Gain on cash flow hedges	—	—	—	—	763	763
Net loss	—	—	—	(171,783)	—	(171,783)
Balance as of September 30, 2023	301,081,887	\$ 3	\$ 5,355,032	\$ (2,763,030)	\$ (25,205)	\$ 2,566,800
Issuance of common stock upon exercise of stock options	1,922,621	—	17,419	—	—	17,419
Issuance of common stock, employee share purchase plan	333,847	—	4,137	—	—	4,137
Vesting of restricted stock units	2,195,991	—	—	—	—	—
Vesting of warrants for common stock	—	—	114,705	—	—	114,705
Stock-based compensation	—	—	119,821	—	—	119,821
Tax withholding on stock-based compensation	—	—	(39,159)	—	—	(39,159)
Foreign currency translation adjustments	—	—	—	—	13,824	13,824
Unrealized gain on securities available for sale	—	—	—	—	4,853	4,853
Loss on cash flow hedges	—	—	—	—	(614)	(614)
Net loss	—	—	—	(166,902)	—	(166,902)
Balance as of December 31, 2023	305,534,346	\$ 3	\$ 5,571,955	\$ (2,929,932)	\$ (7,142)	\$ 2,634,884

(1) The share amounts listed above combine Class A and Class B stock.

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

AFFIRM HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(in thousands)

	Six Months Ended December 31,	
	2024	2023
Cash flows from operating activities		
Net loss	\$ (19,862)	\$ (338,685)
Adjustments to reconcile net loss to net cash used in operating activities:		
Provision for losses	312,804	220,576
Amortization of premiums and discounts on loans	(111,297)	(87,979)
Gain on sales of loans	(188,900)	(86,987)
Gain on extinguishment of debt	(82,418)	—
Changes in fair value of assets and liabilities	4,622	(4,912)
Amortization of commercial agreement assets	28,511	43,114
Amortization of debt issuance costs	12,990	12,758
Amortization of discount on securities available for sale	(26,618)	(23,122)
Commercial agreement warrant expense	194,039	210,615
Stock-based compensation	180,331	202,523
Depreciation and amortization	101,614	66,643
Other	(2,151)	15,660
Change in operating assets and liabilities:		
Purchases and origination of loans held for sale	(2,262,419)	(2,244,895)
Proceeds from the sale of loans held for sale	2,262,441	2,262,184
Accounts receivable, net	143,781	(116,487)
Other assets	(27,421)	(41,669)
Accounts payable	9,607	31,203
Payable to third-party loan buyers	(2,398)	80,715
Accrued interest payable	1,894	8,963
Accrued expenses and other liabilities	(20,266)	(36,995)
Net cash provided by operating activities	508,884	173,223
Cash flows from investing activities		
Purchases and origination of loans held for investment	(15,051,906)	(10,333,489)
Proceeds from the sale of loans held for investment	5,264,335	2,976,941
Principal repayments and other loan servicing activity	8,661,493	6,536,313
Additions to property, equipment and software	(88,057)	(74,564)
Purchases of securities available for sale	(184,885)	(193,322)
Proceeds from maturities and repayments of securities available for sale	720,570	482,029
Other investing cash inflows	14,383	(34,669)
Net cash used in investing activities	(664,067)	(640,761)
Cash flows from financing activities		
Proceeds from the issuance of convertible notes	920,000	—
Proceeds from the issuance of funding debt	7,893,354	6,439,713
Payment of debt issuance costs	(23,070)	(16,280)
Principal repayments of funding debt	(7,548,552)	(6,291,324)
Extinguishment of convertible debt	(1,012,856)	—
Proceeds from issuance of notes and certificates by securitization trust	750,000	1,101,828
Principal repayments of notes issued by securitization trust	—	(528,279)
Proceeds from exercise of common stock options and warrants and contributions to ESPP	39,388	25,167
Repurchase of common stock	(250,000)	—
Payments of tax withholding for stock-based compensation	(158,543)	(75,674)
Net cash provided by financing activities	609,721	655,151
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(12,780)	421
Net increase in cash, cash equivalents and restricted cash	441,758	188,034
Cash, cash equivalents and restricted cash, beginning of period	1,295,399	1,259,944
Cash, cash equivalents and restricted cash, end of period	\$ 1,737,157	\$ 1,447,978

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

AFFIRM HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS, CONT.
(Unaudited)
(in thousands)

	Six Months Ended December 31,	
	2024	2023
Reconciliation to amounts on consolidated balance sheets (as of period end)		
Cash and cash equivalents	1,200,381	1,036,719
Restricted cash	536,776	411,259
Total cash, cash equivalents and restricted cash	\$ 1,737,157	\$ 1,447,978

	Six Months Ended December 31,	
	2024	2023
Supplemental disclosures of cash flow information		
Cash payments for interest expense	\$ 201,129	\$ 142,449
Cash paid for operating leases	8,322	8,251
Cash paid for income taxes	1,110	571
Supplemental disclosures of non-cash investing and financing activities		
Stock-based compensation included in capitalized internal-use software	94,186	68,460
Securities retained under unconsolidated securitization transactions	41,940	—

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

1. Business Description

Affirm Holdings, Inc. (“Affirm,” the “Company,” “we,” “us,” or “our”), headquartered in San Francisco, California, provides consumers with a simpler, more transparent, and flexible alternative to traditional payment options. Our mission is to deliver honest financial products that improve lives. Through our next-generation commerce platform, agreements with originating banks, and capital markets partners, we enable consumers to confidently pay for a purchase over time. When a consumer applies for a loan through our platform, the loan is underwritten using our proprietary risk model, and once approved, the consumer selects their preferred repayment option. Loans are directly originated or funded and issued by our originating bank partners.

Merchants partner with us to transform the consumer shopping experience and to acquire and convert consumers more effectively through our frictionless point-of-sale payment solutions. Consumers get the flexibility to buy now and make simple regular payments for their purchases and merchants see increased average order value, repeat purchase rates, and an overall more satisfied consumer base. Unlike legacy payment options and our competitors’ product offerings, which charge deferred or compounding interest and unexpected costs, we disclose up-front to consumers exactly what they will owe — no hidden fees, no deferred interest, no penalties.

2. Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The accompanying interim condensed consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”), as contained in the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”), disclosure requirements for interim financial information, and the requirements of Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. The unaudited interim condensed consolidated financial statements should be read in conjunction with the audited financial statements and notes thereto for the fiscal year ended June 30, 2024. The balance sheet as of June 30, 2024 has been derived from the audited financial statements at that date. Management believes these interim condensed consolidated financial statements reflect all adjustments, including those of a normal and recurring nature, which are necessary for a fair presentation of the results for the interim periods presented. The results of operations for the interim periods are not necessarily indicative of the results that may be expected for the full year or any other interim period.

Our interim condensed financial statements have been prepared on a consolidated basis. Under this basis of presentation, our financial statements consolidate all wholly owned subsidiaries and variable interest entities (“VIEs”), in which we have a controlling financial interest. These include various business trust entities and limited partnerships established to enter into warehouse credit agreements with certain lenders for funding debt facilities and certain asset-backed securitization transactions. All intercompany accounts and transactions have been eliminated in consolidation.

Our variable interest arises from contractual, ownership, or other monetary interests in the entity, which changes with fluctuations in the fair value of the entity’s net assets. We consolidate a VIE when we are deemed to be the primary beneficiary. We assess whether or not we are the primary beneficiary of a VIE on an ongoing basis.

Use of Estimates

The preparation of interim condensed consolidated financial statements in conformity with U.S. GAAP requires the use of estimates, judgments and assumptions that affect the reported amounts in the interim condensed consolidated financial statements and the accompanying notes. Material estimates that are particularly susceptible to significant change relate to determination of the allowance for credit losses, capitalized internal-use software development costs, valuation allowance for deferred tax assets, loss on loan purchase commitment, discount on directly originated loans, the evaluation for impairment of intangible assets and goodwill, the fair value of available

for sale debt securities including retained interests in our securitization trusts, the fair value of risk sharing arrangements, and stock-based compensation, including the fair value of warrants issued to nonemployees. We base our estimates on historical experience, current events, and other factors we believe to be reasonable under the circumstances. To the extent that there are material differences between these estimates and actual results, our financial condition or operating results will be materially affected.

These estimates are based on information available as of the date of the interim condensed consolidated financial statements; therefore, actual results could differ materially from those estimates.

Significant Accounting Policies

There were no material changes to our significant accounting policies as disclosed in Note 2. Summary of Significant Accounting Policies of our Annual Report on Form 10-K for the fiscal year ended June 30, 2024, which was filed with the SEC on August 28, 2024.

Recent Accounting Pronouncements Not Yet Adopted

Segment Reporting

In November 2023, the FASB issued ASU 2023-07, “*Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*”. The new guidance modifies the existing annual and interim segment reporting disclosures. The purpose of the update is to enable investors to better understand an entity’s overall performance and assess potential future cash flows, primarily through enhanced disclosure requirements on significant segment expenses. The ASU is effective for annual reporting periods beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024, and should be applied retrospectively to all prior periods presented in the financial statements. Early adoption is permitted. We are in the process of evaluating the impact of adopting this accounting standard update on our consolidated financial statements and disclosures.

Income Taxes

In December 2023, the FASB issued ASU 2023-09, “*Income Taxes (Topic 740): Improvements to Income Tax Disclosures*”. The new guidance is expected to increase transparency and usefulness of income tax disclosures through improvements to the rate reconciliation, income taxes paid, and other disclosure requirements. The ASU is effective for fiscal years beginning after December 15, 2024 and should be applied on a prospective basis, although retrospective application is permitted. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance. We are in the process of evaluating the impact of adopting this accounting standard update on our consolidated financial statements and disclosures.

Reporting Comprehensive Income

In November 2024, the FASB issued ASU 2024-03, “*Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*”. Subsequent to the issuance of ASU 2024-03, the FASB issued ASU 2025-01 to clarify the effective date of ASU 2024-03. The new guidance requires disclosure, in the notes to the financial statements, specified information about certain income statement costs and expenses for each interim and annual reporting period. The ASU is effective for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027, and should be applied on a prospective basis, although retrospective application is permitted. Early adoption is permitted. We are in the process of evaluating the impact of adopting this accounting standard update on our consolidated financial statements and disclosures.

Debt with Conversion and Other Options

In November 2024, the FASB issued ASU 2024-04, “*Debt—Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments*”. The new guidance clarifies the requirements for determining whether certain settlements of convertible debt should be accounted for as an induced conversion. The ASU is effective for fiscal years beginning after December 15, 2025 and interim periods within those annual reporting periods, and should be applied on a prospective basis, although retrospective application is permitted. Early adoption is permitted. We are in the process of evaluating the impact of adopting this accounting standard update on our consolidated financial statements and disclosures.

3. Revenue

The following table presents our revenue disaggregated by revenue source (in thousands):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Merchant network revenue	\$ 244,895	\$ 188,357	\$ 429,234	\$ 334,307
Card network revenue	58,142	39,269	105,622	72,745
Interest income	409,367	288,346	786,431	551,025
Gain on sales of loans	125,287	52,702	188,900	86,987
Servicing income	28,690	22,436	54,674	42,593
Total revenue, net	\$ 866,381	\$ 591,110	\$ 1,564,861	\$ 1,087,657

Merchant Network Revenue — Revenue from Contracts with Customers

Merchant network revenue primarily consists of merchant fees. Merchant partners (or integrated merchants) are generally charged a fee based on gross merchandise volume (“GMV”) processed through the Affirm platform. The fees vary depending on the individual arrangement between us and each merchant and on the terms of the product offering. The fee is recognized at the point in time the merchant successfully confirms the transaction, which is when the terms of the executed merchant agreement are fulfilled.

Our contracts with merchants are defined at the transaction level and do not extend beyond the service already provided (i.e., each transaction represents a separate contract). The fees collected from merchants for each transaction are determined as a percentage of the value of the goods purchased by the consumer from merchants and consider a number of factors including the end consumer’s credit risk and financing term. We do not have any capitalized contract costs, and do not carry any material contract balances.

Our service comprises a single performance obligation to merchants to facilitate transactions with consumers. From time to time, we offer merchants incentives to promote our platform to their customers, such as fee reductions or rebates. These amounts are recorded as a reduction to merchant network revenue.

We may originate certain loans via our wholly-owned subsidiaries, with zero or below market interest rates. In these instances, the par value of the loans originated is in excess of the fair market value of such loans, resulting in a loss on loan origination, which we record as a reduction to merchant network revenue. In certain cases, the losses incurred on loans originated for a merchant may exceed the total merchant network revenue earned on those loans. We record the excess loss amounts as a sales and marketing expense.

A portion of merchant network revenue relates to affiliate network revenue, which is generated when a user makes a purchase on a merchant’s website after being directed from an advertisement on Affirm’s website or mobile application. We earn a fixed placement fee and/or commission as a percentage of the associated sale. Revenue is recognized at the point in time when the performance obligation has been fulfilled, which is when the sale occurs.

For the three and six months ended December 31, 2024 and 2023, there were no merchants that individually exceeded 10% of total revenue.

Card Network Revenue — Revenue from Contracts with Customers

We have agreements with card-issuing partners to facilitate the issuance of physical and virtual cards to be used by consumers at checkout. Prior to purchase, consumers can apply at Affirm.com or via the Affirm app and, upon approval, use a physical or virtual card to complete their purchase online or in-store. The card is funded at the time a transaction is authorized using cash held by the card-issuing partner in a reserve fund. Eligible consumers can also use the Affirm Card, a card issued by a card-issuing partner to pay in full, via their linked bank account, or pay later, by using a unique post-purchase feature that allows them to instantly convert any eligible transaction into an installment loan. Where applicable, our originating bank partner, or wholly-owned subsidiaries, then originates a loan to the consumer after the transaction is confirmed by the merchant. The merchant is charged interchange fees for each successful card transaction, and a portion of this revenue is shared with us by our card-issuing partners.

Merchants may also elect to utilize our agreement with card-issuing partners as a means of integrating Affirm services. Similarly, for these arrangements with integrated merchants, the merchant is charged interchange fees for each successful card transaction and a portion of this revenue is shared with us. From time to time, we offer certain integrated merchants promotional incentives to promote our platform to their customers, such as rebates of interchange fees incurred by the merchant. These amounts are recorded as a reduction of card network revenue.

Our contracts with our card-issuing partners are defined at the transaction level and do not extend beyond the service already provided. The revenue collected from card-issuing partners for each transaction are determined as a percentage of the interchange fees charged on transactions facilitated on the payment processor network, and revenue is recognized at the point in time the transaction is completed successfully. The amounts collected are presented in revenue, net of associated transaction-related processing fees paid to our card-issuing partners. We have concluded that the revenue collected does not give rise to a future material right because the pricing of each transaction does not depend on the volume of prior successful transactions. We do not have any capitalized contract costs, and do not carry any material contract balances.

Our service comprises a single performance obligation to the card-issuing partner to facilitate transactions with consumers.

A portion of card network revenue relates to incentive payments from card network partners, which we are eligible to receive for reaching certain cumulative volume targets on program cards issued by our card-issuing partners. We earn incentive revenue as a percentage of each associated transaction and estimate the applicable percentage based on observed cumulative volume on program cards. Revenue is recognized at the point in time when the performance obligation has been fulfilled, which is when the transaction is completed successfully.

Interest Income

Interest income consisted of the following components (in thousands):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Contractual interest income on unpaid principal balance	\$ 375,906	\$ 248,083	\$ 713,070	\$ 474,374
Amortization of discount on loans	64,115	51,024	120,812	96,142
Amortization of premiums on loans	(4,882)	(4,183)	(9,515)	(8,163)
Interest receivable charged-off, net of recoveries	(25,772)	(6,578)	(37,936)	(11,328)
Total interest income	\$ 409,367	\$ 288,346	\$ 786,431	\$ 551,025

We accrue interest income using the effective interest method, which includes the amortization of any discounts or premiums on loan receivables created upon the purchase of a loan from our originating bank partners or upon the origination of a loan. Interest income on a loan is accrued daily, based on the finance charge disclosed to the consumer, over the term of the loan based upon the principal outstanding. The accrual of interest on a loan is suspended if a formal dispute with the consumer involving either Affirm or the merchant of record is opened, or a loan is 120 days past due. Upon the resolution of a dispute with the consumer, the accrual of interest is resumed, and any interest that would have been earned during the disputed period is retroactively accrued. As of December 31, 2024 and June 30, 2024, the balance of loans held for investment on non-accrual status was \$6.1 million and \$2.6 million, respectively.

The account is charged-off in the period if the account becomes 120 days past due or meets other charge-off policy requirements. Past due status is based on the contractual terms of the loans. Previously recognized interest receivable from charged-off loans that is accrued but not collected from the consumer is charged-off.

Gain on Sales of Loans

We sell certain loans we originate or purchase from our originating bank partners directly to third-party investors or to securitizations. We recognize a gain or loss on sale of loans sold to third parties or to unconsolidated securitizations by calculating the difference between the proceeds received and the carrying value of the loan. This amount is adjusted for the initial recognition of any assets or liabilities incurred upon sale. These generally include a net servicing asset or liability in connection with our ongoing obligation to continue to service the loans and a liability in connection with our loan repurchase obligation for loans that do not meet certain contractual requirements and such information about the loan was unknown at the time of sale.

Additionally, we recognize a risk sharing asset or liability in certain arrangements where payments are made or received based on the actual versus expected loan performance, as contractually agreed upon with the third party. Refer to Note 12. Fair Value of Financial Assets and Liabilities for further discussion of risk sharing arrangements.

Servicing Income

Servicing income includes contractual fees specified in our servicing agreements with third-party loan owners and unconsolidated securitizations that are earned from providing professional services to manage loan portfolios on their behalf. The servicing fee is calculated on a daily basis by multiplying a set fee percentage (as outlined in the executed agreements with third-party loan owners) by the outstanding loan principal balance. Servicing income also includes fair value adjustments for servicing assets and servicing liabilities.

4. Loans Held for Investment and Allowance for Credit Losses

Loans held for investment consisted of the following (in thousands):

	December 31, 2024	June 30, 2024
Unpaid principal balance	\$ 6,814,032	\$ 5,697,965
Accrued interest receivable	76,096	62,796
Premiums on loans held for investment	9,472	7,822
Less: Discount due to loss on loan purchase commitment	(74,099)	(63,682)
Less: Discount due to loss on directly originated loans	(29,326)	(34,829)
Less: Fair value adjustment on loans acquired through business combination	(8)	(16)
Total loans held for investment	\$ 6,796,167	\$ 5,670,056

Loans held for investment includes loans originated through our originating bank partners and directly originated loans. The majority of the loans that are underwritten using our technology platform and originated by our originating bank partners are later purchased by us. We purchased loans from our originating bank partners in the amount of \$8.1 billion and \$14.5 billion during the three and six months ended December 31, 2024, respectively, and \$5.9 billion and \$10.5 billion during the three and six months ended December 31, 2023, respectively. We directly originated \$1.7 billion and \$3.0 billion of loans during the three and six months ended December 31, 2024, respectively, and \$1.3 billion and \$2.2 billion of loans during the three and six months ended December 31, 2023, respectively.

Our portfolio consists of interest bearing and non-interest bearing consumer loans with original term lengths of up to sixty months originated in markets including the U.S., U.K, and Canada, with the majority of loans originated within the U.S. Given that our loan portfolio focuses on one product segment, unsecured consumer installment loans, we generally evaluate the entire portfolio as a single homogeneous loan portfolio to predict future losses, considering factors such as country of origin, loan product, origination channel, merchant and various borrower characteristics.

We closely monitor credit quality for our loan receivables to manage and evaluate our related exposure to credit risk. Credit risk management begins with initial underwriting, where loan applications are assessed against the credit underwriting policy and procedures for our directly originated loans and originating bank partner loans, and continues through to full repayment of a loan. To assess a consumer who requests a loan, we use, among other indicators, internally developed risk models using detailed information from external sources, such as credit bureaus where available, and internal historical experience, including the consumer's prior repayment history on our platform as well as other measures. We combine these factors to establish a proprietary score as a credit quality indicator.

Our proprietary score ("ITACs") is assigned to most loans facilitated through our technology platform, ranging from zero to 100, with 100 representing the highest credit quality and therefore the lowest likelihood of loss. The ITACs model analyzes the characteristics of a consumer's attributes that are shown to be predictive of both willingness and ability to repay including, but not limited to: basic features of a consumer's credit profile, a consumer's prior repayment performance with other creditors, current credit utilization, and legal and policy changes. When a consumer passes both fraud and credit policy checks, the application is assigned an ITACs score. ITACs is also used for portfolio performance monitoring. Our credit risk team closely tracks the distribution of ITACs at the portfolio level, as well as ITACs at the individual loan level to monitor for signs of a changing credit profile within the portfolio. Repayment performance within each ITACs band is also monitored to support both the integrity of the risk scoring models and to measure possible changes in consumer behavior amongst various credit tiers.

The following tables present an analysis of the credit quality, by ITACs score, of the amortized cost basis excluding accrued interest receivable, by fiscal year of origination on loans held for investment and loans held for sale as of December 31, 2024 and June 30, 2024 (in thousands):

December 31, 2024							
Amortized Costs Basis by Fiscal Year of Origination							
	2025	2024	2023	2022	2021	Prior	Total
96+	\$ 3,468,048	\$ 907,243	\$ 85,925	\$ 6,645	\$ 203	\$ 11	\$ 4,468,075
94 – 96	1,381,171	366,485	5,615	475	7	5	1,753,758
90 – 94	329,415	59,203	891	289	4	1	389,803
<90	65,999	8,168	11	112	2	1	74,293
No score ⁽¹⁾	2,114	5,707	22,509	3,675	110	27	34,142
Total amortized cost basis	\$ 5,246,747	\$ 1,346,806	\$ 114,951	\$ 11,196	\$ 326	\$ 45	\$ 6,720,071

June 30, 2024							
Amortized Costs Basis by Fiscal Year of Origination							
	2024	2023	2022	2021	2020	Prior	Total
96+	\$ 3,438,135	\$ 183,210	\$ 10,026	\$ 186	\$ 10	\$ 5	\$ 3,631,572
94 – 96	1,509,125	29,227	463	8	2	4	1,538,829
90 – 94	287,499	3,575	263	3	1	1	291,342
<90	45,009	46	309	2	1	—	45,367
No score ⁽¹⁾	20,680	66,680	12,391	217	94	124	100,186
Total amortized cost basis	\$ 5,300,448	\$ 282,738	\$ 23,452	\$ 416	\$ 108	\$ 134	\$ 5,607,296

⁽¹⁾ This balance represents loan receivables without sufficient data available for use by the Affirm scoring methodology including new markets and certain developing products.

The following table presents net charge-offs by fiscal year of origination as of December 31, 2024 (in thousands):

December 31, 2024							
Net Charge-offs by Fiscal Year of Origination							
	2025	2024	2023	2022	2021	Prior	Total
Current period charge-offs	(14,524)	(231,104)	(17,470)	(951)	(171)	(140)	(264,360)
Current period recoveries	199	7,829	6,300	2,289	466	137	17,220
Current period net charge-offs	(14,325)	(223,275)	(11,170)	1,338	295	(3)	(247,140)

Loan receivables are defined as past due if either the principal or interest have not been received within four calendar days of when they are due in accordance with the agreed upon contractual terms. The following table presents an aging analysis of the amortized cost basis excluding accrued interest receivable of loans held for investment and loans held for sale by delinquency status (in thousands):

	December 31, 2024	June 30, 2024
Non-delinquent loans	\$ 6,361,896	\$ 5,331,462
4 – 29 calendar days past due	175,272	134,434
30 – 59 calendar days past due	73,513	55,021
60 – 89 calendar days past due	56,471	47,764
90 – 119 calendar days past due ⁽¹⁾	52,919	38,615
Total amortized cost basis	<u>\$ 6,720,071</u>	<u>\$ 5,607,296</u>

⁽¹⁾ Includes \$52.7 million and \$38.6 million of loan receivables as of December 31, 2024 and June 30, 2024, respectively, that are 90 days or more past due, but are not on non-accrual status.

We maintain an allowance for credit losses at a level sufficient to absorb expected credit losses based on evaluating known and inherent risks in our loan portfolio. The allowance for credit losses reflects our estimate of expected lifetime credit losses, which consider the remaining contractual term, historical credit losses, consumer payment trends, estimated recoveries, and future payment expectations as of each balance sheet date. Adjustments to the allowance for changes in our estimate of lifetime expected credit losses are recognized in earnings through the provision for credit losses presented on our interim condensed consolidated statements of operations and comprehensive income (loss). When available information confirms that specific loans or portions thereof are uncollectible, identified amounts are charged off against the allowance for credit losses. Loans are charged off in accordance with our charge-off policy, as the contractual principal becomes 120 days past due. Subsequent recoveries of the unpaid principal balance, if any, are credited to the allowance for credit losses.

The following table details activity in the allowance for credit losses, including charge-offs, recoveries and provision for loan losses (in thousands):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Balance at beginning of period	\$ 350,606	\$ 232,068	\$ 309,097	\$ 204,531
Provision for loan losses	147,069	116,160	301,874	208,988
Charge-offs	(142,912)	(91,633)	(264,360)	(162,476)
Recoveries of charged-off receivables	9,068	5,609	17,220	11,161
Balance at end of period	<u>\$ 363,831</u>	<u>\$ 262,204</u>	<u>\$ 363,831</u>	<u>\$ 262,204</u>

Loan Modifications for Borrowers Experiencing Financial Difficulty

We have a loan modification program for borrowers experiencing financial difficulty if certain eligibility criteria are met. A loan is evaluated for modification program eligibility when a borrower self-reports financial hardship, either when a borrower contacts us directly or upon making contact with the borrower to determine eligibility when a loan payment is past due. The objectives of the loan modification program are to offer borrowers assistance during times of financial stress, increase collections, and minimize losses.

We have two primary loan modification strategies: payment deferrals and loan re-amortization. A payment deferral provides the borrower relief by extending the due date for the next payment due. While a borrower may obtain more than one deferral, the total deferral period may not exceed three months. A loan re-amortization provides the borrower relief by lowering monthly payments through extending the term length of the loan; however, the total remaining term may not exceed twenty-four months. In addition, the total interest due from the consumer will not exceed the initial total interest due prior to modification, and a loan may not be re-amortized more than once.

The following tables present the amortized cost basis of loans excluding accrued interest receivable that were modified for borrowers experiencing financial difficulty during the three and six months ended December 31, 2024 and 2023, by type of modification (in thousands):

	Three Months Ended December 31,	
	2024	2023⁽¹⁾
Payment deferral	\$ 10,189	\$ 20,899
Loan re-amortization	170	663
Total	\$ 10,359	\$ 21,561
% of total loan receivables outstanding	0.15 %	0.42 %

	Six Months Ended December 31,	
	2024	2023⁽¹⁾
Payment deferral	\$ 16,096	\$ 28,960
Loan re-amortization	274	1,132
Total	\$ 16,370	\$ 30,092
% of total loan receivables outstanding	0.24 %	0.58 %

⁽¹⁾ Amounts previously disclosed excluded modifications made to borrowers where the loan was less than 30 days delinquent at the time of modification.

With respect to borrowers who received payment deferrals during the three and six months ended December 31, 2024 and 2023, the length of each deferral period was one month.

With respect to borrowers who received a loan re-amortization during the three and six months ended December 31, 2024 and 2023, the payment amount was reduced by half and the term of the loan was extended between one month and twelve months.

During the modification process, the loans are made current, and payment schedules for these loans are updated according to the modified terms. We closely monitor the performance of loans that are modified for borrowers experiencing financial difficulty to understand the effectiveness of our modification efforts. We hold an allowance for credit losses for modified loans classified as held for investment. Our allowance estimate considers whether a loan has been modified, the delinquency status of the loan on the date of modification, and the increased likelihood that such loan may become delinquent or charge-off in the future.

The following tables present the delinquency status as of December 31, 2024 and 2023, by amortized cost basis excluding accrued interest receivable, of loan receivables that have been modified within the last 12 months where the borrower was experiencing financial difficulty at the time of modification (in thousands):

	December 31, 2024		
	Payment Deferral	Loan Re-amortization	Total
Non-delinquent loans	\$ 11,021	\$ 217	\$ 11,238
4 – 29 calendar days past due	3,085	67	3,152
30 – 59 calendar days past due	1,878	35	1,913
60 – 89 calendar days past due	1,632	32	1,664
90 – 119 calendar days past due	1,789	31	1,820
Total amortized cost basis	\$ 19,405	\$ 382	\$ 19,787

	December 31, 2023 ⁽¹⁾		
	Payment Deferral	Loan Re-amortization	Total
Non-delinquent loans	\$ 17,879	\$ 506	\$ 18,385
4 – 29 calendar days past due	5,549	249	5,798
30 – 59 calendar days past due	2,775	158	2,933
60 – 89 calendar days past due	1,972	125	2,097
90 – 119 calendar days past due	1,639	112	1,751
Total amortized cost basis	<u>\$ 29,814</u>	<u>\$ 1,150</u>	<u>\$ 30,964</u>

⁽¹⁾ Amounts previously disclosed excluded modifications made to borrowers where the loan was less than 30 days delinquent at the time of modification

With respect to modifications during the 12 months preceding December 31, 2024 and 2023, respectively, where the borrower was experiencing financial difficulty at the time of modification, the amortized cost basis of loans which have been charged off was \$17.1 million and \$1.8 million, respectively.

5. Balance Sheet Components

Accounts Receivable, net

Our accounts receivable consist primarily of amounts due from payment processors, merchant partners, affiliate network partners and servicing fees due from third-party loan owners. For each of these groups, we evaluate accounts receivable to determine management's current estimate of expected credit losses based on historical experience and future expectations and record an allowance for credit losses. Our allowance for credit losses with respect to accounts receivable was \$17.8 million and \$14.9 million as of December 31, 2024 and June 30, 2024, respectively.

Property, Equipment and Software, net

Property, equipment and software, net consisted of the following (in thousands):

	December 31, 2024	June 30, 2024
Internally developed software	\$ 804,651	\$ 630,129
Leasehold improvements	21,085	21,023
Computer equipment	10,373	9,827
Furniture and equipment	9,001	8,913
Total property, equipment and software, at cost	<u>\$ 845,111</u>	<u>\$ 669,892</u>
Less: Accumulated depreciation and amortization	(338,777)	(242,206)
Total property, equipment and software, net	<u>\$ 506,334</u>	<u>\$ 427,686</u>

Depreciation and amortization expense on property, equipment and software was \$54.3 million and \$100.4 million for the three and six months ended December 31, 2024, respectively, and \$36.5 million and \$62.5 million for the three and six months ended December 31, 2023, respectively.

No impairment losses related to property, equipment and software were recorded during the three and six months ended December 31, 2024 and 2023.

Goodwill and Intangible Assets

The changes in the carrying amount of goodwill during the six months ended December 31, 2024 were as follows (in thousands):

Balance as of June 30, 2024	\$	533,439
Adjustments ⁽¹⁾		(11,740)
Balance as of December 31, 2024	\$	<u>521,699</u>

⁽¹⁾ Adjustments to goodwill during the six months ended December 31, 2024 primarily pertained to foreign currency translation adjustments.

No impairment losses related to goodwill were recorded during the three and six months ended December 31, 2024. During the three and six months ended December 31, 2023, we recognized goodwill disposal losses of \$1.0 million included in general and administrative expenses within the interim condensed consolidated statements of operations and comprehensive income (loss).

Intangible assets consisted of the following (in thousands):

	December 31, 2024				Weighted Average Remaining Useful Life (in years)
	Gross	Accumulated Amortization	Net		
Merchant relationships	\$ 37,417	\$ (37,417)	\$ —		0.0
Developed technology	39,167	(39,064)	103		0.1
Assembled workforce	12,490	(12,490)	—		0.0
Trademarks and domains, definite	1,404	(1,223)	181		0.7
Trademarks, licenses and domains, indefinite	11,559	—	11,559		Indefinite
Other intangibles	350	—	350		Indefinite
Total intangible assets	<u>\$ 102,387</u>	<u>\$ (90,194)</u>	<u>\$ 12,193</u>		

	June 30, 2024				Weighted Average Remaining Useful Life (in years)
	Gross	Accumulated Amortization	Net		
Merchant relationships	\$ 37,847	\$ (36,741)	\$ 1,106		0.1
Developed technology	39,444	(39,311)	133		0.0
Assembled workforce	12,490	(12,490)	—		0.0
Trademarks and domains, definite	1,450	(1,165)	285		1.0
Trademarks, licenses and domains, indefinite	11,628	—	11,628		Indefinite
Other intangibles	350	—	350		Indefinite
Total intangible assets	<u>\$ 103,209</u>	<u>\$ (89,707)</u>	<u>\$ 13,502</u>		

Amortization expense for intangible assets was \$0.6 million and \$1.2 million for the three and six months ended December 31, 2024, respectively, and \$2.9 million and \$17.1 million for the three and six months ended

December 31, 2023, respectively. No impairment losses related to intangible assets were recorded during the three and six months ended December 31, 2024 and 2023.

The expected future amortization expense of these intangible assets as of December 31, 2024 is as follows, by fiscal year (in thousands):

2025 (remaining six months)	\$	120
2026		149
2027		15
2028		—
2029 and thereafter		—
Total amortization expense	\$	<u>284</u>

Commercial Agreement Assets

In November 2021, we granted warrants in connection with our commercial agreements with certain subsidiaries of Amazon.com, Inc. (“Amazon”). The warrants were granted in exchange for certain performance provisions and the benefit of acquiring new users. We recognized an asset of \$133.5 million associated with the portion of the warrants that were fully vested upon grant. The asset was valued based on the fair value of the warrants and represents the probable future economic benefit to be realized over the expected benefit period of four years. For the three and six months ended December 31, 2024, we recognized amortization expense of \$5.2 million and \$10.4 million, respectively, and \$10.4 million and \$20.9 million for the three and six months ended December 31, 2023, respectively, in our interim condensed consolidated statements of operations and comprehensive income (loss) as a component of sales and marketing expense. Refer to Note 13. Stockholders’ Equity for further discussion of the warrants.

In July 2020, we recognized an asset in connection with a commercial agreement with Shopify Inc. (“Shopify”), in which we granted warrants in exchange for the opportunity to acquire new merchant partners. This asset represents the probable future economic benefit to be realized over the expected benefit period and is valued based on the fair value of the warrants on the grant date. We recognized an asset of \$270.6 million associated with the fair value of the warrants, which were fully vested as of December 31, 2024. During fiscal year 2022, the expected benefit period was extended from four to six years upon the execution of the commercial agreement term. The benefit period is reevaluated each reporting period. For both the three and six months ended December 31, 2024 and December 31, 2023, we recorded amortization expense related to the commercial agreement asset of \$9.0 million and \$18.1 million, in our interim condensed consolidated statements of operations and comprehensive income (loss) as a component of sales and marketing expense.

Other Assets

Other assets consisted of the following (in thousands):

	December 31, 2024	June 30, 2024
Processing reserves	\$ 92,550	\$ 55,754
Risk sharing asset	44,969	33,884
Equity securities, at cost	41,927	37,806
Prepaid expenses	33,381	28,799
Prepaid payroll taxes for stock-based compensation	23,219	21,395
Fixed term deposit	22,028	35,203
Foreign deferred tax asset	17,881	21,206
Operating lease right-of-use assets	17,472	21,863
Other receivables	13,164	18,263
Derivative instruments	7,676	17,207
Other assets	10,690	7,960
Total other assets	<u>\$ 324,957</u>	<u>\$ 299,340</u>

Accrued Expenses and Other Liabilities

Accrued expenses and other liabilities consisted of the following (in thousands):

	December 31, 2024	June 30, 2024
Accrued expenses	\$ 74,200	\$ 59,613
Operating lease liability	32,033	39,493
Collateral held for derivative instruments	8,174	17,643
Other liabilities	41,161	30,680
Total accrued expenses and other liabilities	<u>\$ 155,568</u>	<u>\$ 147,429</u>

6. Leases

We lease facilities under operating leases with various expiration dates through 2030. We have the option to renew or extend our leases. Certain lease agreements include the option to terminate the lease with prior written notice ranging from nine months to one year. As of December 31, 2024, we have not considered such provisions in the determination of the lease term, as it is not reasonably certain these options will be exercised. Leases have remaining terms that range from less than one year to six years.

Several leases require us to obtain standby letters of credit, naming the lessor as a beneficiary. These letters of credit act as security for the faithful performance by us of all terms, covenants and conditions of the lease agreement. We are required to post collateral for the letters of credit in the form of cash or eligible securities. As of December 31, 2024, the collateral totaled \$5.9 million, which was in the form of securities that have been classified as securities available for sale at fair value in the interim condensed consolidated balance sheets. As of June 30, 2024, the collateral totaled \$8.8 million, of which \$2.0 million was in the form of cash that was classified as restricted cash, and \$6.8 million was in the form of securities which was classified as securities available for sale at fair value on our consolidated balance sheets.

No impairment charge was incurred related to leases during the three and six months ended December 31, 2024. No impairment charge was incurred related to leases during the three months ended December 31, 2023. During the six months ended December 31, 2023, we subleased a portion of our leased office space in San Francisco, resulting in an impairment charge of \$0.8 million, included in general and administrative expense on our interim condensed consolidated statements of operations and comprehensive income (loss).

Operating lease expense is as follows (in thousands):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Operating lease expense ⁽¹⁾	\$2,865	\$2,946	\$5,718	\$5,932

⁽¹⁾ Lease expenses for our short-term leases were immaterial for the periods presented.

We have subleased a portion of our leased facilities. Sublease income totaled \$1.2 million and \$2.5 million during the three and six months ended December 31, 2024, respectively, and \$1.2 million and \$2.1 million during the three and six months ended December 31, 2023, respectively.

Lease term and discount rate information are summarized as follows:

	December 31, 2024
Weighted average remaining lease term (in years)	2.9
Weighted average discount rate	5.1%

As of December 31, 2024, future minimum lease payments are as follows, by fiscal year (in thousands):

2025 (remaining six months)	\$	8,399
2026		15,811
2027		3,046
2028		2,185
2029		2,240
Thereafter		3,273
Total lease payments		34,954
Less imputed interest		(2,921)
Present value of total lease liabilities	\$	32,033

7. Commitments and Contingencies

Loan Repurchase Obligations

Under the normal terms of our whole loan sales to third-party investors, we may become obligated to repurchase loans from investors in certain instances where a breach in representations and warranties is identified. Generally, a breach in representations and warranties could occur where a loan has been identified as subject to verified or suspected fraud, or in cases where a loan was serviced or originated in violation of Affirm's guidelines. We would only experience a loss if the contractual repurchase price of the loan exceeds the fair value on the repurchase date. As of December 31, 2024, the aggregate outstanding balance of loans held by third-party investors or unconsolidated VIEs was \$6.9 billion, of which we have recorded a repurchase liability of \$4.0 million within accrued expenses and other liabilities in our interim condensed consolidated balance sheets.

Legal Proceedings

From time to time, we are subject to legal proceedings and claims in the ordinary course of business. The results of such matters often cannot be predicted with certainty. In accordance with applicable accounting guidance, we establish an accrued liability for legal proceedings and claims when those matters present loss contingencies which are both probable and reasonably estimable.

Kusnier v. Affirm Holdings, Inc.

On December 8, 2022, plaintiff Mark Kusnier filed a putative class action lawsuit against Affirm, Max Levchin, and Michael Linford in the U.S. District Court for the Northern District of California (the “Kusnier action”). On May 5, 2023, plaintiffs Kusnier and Chris Meinsen filed their first amended complaint alleging that the defendants (i) caused Affirm to make materially false and/or misleading statements and/or failed to disclose that Affirm’s BNPL service facilitated excessive consumer debt (including with respect to certain for-profit educational institutions), regulatory arbitrage, and data harvesting; (ii) made false and/or misleading statements about certain public regulatory actions; and (iii) made false and/or misleading statements about whether Affirm’s business model was vulnerable to interest rate changes. On December 20, 2023, the Court granted Affirm’s motion to dismiss the first amended complaint with leave to amend. On January 19, 2024, plaintiffs filed their second amended complaint, which contains only the allegations from the first amended complaint relating to false and/or misleading statements about whether Affirm’s business model was vulnerable to interest rate changes. In light of the above, plaintiffs assert that Affirm violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder, and that Levchin and Linford violated Section 20(a) of the Exchange Act. Plaintiffs seek class certification, unspecified compensatory and punitive damages, and costs and expenses. Affirm filed its motion to dismiss the second amended complaint on February 2, 2024. On August 26, 2024, the Court granted Affirm’s motion to dismiss with leave to amend. On September 23, 2024, plaintiffs filed a motion for leave to file a motion for reconsideration of the Court’s Order granting Affirm’s motion to dismiss.

Quiroga v. Levchin, et al.

On March 29, 2023, plaintiff John Quiroga filed a shareholder derivative lawsuit in the U.S. District Court for the Northern District of California (the “Quiroga action”) against Affirm, as a nominal defendant, and certain of Affirm’s current officers and directors as defendants based on allegations substantially similar to those in the Kusnier action at the time of filing. The Quiroga complaint purports to assert claims on Affirm’s behalf for contribution under the federal securities laws, breaches of fiduciary duty, unjust enrichment, and waste of corporate assets, and seeks corporate reforms, unspecified damages and restitution, and fees and costs. On May 1, 2023, the action was stayed by agreement of the parties. The stay can be lifted at the request of either party or upon certain conditions relating to the resolution of the Kusnier action.

Jeffries v. Levchin, et al.

On May 24, 2023, plaintiff Sabrina Jeffries filed a shareholder derivative lawsuit in the U.S. District Court for the Northern District of California (the “Jeffries action”) against Affirm, as a nominal defendant, and certain of Affirm’s current officers and directors as defendants based on allegations substantially similar to those in the Kusnier and Quiroga actions at the time of filing. The Jeffries complaint purports to assert claims on Affirm’s behalf for breach of fiduciary duties, making false statements under federal securities law, unjust enrichment, waste of corporate assets, and aiding and abetting breach of fiduciary duties, and seeks unspecified damages, equitable relief, and fees and costs. On August 15, 2023, the action was stayed by agreement of the parties. The stay can be lifted at the request of either party or upon certain conditions relating to the resolution of the Kusnier action.

Vallieres v. Levchin, et al.

On September 14, 2023, plaintiff Michael Vallieres filed a shareholder derivative lawsuit in the U.S. District Court for the District of Delaware against Affirm, as a nominal defendant, and certain of Affirm’s current officers and directors as defendants based on allegations substantially similar to those in the Kusnier, Quiroga, and Jeffries actions at the time of filing. The Vallieres complaint purports to assert claims on Affirm’s behalf for breach of fiduciary duties, gross management, abuse of control, unjust enrichment, and contribution, and seeks unspecified damages, equitable relief, and fees and costs. On November 30, 2023, the case was stayed by agreement of the parties.

We have determined, based on current knowledge, that the aggregate amount or range of losses that are estimable with respect to our legal proceedings, including the matters described above, would not have a material adverse effect on our consolidated financial position, results of operations or cash flows. Amounts accrued as of December 31, 2024 were not material. The ultimate outcome of legal proceedings involves judgments, estimates and inherent uncertainties, and cannot be predicted with certainty.

8. Debt

Debt outstanding as of December 31, 2024 includes amounts classified on our consolidated balance sheets as funding debt, notes issued by securitization trusts, and convertible senior notes. Secured debt includes borrowings from our warehouse facilities, variable funding notes, notes issued by securitization trusts and sale and repurchase agreements, Unsecured debt includes outstanding convertible senior notes. Our unsecured revolving credit facility did not have any borrowings outstanding as of December 31, 2024.

The following table summarizes the components and terms of our secured and unsecured debt as of December 31, 2024 (in thousands):

	Total Capital Capacity	Interest Rate Spread ⁽²⁾		Unused Commitment Fees	Maturity by Fiscal Year	Pledged Collateral ⁽³⁾	Total Outstanding	
		Min - Max	Weighted Average					
Funding debt								
US warehouse facilities	4,731,418	1.65% - 2.05%	1.87%	0.00% - 0.75%	2025 - 2027	1,976,582	1,696,273	
International warehouse facilities ⁽¹⁾	598,718	1.25% - 4.25%	1.70%	0.30% - 0.45%	2028 - 2030	453,846	372,147	
Variable funding notes	350,000	1.50%		0.30%	2032	66,954	61,336	
Sales and repurchase agreements		5.79% - 6.66%			2025 -2029	66,933	48,751	
Notes issued by securitization trusts	4,000,000	4.62% - 11.32%	6.28%		2028 - 2030	4,217,842	4,000,000	
Convertible senior notes:								
2026 Notes		—%			2027		248,704	
2029 Notes		0.75%			2030		920,000	
Revolving credit facility ⁽⁴⁾	330,000	0.75% - 1.75%		0.20%	2027		—	
Total, before unamortized debt issuance costs, premiums and discounts							\$	7,347,212
Less: unamortized debt issuance costs, premiums and discounts ⁽⁵⁾								(40,471)
Total							\$	7,306,741

⁽¹⁾ As of December 31, 2024, international facilities finance the origination of loan receivables in Canada and are denominated in CAD.

⁽²⁾ Reference rates as of December 31, 2024 under our U.S. facilities bear interest at an annual benchmark rate of Secured Overnight Financing Rate (“SOFR”) or an alternative commercial paper rate plus an applicable spread. Reference rates as of December 31, 2024 under our international facilities bear interest at an annual benchmark rate of the Canadian Overnight Repo Rate Average (“CORRA”), Government of Canadian benchmark bond yields, or an alternative commercial paper rate plus an applicable spread. As debt arrangements are renewed, the reference rate and/or spread are subject to change.

⁽³⁾ As of December 31, 2024, represents the unpaid principal balance of loans, pledged as collateral for borrowings in our facilities, except for our sales and repurchase agreements which are collateralized by the retained securitization notes receivables and certificates.

⁽⁴⁾ This facility bears interest at a rate equal to, either (a) for SOFR borrowing, a SOFR rate determined by reference to the forward-looking term SOFR rate for the interest period, plus an applicable margin of 1.75% per annum or (b) for alternative base rate borrowings, a base rate determined by reference to the highest of (i) the federal funds rate plus 0.50% per annum, (ii) the rate last quoted by the Wall Street Journal as the U.S. prime rate and (iii) the one-month forward-looking term SOFR rate plus 1.00% per annum, in each case, plus an applicable margin of 0.75% per annum.

⁽⁵⁾ As of December 31, 2024, includes convertible senior notes debt issuance costs for the 2026 and 2029 Notes of \$1.1 million and \$16.5 million, respectively.

Funding Debt

Warehouse Credit Facilities

Through certain consolidated subsidiaries, which are typically trusts, we enter into secured borrowing arrangements with banks and other financial institutions. Through each of these subsidiaries we enter into a loan or credit and security agreement where we borrow against loans pledged as collateral. Financing terms, including the advance rate and financing spread, vary across these revolving facilities and generally depend on the types of collateral that may be pledged and respective concentration limits. The revolving period for each facility generally ends 4 - 12 months prior to the final maturity date, after which additional borrowings are not permitted. Advance rates range from 70% to 86% of the collateralized balance with respect to U.S. borrowing facilities and 67% to 88% of the collateralized balance with respect to facilities used to finance loans originated outside of the U.S., including Canada.

Borrowings under these agreements are classified as funding debt within our interim condensed consolidated balance sheets and proceeds from the borrowings can only be used for the purposes of facilitating loan funding and origination. These borrowing facilities are bankruptcy-remote special-purpose vehicles in which creditors do not have recourse against the general credit of Affirm.

Our funding debt agreements contain certain customary negative covenants and financial covenants including maintaining certain levels of minimum liquidity, maximum leverage, and minimum tangible net worth. As of December 31, 2024, we were in compliance with all applicable covenants in the agreements.

Variable Funding Note

On October 29, 2024, we entered into a syndicated revolving loan agreement through a securitization master trust which will be utilized to fund the purchase and origination of loans. In connection with the loan agreement, the master trust issued a variable funding note ("VFN"), where borrowings will be secured by loan collateral sold to the master trust. Throughout the reinvestment period of the VFN, the master trust will periodically issue asset-backed securitization notes, where securitization note proceeds will affect the level of utilization of the VFN. Outstanding borrowings under the VFN are classified as funding debt within our interim condensed consolidated balance sheets.

Sale and Repurchase Agreements

We entered into certain sale and repurchase agreements pursuant to our retained interests in our off-balance sheet securitizations where we have sold these securities to a counterparty with an obligation to repurchase at a future date and price. These repurchase agreements can have an initial term of either three months or a term equaling the contractual life of the securitization notes pledged. When applicable, we may enter into one or more repurchase date extensions, each for an additional three-month term or as mutually agreed upon with the counterparty at market interest rates on such extension date. We record the debt outstanding under our sale and repurchase agreements within our funding debt in the interim condensed consolidated balance sheets.

Notes Issued by Securitization Trusts

We issue asset-backed notes through securitization trusts using a combination of term, amortizing and revolving structures. Each trust may issue one or more classes of notes, which will be repaid through collections on the loans in accordance with the trust priority of payments. For consolidated securitization trusts, asset-backed notes held by third-party investors are classified as notes issued by securitization trusts in the interim condensed consolidated balance sheets. Refer to Note 9 Securitization and Variable Interest Entities for additional information.

Convertible Senior Notes

2029 Notes

On December 20, 2024, we issued approximately \$920 million in aggregate principal amount of 0.75% convertible senior notes due 2029 (the “2029 Notes”) in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. The total net proceeds from this offering, after deducting debt issuance costs, were approximately \$903 million. The 2029 Notes represent senior unsecured obligations of the Company. The 2029 Notes will bear interest at a fixed rate of 0.75% per year, payable semiannually in arrears on June 15 and December 15 of each year, beginning on June 15, 2025. The 2029 Notes mature on December 15, 2029, unless such Notes are earlier converted, redeemed or repurchased in accordance with their terms.

Each \$1,000 of principal of the 2029 Notes will initially be convertible into 9.8992 shares of our common stock, which is equivalent to an initial conversion price of approximately \$101.02 per share, subject to adjustment upon the occurrence of certain specified events set forth in the indenture governing the 2029 Notes (the “2029 Indenture”). Holders of the 2029 Notes may convert their 2029 Notes at their option at any time on or after September 15, 2029 until close of business on the second scheduled trading day immediately preceding the maturity date of December 15, 2029. Further, holders of the 2029 Notes may convert all or any portion of their 2029 Notes at their option prior to the close of business on the business day immediately preceding September 15, 2029, only under the following circumstances:

- 1) during any calendar quarter commencing after the calendar quarter ending on March 31, 2025 (and only during such calendar quarter), if the last reported sale price of the Class A common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day;
- 2) during the five business day period after any five consecutive trading day period (the measurement period) in which the trading price (as defined in the indenture governing the 2029 Notes) per \$1,000 principal amount of the 2029 Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of the Company’s Class A common stock and the conversion rate on each such trading day;
- 3) if the Company calls any or all of the notes for redemption, at any time prior to the close of business on the scheduled trading day immediately preceding the redemption date; or
- 4) upon the occurrence of certain specified corporate events.

Upon conversion of the 2029 Notes, the Company will pay cash up to the aggregate principal amount of the notes to be converted and pay or deliver, as the case may be, cash, shares of our common stock or a combination of cash and shares of our common stock, at the Company’s election, in respect of the remainder, if any, of the conversion obligation in excess of the aggregate principal amount of the notes being converted. If we satisfy our conversion obligation solely in cash or through payment and delivery, as the case may be, of a combination of cash and shares of our common stock, the amount of cash and shares of common stock, if any, due upon conversion will be based on a daily conversion value (as set forth in the “2029 Indenture”) calculated on a proportionate basis for each trading day in a 40 trading day observation period.

No sinking fund is provided for the 2029 Notes. We may redeem for cash all or part of the 2029 Notes on or after December 20, 2027 if the last reported sale price of our Class A common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day

immediately preceding the date on which we provide notice of redemption at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest, if any.

If a fundamental change (as defined in the 2029 Indenture) occurs prior to the maturity date, holders of the 2029 Notes may require us to repurchase all or a portion of their notes for cash at a repurchase price equal to 100% of the principal amount of the 2029 Notes, plus any accrued and unpaid interest to, but excluding, the repurchase date. In addition, if specific corporate events occur prior to the maturity date of the 2029 Notes, we will be required to increase the conversion rate for holders who elect to convert their 2029 Notes in connection with such corporate events.

2026 Notes

On November 23, 2021, we issued \$1,725 million in aggregate principal amount of 0% convertible senior notes due 2026 (the “2026 Notes”) in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. The total net proceeds from this offering, after deducting debt issuance costs, were approximately \$1,704 million. The 2026 Notes represent senior unsecured obligations of the Company. The 2026 Notes do not bear interest except in special circumstances described below, and the principal amount of the 2026 Notes does not accrete. The 2026 Notes mature on November 15, 2026.

Each \$1,000 of principal of the 2026 Notes will initially be convertible into 4.6371 shares of our common stock, which is equivalent to an initial conversion price of approximately \$215.65 per share, subject to adjustment upon the occurrence of certain specified events set forth in the indenture governing the 2026 Notes (the “2026 Indenture”). Holders of the 2026 Notes may convert their 2026 Notes at their option at any time on or after August 15, 2026 until close of business on the second scheduled trading day immediately preceding the maturity date of November 15, 2026. Further, holders of the 2026 Notes may convert all or any portion of their 2026 Notes at their option prior to the close of business on the business day immediately preceding August 15, 2026, only under the following circumstances:

- 1) during any calendar quarter commencing after March 31, 2022 (and only during such calendar quarter), if the last reported sale price of the Class A common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day;
- 2) during the five business day period after any five consecutive trading day period (the measurement period) in which the trading price (as defined in the indenture governing the 2026 Notes) per \$1,000 principal amount of the 2026 Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of the Company’s Class A common stock and the conversion rate on each such trading day;
- 3) if the Company calls any or all of the notes for redemption, at any time prior to the close of business on the scheduled trading day immediately preceding the redemption date; or
- 4) upon the occurrence of certain specified corporate events.

Upon conversion of the 2026 Notes, the Company will pay cash up to the aggregate principal amount of the notes to be converted and pay or deliver, as the case may be, cash, shares of our common stock or a combination of cash and shares of our common stock, at the Company’s election, in respect of the remainder, if any, of the conversion obligation in excess of the aggregate principal amount of the notes being converted. If we satisfy our conversion obligation solely in cash or through payment and delivery, as the case may be, of a combination of cash and shares of our common stock, the amount of cash and shares of common stock, if any, due upon conversion will be based on a daily conversion value (as set forth in the “2026 Indenture”) calculated on a proportionate basis for each trading day in a 40 trading day observation period.

No sinking fund is provided for the 2026 Notes. We may not redeem the notes prior to November 20, 2024. We may redeem for cash all or part of the notes on or after November 20, 2024 if the last reported sale price of our Class A common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which we provide notice of redemption at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid special interest, if any.

If a fundamental change (as defined in the 2026 Indenture) occurs prior to the maturity date, holders of the 2026 Notes may require us to repurchase all or a portion of their notes for cash at a repurchase price equal to 100% of the principal amount of the 2026 Notes, plus any accrued and unpaid interest to, but excluding, the repurchase date. In addition, if specific corporate events occur prior to the maturity date of the 2026 Notes, we will be required to increase the conversion rate for holders who elect to convert their 2026 Notes in connection with such corporate events.

Repurchase of a Portion of the 2026 Notes

On December 6, 2023, the Board of Directors authorized the repurchase of up to \$800 million in aggregate principal amount of the 2026 Notes through open market purchases, privately negotiated purchases, purchase plans under Rule 10b5-1 of the Securities Exchange Act of 1934, as amended (“Rule 10b5-1”), or through a combination thereof, through December 31, 2024. On December 13, 2024, the Board of Directors replaced the December 2023 authorization with an authorization to repurchase up to \$960 million in aggregate principal amount of the 2026 Notes through December 31, 2024. In connection with these authorizations, during the three and six months ended December 31, 2024, we paid \$892.8 million and \$1,012.9 million, respectively, in cash for the repurchase of \$960.0 million and \$1,100.5 million, respectively, aggregate principal amount of our 2026 Notes. The carrying amount of the extinguished 2026 Notes was approximately \$955.6 million and \$1,095.3 million resulting in a \$62.8 million and \$82.4 million gain on early extinguishment of debt for the three and six months ended December 31, 2024, respectively, which is reported as a component of other income, net within our interim consolidated statements of operations and comprehensive income (loss). The repurchased 2026 Notes were received and canceled. We utilized a combination of cash on hand and the net proceeds from the issuance of the 2029 Notes for these repurchases. There were no repurchases of 2026 Notes during the three and six month periods ended December 31, 2023, respectively.

On November 5, 2024, the Board of Directors authorized the repurchase of up to \$500 million in aggregate principal amount of the 2026 Notes. Note repurchases under the November 2024 authorization may be made from time to time during the period commencing January 1, 2025 through December 31, 2025 through open market purchases, privately negotiated purchases, purchase plans under Rule 10b5-1, or through a combination thereof. Repurchases are subject to available liquidity, general market and economic conditions, alternate uses for the capital, and other factors, and there is no minimum principal amount of 2026 Notes that the Company is obligated to repurchase. As of December 31, 2024, \$248.7 million in aggregate principal amount of the 2026 Notes remains outstanding.

The following table summarizes the interest expense recognized related to the convertible senior notes (in thousands):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Amortization of debt issuance costs ⁽¹⁾				
2026 Notes	\$ 658	\$ 872	\$ 1,427	\$ 1,745
2029 Notes	110	—	110	—
Total amortization of debt issuance costs	\$ 768	\$ 872	\$ 1,537	\$ 1,745
Coupon interest expense ⁽¹⁾⁽²⁾	227	—	227	—
Total interest expenses related to the convertible notes	\$ 995	\$ 872	\$ 1,764	\$ 1,745

⁽¹⁾ Included in our interim condensed consolidated statement of operations and comprehensive income (loss) within other income, net.

⁽²⁾ The coupon interest expense is related to the 2029 Notes.

As of December 31, 2024, the remaining life of the 2026 Notes and 2029 Notes is approximately 23 months and 59 months, respectively.

Revolving Credit Facility

On December 16, 2024, we entered into an amendment to our Revolving Credit Agreement in order to permit the incurrence of indebtedness pursuant to the 2029 Senior Convertible Notes. The facility contains certain financial covenants which may result in an acceleration of the maturity if not maintained, and requires payment of a monthly unused commitment fee of 0.20% per annum on the undrawn balance available. As of December 31, 2024, we were in compliance with all applicable covenants in the agreements.

The aggregate future maturities of our funding debt, notes issued by securitization trusts and convertible notes consists of the following (in thousands):

Maturity Fiscal Year	December 31, 2024
2025	\$ 340,152
2026	809,118
2027 ⁽¹⁾	502,373
2028	1,445,282
2029	2,409,177
Thereafter ⁽¹⁾	1,841,110
Total	\$ 7,347,212
Deferred debt issuance costs	(40,471)
Total funding debt, net of deferred debt issuance costs	\$ 7,306,741

⁽¹⁾ As of December 31, 2024, includes convertible senior notes due 2026 and 2029 with a carrying amounts of \$248.7 million and \$920.0 million, respectively.

9. Securitization and Variable Interest Entities

Consolidated VIEs

Warehouse Credit Facilities

We established certain entities, deemed to be VIEs, to enter into warehouse credit facilities for the purpose of purchasing loans from our originating bank partners and funding directly originated loans. Refer to Note 8. Debt for additional information. The creditors of the VIEs have no recourse to the general credit of Affirm and the liabilities of the VIEs can only be settled by the respective VIEs' assets; however, as the servicer of the loans pledged to our funding facilities, we have the power to direct the activities that most significantly impact the VIEs' economic performance. In addition, we retain significant economic exposure to the pledged loans and therefore, we are the primary beneficiary.

Securizations

We finance the origination and purchase of loans through our asset-backed securitization program using a combination of amortizing, revolving and variable funding structures. In connection with our program, we sponsor and establish trusts (deemed to be VIEs) which issue securities collateralized by the loans we sell to the trust. Securities issued from our asset-backed securitizations are senior or subordinated, based on the waterfall criteria of loan payments to each security class. The subordinated residual interests issued from these transactions are first to absorb credit losses in accordance with the waterfall criteria. For these VIEs, the creditors have no recourse to the general credit of Affirm and the liabilities of the VIEs can only be settled by the respective VIEs' assets. Additionally, the assets of the VIEs can be used only to settle obligations of the VIEs.

We consolidate securitization VIEs when we are deemed to be the primary beneficiary and therefore have the power to direct the activities that most significantly affect the VIEs' economic performance and a variable interest that could potentially be significant to the VIE. Through our role as the servicer, we have the power to direct the activities that most significantly affect the VIEs' economic performance. In evaluating whether we have a variable interest that could potentially be significant to the VIE, we consider our retained interests. We also earn a servicing fee which has a senior distribution priority in the payment waterfall.

In evaluating whether we are the primary beneficiary, management considers both qualitative and quantitative factors regarding the nature, size and form of our involvement with the VIEs. Management assesses whether we are the primary beneficiary of the VIEs on an ongoing basis.

Where we consolidate the securitization trusts, the loans held in the securitization trusts are included in loans held for investment, and the notes sold to third-party investors are recorded in notes issued by securitization trusts in the interim condensed consolidated balance sheets.

For each securitization, the residual trust certificates represent the right to receive excess cash on the loans each collection period after all fees and required distributions have been made to the note holders on the related payment date. In addition to the retained residual trust certificates, our continued involvement includes loan servicing responsibilities over the life of the underlying loans.

We defer and amortize debt issuance costs for consolidated securitization trusts on a straight-line basis over the expected life of the notes.

The following tables present the aggregate carrying value of financial assets and liabilities from our involvement with consolidated VIEs (in thousands):

	December 31, 2024		
	Assets	Liabilities	Net Assets
Warehouse credit facilities	\$ 2,399,906	\$ 2,078,553	\$ 321,353
Securitizations ⁽¹⁾	4,167,236	4,060,582	106,654
Total consolidated VIEs	\$ 6,567,142	\$ 6,139,135	\$ 428,007

	June 30, 2024		
	Assets	Liabilities	Net Assets
Warehouse credit facilities	\$ 2,052,881	\$ 1,823,794	\$ 229,087
Securitizations	3,325,254	3,246,228	79,026
Total consolidated VIEs	\$ 5,378,135	\$ 5,070,022	\$ 308,113

⁽¹⁾ As of December 31, 2024, liabilities include \$60.3 million of VFN classified as funding debt and \$4.0 billion of asset-backed notes classified as notes issued from securitization trusts.

Unconsolidated VIEs

Our transactions with unconsolidated VIEs include securitization trusts where we did not retain significant economic exposure through our variable interests and therefore we determined that we are not the primary beneficiary as of December 31, 2024.

The following information pertains to unconsolidated VIEs where we hold a variable interest but are not the primary beneficiary (in thousands):

	December 31, 2024			
	Assets	Liabilities	Net Assets	Maximum Exposure to Losses
Securitizations	\$ 1,300,463	\$ 1,236,637	\$ 63,826	\$ 69,735
Total unconsolidated VIEs	\$ 1,300,463	\$ 1,236,637	\$ 63,826	\$ 69,735

	June 30, 2024			
	Assets	Liabilities	Net Assets	Maximum Exposure to Losses
Securitizations	\$ 967,256	\$ 920,004	\$ 47,252	\$ 51,861
Total unconsolidated VIEs	\$ 967,256	\$ 920,004	\$ 47,252	\$ 51,861

Maximum exposure to losses represents our exposure through our continuing involvement as servicer and through our retained interests. For unconsolidated VIEs, this includes \$69.1 million in retained notes and residual trust certificates disclosed within securities available for sale at fair value in our interim condensed consolidated balance sheets and \$0.7 million related to our net servicing assets disclosed within our interim condensed consolidated balance sheets as of December 31, 2024.

Additionally, we may experience a loss due to future repurchase obligations resulting from breaches in representations and warranties in our securitization and third-party sale agreements. This amount was not material as of December 31, 2024.

Retained Beneficial Interests in Unconsolidated VIEs

The investors of the securitizations have no direct recourse to the assets of Affirm, and the timing and amount of beneficial interest payments is dependent on the performance of the underlying loan assets held within each trust. We have classified our retained beneficial interests in unconsolidated securitization trusts as “available for sale” and as such they are disclosed at fair value in our interim condensed consolidated balance sheets.

Refer to Note 12. Fair Value of Financial Assets and Liabilities for additional information on the fair value sensitivity of the notes receivable and residual trust certificates. Additionally, as of December 31, 2024, we have pledged certain of our retained beneficial interests as collateral in a sale and repurchase agreement as described in Note 8. Debt.

10. Investments

Marketable Securities

Marketable securities include certain investments classified as cash and cash equivalents and securities available for sale, at fair value, and consist of the following as of each date presented within the interim condensed consolidated balance sheets (in thousands):

	December 31, 2024	June 30, 2024
Cash and cash equivalents:		
Money market funds	\$ 115,063	\$ 63,389
Commercial paper	—	57,964
Government bonds - US	—	3,492
Securities available for sale:		
Certificates of deposit	17,347	34,473
Corporate bonds	204,294	242,660
Commercial paper	51,293	239,882
Agency bonds	13,319	15,159
Municipal bonds	5,195	3,953
Government bonds		
Non-US	3,156	5,275
US ⁽¹⁾	303,029	538,556
Securitization notes receivable and certificates ⁽²⁾	69,051	51,670
Total marketable securities:	\$ 781,747	\$ 1,256,473

⁽¹⁾ As of December 31, 2024 and June 30, 2024, these securities include \$73.8 million and \$54.1 million, respectively, pledged as collateral in connection with our standby letters of credit for office leases and certain commercial agreements.

⁽²⁾ These securities include \$66.9 million and \$46.7 million as of December 31, 2024 and June 30, 2024, respectively, pledged as collateral in connection with sale and repurchase agreements as discussed within Note 8. Debt.

Securities Available for Sale, at Fair Value

The amortized cost, gross unrealized gains and losses, allowance for credit losses, and fair value of securities available for sale as of December 31, 2024 and June 30, 2024 were as follows (in thousands):

	December 31, 2024				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
Certificates of deposit	\$ 17,327	\$ 20	\$ —	\$ —	\$ 17,347
Corporate bonds	203,942	613	(261)	—	204,294
Commercial paper	51,248	45	—	—	51,293
Agency bonds	13,324	13	(18)	—	13,319
Municipal bonds	5,184	11	—	—	5,195
Government bonds					
Non-US	3,161	—	(5)	—	3,156
US ⁽²⁾	302,799	517	(287)	—	303,029
Securitization notes receivable and certificates ⁽³⁾	70,273	70	(49)	(1,243)	69,051
Total securities available for sale	<u>\$ 667,258</u>	<u>\$ 1,289</u>	<u>\$ (620)</u>	<u>\$ (1,243)</u>	<u>\$ 666,684</u>
	June 30, 2024				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
Certificates of deposit	\$ 34,468	\$ 9	\$ (4)	\$ —	\$ 34,473
Corporate bonds	243,639	95	(1,074)	—	242,660
Commercial paper ⁽¹⁾	298,005	7	(166)	—	297,846
Agency bonds	15,283	—	(124)	—	15,159
Municipal bonds	3,943	10	—	—	3,953
Government bonds					
Non-US	5,310	—	(35)	—	5,275
US ⁽¹⁾⁽²⁾	543,421	33	(1,406)	—	542,048
Securitization notes receivable and certificates ⁽³⁾	51,726	699	(91)	(664)	51,670
Total securities available for sale	<u>\$ 1,195,795</u>	<u>\$ 853</u>	<u>\$ (2,900)</u>	<u>\$ (664)</u>	<u>\$ 1,193,084</u>

⁽¹⁾ As of June 30, 2024, Commercial paper and US government bonds include \$61.5 million classified as cash and cash equivalents within the interim condensed consolidated balance sheets.

⁽²⁾ As of December 31, 2024 and June 30, 2024, these securities include \$73.8 million and \$54.1 million, respectively, pledged as collateral in connection with our standby letters of credit for office leases and certain commercial agreements.

⁽³⁾ Approximately \$66.9 million and \$46.7 million as of December 31, 2024 and June 30, 2024, respectively, of these securities have been pledged as collateral in connection with sale and repurchase agreements discussed within Note 8. Debt.

As of December 31, 2024 and June 30, 2024, there were no material reversals of prior period allowance for credit losses recognized for available for sale securities.

A summary of securities available for sale with unrealized losses for which an allowance for credit losses has not been recorded, aggregated by investment category and the length of time that individual securities have been in a continuous loss position as of December 31, 2024 and June 30, 2024, are as follows (in thousands):

	December 31, 2024					
	Less than or equal to 1 year		Greater than 1 year		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Corporate bonds	\$ 15,319	\$ (98)	\$ 44,094	\$ (163)	\$ 59,413	\$ (261)
Agency bonds	4,881	(18)	—	—	4,881	(18)
Government bonds						
Non-US	3,156	(5)	—	—	3,156	(5)
US	36,301	(151)	49,344	(136)	85,645	(287)
Total securities available for sale ⁽¹⁾	<u>\$ 59,657</u>	<u>\$ (272)</u>	<u>\$ 93,438</u>	<u>\$ (299)</u>	<u>\$ 153,095</u>	<u>\$ (571)</u>

	June 30, 2024					
	Less than or equal to 1 year		Greater than 1 year		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Certificates of deposit	\$ 9,647	\$ (4)	\$ —	\$ —	\$ 9,647	\$ (4)
Corporate bonds	119,353	(252)	57,846	(822)	177,199	(1,074)
Commercial paper	245,536	(166)			245,536	(166)
Agency bonds	10,417	(41)	4,743	(83)	15,160	(124)
Government bonds						
Non-US	—	—	5,275	(35)	5,275	(35)
US	251,113	(185)	123,633	(1,221)	374,746	(1,406)
Total securities available for sale ⁽¹⁾	<u>\$ 636,066</u>	<u>\$ (648)</u>	<u>\$ 191,497</u>	<u>\$ (2,161)</u>	<u>\$ 827,563</u>	<u>\$ (2,809)</u>

⁽¹⁾ The number of positions with unrealized losses for which an allowance for credit losses has not been recorded totaled 22 and 137 as of December 31, 2024 and June 30, 2024, respectively.

The length of time to contractual maturities of securities available for sale as of December 31, 2024 and June 30, 2024 were as follows (in thousands):

	December 31, 2024					
	Within 1 year		Greater than 1 year, less than or equal to 5 years		Total	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Certificates of deposit	\$ 17,327	\$ 17,347	\$ —	\$ —	\$ 17,327	\$ 17,347
Corporate bonds	114,636	114,625	89,306	89,669	203,942	204,294
Commercial paper	51,248	51,293	—	—	51,248	51,293
Agency bonds	8,425	8,438	4,899	4,881	13,324	13,319
Municipal bonds	674	679	4,510	4,516	5,184	5,195
Government bonds						
Non-US	3,161	3,156	—	—	3,161	3,156
US	218,711	218,753	84,088	84,276	302,799	303,029
Securitization notes receivable and certificates ⁽²⁾	—	—	70,273	69,051	70,273	69,051
Total securities available for sale	\$ 414,182	\$ 414,291	\$ 253,076	\$ 252,393	\$ 667,258	\$ 666,684

	June 30, 2024					
	Within 1 year		Greater than 1 year, less than or equal to 5 years		Total	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Certificates of deposit	\$ 34,468	\$ 34,473	\$ —	\$ —	\$ 34,468	\$ 34,473
Corporate bonds	118,547	118,039	125,092	124,621	243,639	242,660
Commercial paper ⁽¹⁾	298,005	297,846	—	—	298,005	297,846
Agency bonds	10,457	10,416	4,826	4,743	15,283	15,159
Municipal bonds	—	—	3,943	3,953	3,943	3,953
Government bonds						
Non-US	2,150	2,150	3,160	3,125	5,310	5,275
US ⁽¹⁾	465,338	464,298	78,083	77,750	543,421	542,048
Securitization notes receivable and certificates ⁽²⁾	—	—	51,726	51,670	51,726	51,670
Total securities available for sale	\$ 928,965	\$ 927,222	\$ 266,830	\$ 265,862	\$ 1,195,795	\$ 1,193,084

⁽¹⁾ As of June 30, 2024, Commercial paper and US government bonds include \$61.5 million classified as cash and cash equivalents within the interim condensed consolidated balance sheets.

⁽²⁾ Based on weighted average life of expected cash flows as of December 31, 2024 and June 30, 2024.

Gross proceeds from matured or redeemed securities were \$403.1 million and \$706.5 million for the three and six months ended December 31, 2024, respectively, and \$344.2 million and \$726.0 million for the three and six months ended December 31, 2023, respectively.

For available for sale securities had realized gains of \$0.3 million for both the three and six months ended December 31, 2024 and immaterial realized gains and losses for the three and six months ended December 31, 2023.

Non-marketable Equity Securities

Equity investments without a readily determinable fair value held at cost were \$41.9 million and \$37.8 million as of December 31, 2024 and June 30, 2024, respectively, and are included in other assets within the interim condensed consolidated balance sheets.

We did not record any impairment during the three months ended December 31, 2024. We recognized an impairment of \$3.0 million for the six months ended December 31, 2024 within other income, net in the interim consolidated statements of operations and comprehensive income (loss) in connection with one of our non-marketable equity security investments. The fair value of the investment was determined utilizing a methodology based on significant unobservable inputs, including management estimates and assumptions, and thus represent Level 3 measurements. During the three and six months ended December 31, 2023, we recognized an impairment of \$14.1 million within other income, net in the interim consolidated statements of operations in connection with one of our non-marketable equity security investments.

For the three and six months ended December 31, 2024, we recognized an upward adjustment of \$2.4 million within other income, net in the interim consolidated statement of operations and comprehensive income (loss). For the three and six months ended December 31, 2023, there have been no upward or downward adjustments due to observable changes in orderly transactions.

Fixed Term Deposits

Fixed term deposits were \$22.0 million and \$35.2 million as of December 31, 2024 and June 30, 2024, respectively, consist of interest bearing deposits held at financial institutions with original maturities greater than three months but no more than twelve months. These deposits are carried at cost, which approximates fair value, and are included in other assets within the interim condensed consolidated balance sheets.

11. Derivative Financial Instruments

The following table summarizes the total fair value, including interest accruals, and outstanding notional amounts of derivative instruments as of December 31, 2024 and June 30, 2024 (in thousands):

	December 31, 2024			June 30, 2024		
	Notional Amount	Derivative Assets	Derivative Liabilities	Notional Amount	Derivative Assets	Derivative Liabilities
Derivatives designated as cash flow hedges						
Interest rate contracts - cash flow hedges	\$ —	\$ —	\$ —	\$ 150,000	\$ 4	\$ —
Derivatives not designated as hedges						
Interest rate contracts	572,441	7,676	186	854,589	17,203	38
Total gross derivative assets/liabilities	\$ 572,441	\$ 7,676	\$ 186	\$ 1,004,589	\$ 17,207	\$ 38

The following table summarizes the impact of the cash flow hedges on Accumulated Other Comprehensive Income (“AOCI”) (in thousands):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Balance at beginning of period	(85)	1,514	1,407	751
Changes in fair value	(5)	(103)	(1,273)	911
Amounts reclassified into earnings ⁽¹⁾	(84)	(511)	(308)	(762)
Balance at end of period ⁽²⁾	\$ (174)	\$ 900	\$ (174)	\$ 900

⁽¹⁾ The amounts reclassified into earnings are presented in the interim consolidated statements of income within funding costs.

⁽²⁾ As of December 31, 2024, we estimated that \$0.2 million of net derivative gains included in AOCI are expected to be reclassified into earnings within the next 12 months.

The following table summarizes the impact of the derivative instruments on income and indicates where within the interim consolidated statements of operations and comprehensive income (loss) such impact is reported (in thousands):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
The effects of cash flow hedging				
Funding costs	84	511	308	762
The effects of derivatives not designated in hedging relationships				
Other income, net	2,705	(5,708)	(1,248)	(1,729)

12. Fair Value of Financial Assets and Liabilities

Financial Assets and Liabilities Recorded at Fair Value

The following tables present information about our assets and liabilities that are measured at fair value on a recurring basis as of December 31, 2024 and June 30, 2024 (in thousands):

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents:				
Money market funds	\$ 115,063	\$ —	\$ —	\$ 115,063
Commercial paper	—	—	—	—
Securities, available for sale:				
Certificates of deposit	—	17,347	—	17,347
Corporate bonds	—	204,294	—	204,294
Commercial paper	—	51,293	—	51,293
Agency bonds	—	13,319	—	13,319
Municipal bonds	—	5,195	—	5,195
Government bonds:				
Non-US	—	3,156	—	3,156
US	—	303,029	—	303,029
Securitization notes receivable and residual trust certificates	—	—	69,051	69,051
Servicing assets	—	—	806	806
Derivative instruments	—	7,676	—	7,676
Risk sharing asset	—	—	44,969	44,969
Total assets	\$ 115,063	\$ 605,309	\$ 114,826	\$ 835,198
Liabilities:				
Servicing liabilities	\$ —	\$ —	\$ 237	\$ 237
Performance fee liability	—	—	1,773	1,773
Profit share liability	—	—	6,111	6,111
Risk sharing liability	—	—	1,498	1,498
Derivative instruments	—	186	—	186
Total liabilities	\$ —	\$ 186	\$ 9,619	\$ 9,805

	June 30, 2024			
	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents:				
Money market funds	\$ 63,389	\$ —	\$ —	\$ 63,389
Commercial paper	—	57,964	—	57,964
Government bonds- US	—	3,492	—	3,492
Securities, available for sale:				
Certificates of deposit	—	34,473	—	34,473
Corporate bonds	—	242,660	—	242,660
Commercial paper	—	239,882	—	239,882
Agency bonds	—	15,159	—	15,159
Municipal bonds	—	3,953	—	3,953
Government bonds:				
Non-US	—	5,275	—	5,275
US	—	538,556	—	538,556
Securitization notes receivable and residual trust certificates	—	—	51,670	51,670
Servicing assets	—	—	574	574
Derivative instruments	—	17,207	—	17,207
Risk sharing asset	—	—	33,884	33,884
Total assets	\$ 63,389	\$ 1,158,621	\$ 86,128	\$ 1,308,138
Liabilities:				
Servicing liabilities	\$ —	\$ —	\$ 743	\$ 743
Performance fee liability	—	—	1,503	1,503
Profit share liability	—	—	1,974	1,974
Risk sharing liability	—	—	918	918
Derivative Instruments	—	38	—	38
Total liabilities	\$ —	\$ 38	\$ 5,138	\$ 5,176

As of December 31, 2024 and June 30, 2024, there were no transfers between levels.

Assets and Liabilities Measured at Fair Value on a Recurring Basis (Level 2)

Marketable Securities

As of December 31, 2024, we held marketable securities classified as cash and cash equivalents and securities available for sale. Management obtains pricing from one or more third-party pricing services for the purpose of determining fair value. Whenever available, the fair value is based on quoted bid prices as of the end of the trading day. When quoted prices are not available, other methods may be utilized including evaluated prices provided by third-party pricing services.

Derivative Instruments

As of December 31, 2024 and June 30, 2024, we used a combination of interest rate cap agreements and interest rate swaps to manage interest costs and the risks associated with variable interest rates. These derivative instruments are classified as Level 2 within the fair value hierarchy, and the fair value is estimated by using third-party pricing models, which contain certain assumptions based on readily observable market-based inputs. We validate the valuation output on a monthly basis. Refer to Note 11. Derivative Financial Instruments in the notes to the interim condensed consolidated financial statements for further details on our derivative instruments.

Assets and Liabilities Measured at Fair Value on a Recurring Basis using Significant Unobservable Inputs (Level 3)

We evaluate our assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level at which to classify them each reporting period. Since our servicing assets and liabilities, performance fee liability, securitization notes and residual trust certificates, profit share liability, and risk sharing arrangements do not trade in an active market with readily observable prices, we use significant unobservable inputs to measure fair value and have classified as level 3 within the fair value hierarchy. This determination requires significant judgments to be made.

Servicing Assets and Liabilities

We sold loans with an unpaid principal balance of \$4.6 billion and \$7.4 billion for the three and six months ended December 31, 2024, respectively, \$3.1 billion and \$5.2 billion for the three and six months ended December 31, 2023, respectively, for which we retained servicing rights.

As of December 31, 2024 and June 30, 2024, we serviced loans which we sold with a remaining unpaid principal balance of \$6.9 billion and \$5.1 billion, respectively.

We use discounted cash flow models to arrive at an estimate of fair value. Significant assumptions used in the valuation of our servicing rights are as follows:

Adequate Compensation

We estimate adequate compensation as the rate a willing market participant would require for servicing loans with similar characteristics as those in the serviced portfolio.

Discount Rate

Estimated future payments to be received under servicing agreements are discounted as a part of determining the fair value of the servicing rights. For servicing rights on loans, the discount rate reflects the time value of money and a risk premium intended to reflect the amount of compensation market participants would require.

Gross Default Rate

We estimate the timing and probability of early loan payoffs, loan defaults and write-offs, thus affecting the projected unpaid principal balance and expected term of the loan, which are used to project future servicing revenue and expenses.

We earned \$28.7 million and \$54.7 million of servicing income for the three and six months ended December 31, 2024, respectively, and \$22.4 million and \$42.6 million for the three and six months ended December 31, 2023, respectively.

As of December 31, 2024 and June 30, 2024, the aggregate fair value of the servicing assets was measured at \$0.8 million and \$0.6 million, respectively, and presented within other assets in the interim condensed consolidated balance sheets. As of December 31, 2024 and June 30, 2024, the aggregate fair value of the servicing liabilities was measured at \$0.2 million and \$0.7 million, respectively, and presented within accrued expenses and other liabilities in the interim condensed consolidated balance sheets.

The following table summarizes the activity related to the aggregate fair value of our servicing assets (in thousands):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Fair value at beginning of period	\$ 435	\$ 569	\$ 574	\$ 880
Initial transfers of financial assets	230	—	230	—
Subsequent changes in fair value	141	(204)	2	(515)
Fair value at end of period	\$ 806	\$ 365	\$ 806	\$ 365

The following table summarizes the activity related to the aggregate fair value of our servicing liabilities (in thousands):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Fair value at beginning of period	\$ 438	\$ 1,851	\$ 743	\$ 1,392
Initial transfers of financial liabilities	—	1,702	—	3,091
Subsequent changes in fair value	(201)	(1,022)	(506)	(1,952)
Fair value at end of period	\$ 237	\$ 2,531	\$ 237	\$ 2,531

The following tables present quantitative information about the significant unobservable inputs used for our Level 3 fair value measurement of servicing assets and liabilities as of December 31, 2024 and June 30, 2024:

	Unobservable Input	December 31, 2024		
		Minimum	Maximum	Weighted Average ⁽³⁾
Servicing assets	Discount rate	30.00 %	30.00 %	30.00 %
	Adequate compensation ⁽¹⁾	2.00 %	2.00 %	2.00 %
	Gross default rate ⁽²⁾	9.20 %	15.20 %	11.32 %
Servicing liabilities	Discount rate	30.00 %	30.00 %	30.00 %
	Adequate compensation ⁽¹⁾	2.00 %	2.00 %	2.00 %
	Gross default rate ⁽²⁾	3.22 %	4.65 %	3.89 %

	Unobservable Input	June 30, 2024		Weighted Average ⁽³⁾
		Minimum	Maximum	
Servicing assets	Discount rate	30.00 %	30.00 %	30.00 %
	Adequate compensation ⁽¹⁾	2.00 %	2.00 %	2.00 %
	Gross default rate ⁽²⁾	9.89 %	22.72 %	10.84 %
Servicing liabilities	Discount rate	30.00 %	30.00 %	30.00 %
	Adequate compensation ⁽¹⁾	2.00 %	2.00 %	2.00 %
	Gross default rate ⁽²⁾	2.58 %	4.12 %	3.00 %

⁽¹⁾ Estimated annual cost of servicing a loan as a percentage of unpaid principal balance.

⁽²⁾ Annualized estimated gross charge-offs as a percentage of unpaid principal balance.

⁽³⁾ Unobservable inputs were weighted by relative fair value.

The following table summarizes the effect that adverse changes in estimates would have on the fair value of the servicing assets and liabilities given hypothetical changes in significant unobservable inputs (in thousands):

	December 31, 2024	June 30, 2024
<i>Servicing assets</i>		
Gross default rate assumption:		
Gross default rate increase of 25%	\$ 1	\$ 1
Gross default rate increase of 50%	\$ 2	\$ 1
Adequate compensation assumption:		
Adequate compensation increase of 10%	\$ (1,367)	\$ (980)
Adequate compensation increase of 20%	\$ (2,734)	\$ (1,961)
Discount rate assumption:		
Discount rate increase of 25%	\$ (32)	\$ (23)
Discount rate increase of 50%	\$ (62)	\$ (44)
<i>Servicing liabilities</i>		
Gross default rate assumption:		
Gross default rate increase of 25%	\$ —	\$ (1)
Gross default rate increase of 50%	\$ —	\$ (1)
Adequate compensation assumption:		
Adequate compensation increase of 10%	\$ 3,820	\$ 3,153
Adequate compensation increase of 20%	\$ 7,639	\$ 6,305
Discount rate assumption:		
Discount rate increase of 25%	\$ (5)	\$ (19)
Discount rate increase of 50%	\$ (9)	\$ (37)

Performance Fee Liability

In accordance with our agreements with our originating bank partners, we pay a fee for each loan that is fully repaid by the consumer, due at the end of the period in which the loan is fully repaid. We recognize a liability upon the purchase of a loan for the expected future payment of the performance fee. This liability is measured using a discounted cash flow model and recorded at fair value and presented within accrued expenses and other liabilities in the interim condensed consolidated balance sheets. Any changes in the fair value of the liability are reflected in other income, net, in the interim condensed consolidated statements of operations and comprehensive income (loss).

The following table summarizes the activity related to the fair value of the performance fee liability (in thousands):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Fair value at beginning of period	\$ 1,541	\$ 1,427	\$ 1,503	\$ 1,581
Purchases of loans	566	493	1,089	869
Settlements paid	(501)	(508)	(978)	(992)
Subsequent changes in fair value	167	182	159	136
Fair value at end of period	<u>\$ 1,773</u>	<u>\$ 1,594</u>	<u>\$ 1,773</u>	<u>\$ 1,594</u>

Significant unobservable inputs used for our Level 3 fair value measurement of the performance fee liability are the discount rate, refund rate, and default rate. Significant increases or decreases in any of the inputs in isolation could result in a significantly lower or higher fair value measurement.

The following tables present quantitative information about the significant unobservable inputs used for our Level 3 fair value measurement of the performance fee liability as of December 31, 2024 and June 30, 2024:

Unobservable Input	December 31, 2024		
	Minimum	Maximum	Weighted Average
Discount rate	7.75%	10.00%	9.53%
Refund rate	1.50%	1.50%	1.50%
Default rate	1.18%	4.65%	3.02%

Unobservable Input	June 30, 2024		
	Minimum	Maximum	Weighted Average
Discount rate	8.50%	10.00%	9.81%
Refund rate	1.50%	1.50%	1.50%
Default rate	1.38%	4.65%	2.94%

⁽¹⁾ Unobservable inputs were weighted by remaining principal balances.

Retained Beneficial Interests in Unconsolidated VIEs

As of December 31, 2024, we held notes receivable and residual trust certificates with an aggregate fair value of \$69.1 million in connection with unconsolidated securitizations. The balances correspond to the 5% economic risk retention we are required to maintain as the securitization sponsor.

These assets are measured at fair value using a discounted cash flow model, and presented within securities available for sale at fair value in the interim condensed consolidated balance sheets. Changes in the fair value, other than declines in fair value due to credit recognized as an allowance, are reflected in other comprehensive income in the interim condensed consolidated statements of operations and comprehensive income (loss). Declines in fair value due to credit are reflected in other income, net in the interim condensed consolidated statements of operations and comprehensive income (loss).

The following table summarizes the activity related to the fair value of the notes and residual trust certificates (in thousands):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Fair value at beginning of period	\$ 38,926	\$ 13,983	\$ 51,670	\$ 18,913
Additions	41,943	22,187	41,943	22,187
Cash received (due to payments)	(12,036)	(4,094)	(26,419)	(9,355)
Change in unrealized gain (loss)	(510)	80	(541)	265
Accrued interest	931	439	2,976	611
Reversal of (impairment on) securities available for sale	(203)	(184)	(578)	(210)
Fair value at end of period	<u>\$ 69,051</u>	<u>\$ 32,411</u>	<u>\$ 69,051</u>	<u>\$ 32,411</u>

Significant unobservable inputs used for our Level 3 fair value measurement of the notes and residual trust certificates are the discount rate, loss rate, and prepayment rate. Significant increases or decreases in any of the inputs in isolation could result in a significantly lower or higher fair value measurement.

The following tables present quantitative information about the significant unobservable inputs used for our Level 3 fair value measurement of the notes receivable and residual trust certificates as of December 31, 2024 and June 30, 2024:

Unobservable Input	December 31, 2024		
	Minimum	Maximum	Weighted Average ⁽¹⁾
Discount rate	4.73%	30.29%	6.84%
Loss rate	1.17%	9.47%	7.53%
Prepayment rate	13.58%	23.00%	20.94%
Unobservable Input	June 30, 2024		
	Minimum	Maximum	Weighted Average ⁽¹⁾
Discount rate	5.73%	41.41%	8.93%
Loss rate	0.95%	6.98%	6.17%
Prepayment rate	12.40%	27.70%	23.33%

⁽¹⁾ Unobservable inputs were weighted by relative fair value

The following table summarizes the effect that adverse changes in estimates would have on the fair value of the notes receivable and residual trust certificates given hypothetical changes in significant unobservable inputs (in thousands):

	December 31, 2024		June 30, 2024	
Discount rate assumption:				
Discount rate increase of 25%	\$	(723)	\$	(623)
Discount rate increase of 50%	\$	(1,421)	\$	(1,223)
Loss rate assumption:				
Loss rate increase of 25%	\$	(1,761)	\$	(705)
Loss rate increase of 50%	\$	(2,665)	\$	(1,321)
Prepayment rate assumption:				
Prepayment rate decrease of 25%	\$	124	\$	58
Prepayment rate decrease of 50%	\$	249	\$	116

Profit Share Liability

On January 1, 2021, we entered into a commercial agreement with an enterprise partner, in which we are obligated to share in the profitability of transactions facilitated by our platform. Upon capture of a loan under this program, we record a liability associated with the estimated future profit to be shared over the life of the loan based on estimated program profitability levels. This liability is measured using a discounted cash flow model and recorded at fair value and presented within accrued expenses and other liabilities in the interim condensed consolidated balance sheets.

The following table summarizes the activity related to the fair value of the profit share liability (in thousands):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Fair value at beginning of period	\$ 2,015	\$ 1,079	\$ 1,974	\$ 1,832
Facilitation of loans	4,238	1,160	5,465	2,088
Actual performance	(3,271)	(1,166)	(6,299)	506
Subsequent changes in fair value	3,129	471	4,971	(2,882)
Fair value at end of period	<u>\$ 6,111</u>	<u>\$ 1,544</u>	<u>\$ 6,111</u>	<u>\$ 1,544</u>

Significant unobservable inputs used for our Level 3 fair value measurement of the profit share liability are the discount rate and estimated program profitability. Significant increases or decreases in any of the inputs in isolation could result in a significantly lower or higher fair value measurement.

The following tables present quantitative information about the significant unobservable inputs used for our Level 3 fair value measurement of the profit sharing liability as of December 31, 2024 and June 30, 2024:

Unobservable Input	December 31, 2024		
	Minimum	Maximum	Weighted Average ⁽¹⁾
Discount rate	30.00%	30.00%	30.00%
Program profitability	0.97%	2.02%	1.94%

Unobservable Input	June 30, 2024		
	Minimum	Maximum	Weighted Average ⁽¹⁾
Discount rate	30.00%	30.00%	30.00%
Program profitability	0.32%	1.01%	0.96%

⁽¹⁾ Unobservable inputs were weighted by relative fair value.

Risk Sharing Arrangements

In connection with certain capital funding arrangements with third party loan buyers, we have entered into risk sharing agreements where we may be required to make a payment to the loan buyer or are entitled to receive a payment from the loan buyer, depending on the actual versus expected loan performance as contractually agreed to with the counterparty, and subject to a cap based on a percentage of the principal balance of loans sold. Loan performance is evaluated at a cohort level based on the month loans were sold. As of December 31, 2024 and June 30, 2024, we have sold \$6.8 billion and \$4.2 billion, respectively, unpaid principal balance of loans under these risk sharing arrangements, of which our maximum exposure to losses is \$85.1 million and \$81.2 million, respectively. This amount includes our maximum potential loss with respect to risk sharing liabilities of \$40.1 million and the fair value of risk sharing assets of \$45.0 million, as of December 31, 2024.

We account for these arrangements as derivatives measured at fair value with gains and losses recognized in gain on sales of loans in our interim condensed consolidated statements of operations and comprehensive income (loss). For each counterparty, we have recognized a net asset or net liability based on the estimated fair value of future payments we expect to receive from or make to the counterparty. As of December 31, 2024 and June 30, 2024, we held assets related to these arrangements of \$45.0 million and \$33.9 million, respectively, and liabilities of \$1.5 million and \$0.9 million, respectively.

As of December 31, 2024, we estimated the fair value of future settlements using a discounted cash flow model. Significant assumptions used in the valuation of our risk sharing assets and liabilities are as follows:

Discount Rate

We estimate future cash flows to be received or paid under the agreements are discounted as a part of determining the fair value of the risk sharing arrangements. The discount rate reflects the time value of money and a risk premium intended to reflect the amount of compensation market participants would require.

Loss Rate

We estimate the loss rate as the probability of loan defaults and write-offs, which are used to project future risk-sharing cash flows.

Prepayment Rate

We estimate the annualized prepayment rate as the expected excess loan payment received in a given month as a percentage of the outstanding principal balance at the beginning of the month minus the scheduled principal payment.

The following table summarizes the activity related to the fair value of the risk sharing assets (in thousands):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Fair value at beginning of period	\$ 45,330	\$ 3,814	\$ 33,884	\$ —
Initial transfers of financial assets	5,191	10,749	15,568	14,563
Cash settlements	(5,824)	—	(5,824)	—
Subsequent changes in fair value	272	2,127	1,341	2,127
Fair value at end of period	\$ 44,969	\$ 16,690	\$ 44,969	\$ 16,690

The following table summarizes the activity related to the fair value of the risk sharing liabilities (in thousands):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Fair value at beginning of period	\$ 1,801	\$ 471	\$ 918	\$ —
Cash settlements	(445)	—	(445)	—
Subsequent changes in fair value	142	41	1,025	512
Fair value at end of period	\$ 1,498	\$ 512	\$ 1,498	\$ 512

The following tables present quantitative information about the significant unobservable inputs used for our Level 3 fair value measurement of the risk sharing arrangements as of December 31, 2024:

	Unobservable Input	December 31, 2024		
		Minimum	Maximum	Weighted Average ⁽¹⁾
Risk sharing assets	Discount rate	20.00%	20.00%	20.00%
	Loss rate	3.28%	4.87%	4.01%
	Prepayment rate	20.81%	27.21%	24.73%
Risk sharing liabilities	Discount rate	20.00%	20.00%	20.00%
	Loss rate	3.39%	5.17%	4.37%

	Unobservable Input	June 30, 2024		
		Minimum	Maximum	Weighted Average ⁽¹⁾
Risk sharing assets	Discount rate	20.00%	20.00%	20.00%
	Loss rate	3.00%	4.69%	3.66%
	Prepayment rate	23.36%	33.29%	28.48%
Risk sharing liabilities	Discount rate	20.00%	20.00%	20.00%
	Loss rate	3.25%	5.29%	4.28%

⁽¹⁾ Unobservable inputs were weighted by principal balance of loans sold under each cohort.

The following table summarizes the effect that adverse changes in estimates would have on the fair value of the risk sharing assets and liabilities given hypothetical changes in significant unobservable inputs (in thousands):

	December 31, 2024		June 30, 2024	
Risk sharing assets ⁽¹⁾				
Prepayment rate assumption:				
Prepayment rate increase of 25%	\$	1,235	\$	572
Prepayment rate increase of 50%	\$	2,364	\$	1,131
Loss rate assumption:				
Loss rate increase of 25%	\$	(11,331)	\$	(7,315)
Loss rate increase of 50%	\$	(22,585)	\$	(14,528)
Discount rate assumption:				
Discount rate increase of 25%	\$	(1,120)	\$	(1,211)
Discount rate increase of 50%	\$	(2,156)	\$	(2,323)
Risk sharing liabilities ⁽¹⁾				
Loss rate assumption:				
Loss rate increase of 25%	\$	28,276	\$	22,333
Loss rate increase of 50%	\$	40,334	\$	41,677
Discount rate assumption:				
Discount rate increase of 25%	\$	(7)	\$	(19)
Discount rate increase of 50%	\$	(13)	\$	(37)

Financial Assets and Liabilities Not Recorded at Fair Value

The following table presents the fair value and our assessment of the classification of this measurement within the fair value hierarchy for financial assets and liabilities held at amortized cost as of December 31, 2024 and June 30, 2024 (in thousands):

	December 31, 2024				Balance at Fair Value
	Carrying Amount	Level 1	Level 2	Level 3	
Assets:					
Loans held for investment, net	6,432,336	—	—	6,828,132	6,828,132
Other assets ⁽¹⁾	29,582	—	29,582	—	29,582
Total assets	<u>\$ 6,461,918</u>	<u>\$ —</u>	<u>\$ 29,582</u>	<u>\$ 6,828,132</u>	<u>\$ 6,857,714</u>
Liabilities:					
Convertible senior notes, net ⁽²⁾	\$ 1,151,048	\$ —	\$ 1,116,902	\$ —	\$ 1,116,902
Notes issued by securitization trusts	3,988,887	—	—	4,014,587	4,014,587
Funding debt ⁽³⁾	2,178,508	—	—	2,178,655	2,178,655
Total liabilities	<u>\$ 7,318,443</u>	<u>\$ —</u>	<u>\$ 1,116,902</u>	<u>\$ 6,193,242</u>	<u>\$ 7,310,144</u>

	June 30, 2024				Balance at Fair Value
	Carrying Amount	Level 1	Level 2	Level 3	
Assets:					
Loans held for sale ⁽¹⁾	\$ 36	\$ —	\$ 36	\$ —	\$ 36
Loans held for investment, net	5,360,959	—	—	5,616,973	5,616,973
Other assets ⁽¹⁾	43,212	—	43,212	—	43,212
Total assets	\$ 5,404,207	\$ —	\$ 43,248	\$ 5,616,973	\$ 5,660,221
Liabilities:					
Convertible senior notes, net ⁽²⁾	\$ 1,341,430	\$ —	\$ 1,124,773	\$ —	\$ 1,124,773
Notes issued by securitization trusts	3,236,873	—	—	2,506,929	2,506,929
Funding debt ⁽³⁾	1,851,699	—	—	1,851,685	1,851,685
Total liabilities	\$ 6,430,002	\$ —	\$ 1,124,773	\$ 4,358,614	\$ 5,483,387

⁽¹⁾ Amortized cost approximates fair value for loans held for sale and other assets.

⁽²⁾ As of December 31, 2024, includes convertible senior notes due 2026 with a carrying amount and fair value of \$247.6 million and \$224.6 million, respectively, and convertible senior notes due 2029 with a carrying amount and fair value of \$903.5 million and \$892.3 million, respectively. As of June 30, 2024, includes convertible senior notes due 2026 with a carrying amount and fair value of \$1.3 billion and \$1.1 billion, respectively. The estimated fair value of the convertible senior notes is determined based on a market approach, using the estimated or actual bids and offers of the notes in an over-the-counter market on the last business day of the period.

⁽³⁾ As of December 31, 2024 and June 30, 2024, debt issuance costs in the amount of \$11.7 million and \$14.8 million, respectively, was included within funding debt.

13. Stockholders' Equity

Common Stock

We had shares of common stock reserved for issuance as follows:

	December 31, 2024	June 30, 2024
Available outstanding under equity compensation plans	47,446,210	47,622,117
Available for future grant under equity compensation plans	51,199,581	43,492,755
Total	98,645,791	91,114,872

The common stock is not redeemable. We have two classes of common stock: Class A common stock and Class B common stock. Each holder of Class A common stock has the right to one vote per share of common stock. Each holder of Class B common stock has the right to 15 votes and can be converted at any time into one share of Class A common stock. Holders of Class A and Class B common stock are entitled to notice of any stockholders' meeting in accordance with the bylaws of the corporation, and are entitled to vote upon such matters and in such manner as may be provided by law. Subject to the prior rights of holders of all classes of stock at the time outstanding having prior rights as to dividends, the holders of the common stock are entitled to receive, when and as declared by the Board of Directors, out of any assets of the corporation legally available therefore, such dividends as may be declared from time to time by the Board of Directors.

Common Stock Warrants

Common stock warrants are included as a component of additional paid in capital within the interim condensed consolidated balance sheets.

In November 2021, we granted warrants to purchase 22,000,000 shares of common stock in connection with our commercial agreements with Amazon. 7,000,000 of the warrant shares have an exercise price of \$0.01 per share and a term of 3.5 years. A portion of these warrants were fully vested at the grant date and the remainder have fully vested as of December 31, 2024. The remaining 15,000,000 warrant shares have an exercise price of \$100 per share and a term of 7.5 years. We valued the warrants at the grant date using the Black-Scholes-Merton option pricing model. Refer to Note 5. Balance Sheet Components for more information on the asset and related amortization during the period. The remaining grant-date fair value of the warrants will be recognized within our interim condensed consolidated statements of operations and comprehensive income (loss) as a component of sales and marketing expense as the warrants vest, based upon Amazon's satisfaction of the vesting conditions. During the three and six months ended December 31, 2024, a total of \$92.0 million and \$204.4 million, respectively, was recognized within sales and marketing expense, which included \$5.2 million and \$10.4 million, respectively, in amortization expense of the commercial agreement asset and \$86.8 million and \$194.0 million, respectively, in expense based upon the grant-date fair value of the warrant shares that vested. During the three and six months ended December 31, 2023, a total of \$125.1 million and \$231.5 million, respectively, was recognized within sales and marketing expense, which included \$10.4 million and \$20.9 million, respectively, in amortization expense of the commercial agreement asset and \$114.7 million and \$210.6 million, respectively, in expense based upon the grant-date fair value of the warrant shares that vested.

Share Repurchases

In connection with the offering of the 2029 Notes, in December 2024, the Board of Directors authorized the repurchase of up to \$350.0 million of common stock through open market purchases, privately negotiated transactions or through a combination thereof. The authorization terminated on December 31, 2024 and did not obligate the Company to acquire any particular amount of its common stock.

Pursuant to the authorization, we utilized net proceeds from the offering, as well as cash on hand, to complete the repurchase of 3.5 million shares of Class A common stock from certain holders of the 2026 notes in privately negotiated transactions for an aggregate purchase price of approximately \$250.0 million. Refer to Note 8. Debt in the notes to the interim condensed consolidated financial statements for more information on the 2029 Notes.

We record share repurchases on the settlement date. Repurchased shares are subsequently retired and returned to the status of authorized but unissued. Our policy for share retirements is to deduct the par value from common stock and to reflect any excess of cost over par value as a deduction from additional paid-in capital.

There were no share repurchases during the three or six month periods ended December 31, 2023.

14. Equity Incentive Plans

2012 Stock Plan

Under our Amended and Restated 2012 Stock Plan (the "Plan"), we may grant incentive and nonqualified stock options, restricted stock, and restricted stock units ("RSUs") to employees, officers, directors, and consultants. As of December 31, 2024, the maximum number of shares of common stock which may be issued under the Plan is 176,604,160 Class A shares. As of December 31, 2024 and June 30, 2024, there were 51,199,581 and 43,492,755 shares of Class A common stock, respectively, available for future grants under the Plan.

Stock Options

For stock options granted before our IPO in January 2021, the minimum expiration period is seven years after termination of employment or 10 years from the date of grant. For stock options granted after our IPO, the minimum expiration period is three months after termination of employment or 10 years from the date of grant. Stock options generally vest over a period of four years or with 25% vesting on the 12 month anniversary of the vesting commencement date, and the remainder vesting on a pro-rata basis each month over the next three years.

The following table summarizes our stock option activity for the six months ended December 31, 2024:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (in thousands)
Balance as of June 30, 2024	16,794,697	\$ 15.84	5.63	
Granted	677,433	44.66		
Exercised	(3,211,902)	10.73		
Balance as of December 31, 2024	14,260,228	18.36	5.48	
Vested and exercisable, December 31, 2024	11,263,423	\$ 15.29	4.68	\$ 516,017
Vested and exercisable, and expected to vest thereafter ⁽¹⁾ December 31, 2024	14,142,936	\$ 18.16	5.45	\$ 607,187

⁽¹⁾ Options expected to vest reflect the application of an estimated forfeiture rate.

The weighted-average grant date fair value of options granted during the six months ended December 31, 2024 was \$31.74. As of December 31, 2024, unrecognized compensation expense related to unvested stock options was approximately \$49.4 million, which is expected to be recognized over a remaining weighted-average period of 2.5 years.

Value Creation Award

In November 2020, the Company's Board of Directors approved a long-term, multi-year performance-based stock option grant providing Mr. Levchin with the opportunity to earn the right to purchase up to 12,500,000 shares of the Company's Class A common stock (the "Value Creation Award"). We recognize stock-based compensation on these awards based on the grant date fair value using an accelerated attribution method over the requisite service period, and only if performance-based conditions are considered probable of being satisfied. We incurred stock-based compensation expense of \$12.4 million and \$24.7 million during the three and six months ended December 31, 2024, respectively, and \$19.5 million and \$39.1 million during the three and six months ended December 31, 2023, respectively, associated with the Value Creation Award as a component of general and administrative expense within the interim condensed consolidated statements of operations and comprehensive income (loss).

As of December 31, 2024, unrecognized compensation expense related to the Value Creation Award was approximately \$23.6 million, which is expected to be recognized over a remaining weighted-average period of 1.0 year.

Restricted Stock Units

RSUs granted prior to the IPO were subject to two vesting conditions: a service-based vesting condition (i.e., employment over a period of time) and a performance-based vesting condition (i.e., a liquidity event in the form of either a change of control or an initial public offering, each as defined in the Plan), both of which must be met in order to vest. The performance-based condition was met upon the IPO. We record stock-based compensation expense for those RSUs on an accelerated attribution method over the requisite service period, which is generally four years. RSUs granted after IPO are subject to a service-based vesting condition. We record stock-based compensation expense for service-based RSUs on a straight-line basis over the requisite service period, which is generally one to four years.

The following table summarizes our RSU activity during the six months ended December 31, 2024:

	Number of Shares	Weighted Average Grant Date Fair Value
Non-vested at June 30, 2024	18,327,420	\$ 27.68
Granted	11,171,205	32.95
Vested	(7,622,286)	30.09
Forfeited, expired or cancelled	(1,190,357)	27.39
Non-vested at December 31, 2024	20,685,982	\$ 29.65

As of December 31, 2024, unrecognized compensation expense related to unvested RSUs was approximately \$573.8 million, which is expected to be recognized over a remaining weighted-average period of 1.8 years.

2020 Employee Stock Purchase Plan

On November 18, 2020, our Board of Directors adopted and approved the 2020 Employee Stock Purchase Plan (“ESPP”). The purpose of the ESPP is to secure the services of new employees, to retain the services of existing employees and to provide incentives for such individuals to exert maximum effort towards the success of the Company and that of its affiliates. A total of 16.1 million shares of Class A common stock are reserved and available for issuance under the ESPP and 1.9 million shares have been issued as of December 31, 2024. The ESPP provides for six-month offering periods beginning December 1 and June 1 of each year. At the end of each offering period, shares of our Class A common stock are purchased on behalf of each ESPP participant at a price per share equal to 85% of the lesser of (1) the fair market value of the Class A common stock on first day of the offering period (the grant date) or (2) the fair market value of the Class A common stock on the last day of the offering period (the purchase date). We use the Black-Scholes-Merton option pricing model to measure the fair value of the purchase rights issued under the ESPP at the first day of the offering period, which represents the grant date. We record stock-based compensation expense on a straight-line basis over each six-month offering period, the requisite service period of the award.

Stock-Based Compensation Expense

The following table presents the components and classification of stock-based compensation (in thousands):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
General and administrative	\$ 57,719	\$ 61,939	\$ 120,524	\$ 132,123
Technology and data analytics	23,677	22,567	49,648	57,703
Sales and marketing	4,482	4,305	9,677	9,770
Processing and servicing	220	1,353	482	2,927
Total stock-based compensation in operating expenses	86,098	90,164	180,331	202,523
Capitalized into property, equipment and software, net	44,708	29,657	94,186	68,460
Total stock-based compensation	\$ 130,806	\$ 119,821	\$ 274,517	\$ 270,983

15. Restructuring and other

In February 2023, we committed to a restructuring plan (the “February 2023 Plan”) that included reducing our workforce and vacating a portion of our San Francisco office. The February 2023 Plan was completed during fiscal 2024, and we do not expect future costs or payments related to the plan.

As of December 31, 2024, we had no outstanding liability related to previously accrued exit and disposal costs. For the three and six months ended December 31, 2023, exit and disposal costs were \$0.1 million and \$1.7 million, respectively.

16. Income Taxes

The quarterly provision for income taxes is based on the current estimate of the annual effective income tax rate and the tax effect of discrete items occurring during the quarter. Our quarterly provision and the estimate of the annual effective tax rate are subject to significant variation due to several factors, including variability in the pre-tax jurisdictional mix of earnings and the impact of discrete items.

For the three and six months ended December 31, 2024, we recorded income tax expense (benefit) of \$2.5 million and \$4.4 million, respectively, which was primarily attributable to various U.S state and foreign income taxes. For the three and six months ended December 31, 2023, we recorded income tax expense (benefit) of \$(0.7) million and \$0.3 million, respectively, which was primarily attributable to deferred taxes recognized by certain foreign subsidiaries, various U.S state and other foreign income taxes, and the tax amortization of certain intangibles.

As of December 31, 2024, we continue to recognize a full valuation allowance against our U.S. federal and state and certain foreign net deferred tax assets. This determination was based on the assessment of the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to utilize the existing deferred tax assets. A significant piece of objective negative evidence evaluated was the cumulative loss incurred by us for the prior three fiscal years. The presence of a three-year cumulative loss limits the ability to consider other subjective evidence, such as our expectations of future taxable income and projections for growth.

17. Net Income (Loss) per Share Attributable to Common Stockholders

The following table presents basic and diluted net income (loss) per share attributable to common stockholders for Class A and Class B common stock (in thousands, except share and per share data):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024		2024	
	Class A	Class B	Class A	Class B
Numerator:				
Net income (loss) attributable to common stockholders - basic	\$ 69,983	\$ 10,377	\$ (17,227)	\$ (2,635)
Net income (loss) attributable to common stockholders - diluted	\$ 70,672	\$ 9,688	\$ (17,227)	\$ (2,635)
Denominator:				
Weighted average shares of common stock - basic	280,666,562	41,615,772	277,776,478	42,481,967
Dilutive effect of stock equivalents:				
Restricted stock units	11,983,390	—	—	—
Stock options, including early exercise of options	10,241,926	—	—	—
Value creation award vested shares	473,889	—	—	—
Common stock warrants	215,029	—	—	—
Weighted average shares of common stock - diluted	303,580,796	41,615,772	277,776,478	42,481,967
Net income (loss) per share:				
Basic	\$ 0.25	\$ 0.25	\$ (0.06)	\$ (0.06)
Diluted	\$ 0.23	\$ 0.23	\$ (0.06)	\$ (0.06)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2023		2023	
	Class A	Class B	Class A	Class B
Numerator:				
Net loss attributable to common stockholders - basic	\$ (135,588)	\$ (31,314)	\$ (273,697)	\$ (64,988)
Net income (loss) attributable to common stockholders - diluted	\$ (135,588)	\$ (31,314)	\$ (273,697)	\$ (64,988)
Denominator:				
Weighted average shares of common stock - basic	249,866,191	57,705,411	247,045,485	58,660,152
Weighted average shares of common stock - diluted	249,866,191	57,705,411	247,045,485	58,660,152
Net loss per share:				
Basic	\$ (0.54)	\$ (0.54)	\$ (1.11)	\$ (1.11)
Diluted	\$ (0.54)	\$ (0.54)	\$ (1.11)	\$ (1.11)

The following common stock equivalents were excluded from the calculation of diluted net income (loss) per share attributable to common stockholders because their inclusion would have been anti-dilutive:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
Common stock warrants	6,278,501	5,875,592	6,278,501	5,875,592
Restricted stock units	773,998	19,397,022	20,685,982	19,397,022
Stock options, including early exercise of options	906,767	17,173,007	14,260,228	17,173,007
Employee stock purchase plan shares	189,621	221,266	189,621	221,266
Value creation award	—	—	4,000,000	—
Total	<u>8,148,887</u>	<u>42,666,887</u>	<u>45,414,332</u>	<u>42,666,887</u>

Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the interim condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q (“Form 10-Q”) and our audited consolidated financial statements and the related notes and the discussion under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations” for the fiscal year ended June 30, 2024 included in our Annual Report on Form 10-K. Some of the information contained in this discussion and analysis, including information with respect to our planned investments to drive future growth, includes forward-looking statements that involve risks and uncertainties. You should review the sections titled “Cautionary Note Regarding Forward-Looking Statements” and “Risk Factors” of this Form 10-Q and our most recently filed Annual Report on Form 10-K for a discussion of forward-looking statements and important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

We are building the next generation payment network. We believe that by using modern technology, strong engineering talent, and a mission-driven approach, we can reinvent payments and commerce. Our solutions, which are built on trust and transparency, are designed to make it easier for consumers to spend responsibly and with confidence, easier for merchants and commerce platforms to convert sales and grow, and easier for commerce to thrive.

Our point-of-sale solutions allow consumers to pay for purchases in fixed amounts without deferred interest, late fees, or penalties. We empower consumers to pay over time rather than paying for a purchase entirely upfront. This increases consumers’ purchasing power and gives them more control and flexibility. Our platform facilitates both true 0% APR payment options and interest-bearing loans. On the merchant side, we offer commerce enablement, demand generation, and consumer acquisition tools. Our solutions empower merchants to more efficiently promote and sell their products, optimize their consumer acquisition strategies, and drive incremental sales. We also provide valuable product-level data and insights — information that merchants cannot easily get elsewhere — to better inform their strategies. Finally, for consumers, our app unlocks the full suite of Affirm products for a delightful end-to-end consumer experience. Consumers can use our app to apply for installment loans, and upon approval, they can use the Affirm Card digitally online or in-stores to complete a purchase. Additionally, consumers can manage the pre and post purchase split of Affirm Card transactions into loan, manage payments, open a high-yield savings account, and access a personalized marketplace.

Our Company is predicated on the principles of simplicity, transparency, and putting people first. By adhering to these principles, we have built enduring, trust-based relationships with consumers and merchants that we believe will set us up for long-term, sustainable success. We believe our innovative approach uniquely positions us to define the future of commerce and payments.

Technology and data are at the core of everything we do. Our expertise in sourcing, aggregating, and analyzing data has been what we believe to be the key competitive advantage of our platform since our founding. We believe our proprietary technology platform and data give us a unique advantage in pricing risk. We use data to inform our risk scoring in order to generate value for our consumers, merchants, and capital partners. We also prioritize building our own technology and investing in product and engineering talent as we believe these are enduring competitive advantages that are difficult to replicate. Our solutions use the latest in machine learning, artificial intelligence, cloud-based technologies, and other modern tools to create differentiated and scalable products.

	Three Months Ended December 31,				Six Months Ended December 31,			
	2024	2023	\$	%	2024	2023	\$	%
	(in thousands, except percentages)							
Total revenue, net	\$ 866,381	\$ 591,110	\$ 275,271	47 %	\$ 1,564,861	\$ 1,087,657	\$ 477,204	44 %
Total operating expenses	870,703	763,261	107,442	14 %	1,701,805	1,469,255	232,550	16 %
Operating loss	\$ (4,322)	\$ (172,151)	\$ 167,829	(97)%	\$ (136,944)	\$ (381,598)	\$ 244,654	(64)%
Other income, net	87,181	4,549	82,632	1816 %	121,483	43,256	78,227	181 %
Income (loss) before income taxes	\$ 82,859	\$ (167,602)	\$ 250,461	(149)%	\$ (15,461)	\$ (338,342)	\$ 322,881	(95)%
Income tax expense (benefit)	2,499	(700)	3,199	(457) %	4,401	343	4,058	1183 %
Net income (loss)	\$ 80,360	\$ (166,902)	\$ 247,262	(148)%	\$ (19,862)	\$ (338,685)	\$ 318,823	(94)%

Our Financial Model

Our Revenue Model

We have three main loan product offerings: Pay-in-X, 0% annual percentage rate (“APR”) monthly installment loans and interest-bearing monthly installment loans. Pay-in-X consists of short-term payment plans with one to four 0% APR installments.

From merchants, we typically earn a fee when we help them convert a sale and facilitate a transaction. Merchant fees depend on the individual arrangement between us and each merchant and vary based on the terms of the product offering; we generally earn larger merchant fees on 0% APR financing products. For the three and six months ended December 31, 2024, Pay-in-X represented 15% and 14%, respectively, of total GMV facilitated through our platform while 0% APR installment loans represented 13% and 12%, respectively. For both the three and six months ended December 31, 2023, Pay-in-X represented 16%, respectively, of total GMV facilitated through our platform while 0% APR installment loans represented 11%.

From consumers, we earn interest income on the simple interest loans that we originate or purchase from our originating bank partners. Interest rates charged to our consumers vary depending on the transaction risk, creditworthiness of the consumer, the repayment term selected by the consumer, the amount of the loan, and the individual arrangement with a merchant. Because our consumers are never charged deferred or compounding interest, late fees, or penalties on the loans, we are not incentivized to profit from our consumers’ hardships. In addition, interest income includes the amortization of any discounts or premiums on loan receivables created upon either the purchase of a loan from one of our originating bank partners or our direct origination of a loan. For the three and six months ended December 31, 2024, interest bearing loans represented 72% and 74%, respectively, of total GMV facilitated through our platform. For the three and six months ended December 31, 2023, interest bearing loans represented 73% and 73%, respectively, of total GMV facilitated through our platform.

In order to accelerate our ubiquity, we facilitate the issuance of virtual cards directly to consumers through our app, allowing them to shop with merchants that may not yet be fully integrated with Affirm. Similarly, we also facilitate the issuance of the Affirm Card, a card that can be used physically or virtually and which allows consumers to link a bank account to pay in full, or pay later by accessing credit through the Affirm App. When these cards are used over established card networks, we earn a portion of the interchange fee from the transaction.

Our Loan Origination and Servicing Model

When a consumer applies for a loan through our platform, the loan is underwritten using our proprietary risk model. Once approved for the loan, the consumer then selects their preferred repayment option. A portion of these loans are funded and issued by our originating bank partners, which include Cross River Bank, an FDIC-insured New Jersey state-chartered bank, Celtic Bank, an FDIC-insured Utah state-chartered industrial bank, and

Lead Bank, an FDIC-insured Missouri state-chartered bank. These partnerships allow us to benefit from our partners' ability to originate loans under their banking licenses while complying with various federal, state, and other laws. Under this arrangement, we must comply with our originating bank partners' credit policies and underwriting procedures, and our originating bank partners maintain ultimate authority to decide whether to originate a loan or not. When an originating bank partner originates a loan, it funds the loan through its own funding sources and may subsequently offer and sell the loan to us. Pursuant to our agreements with these partners, we are obligated to purchase the loans facilitated through our platform that such partner offers us and our obligation is secured by cash deposits. To date, we have purchased all of the loans facilitated through our platform and originated by our originating bank partners. When we purchase a loan from an originating bank partner, the purchase price is equal to the outstanding principal balance of the loan, plus a fee and any accrued interest. The originating bank partner also retains an interest in the loans purchased by us through a loan performance fee that is payable by us on the aggregate principal amount of a loan that is paid by a consumer. Refer to Note 12. Fair Value of Financial Assets and Liabilities in the notes to the interim condensed consolidated financial statements for more information on the performance fee liability.

We are also able to originate loans directly under our lending, servicing, and brokering licenses in Canada, U.K, and across several states in the U.S. through our consolidated subsidiaries. For the three and six months ended December 31, 2024, we directly originated approximately \$1.7 billion, or 17%, and \$3.0 billion, or 17%, respectively, of loans compared to approximately \$1.3 billion, or 17%, and \$2.2 billion, or 17%, for the same period in 2023.

We act as the servicer on all loans that we originate directly or purchase from our originating bank partners and earn a servicing fee on loans held by third parties, including bank partners prior to loan purchase and third party loan buyers if subsequently sold as part of our funding strategy. In the normal course of business, we do not sell the servicing rights on any of the loans. To allow for flexible staffing to support overflow and seasonal traffic, we partner with several sub-servicers to manage consumer care, first priority collections, and third-party collections in accordance with our policies and procedures.

Factors Affecting Our Performance

Our performance has been and may continue to be affected by many factors, including those identified below, as well as the factors discussed in the section titled "Risk Factors" in this Form 10-Q and in our most recently filed Annual Report on Form 10-K for the fiscal year ended June 30, 2024.

Expanding our Network, Diversity, and Mix of Funding Relationships

Our capital efficient funding model is integral to the success of our platform. As we scale the number of transactions on our network and grow GMV, we maintain a variety of funding relationships in order to support our network. Our diversified funding relationships include warehouse facilities, securitization trusts, forward flow arrangements, and partnerships with banks. Given the short duration and strong performance of our assets, funding can be recycled quickly, resulting in a high-velocity, capital efficient funding model. As of December 31, 2024 and June 30, 2024, our equity capital as a percentage of our total platform portfolio has remained relatively unchanged at 5%. The mix of on-balance sheet and off-balance sheet funding is a function of how we choose to allocate loan volume, which is determined by the economic arrangements and supply of capital available to us, both of which may also impact our results in any given period.

Mix of Business on Our Platform

The shifts in merchant volumes and products offered in any period affect our operating results. These shifts impact GMV, revenue, our financial results, and our key operating metric performance for that period. Differences in loan product mix result in varying loan durations, APR, and mix of 0% APR and interest-bearing financings.

Product and economic terms of commercial agreements vary among our merchants, which may impact our results. For example, our low average order value ("AOV") products generally benefit from shorter duration, but also have lower revenue as a percentage of GMV when compared to high AOV products. Merchant mix shifts are

driven in part by the products offered by the merchant, the economic terms negotiated with the merchant, merchant-side activity relating to the marketing of their products, whether or not the merchant is fully integrated within our network, and general economic conditions affecting consumer demand. Our revenue as a percentage of GMV in any given period varies across products. As such, as we continue to expand our network to include more merchants and product offerings, revenue as a percentage of GMV may vary.

Additionally, our commercial agreements with our platform partners, the expansion of our consumer eligibility criteria, along with the growing repeat usage of our Affirm Card offerings, are driving an increase in low AOV transactions. As a result, while we expect that transactions per active consumer may increase, revenue as a percentage of GMV may decline in the medium term to the extent that a greater portion of our GMV comes from Affirm Card and other low-AOV offerings.

Seasonality

We experience seasonal fluctuations in our business as a result of consumer spending patterns, including Affirm Card, which we expect to mimic the seasonality of our general business in the near term. Historically, our GMV has been the strongest during our fiscal second quarter due to increases in retail commerce during the holiday season and our loan delinquencies are at their lowest during our fiscal third and fourth quarter, as consumer savings benefit from tax refunds. Adverse events that occur during our second fiscal quarter could have a disproportionate effect on our financial results for the fiscal year.

Macroeconomic Environment

We regularly monitor the direct and indirect impacts of the current macroeconomic conditions on our business, financial condition, and results of operations. Starting in fiscal 2023, the macroeconomic environment began to present a number of challenges to our business. In response to continued inflationary pressure, the U.S. Federal Reserve rapidly raised the federal funds interest rate from March 2022 through July 2023. Despite the Federal Reserve's decision to begin to decrease the federal funds interest rate in September 2024, uncertainty remains as to whether and to what extent the federal funds interest rate will remain at current levels, increase or decrease in future periods. Simultaneously, economic uncertainty and the prospect of economic recession has impacted consumer spending. These challenges have affected, and may continue to affect, our business and results of operations in the following ways:

- ***Shifts in consumer demand:*** Over the past two fiscal years, we have experienced varying levels of consumer demand across different categories of merchandise. While all merchandise categories except for Sporting Goods and Outdoors grew year-over-year, economic uncertainty, inflationary pressures and elevated interest rates remain. If macroeconomic conditions deteriorate in future periods, consumer demand may be negatively impacted.
- ***Increased borrowing costs:*** The Federal Reserve began decreasing the federal funds interest rate in late 2024, leading to a decline in our average funding costs. Despite this, the overall interest rate environment remains elevated compared to historical levels and, as a result, we may continue to experience higher transaction costs.
- ***Volatile capital markets:*** Since fiscal 2024, capital markets have shown improvement against recent periods, which has been evidenced by substantial additions across our funding channels due to our strong loan performance. However, despite these improvements, uncertainties remain in the macroeconomic environment, especially with regard to inflation and the potential for increased unemployment. To address these uncertainties, we leverage our diverse funding channels and counterparties, which contribute to our resilience across various macroeconomic conditions and economic cycles.

Consumer Credit Optimization and Loan Performance

We continue to optimize our underwriting and take other actions to manage consumer loan repayment, increase collections and minimize losses. For example, we offer loan modifications to borrowers experiencing

financial difficulty to provide greater flexibility for consumers to repay their obligations, through payment deferrals or loan re-amortizations. A payment deferral extends the next payment due date, and while a consumer may receive more than one deferral, the total deferral period may not exceed three months. A loan re-amortization lowers the monthly payments by extending the term, which may not exceed twenty-four months.

These loan modification programs also impact our delinquency rates, and such impact can vary over time. As disclosed in Note 4. Loans Held for Investment and Allowance for Credit Losses in the notes to the interim condensed consolidated financial statements, in fiscal 2024, we expanded the eligibility of our loan modification programs, which resulted in a modest benefit to delinquency rates for loans held for investment during that period. The volume of loan modifications during the fiscal quarter ended December 31, 2024 decreased compared to the same periods in 2023. Loans modified during the three and twelve months ended December 31, 2024, represent 0.15% and 0.29%, respectively, of the outstanding principal balance of loans held on our balance sheet. Our reported delinquency and charge off rates include loans which have become past due or have charged off subsequent to modification. An unknown percentage of loans which have been modified and are current as of December 31, 2024 may become delinquent or charge off in the future. We continue to evaluate the effectiveness of these programs and may modify, expand, or contract their usage, which may affect the timing of reported delinquencies and charge offs in future periods.

Regulatory Developments

We are subject to the regulatory and enforcement authority of the Consumer Financial Protection Bureau (the “CFPB”) as a facilitator, servicer, acquirer or originator of consumer credit. As such, the CFPB has in the past requested reports concerning our organization, business conduct, markets, and activities, and we expect that the CFPB will continue to do so from time to time in the future. In addition, we are supervised by the CFPB, which enables it, among other things, to conduct comprehensive and rigorous examinations to assess our compliance with consumer financial protection laws, which in turn could result in matters requiring attention, enforcement investigations and actions, regulatory fines and mandated changes to our business products, policies and procedures.

Key Operating Metrics

We focus on several key operating metrics to measure the performance of our business and help determine our strategic direction. In addition to revenue, net loss, and other results under U.S. GAAP, the following tables set forth key operating metrics we use to evaluate our business.

	Three Months Ended December 31,			Six Months Ended December 31,		
	2024	2023	% Change	2024	2023	% Change
	(in billions)					
GMV	\$ 10.1	\$ 7.5	35 %	\$ 17.7	\$ 13.1	35 %

GMV

We measure GMV to assess the volume of transactions that take place on our platform. We define GMV as the total dollar amount of all transactions on the Affirm platform during the applicable period, net of refunds. GMV does not represent revenue earned by us; however, it is an indicator of the success of our merchants and the strength of our platform.

For the three and six months ended December 31, 2024, GMV was \$10.1 billion and \$17.7 billion, respectively, which represented an increase of approximately 35%, as compared to the same periods in 2023. Overall, the increase in GMV was driven by an increase in volume at our top five merchants and platform partners, as well as overall increases in our active merchant base, active consumers and average transactions per consumer. During the three and six months ended December 31, 2024, growth was diversified across categories and products attributable to an increase in the general merchandise and electronics categories, which showed a growth of 40% and 43%, respectively. Additionally, consumer demand across our travel and ticketing, equipment and auto, fashion and beauty, and other categories grew more than 20% year over year.

For the three and six months ended December 31, 2024, our top five merchants and platform partners represented approximately 51% and 49%, respectively, of total GMV, as compared to 48% and 46%, respectively,

for the three and six months ended December 31, 2023. GMV attributable to Amazon during the three and six months ended December 31, 2024 represented 25% and 24%, respectively, of total GMV. GMV attributable to Amazon during both the three and six months ended December 31, 2023 represented 21% of total GMV.

	December 31, 2024	December 31, 2023	% Change
	(in thousands, except per consumer data)		
Active consumers	20,968	17,610	19 %
Transactions per active consumer	5.3	4.4	22 %

Active Consumers

We assess consumer adoption and engagement by the number of active consumers across our platform. Active consumers are the primary measure of the size of our network. We define an active consumer as a consumer who completes at least one transaction on our platform during the 12 months prior to the measurement date.

As of December 31, 2024, we had approximately 21.0 million active consumers, which represented an increase of 19% compared to approximately 17.6 million active consumers as of December 31, 2023. The increase was primarily due to a high retention rate of existing consumers and the acquisition of new consumers through an expansion in active merchants and platform partnerships as well as continued adoption of the Affirm Card.

Transactions per Active Consumer

We believe the value of our network is amplified with greater consumer engagement and repeat usage, highlighted by increased transactions per active consumer. Transactions per active consumer is defined as the average number of transactions that an active consumer has conducted on our platform during the 12 months prior to the measurement date.

As of December 31, 2024, we had approximately 5.3 transactions per active consumer, an increase of 22% compared to December 31, 2023. The increase was primarily due to platform growth, a higher frequency of repeat users driven by consumer engagement, and growth of Affirm Card active consumers. As of December 31, 2024, Affirm Card represented approximately 10% of the total number of transactions compared to approximately 4% as of December 31, 2023.

Results of Operations

The following tables set forth selected interim condensed consolidated statements of operations and comprehensive income (loss) data for each of the periods presented:

	Three Months Ended December 31,				Six Months Ended December 31,			
	2024	2023	\$	%	2024	2023	\$	%
(in thousands, except percentages)								
Revenue								
Merchant network revenue	\$ 244,895	\$ 188,357	\$ 56,538	30 %	\$ 429,234	\$ 334,307	\$ 94,927	28 %
Card network revenue	58,142	39,269	18,873	48 %	105,622	72,745	32,877	45 %
Total network revenue	303,037	227,626	75,411	33 %	534,856	407,052	127,804	31 %
Interest income ⁽¹⁾	409,367	288,346	121,021	42 %	786,431	551,025	235,406	43 %
Gain on sales of loans ⁽¹⁾	125,287	52,702	72,585	138 %	188,900	86,987	101,913	117 %
Servicing income	28,690	22,436	6,254	28 %	54,674	42,593	12,081	28 %
Total revenue, net	866,381	591,110	275,271	47 %	1,564,861	1,087,657	477,204	44 %
Operating expenses ⁽²⁾								
Loss on loan purchase commitment	70,278	53,630	16,648	31 %	124,515	88,496	36,019	41 %
Provision for credit losses	152,980	120,880	32,100	27 %	312,804	220,576	92,228	42 %
Funding costs	107,762	84,617	23,145	27 %	211,907	158,548	53,359	34 %
Processing and servicing	115,960	90,203	25,757	29 %	211,106	165,874	45,232	27 %
Technology and data analytics	148,213	119,833	28,380	24 %	282,503	252,798	29,705	12 %
Sales and marketing	136,038	161,265	(25,227)	(16) %	281,271	308,131	(26,860)	(9) %
General and administrative	139,412	132,777	6,635	5 %	277,894	273,111	4,783	2 %
Restructuring and other	60	56	4	7 %	(195)	1,721	(1,916)	(111) %
Total operating expenses	870,703	763,261	107,442	14 %	1,701,805	1,469,255	232,550	16 %
Operating loss	\$ (4,322)	\$ (172,151)	\$ 167,829	(97) %	\$ (136,944)	\$ (381,598)	\$ 244,654	(64) %
Other income, net	87,181	4,549	82,632	1816 %	121,483	43,256	78,227	181 %
Income (loss) before income taxes	\$ 82,859	\$ (167,602)	\$ 250,461	(149) %	\$ (15,461)	\$ (338,342)	\$ 322,881	(95) %
Income tax expense (benefit)	2,499	(700)	3,199	(457) %	4,401	343	4,058	1183 %
Net income (loss)	\$ 80,360	\$ (166,902)	\$ 247,262	(148) %	\$ (19,862)	\$ (338,685)	\$ 318,823	(94) %

⁽¹⁾ Upon purchase of a loan from our originating bank partners at a price above the fair market value of the loan or upon the origination of a loan with a par value in excess of the fair market value of the loan, a discount is included in the amortized cost basis of the loan. For loans held for investment, this discount is amortized over the life of the loan into interest income. When a loan is sold to a third-party loan buyer or off-balance sheet securitization trust, the unamortized discount is released in full at the time of sale and recognized as part of the gain or loss on sales of loans. However, the cumulative value of the loss on loan purchase commitment or loss on origination, the interest income recognized over time from the amortization of discount while retained, and the release of discount into gain on sales of loans, together net to zero over the life of the loan. The following table details activity for the discount, included in loans held for investment, for the periods indicated:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
	(in thousands)			
Balance at the beginning of the period	\$ 100,203	\$ 89,862	\$ 98,527	\$ 96,576
Additions from loans purchased or originated, net of refunds	100,764	78,676	178,953	131,096
Amortization of discount	(64,115)	(51,024)	(120,812)	(96,142)
Unamortized discount released on loans sold	(31,732)	(17,450)	(51,887)	(30,510)
Impact of foreign currency translation	(1,687)	836	(1,348)	(120)
Balance at the end of the period	<u>\$ 103,433</u>	<u>\$ 100,900</u>	<u>\$ 103,433</u>	<u>\$ 100,900</u>

(2) Amounts include stock-based compensation as follows:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2024	2023	2024	2023
	(in thousands)			
General and administrative	\$ 57,719	\$ 61,939	\$ 120,524	\$ 132,123
Technology and data analytics	23,677	22,567	49,648	57,703
Sales and marketing	4,482	4,305	9,677	9,770
Processing and servicing	220	1,353	482	2,927
Total stock-based compensation in operating expenses	<u>86,098</u>	<u>90,164</u>	<u>180,331</u>	<u>202,523</u>
Capitalized into property, equipment and software, net	44,708	29,657	94,186	68,460
Total stock-based compensation	<u>\$ 130,806</u>	<u>\$ 119,821</u>	<u>\$ 274,517</u>	<u>\$ 270,983</u>

Comparison of the Three and Six Months Ended December 31, 2024 and 2023

Merchant network revenue

Merchant network revenue is impacted by both GMV and the mix of loans originated on our platform as merchant fees vary based on loan characteristics. In particular, merchant network revenue as a percentage of GMV typically increases with longer-term, non interest-bearing loans with higher AOVs, and decreases with shorter-term, interest-bearing loans with lower AOVs.

Merchant network revenue increased by \$56.5 million, or 30%, and \$94.9 million, or 28%, for the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023. The increase is primarily attributed to an increase of \$2.7 billion, or 35%, and \$4.6 billion, or 35%, in GMV for the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023. The increase in GMV is a result of continued growth at our top five merchants and platform partners representing approximately 51% and 49% for the three and six months ended December 31, 2024, respectively, compared to 48% and 46% for the three and six months ended December 31, 2023, respectively. Our active merchant base and the number of active consumers also grew, reaching approximately 337 thousand and 21.0 million, respectively, as of December 31, 2024, up from approximately 279 thousand and 17.6 million, respectively, as of December 31, 2023.

With respect to the frequency and mix of transactions, the transactions per active consumer increased from 4.4 as of December 31, 2023 to 5.3 as of December 31, 2024. The increase in active consumers and transactions per active consumer is partially offset by a decrease in AOV. For the three and six months ended December 31, 2024, AOV was \$267 and \$270, respectively, down from \$287 and \$292 for the same period in 2023. The decrease in AOV is driven by the diversification of our merchant base, with accelerated growth in some of our largest interest

bearing merchant programs, and our ongoing initiative to drive repeat usage of our platform beyond one-time high AOV purchases.

Card network revenue

Card network revenue increased by \$18.9 million, or 48%, and \$32.9 million, or 45%, for the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023. Card network revenue growth is correlated with the growth of GMV processed by our card-issuing partners. As such, the increase is primarily driven by \$3.1 billion and \$5.5 billion of GMV processed through our card-issuing partners, an increase of 43% and 41% for the three and six months ended December 31, 2024, respectively, as compared to the same periods in 2023. This was driven by increased card activity primarily through our single use virtual cards and Affirm Card, as well as growth in existing and new merchants utilizing our agreement with card-issuing partners as a means of integrating Affirm services, which grew from approximately 1,500 merchants as of December 31, 2023 to 19,900 merchants as of December 31, 2024. Card network revenue is also impacted by the mix of merchants as different merchants can have different interchange rates depending on their industry or size, among other factors.

Interest income

Interest income increased by \$121.0 million, or 42%, and \$235.4 million, or 43%, for the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023. Generally, interest income is correlated with the changes in the average balance of loans held for investment, which increased by 34% to \$6.6 billion and 32% to \$6.3 billion for the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023. As a result, interest income from interest-bearing loans increased by \$127.8 million, or 52%, and \$238.7 million, or 50%, for the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023.

Gain on sales of loans

Gain on sales of loans increased by \$72.6 million, or 138%, and \$101.9 million, or 117%, for the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023. The increase is driven by factors including higher loan sale volume to third-party loan buyers and favorable transaction economics which are impacted by the composition of our loan portfolio sold and other market factors. We sold loans with an unpaid principal balance of \$4.6 billion and \$7.4 billion for the three and six months ended December 31, 2024, respectively, compared to \$3.1 billion and \$5.2 billion for the same period in 2023.

Servicing income

Servicing income includes net servicing fee revenue and fair value adjustments for servicing assets and liabilities, and is recognized for loan portfolios sold to third-party loan buyers and for loans held within our off-balance sheet securitizations. Servicing fee revenue varies by contractual servicing fee arrangement and is earned as a percentage of the average unpaid principal balance of loans held by each counterparty where we have a servicing agreement. We reduce servicing income for certain fees we are required to pay per our contractual servicing arrangement.

With respect to fair value adjustments, we remeasure the fair value of servicing assets and liabilities each period and recognize the change in fair value in servicing income. We utilize a discounted cash flow approach to remeasure the fair value of servicing rights. Because we earn servicing income based on the outstanding principal balance of the portfolio, fair value adjustments are impacted by the timing and amount of loan repayments. As such, over the term of each loan portfolio sold, fair value adjustments for servicing assets will decrease servicing income and fair value adjustments for servicing liabilities will increase servicing income. We discuss our valuation methodology and significant Level 3 inputs for servicing assets and liabilities within Note 12. Fair Value of Financial Assets and Liabilities in the notes to the interim condensed consolidated financial statements.

Servicing income increased by \$6.3 million, or 28%, and \$12.1 million, or 28%, for the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023. The increase is primarily

due to an increase in net servicing fee revenue which is calculated as a percentage of the unpaid principal balance of off-balance sheet loans. The average unpaid principal balance of off-balance sheet loans increased from \$4.9 billion and \$4.7 billion during the three and six months ended December 31, 2023, respectively, to \$6.3 billion and \$6.0 billion, respectively, during the same period in 2024, an increase of 29% and 28%, respectively.

Loss on loan purchase commitment

We purchase certain loans from our originating bank partners that are processed through our platform and put back to us by our originating bank partners. Under the terms of the agreements with our originating bank partners, we are generally required to pay the principal amount plus accrued interest for such loans and fees. In certain instances, our originating bank partners may originate loans with zero or below market interest rates that we are required to purchase. In these instances, we may be required to purchase the loan for a price in excess of the fair market value of such loans, which results in a loss. These losses are recognized as loss on loan purchase commitment in our interim condensed consolidated statements of operations and comprehensive income (loss). These costs are incurred on a per loan basis.

Loss on loan purchase commitment increased by \$16.6 million, or 31%, and \$36.0 million, or 41%, for the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023, primarily due to an increase in total volume of loans purchased. During the three and six months ended December 31, 2024, we purchased \$8.1 billion and \$14.5 billion, respectively, of loans from our originating bank partners, compared to \$5.9 billion and \$10.5 billion, respectively, in the same period in 2023, representing an increase of 36% and 38%, respectively.

Provision for credit losses

Provision for credit losses generally represents the amount of expense required to maintain the allowance for credit losses on our interim condensed consolidated balance sheet, which represents management's estimate of future losses. In the event that our loans outperform expectation and/or we reduce our expectation of credit losses in future periods, we may release reserves and thereby reduce the allowance for credit losses, yielding income in the provision for credit losses. The provision is determined based on our estimate of expected future losses on loans originated during the period and held for investment on our balance sheet, changes in our estimate of future losses on loans outstanding as of the end of the period and the net charge-offs incurred in the period.

Provision for credit losses increased by \$32.1 million, or 27%, and \$92.2 million, or 42%, for the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023, primarily driven by growth in the volume of loans held for investment. Loans held for investment as of December 31, 2024 was \$6.8 billion, an increase of \$1.6 billion, or 30%, as compared to the same periods in 2023. The allowance for credit losses as a percentage of loans held for investment increased from 5.0% as of December 31, 2023 to 5.4% as of December 31, 2024. The increase in the allowance rate from December 31, 2023 is primarily driven by adjustments in our credit criteria in light of increasing interest income generated by our loans and changes in the loan mix.

Funding costs

Funding costs consist of interest expense and the amortization of fees for certain borrowings collateralized by our loans including warehouse credit facilities and consolidated securitizations, sale and repurchase agreements collateralized by our retained securitization interests, and other costs incurred in connection with funding the purchases and originations of loans. Funding costs for a given period are driven by the average outstanding balance of funding debt and notes issued by securitization trusts as well as our contractual interest rate and distribution of loans across funding facilities, net of the impact of any designated cash flow hedges.

Funding costs increased by \$23.1 million, or 27%, and \$53.4 million, or 34%, for the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023. The increase is primarily due to an increase of funding debt and notes issued by securitization trusts during the three and six months ended December 31, 2024. The average total of funding debt from warehouses and securitizations for the three and six months ended December 31, 2024 was \$5.9 billion and \$5.7 billion, respectively, compared to \$4.4 billion and \$4.2 billion, respectively, during the same period in 2023, an increase of \$1.6 billion, or 36%, and \$1.4 billion, or 34%.

respectively. The increase was also attributable to a larger volume of on-balance sheet loans being retained during the period. The average on-balance sheet loan balance was \$6.6 billion and \$6.3 billion for the three and six months ended December 31, 2024, respectively, an increase of 34% and 32% compared to \$4.9 billion and \$4.7 billion during the same period in 2023, respectively.

Processing and servicing

Processing and servicing expense consists primarily of payment processing fees, third-party customer support and collection expense, salaries and personnel-related costs of our customer care team, platform fees, and allocated overhead.

Processing and servicing expense increased by \$25.8 million, or 29%, and \$45.2 million, or 27%, for the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023. This increase is driven primarily by an increase in payment processing fees of \$17.0 million, or 36%, and \$32.4 million, or 37%, related to increased payment volume for the three and six months ended December 31, 2024, respectively. Additionally, during the three and six months ended December 31, 2024, our platform fees increased by \$8.9 million, or 38%, and \$14.9 million, or 39%, respectively, due to an increase in volume with a large enterprise partner.

Technology and data analytics

Technology and data analytics expense consists primarily of the salaries, stock-based compensation, and personnel-related costs of our engineering, product, and credit and analytics employees, as well as the amortization of internally-developed software and technology intangible assets, and our infrastructure and hosting costs.

Technology and data analytics expense increased by \$28.4 million, or 24%, and \$29.7 million, or 12%, for the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023. The increase is primarily driven by amortization of internally-developed software which increased by \$15.5 million, or 41%, and \$29.0 million, or 42%, for the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023, as a result of an increase in the number of capitalized projects. Capitalized projects in service grew by 91% from approximately 640 projects as of December 31, 2023 to 1,230 projects as of December 31, 2024. Data infrastructure and hosting costs increased by \$5.8 million, or 27%, and \$6.8 million, or 15%, for the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023. The increase in data infrastructure and hosting costs was primarily driven by the number of consumer transactions increasing over the same time periods. During the three months ended December 31, 2024 the number of consumer transactions increased by 46% from continued growth at our merchants and platform partners. Stock-based compensation and payroll and personnel-related costs increased by \$4.9 million, or 10%, for the three months ended December 31, 2024 but decreased by \$8.1 million, or 7%, for the six months ended December 31, 2024 compared to the same periods in 2023, primarily due to an increase in headcount, offset by higher capitalized compensation costs related to internally-developed software.

Sales and marketing

Sales and marketing costs consist of the expense related to warrants and other share-based payments granted to our enterprise partners, salaries and personnel-related costs, costs of marketing and promotional activities.

Sales and marketing expense decreased by \$25.2 million, or 16%, and \$26.9 million, or 9%, during the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023. The decrease was primarily driven by a \$27.9 million, or 24%, and \$16.6 million, or 8%, decrease in Amazon warrant expense during the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023, primarily due to a portion of the warrants becoming fully vested in the current period. Additionally, amortization expense related to the Amazon commercial agreement decreased by \$5.2 million, or 50%, and \$10.4 million, or 50%, during the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023, primarily due to an amendment made in our partnership agreement, which extended the period of benefit over which we amortize the commercial agreement asset. The decrease was partially offset by a \$6.2 million, or 144%, and \$7.7 million, or 99%, increase in merchant and consumer marketing spend programs during the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023, associated with our expanded brand-activation, holiday shopping, lifestyle, and travel marketing. Partner profit-sharing expense increased by \$3.4 million, or 348%, and \$2.8 million, or 93%, during the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023. Additionally, the amortization period related to one of our commercial agreements ended in the previous fiscal period, which resulted in a decrease in amortization expense of \$2.1 million and \$4.2 million during the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023.

General and administrative

General and administrative expenses consist primarily of expenses related to our finance, legal, risk operations, human resources, and administrative personnel. General and administrative expenses also include costs related to fees paid for professional services, including legal, tax and accounting services, allocated overhead, and certain discretionary expenses incurred from operating our technology platform.

General and administrative expense increased by \$6.6 million, or 5%, and \$4.8 million, or 2%, during the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023. The increase is primarily due to increases in professional services, related to consulting and legal fees, as well as, employee benefit expenses and software and subscriptions.

Other income, net

Other income, net includes interest earned on our money market funds included in cash and cash equivalents and restricted cash, interest earned on securities available for sale, impairment or other adjustments to the cost basis of non-marketable equity securities held as cost, gains and losses on derivative agreements not designated within a hedging relationship, amortization of convertible debt issuance cost as well as gains (losses) on extinguishment, revolving credit facility issuance costs, fair value adjustments related to contingent liabilities, and other income or expense arising from activities that are unrelated to our primary business.

Other income, net, increased by \$82.6 million, or 1,816%, and \$78.2 million, or 181%, during the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023, primarily driven by a \$62.8 million and \$82.4 million gain recognized upon the repurchase of a portion of our 2026 Notes during the three and six months ended December 31, 2024, respectively. Additionally, impairment expense related to our non-marketable equity investments held at cost decreased by \$14.1 million and \$11.1 million during the three and six months ended December 31, 2024, respectively, compared to the same periods in 2023. The increase is partially offset by a decrease of \$9.5 million in other non-operating income related to the wind-down of the Returnly business and our partnership with a third-party return provider during the six months ended December 31, 2023.

Liquidity and Capital Resources

Sources and Uses of Funds

We maintain a capital-efficient model through a diverse set of funding sources. When we originate a loan directly or purchase a loan originated by our originating bank partners, we often utilize warehouse credit facilities with certain lenders to finance our lending activities or loan purchases. We sell the loans we originate or purchase from our originating bank partners to whole loan buyers and securitization investors through forward flow arrangements and securitization transactions, and earn servicing fees from continuing to act as the servicer on the loans. We proactively manage the allocation of loans on our platform across various funding channels based on several factors including, but not limited to, internal risk limits and policies, capital market conditions and channel economics. Our excess funding capacity and committed and long-term relationships with a diverse group of existing funding partners help provide flexibility as we optimize our funding to support the growth in loan volume.

Our principal sources of liquidity are cash and cash equivalents, available for sale securities, available capacity from warehouse and revolving credit facilities, securitization trusts, forward flow loan sale arrangements, and certain cash flows from our operations. As of December 31, 2024, we had \$1.9 billion in cash and cash equivalents and available for sale securities, \$3.6 billion in available funding debt capacity, excluding our purchase commitments from third party loan buyers, and \$330.0 million in borrowing capacity available under our revolving credit facility. We believe our principal sources of liquidity are sufficient to meet both our existing operating, working capital, and capital expenditure requirements and our currently planned growth for at least the next 12 months.

The following table summarizes our cash, cash equivalents and investments in debt securities (in thousands):

	December 31, 2024	June 30, 2024
Cash and cash equivalents ⁽¹⁾	\$ 1,200,381	\$ 1,013,106
Investments in short-term debt securities ⁽²⁾	414,291	865,766
Investments in long-term debt securities ⁽²⁾	252,393	265,862
Cash, cash equivalent and investments in debt securities	<u>\$ 1,867,065</u>	<u>\$ 2,144,734</u>

⁽¹⁾ Cash and cash equivalents consist of checking, money market and savings accounts held at financial institutions and short-term highly liquid marketable securities, including money market funds, government bonds, and other corporate securities purchased with an original maturity of three months or less.

⁽²⁾ Securities available for sale at fair value primarily consist of certificates of deposits, corporate bonds, municipal bonds, commercial paper, agency bonds, and government bonds. Short-term securities have maturities less than or equal to one year, and long-term securities range from greater than one year to less than five years.

Debt

Debt as of December 31, 2024 primarily includes funding debt, notes issued by securitization trust, convertible senior notes and our revolving credit facilities. A detailed description of each of our borrowing arrangements is included in Note 8. Debt in the notes to the interim condensed consolidated financial statements.

The following table summarizes the future maturities of our warehouse credit facilities and notes issued by securitizations trusts as of December 31, 2024:

Maturity Fiscal Year	Borrowing Capacity	Principal Outstanding
	(in thousands)	
2025	\$ 750,000	\$ 340,153
2026	2,431,418	809,118
2027	1,150,000	253,669
2028	1,684,856	1,445,282
2029	2,372,575	2,409,177
Thereafter	1,291,287	921,110
Total	\$ 9,680,136	\$ 6,178,509

Warehouse Credit Facilities

Our warehouse credit facilities allow us to borrow up to an aggregate of \$4.7 billion, mature between 2025 and 2028 and subject to covenant compliance, generally permit borrowings up to 4 -12 months prior to the final maturity date. As of December 31, 2024, we have drawn an aggregate of \$1.7 billion on our warehouse credit facilities. As of December 31, 2024, we were in compliance with all applicable covenants in the agreements.

We use various credit facilities to finance the origination of loan receivables in Canada. Similar to our U.S. warehouse credit facilities, borrowings under these agreements are referred to as funding debt, and proceeds from the borrowings may only be used for the purposes of facilitating loan funding and origination. These facilities are secured by Canadian loan receivables pledged to the respective facility as collateral, maturing between 2028 and 2030. As of December 31, 2024, the aggregate commitment amount of these facilities was \$598.7 million on a revolving basis, of which \$372.1 million was drawn.

As we continue to expand in new geographies, we intend to add the necessary funding capacity to support our growth objectives.

Sale and Repurchase Agreements

We entered into various sale and repurchase agreements pursuant to our retained interests in our off-balance sheet securitizations where we have sold these securities to a counterparty with an obligation to repurchase at a future date and price. These repurchase agreements can have an initial term of either three months or a term equaling the contractual life of the securitization notes pledged. When applicable, we may enter into one or more repurchase date extensions, each for an additional three month term at market interest rates on such extension date. We had \$48.8 million and \$34.5 million in debt outstanding under our sale and repurchase agreements disclosed within funding debt in the interim condensed consolidated balance sheets as of December 31, 2024 and June 30, 2024, respectively.

Securitizations

We finance the origination and purchase of loans through our asset-backed securitization program using a combination of amortizing, revolving and variable funding structures. In connection with our program, we sponsor and establish trusts (deemed to be VIEs) which issue securities collateralized by the loans we sell to the trust. Securities issued from our asset-backed securitizations are senior or subordinated, based on the waterfall criteria of loan payments to each security class. The subordinated residual interests issued from these transactions are first to absorb credit losses in accordance with the waterfall criteria. For these VIEs, the creditors have no recourse to the general credit of Affirm and the liabilities of the VIEs can only be settled by the respective VIEs' assets. Additionally, the assets of the VIEs can be used only to settle obligations of the VIEs. Refer to Note 9.

Securitization and Variable Interest Entities in the notes to the interim condensed consolidated financial statements for further details.

Revolving Credit Facility

On December 16, 2024, we entered into an amendment to our revolving credit facility in order to permit the incurrence of indebtedness pursuant to the 2029 Senior Convertible Notes. Our revolving credit facility, has an aggregate commitment amount of \$330.0 million, with a final maturity date of June 26, 2027. As of December 31, 2024, there are no borrowings outstanding under the facility. The facility contains certain covenants and restrictions, including certain financial maintenance covenants. As of December 31, 2024, we were in compliance with all applicable covenants in the agreements. Refer to Note 8. Debt in the notes to the interim condensed consolidated financial statements for further details on our revolving credit facility.

Convertible Senior Notes

Our convertible senior notes have an aggregate principal balance of \$1.2 billion, and bear no interest, in the case of the 2026 Notes, and 0.75% per year, in the case of the 2029 Notes, which is payable semiannually. The 2026 Notes mature on November 15, 2026, and the 2029 Notes mature on December 15, 2029, in each case unless earlier converted, redeemed, or repurchased in accordance with their terms. Refer to Note 8. Debt in the notes to the interim condensed consolidated financial statements for further details.

Other Funding Sources

Forward Flow Loan Sale Arrangements

We have forward flow loan sale arrangements that facilitate the sale of whole loans across a diverse third-party investor base. Forward flow arrangements are generally fixed term in nature, with term lengths ranging between one to three years, during which we periodically sell loans to each counterparty based on the terms of our negotiated agreement.

Cash Flow Analysis

The following table provides a summary of cash flow data during the periods indicated:

	Six Months Ended December 31,	
	2024	2023
	(in thousands)	
Net cash provided by operating activities	508,884	173,223
Net cash used in investing activities	(664,067)	(640,761)
Net cash provided by financing activities	609,721	655,151

Cash Flows from Operating Activities

Our largest sources of operating cash are fees charged to merchant partners on transactions processed through our platform and interest income from consumers' loans. Our primary uses of cash from operating activities are for general and administrative, technology and data analytics, funding costs, processing and servicing, and sales and marketing expenses.

Net cash provided by operating activities was \$508.9 million for the six months ended December 31, 2024. Net loss of \$19.9 million was adjusted for the add back of non-cash items and other adjustments increasing operating cash flows by \$423.5 million, and changing operating assets net of operating liabilities resulting in a net increase in operating cash flows of \$105.2 million. The non-cash item adjustments are primarily attributable to \$312.8 million provision for credit losses, \$194.0 million commercial agreement warrant expense, \$180.3 million

stock-based compensation expense, and \$101.6 million depreciation and amortization expense, which were partially offset by \$188.9 million gain on sale of loans, and \$111.3 million amortization of premiums and discounts on loans. The net increase in cash from changes in operating assets and liabilities was primarily driven by a decrease in accounts receivable of \$143.8 million, and an increase in accounts payable of \$9.6 million, which were partially offset by net cash outflows from the origination or purchase and sale of loans held for sale of \$— million and a decrease in accrued expenses and other liabilities of \$20.3 million.

Net cash provided by operating activities was \$173.2 million for the six months ended December 31, 2023. Net loss of \$338.7 million was adjusted for the add back of net non-cash items and other adjustments increasing operating cash flows by \$568.9 million, and changing operating assets net of operating liabilities resulting in a decrease in operating cash flows of \$57.0 million. The non-cash item adjustments are primarily attributable to \$220.6 million provision for credit losses, \$210.6 million commercial agreement warrant expense, and \$202.5 million stock-based compensation expense. The net decrease in cash from changes in operating assets and liabilities was primarily driven by an increase in accounts receivable of \$116.5 million, an increase in payables to third party loan owners of \$37.0 million, and an increase in accounts payable of \$31.2 million, which was partially offset by cash proceeds generated from the sale of loans held for sale of \$2.3 billion which was offset by cash used for the purchase and origination of loans held for sale of \$2.2 billion.

Cash Flows from Investing Activities

Net cash used in investing activities was \$664.1 million for the six months ended December 31, 2024, which consisted of outflows related to \$15.1 billion of purchases and origination of loans held for investment, including originated and purchased loans of \$3.0 billion and \$12.1 billion, respectively, during the period, \$184.9 million of purchases of securities available for sale, and \$88.1 million of property, equipment and software additions. Inflows related to \$8.7 billion of principal repayments of loans, \$5.3 billion of proceeds from sale of loans held for investment, and \$720.6 million of proceeds from maturities of securities available for sale.

Net cash used in investing activities was \$640.8 million for the six months ended December 31, 2023, which consisted of outflows related to \$10.3 billion of purchases and origination of loans held for investment, including originated and purchased loans of \$2.2 billion and \$8.2 billion, respectively, during the period, \$193.3 million of purchases of securities available for sale, and \$74.6 million of property, equipment and software additions. Inflows related to \$6.5 billion of principal repayments of loans, \$3.0 billion of proceeds from sale of loans held for investment, and \$482.0 million of proceeds from maturities of securities available for sale.

Cash Flows from Financing Activities

Net cash provided by financing activities was \$609.7 million for the six months ended December 31, 2024, and primarily consisted of net cash inflows of \$750.0 million from the new issuance and repayment of notes and residual trust certificates issued by securitization trusts, \$920.0 million from proceeds, net of debt issuance costs, related to the issuance of the 2029 Notes, and \$321.7 million related to borrowing and repayment of funding debt. This was partially offset by net cash outflows of \$1,012.9 million related to the extinguishment and repurchase of a portion of our 2026 Notes, \$250.0 million related to repurchase of common stock shares in connection with the issuance of the 2029 Notes, and net cash outflows of \$158.5 million related to taxes paid on vested RSUs.

Net cash provided by financing activities was \$655.2 million for the six months ended December 31, 2023, and primarily consisted of net cash inflows of \$573.5 million from the new issuance and repayment of notes and residual trust certificates issued by securitization trusts, and \$132.1 million related to borrowing and repayment of funding debt. This was partially offset by net cash outflows of \$75.7 million related to taxes paid on vested RSUs.

Contractual Obligations

There were no material changes outside of the ordinary course of business in our commitments and contractual obligations for the three and six months ended December 31, 2024 from the commitments and contractual obligations disclosed in the section titled “*Management’s Discussion and Analysis of Financial*”

Condition and Results of Operations — Contractual Obligations,” set forth in our Annual Report on Form 10-K for the fiscal year ended June 30, 2024, which was filed with the SEC on August 28, 2024.

Off-Balance Sheet Arrangements

In the ordinary course of business, we engage in activities that are not reflected on our interim condensed consolidated balance sheets, generally referred to as off-balance sheet arrangements. These activities involve transactions with unconsolidated VIEs, including our sponsored securitization transactions, which we contractually service.

For off-balance sheet loan sales where servicing is the only form of continuing involvement, we could experience a loss if we were required to repurchase a loan due to a breach in representations and warranties associated with our loan sale or servicing contracts.

For unconsolidated securitization transactions where Affirm is the sponsor and risk retention holder, Affirm could experience a loss of up to 5% of both the senior notes and residual trust certificates. In the unlikely event principal payments on the loans backing any off-balance sheet securitization are insufficient to pay holders of senior notes and residual trust certificates, including any retained interests held by Affirm, then any amounts we contributed to the securitization reserve accounts may be depleted. Refer to Note 9. Securitization and Variable Interest Entities in the notes to the interim condensed consolidated financial statements for further details.

As of December 31, 2024, the aggregate outstanding balance of loans held by third-party investors and off-balance sheet securitizations was \$6.9 billion.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with U.S. GAAP and requires us to make certain estimates and judgments that affect the amounts reported in our consolidated financial statements. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Because certain of these accounting policies require significant judgment, our actual results may differ materially from our estimates. To the extent that there are differences between our estimates and actual results, our future consolidated financial statement presentation, financial condition, results of operations, and cash flows may be affected. We evaluate our critical accounting policies and estimates on an ongoing basis and update them as necessary based on changes in market conditions or factors specific to us. There have been no material changes in our significant accounting policies or critical accounting estimates during the three and six months ended December 31, 2024.

For a complete discussion of our significant accounting policies and critical accounting estimates, refer to our Annual Report on Form 10-K for the year ended June 30, 2024 within Note 2 to the Notes to Consolidated Financial Statements and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations— Critical Accounting Policies and Estimates.*”

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We have operations within the United States and Canada, and we are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and interest rates. Our market risk exposure is primarily the result of fluctuations in interest rates. Foreign currency exchange rates do not pose a material market risk exposure, as our current operations are primarily in the U.S.

Interest Rate Risk

Our securities available for sale at fair value as of December 31, 2024 included \$666.7 million of marketable debt securities with maturities greater than three months. An increase in interest rates would have an adverse impact on the fair market value of our fixed rate securities while floating rate securities would produce less income than expected if interest rates were to decrease. Because our investment policy is to invest in conservative, liquid investments and because our business strategy does not rely on generating material returns from our investment portfolio, we do not expect our market risk exposure on marketable debt securities to be significant.

Continued volatility in interest rates and inflation, which may persist longer than previously expected, may adversely impact our consumers' spending levels, and ability and willingness to pay outstanding amounts owed to us. Higher interest rates may lead to higher payment obligations on our future credit products but also for consumers' other financial commitments, including their mortgages, credit cards, and other types of loans. Therefore, higher interest rates may lead to increased delinquencies, charge-offs, and allowances for loans and interest receivable, which could have an adverse effect on our operating results.

We rely on a variety of funding sources with varying degrees of interest rate sensitivities. Certain of our funding arrangements bear a variable interest rate, including borrowings from our warehouse facilities and our securitization variable funding note. Given the fixed interest rates charged on the loans that we purchase from our originating bank partners or originate ourselves, a rising variable interest rate would reduce our interest margin earned in these funding arrangements. Additionally, certain of our loan sale agreements are repriced on a recurring basis using a mechanism tied to interest rates as well as loan performance. Increases in interest rates could reduce our loan sale economics. We also rely on securitization transactions, which issue asset-backed securities typically bearing a fixed coupon. For future securitization issuances, higher interest rates could have several outcomes. For consolidated securitizations, higher interest rates may result in higher coupons paid and therefore higher funding costs. For transactions that are not consolidated, higher interest rates may impact overall deal economics which are a function of numerous transaction terms.

We maintain an interest rate risk management program which measures and manages the potential volatility of earnings that may arise from changes in interest rates. We use interest rate derivatives to mitigate the effects of changes in interest rates on our variable rate debt which eliminates some, but not all, of the interest rate risk. Some of these contracts are designated as cash flow hedges for accounting purposes. For those contracts designated as cash flow hedges, the effective portion of the gain or loss on the derivatives is recorded in other comprehensive income (loss) and is reclassified into funding costs in the same period the hedged transaction affects earnings. Factoring in the interest rate risk management program and the repricing of investment securities, as of December 31, 2024, we estimate that a hypothetical instantaneous 100 basis point upward parallel shock to interest rates would have a less than \$60.0 million adverse impact on our cash flows associated with our market risk sensitive instruments over the next 12 months. This measure projects the changes in cash flows associated with all assets and liabilities, including derivatives, based on contractual market rate-based repricing conditions over a twelve-month time horizon. It considers forecasted business growth and anticipated future funding mix.

Credit Risk

We have credit risk primarily related to our consumer loans held for investment. We are exposed to default risk on both loan receivables purchased from our originating bank partners and loan receivables that are directly originated. The ultimate collectability of a substantial portion of the loan portfolio is susceptible to changes in economic and market conditions. To manage this risk, we utilize our proprietary underwriting models to make lending decisions, score, and price loans in a manner that we believe is reflective of the credit risk. Other credit levers, such as user limits and/or down payment requirements, are used to determine the likelihood of a consumer being able to pay.

To monitor portfolio performance, we utilize a wide range of internal and external metrics to review user and loan populations. Each week, management reviews performance for each consumer segment, typically split by ITACs model score, financial product originated, age of loan, and delinquency status. Internal performance trendlines are measured against external factors such as unemployment, CPI, and consumer sentiment to determine what changes, if any, in risk strategy is warranted.

As of December 31, 2024 and June 30, 2024, we were exposed to credit risk on \$6.8 billion and \$5.7 billion, respectively, of loans held on our interim condensed consolidated balance sheet. Loan receivables are diversified geographically. As of both December 31, 2024 and June 30, 2024, approximately 11% of loan receivables related to customers residing in the state of California, and approximately 10% of loan receivables related to customers residing in the state of Texas as of December 31, 2024 and did not exceed 10% as of June 30, 2024. No other states or provinces exceeded 10%. In addition, we have credit risk exposure in relation to certain off-balance sheet loans sold to third parties where we have entered into risk sharing arrangements and through our retained interests in unconsolidated securitization trusts. As of December 31, 2024 and June 30, 2024, we have sold \$6.8 billion and \$4.2 billion, respectively, unpaid principal balance of loans which are subject to risk sharing arrangements, of which our maximum exposure to losses was \$85.1 million and \$81.2 million, respectively. This amount includes our maximum potential loss with respect to risk sharing liabilities of \$40.1 million and the fair value of risk sharing assets of \$45.0 million, as of December 31, 2024. The fair value of notes receivable and residual trust certificate retained interests in unconsolidated securitization trusts was \$69.1 million and \$32.4 million as of December 31, 2024 and December 31, 2023, respectively.

We are also exposed to credit risk in the event of nonperformance by the financial institutions holding our cash and the issuers of our cash equivalents and available for sale securities. We maintain our cash deposits and cash equivalents in highly-rated, federally-insured financial institutions in excess of federally insured limits. We manage this risk by conducting business with well-established financial institutions, diversifying our counterparties and having guidelines regarding credit rating and investment maturities to safeguard liquidity. Although, we are not substantially dependent on a single financing source and have not historically experienced any credit losses related to these financial institutions, if multiple financing sources were to be unable to fulfill their funding obligations to us, it could have a material adverse effect on our financial condition, results of operations and cash flows.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer (“CEO”) and our Chief Financial Officer (“CFO”), has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation, our CEO and CFO concluded that such disclosure controls and procedures were effective as of the end of the period covered by this Quarterly Report on Form 10-Q and designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the requisite time periods specified in the applicable rules and forms and is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitation on the Effectiveness of Internal Control

The effectiveness of any system of internal control over financial reporting is subject to inherent limitations, including the exercise of judgment in designing, implementing, operating, and evaluating the controls and procedures, and the inability to eliminate misconduct completely. Accordingly, any system of internal control over financial reporting, no matter how well designed and operated, can only provide reasonable, not absolute assurance that its objectives will be met. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. We intend to continue to monitor and upgrade our internal controls as necessary or appropriate for our business but such improvements will be subject to the same inherent limitations outlined in this section.

Part II - Other Information

Item 1. Legal Proceedings

Please refer to Note 7. Commitments and Contingencies of the accompanying notes to our interim condensed consolidated financial statements.

From time to time, we may be subject to other legal proceedings and claims in the ordinary course of business. We are not presently a party to any such other legal proceedings that, if determined adversely to us, would individually or taken together have a material adverse effect on our business, results of operations, financial condition, or cash flows. The results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors.

Item 1A. Risk Factors

The risks described under the heading “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended June 30, 2024 could materially and adversely affect our business, financial condition, results of operations, cash flows, future prospects, and the trading price of our Class A common stock. The risks and uncertainties described therein are not the only ones we face. Additional risks and uncertainties that we are unaware of or that we currently deem immaterial may also become important factors that adversely affect our business.

You should carefully read and consider such risks, together with all of the other information in our Annual Report on Form 10-K for the fiscal year ended June 30, 2024, in this Quarterly Report on Form 10-Q (including the disclosures in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and in our interim condensed consolidated financial statements and related notes), and in the other documents that we file with the SEC.

Except as may be reflected in the updated risk factors included below, there have been no material changes from the risk factors previously disclosed under the heading “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended June 30, 2024.

Risks Related to Our Indebtedness

Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt.

Our ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness, including our 0% convertible senior notes due 2026 (the “2026 Notes”) and our 0.75% convertible senior notes due 2029 (the “2029 Notes”), depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

We may not have the ability to raise the funds necessary to settle conversions of the 2026 Notes and/or the 2029 Notes, to repay the 2026 Notes and/or the 2029 Notes at maturity or to repurchase the 2026 Notes and/or the 2029 Notes upon a fundamental change, and our future debt may contain limitations on our ability to pay cash upon conversion or repurchase of the 2026 Notes and/or the 2029 Notes.

Holders will have the right to require us to repurchase their 2026 Notes or 2029 Notes, as applicable, upon the occurrence of a fundamental change at a fundamental change repurchase price equal to 100% of the principal amount of the 2026 Notes or the 2029 Notes, as applicable, to be repurchased, plus accrued and unpaid special interest in the case of the 2026 Notes, or accrued and unpaid interest in the case of the 2029 Notes, in each case, if any. In addition, upon conversion of the 2026 Notes or the 2029 Notes, as applicable, we will be required to make cash payments for each \$1,000 in principal amount of 2026 Notes or 2029 Notes, as applicable, converted of at least the lesser of \$1,000 and the sum of the daily conversion values as described in the indenture governing the 2026 Notes or the indenture governing the 2029 Notes, as applicable. However, we may not have enough available cash or be able to obtain financing at the time we are required to make repurchases of notes surrendered therefore or pay cash with respect to the 2026 Notes or the 2029 Notes, as applicable, being converted. In addition, our ability to repurchase the 2026 Notes or the 2029 Notes, as applicable, or to pay cash upon conversions of the 2026 Notes or the 2029 Notes, as applicable, may be limited by law, by regulatory authority or by agreements governing our future indebtedness. Our failure to repurchase 2026 Notes or the 2029 Notes, as applicable, at a time when the repurchase is required or to pay any cash payable on future conversions of the 2026 Notes or the 2029 Notes, as applicable, would constitute a default under the indenture governing the 2026 Notes or the indenture governing the 2029 Notes, as applicable. A default under the indenture governing the 2026 Notes or the indenture governing the 2029 Notes, as applicable, or the fundamental change itself could also lead to a default under agreements governing our future indebtedness. If the repayment of the related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the indebtedness and repurchase the 2026 Notes or the 2029 Notes, as applicable, or make cash payments upon conversions thereof.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of Equity Securities

The following table presents information with respect to the Company’s repurchases of shares of Class A common stock during the quarter ended December 31, 2024.

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
October 1 - 31	—	\$ —	—	—
November 1 - 30	—	\$ —	—	—
December 1 - 31	3,526,590	\$ 70.89	—	—
Total	3,526,590	\$ 70.89	—	—

⁽¹⁾ In December 2024, we repurchased shares of Class A common stock in privately negotiated transactions in connection with the offering of the 2029 Notes.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

(a) *Entry into a Material Definitive Agreement*

On February 5, 2025, the Company issued to Amazon.com Services LLC (“Amazon Services”) a replacement warrant to purchase up to an aggregate of 4,839,130 shares (the “Unexercised Warrant Shares”) of Class A common stock, \$0.00001 par value per share (“Class A common stock”), of the Company at an exercise price of \$0.01 per share (the “Replacement First Warrant”). The Replacement First Warrant replaces and succeeds the unexercised portion of that certain warrant (the “First Warrant”) to purchase up to an aggregate of 7,000,000 shares of Class A common stock at an exercise price of \$0.01 per share, which was issued on November 10, 2021, pursuant to a Transaction Agreement between the Company and Amazon Services. As to the Unexercised Warrant Shares, the terms of the Replacement First Warrant are substantially the same as the terms of the First Warrant, which terms were described in a Form 8-K filed by the Company on November 10, 2021, except that the Replacement First Warrant extends the expiration date from May 9, 2025 to May 9, 2029 for 3,500,000 Unexercised Warrant Shares, with the expiration date as to the remaining 1,339,130 Unexercised Warrant Shares continuing to be May 9, 2025.

The foregoing includes only a brief description of the material terms of the Replacement First Warrant and does not purport to be a complete description of the rights and obligations of the parties thereunder, and such description is qualified in its entirety by reference to the full text of the Replacement First Warrant, which is attached as Exhibit 4.3 to this Quarterly Report on Form 10-Q and incorporated by reference herein.

Unregistered Sales of Equity Securities

The information provided under “Entry into a Material Definitive Agreement” above with respect to the issuance of the Replacement First Warrant is incorporated by reference herein.

(c) *Rule 10b5-1 Trading Plans*

During the three months ended December 31, 2024, the following directors and officers of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K, as follows:

On December 6, 2024, Katherine Adkins, our Chief Legal Officer and Chief Compliance Officer, adopted a Rule 10b5-1 trading arrangement providing for the sale of the Company’s Class A common stock (a “Rule 10b5-1 Trading Plan”) that is intended to satisfy the affirmative defense conditions of Exchange Act Rule 10b5-1(c). Ms. Adkins’ Rule 10b5-1 Trading Plan provides for the exercise of up to 161,065 employee stock options and the sale of the underlying shares of our Class A common stock pursuant to one or more limit orders from March 7, 2025 until August 29, 2025, or earlier if all transactions under the trading arrangement are completed.

On December 6, 2024, Rob O’Hare, our Chief Financial Officer, adopted a Rule 10b5-1 Trading Plan. Mr. O’Hare’s Rule 10b5-1 Trading Plan provides for the exercise of up to 109,296 employee stock options and the sale of the underlying shares of our Class A common stock pursuant to one or more limit orders, plus a portion of any additional shares of our Class A common stock to be received upon the vesting of RSUs to occur on various dates within the duration of the trading arrangement, from March 7, 2025 until September 30, 2025, or earlier if all transactions under the trading arrangement are completed.

On December 8, 2024, Libor Michalek, our President, adopted a Rule 10b5-1 Trading Plan. Mr. Michalek’s Rule 10b5-1 Trading Plan provides for the exercise of up to 200,000 employee stock options and the sale of the underlying shares of our Class A common stock pursuant to one or more limit orders from March 9, 2025 until March 31, 2026, or earlier if all transactions under the trading arrangement are completed.

On December 8, 2024, Siphелеle Jiyane, our Chief Accounting Officer, adopted a Rule 10b5-1 Trading Plan. Ms. Jiyane’s Rule 10b5-1 Trading Plan provides for the sale of up to 126,006 shares of our Class A common

stock, including the sale of underlying shares upon the exercise of employee stock options, pursuant to one or more limit orders from March 9, 2025 until August 29, 2025, or earlier if all transactions under the trading arrangement are completed.

No other directors or officers, as defined in Rule 16a-1(f), adopted and/or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement,” as defined in Regulation S-K Item 408, during the three months ended December 31, 2024.

Item 6. Exhibits

Exhibit Number	Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
4.1	Indenture, dated December 20, 2024, between the Company and Wilmington Trust, National Association, as trustee.	8-K	001-39888	4.1	December 20, 2024	
4.2	Form of 0.75% Convertible Senior Note due 2029 (included in Exhibit 4.1).	8-K	001-39888	4.1	December 20, 2024	
4.3	Replacement Warrant to Purchase Class A Common Stock of Affirm Holdings, Inc., by and between Affirm Holdings, Inc. and Amazon.com Services LLC, dated as of February 5, 2025*					X
10.1	Amendment No. 3 to Revolving Credit Agreement, dated December 16, 2024, between Affirm, Inc., Affirm Holdings, Inc., certain lenders identified therein, and Barclays Bank PLC					X
10.2	Amendment 1 to Amended and Restated Customer Installment Program Agreement, dated October 10, 2024, by and between Shopify Inc. and Affirm, Inc.*					X
10.3	Amendment 2 to Amended and Restated Customer Installment Program Agreement, dated November 12, 2024, by and between Shopify Inc. and Affirm, Inc.*					X
10.4	Amendment 3 to Amended and Restated Customer Installment Program Agreement, dated December 18, 2024, by and between Shopify Inc. and Affirm, Inc.*					X
10.5	Fourth Amendment to Amended and Restated Installment Financing Services Agreement, dated as of October 25, 2024, by and between Affirm, Inc., Amazon.com Services LLC and Amazon Payments, Inc.*					X
31.1	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.1	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
32.2	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document					X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					X
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)					X
*	Portions of the exhibit have been omitted as the Company has determined that: (i) the omitted information is not material; and (ii) the Company customarily and actually treats the omitted information as private or confidential.					

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized,

AFFIRM HOLDINGS, INC.

Date: February 6, 2025

By: /s/ Max Levchin
Max Levchin
Chief Executive Officer
(Principal Executive Officer)

By: /s/ Rob O'Hare
Rob O'Hare
Chief Financial Officer
(Principal Financial Officer)

Certain identified information in this document has been excluded because it is both (i) not material and (ii) is the type of information that the Company customarily and actually treats as private or confidential. This document has been marked with “[***]” to indicate where omissions have been made.

REPLACEMENT WARRANT TO PURCHASE CLASS A COMMON STOCK

THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD, OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT OR SUCH LAWS.

THIS INSTRUMENT IS ISSUED PURSUANT TO AND SUBJECT TO THE RESTRICTIONS ON TRANSFER AND OTHER PROVISIONS OF A TRANSACTION AGREEMENT, DATED AS OF NOVEMBER 10, 2021, BY AND BETWEEN THE ISSUER OF THESE SECURITIES AND AMAZON.COM SERVICES LLC, A DELAWARE LIMITED LIABILITY COMPANY, A COPY OF WHICH IS ON FILE WITH THE ISSUER. THE SECURITIES REPRESENTED BY THIS INSTRUMENT MAY NOT BE SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH SAID AGREEMENT. ANY SALE OR OTHER TRANSFER NOT IN COMPLIANCE WITH SAID AGREEMENT WILL BE VOID.

**WARRANT
to purchase
4,839,130
Shares of Class A Common Stock of
Affirm Holdings, Inc.
a Delaware Corporation**

Issue Date: February 5, 2025

1. Definitions. Unless the context otherwise requires, when used herein, the following terms shall have the meanings indicated.

“30-Day VWAP” means, as of any date, the volume weighted average price per share of the Common Stock, or any successor security thereto, (rounded to the nearest second decimal place) on the Principal Trading Market (as reported by Bloomberg L.P. (or its successor) or if not available, by Dow Jones & Company Inc., or if neither is available, by another authoritative source mutually agreed by the Company and the Warrantholder) from 9:30 a.m. (New York City time) on the Trading Day that is 30 Trading Days preceding such date to 4:00 p.m. (New York City time) on the last Trading Day immediately preceding such date.

“Acquisition Transaction” has the meaning ascribed to it in the Transaction Agreement.

“Affiliate” has the meaning ascribed to it in the Transaction Agreement.

“AICPA” has the meaning set forth in the definition of “Appraisal Procedure.”

“Amazon” has the meaning ascribed to it in the Commercial Agreement.

“Antitrust Laws” has the meaning ascribed to it in the Transaction Agreement.

“Appraisal Procedure” means a procedure in accordance with the American Institute of Certified Public Accounts, Inc. (“AICPA”) “VS Section 100 - Valuation of a Business, Business Ownership Interest, Security or Intangible Asset” and such other associated AICPA guidance as is reasonable and applicable whereby two independent appraisers, each employed by firms nationally recognized for valuation expertise and each reasonably experienced in appraising the market value of securities of size in value and characteristics of the Warrant (each a “Qualified Appraiser”), one chosen by the Company and one by the Warrantholder, shall mutually agree upon the determinations then the subject of appraisal. Each party shall deliver a notice to the other appointing its Qualified Appraiser within 15 days after the date that the Appraisal Procedure is invoked. If within 30 days after receipt by each party of the notices appointing the two Qualified Appraisers, such appraisers are unable to agree upon the amount in question, a third Qualified Appraiser shall be chosen within ten days after the end of such 30-day period by: (i) the mutual consent of such first two Qualified Appraisers; or (ii) if such two first Qualified Appraisers fail to agree upon the appointment of a third appraiser, such appointment shall be made by the American Arbitration Association, or any organization successor thereto, from a panel of Qualified Appraisers on the application of either of the first two Qualified Appraisers. If any Qualified Appraiser initially appointed shall, for any reason, be unable to serve, a successor Qualified Appraiser shall be appointed in accordance with the procedures pursuant to which the predecessor Qualified Appraiser was appointed. In the event a third Qualified Appraiser is appointed, the decision of such third Qualified Appraiser shall be given within 30 days after such Qualified Appraiser’s selection. If three Qualified Appraisers are appointed and the determination of one appraiser is disparate from the middle determination by more than twice the amount by which the other determination is disparate from the middle determination, then (a) the determination of such appraiser shall be excluded, (b) the remaining two determinations shall be averaged, and (c) such average shall be binding and conclusive upon the Company and the Warrantholder; otherwise, the average of all three determinations shall be binding and conclusive upon the Company and the Warrantholder. The costs of conducting any Appraisal Procedure shall be borne 50% by the Company and 50% by the Warrantholder. The Qualified Appraisers shall act as experts and not arbitrators.

“Attribution Parties” has the meaning set forth in Section 12(i).

“Beneficial Ownership Limitation” has the meaning set forth in Section 12(ii).

“Board” has the meaning ascribed to it in the Transaction Agreement.

“Business Combination” means a merger, consolidation, statutory share exchange, reorganization, recapitalization, or similar extraordinary transaction (which may include a reclassification) involving the Company.

“Business Day” has the meaning ascribed to it in the Transaction Agreement.

“Cash Exercise” has the meaning set forth in Section 3(ii).

“Cashless Exercise” has the meaning set forth in Section 3(ii).

“Cashless Exercise Ratio” with respect to any exercise of this Warrant means a fraction (i) the numerator of which is the excess of (x) the 30-Day VWAP as of the exercise date over (y) the Exercise Price, and (ii) the denominator of which is the 30-Day VWAP as of the exercise date.

“Chosen Courts” has the meaning set forth in Section 13.

“Commercial Agreement” means the Amended and Restated Installment Financing Services Agreement, effective as of November 10, 2021, by and between the Company, Amazon.com Services LLC and Amazon Payments, Inc., as it may be amended from time to time.

“Commission” has the meaning ascribed to it in the Transaction Agreement.

“Common Stock” means the Class A common stock, \$0.00001 par value per share, of the Company.

“Company” means Affirm Holdings, Inc., a Delaware corporation.

“Confidentiality Agreement” has the meaning ascribed to it in the Transaction Agreement.

“conversion” has the meaning ascribed to it in the Transaction Agreement.

“Designated Company Office” has the meaning set forth in Section 3(ii).

“Distribution” has the meaning set forth in Section 11(ii).

“DTC” has the meaning ascribed to it in the Transaction Agreement.

“DWAC” has the meaning ascribed to it in the Transaction Agreement.

“Equity Securities” has the meaning ascribed to it in the Transaction Agreement.

“Exchange Act” has the meaning ascribed to it in the Transaction Agreement.

“Exercise Conditions” has the meaning set forth in Section 3(iii).

“Exercise Period” has the meaning set forth in Section 3(ii).

“Exercise Price” means \$0.01.

“Expiration Time” has the meaning set forth in Section 3(ii).

“Fair Market Value” means, with respect to any security or other property, the fair market value of such security or other property as determined by the Board, acting reasonably, in good faith and evidenced by a written notice delivered promptly to the Warrantholder (which written notice shall include certified resolutions of the Board in respect thereof). If the Warrantholder objects in writing to the Board of Director’s calculation of fair market value within ten Business Days after receipt of written notice thereof, and the Warrantholder and the Company are unable to agree on the fair market value during the ten-day period following the delivery of the Warrantholder’s objection, the Appraisal Procedure may be invoked by either the Company or the Warrantholder to determine the fair market value of such security or other property by delivering written notification thereof not later than the 30th day after delivery of the Warrantholder objection. For the avoidance of doubt, the Fair Market Value of cash shall be the amount of such cash.

“Group” has the meaning ascribed to it in the Transaction Agreement.

“Initial Antitrust Clearance” has the meaning ascribed to it in the Transaction Agreement.

“Maximum Limitation” has the meaning ascribed to it in the Transaction Agreement.

“Original Warrant” has the meaning set forth in Section 2.

“Permitted Transactions” means (a) issuances of shares of Common Stock (including upon exercise of options) to directors, advisors, employees, or consultants of the Company pursuant to a stock option plan, employee stock purchase plan, restricted stock plan, other employee benefit plan, or other similar compensatory agreement or arrangement approved by the Board and (b) shares of Common Stock issuable upon exercise of this Warrant.

“Person” has the meaning given to it in Section 3(a)(9) of the Exchange Act and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act.

“Principal Trading Market” means the trading market on which the Common Stock, or any successor security thereto, is primarily listed on and quoted for trading, and which, as of the Issue Date is The NASDAQ Global Select Market.

“Qualified Appraiser” has the meaning set forth in the definition of “Appraisal Procedure.”

“Securities Act” has the meaning ascribed to it in the Transaction Agreement.

“Share Delivery Date” has the meaning set forth in Section 4(i).

“Subject Adjustment” has the meaning set forth in Section 11(v).

“Subject Record Date” has the meaning set forth in Section 11(v).

“subsidiary” has the meaning ascribed to it in the Transaction Agreement.

“Termination Notice” has the meaning set forth in Section 3(vii).

“Trading Day” means a day on which the Principal Trading Market is open for trading.

“Transaction Agreement” means the Transaction Agreement, dated as of November 10, 2021, as it may be amended from time to time, by and between the Company and Amazon.com Services LLC, including all annexes, schedules, and exhibits thereto.

“Transaction Documents” has the meaning ascribed to it in the Transaction Agreement.

“Vesting Event” means (a) with respect to 1,000,000 Warrant Shares, the execution of the Commercial Agreement, and (b) with respect to 6,000,000 Warrant Shares, as set forth on Annex C. For the avoidance of doubt, (i) Vesting Events shall stop occurring once the number of Warrant Shares specified under Section 2 have vested pursuant to Vesting Events, and (ii) if a given Vesting Event would cause the number of shares vested to exceed the number of Warrant Shares specified under Section 2 then only the number of shares up to and including the total number of Warrant Shares specified under Section 2 (subject to applicable adjustment or supplementation under this Agreement) shall vest during the final such Vesting Event.

“Warrant” means this Warrant, issued pursuant to the Transaction Agreement.

“Warrant Shares” has the meaning set forth in Section 2.

“Warrantholder” means, in relation to the Warrant, the Person who is the holder of such Warrant. The Warrantholder shall initially be Amazon.com Services LLC, a Delaware limited liability company.

2. Number of Warrant Shares; Exercise Price. This certifies that, for value received, the Warrantholder or its permitted assigns or transferees is entitled, upon the terms hereinafter set forth, to acquire from the Company, in whole or in part, up to a maximum aggregate of 4,839,130 fully paid and nonassessable shares of Common Stock (the “Warrant Shares”), at a purchase price per share of Common Stock equal to the Exercise Price. The Warrant Shares and Exercise Price are subject to adjustment and/or may be supplemented by or converted into other Equity Securities as provided herein, and all references to “Common Stock,” “Warrant Shares,” and “Exercise Price” herein shall be deemed to include any such adjustment, supplement, and/or conversion or series of adjustments, supplements, or conversions. This Warrant is issued in connection with the partial exercise of and in replacement of that certain Warrant to Purchase Class A Common Stock with issue date November 10, 2021 (the “Original Warrant”). The Original Warrant was surrendered upon such partial exercise and all rights to acquire shares of the Company’s capital stock thereunder are hereby canceled and terminated.

3. Exercise of Warrant; Term; Other Agreements; Book Entry; Cancellation.

(i) Promptly following the end of each calendar quarter prior to the Expiration Time and if a Vesting Event has occurred, the Company shall deliver to the Warrantholder a Notice of Vesting Event in the form attached as Annex A hereto; provided that

neither the delivery, nor the failure of the Company to deliver, such Notice of Vesting Event shall affect or impair the Warrantholder's rights or the Company's obligations hereunder.

(ii) Subject to (A) Section 2, Section 11(iii), and Section 12, and (B) compliance with the Antitrust Laws (including with respect to any Warrant Shares issuable from exercise of this Warrant upon an additional Vesting Event or otherwise), as may be applicable, the right to purchase Warrant Shares represented by this Warrant is exercisable, in whole or in part by the Warrantholder, at any time or from time to time, from and after the applicable Vesting Event, but in no event later than, (y) with respect to 1,339,130 Warrant Shares, 5:00 p.m., Seattle time, on May 9, 2025 and (z) with respect to 3,500,000 Warrant Shares, 5:00 p.m., Seattle time, on May 9, 2029 (in each case (y) and (z), subject to extension pursuant to Section 3(iii), such applicable time as extended, if applicable, the "Expiration Time" and such period from and after the applicable Vesting Event through the applicable Expiration Time, the "Exercise Period"), by (a) the surrender of this Warrant and the Notice of Exercise attached as Annex B hereto, duly completed and executed on behalf of the Warrantholder, to the Company in accordance with Section 16 (or such other office or agency of the Company in the United States as it may designate by notice to the Warrantholder in accordance with Section 16 hereof (the "Designated Company Office")), and (b) payment of the Exercise Price for the Warrant Shares thereby purchased by, at the sole election of the Warrantholder, either: (i) tendering in cash, by certified or cashier's check payable to the order of the Company, or by wire transfer of immediately available funds to an account designated by the Company (such manner of exercise, a "Cash Exercise") or (ii) without payment of cash, by reducing the number of Warrant Shares obtainable upon the exercise of this Warrant (either in full or in part, as applicable) and payment of the Exercise Price in cash so as to yield a number of Warrant Shares obtainable upon the exercise of this Warrant (either in full or in two or more parts, as applicable) equal to the product of (x) the number of Warrant Shares issuable upon the exercise of this Warrant (either in full or in two or more parts, as applicable) (if payment of the Exercise Price were being made in cash) and (y) the Cashless Exercise Ratio (such manner of exercise, a "Cashless Exercise"); provided that such product shall be rounded to the nearest whole Warrant Share.

(iii) Notwithstanding the foregoing, if at any time during the Exercise Period the Warrantholder has not exercised this Warrant in full as a result of there being insufficient Warrant Shares available for issuance or the lack of any required regulatory, corporate or other approval (including, for the avoidance of doubt, any approval required under the Antitrust Laws (including the Initial Antitrust Clearance), if so applicable) (collectively, the "Exercise Conditions"), the Expiration Time shall be extended until 60 days after such date as the Warrantholder is able to acquire all of the vested Warrant Shares without violating any Exercise Conditions.

(iv) If the Warrantholder does not exercise this Warrant in its entirety, the Warrantholder shall be entitled to receive from the Company, upon request, a new warrant of like tenor in substantially identical form for the purchase of that number of Warrant Shares equal to the difference between the number of Warrant Shares and the number of Warrant Shares as to which this Warrant is so exercised.

(v) The Company shall either (a) maintain itself or (b) cause its transfer agent to maintain, in each case, books for the original issuance and the transfer and exercises of the Warrant issuable in connection therewith, in each case in accordance with the terms hereof in book-entry form. If the Company maintains books for the Warrant, then (I) the Company agrees that it will accept instructions from the Warrantholder for the transfer and exercise of the Warrants, to the extent permitted in accordance with the terms of the Warrant and the Transaction Agreement, and (II) the Company shall not require the delivery of the original Warrant or any copy thereof, in each case in certificated form, in connection with the transfer or exercise thereof. The Company shall be responsible for all fees and expenses with respect to maintaining the Warrant in book-entry form.

(vi) This Warrant, including with respect to its cancellation, is subject to the terms and conditions of the Transaction Agreement. Without affecting in any manner any prior exercise of this Warrant (or any Warrant Shares previously issued hereunder), if (a) the Transaction Agreement is terminated in accordance with Section 8.1 thereof or (b) the Warrantholder delivers to the Company a written, irrevocable commitment not to exercise this Warrant, then the Company shall have no obligation to issue, and the Warrantholder shall have no right to acquire, the unvested portion of any Warrant Shares under this Warrant.

(vii) [***]

4. Issuance of Warrant Shares; Authorization; Listing; Cash Settlement.

(i) The Company shall, within [***] following the date of exercise of this Warrant, instruct the Company's transfer agent to issue book-entry or book-entries for the Warrant Shares issued upon exercise of this Warrant [***] following the date of exercise of this Warrant (the "Share Delivery Date") in accordance with its terms in the name of the Warrantholder and shall deliver evidence of such book-entry or book-entries to the Warrantholder. If the Warrant Shares issued upon any exercise are registered under the Securities Act, in lieu of issuing a physical share certificate or book-entry, the Company's transfer agent shall use the DTC Fast Automated Securities Transfer Program to credit such aggregate number of Warrant Shares to which the Warrantholder is entitled pursuant to such exercise to the Warrantholder's or its designee's balance account with DTC through its DWAC system. The Company shall be responsible for all fees and expenses of its transfer agent and all fees and expenses with respect to the issuance of Warrant Shares via DTC, if any, including without limitation for same day processing.

(ii) The Company's obligations to issue and deliver Warrant Shares in accordance with the terms and subject to the conditions hereof are absolute and unconditional, irrespective of any action or inaction by the Warrantholder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation, or termination; provided, however, that the Company shall not be required to deliver Warrant Shares with respect to an exercise prior to the Warrantholder's delivery of the associated exercise price (or notice of cashless exercise).

(iii) The Company hereby represents and warrants that any Warrant Shares issued upon the exercise of this Warrant in accordance with the provisions of Section 3 will be validly issued, fully paid and nonassessable and free of any liens or encumbrances (other than liens or encumbrances created by or in accordance with the Transaction Documents, transfer restrictions arising as a matter of U.S. federal securities laws or created by or at the direction of the Warrantholder or any of its Affiliates). Following the issuance of any Warrant Shares, the Company shall register such issuance in book-entry form in the name of the Warrantholder. The Warrant Shares so issued shall be deemed for all purposes to have been issued to the Warrantholder as of the close of business on the date on which this Warrant and payment of the Exercise Price are delivered to the Company in accordance with the terms of this Warrant, notwithstanding that the stock transfer books of the Company may then be closed or certificates representing such Warrant Shares may not be actually delivered on such date or credited to the Warrantholder's DTC account, as the case may be. The Company shall at all times reserve and keep available, out of its authorized but unissued Warrant Shares, solely for the purpose of providing for the exercise of this Warrant, the aggregate Warrant Shares then issuable upon exercise of this Warrant in full (disregarding whether or not this Warrant is exercisable by its terms at any such time).

(iv) The Company shall, at its sole expense, procure, subject to issuance or notice of issuance, the listing of any Warrant Shares issuable upon exercise of this Warrant on the Principal Trading Market on which such same class of Equity Securities are then listed or traded, promptly after such Warrant Shares are eligible for listing thereon.

5. No Fractional Shares or Scrip. No fractional Warrant Shares or other Equity Securities or scrip representing fractional Warrant Shares or other Equity Securities shall be issued upon any exercise of this Warrant. In lieu of any fractional share to which a Warrantholder would otherwise be entitled, the fractional Warrant Shares or other Equity Securities shall be rounded up to the next whole Warrant Share or other Equity Securities, and the Warrantholder shall be entitled to receive such rounded up number of Warrant Shares or other Equity Securities.

6. No Rights as Shareholders; Transfer Books. Without limiting in any respect the provisions of the Transaction Agreement and except as otherwise provided by the terms of this Warrant, this Warrant does not entitle the Warrantholder to act as a stockholder of the Company with respect to the Warrant Shares unless and until this Warrant is exercised with respect to the Warrant Shares and such shares are issued to the Warrantholder; for the avoidance of doubt, the this Warrant does not entitle the Warrantholder to (i) consent to any action of the shareholders of the Company, (ii) receive notice of or vote at any meeting of the shareholders, (iii) receive notice of any other proceedings of the Company, (iv) exercise any other rights whatsoever, in any such case, as a stockholder of the Company prior to the date of exercise of this Warrant, or (v) subject to Section 11(ii) below, receive cash dividends or similar distributions.

7. Charges, Taxes, and Expenses. Issuance of this Warrant and issuance of certificates for Warrant Shares to the Warrantholder upon the exercise of this Warrant shall be made without charge to the Warrantholder for any issue, registration or transfer tax, assessment or similar governmental charge (other than any such taxes, assessments or charges in respect of any transfer occurring contemporaneously therewith) or other incidental expense in respect of the issuance of such certificates, all of which taxes, assessments, charges and expenses shall be paid

by the Company, other than the costs and expenses of counsel or any other advisor to or broker for the Warrantholder and its transferee.

8. Transfer/Assignment.

(i) This Warrant may be transferred only in accordance with the terms of the Transaction Agreement. Subject to compliance with the first sentence of this Section 8(i) and the legend as set forth on the cover page of this Warrant and the terms of the Transaction Agreement, this Warrant and all rights hereunder are transferable, in whole or in part, upon the books of the Company by the registered holder hereof in person or by duly authorized attorney, and a new Warrant shall be made and delivered by the Company, of the same tenor and date as this Warrant but registered in the name of one or more transferees, upon surrender of this Warrant, duly endorsed, to the Designated Company Office. If the transferring holder does not transfer the entirety of its rights to purchase all Warrant Shares hereunder, such holder shall be entitled to receive from the Company a new Warrant in substantially identical form for the purchase of that number of Warrant Shares as to which the right to purchase was not transferred. All expenses (other than stock transfer taxes) and other charges payable in connection with the preparation, execution and delivery of the new Warrant pursuant to this Section 8 shall be paid by the Company.

(ii) If and for so long as required by the Transaction Agreement, any Warrant certificate or book-entry issued hereunder shall contain a legend as set forth in Section 4.2 of the Transaction Agreement.

9. Exchange and Registry of Warrant. This Warrant is exchangeable, subject to applicable securities laws, upon the surrender hereof by the Warrantholder to the Company, for a new warrant or warrants of like tenor and representing the right to purchase the same aggregate number of Warrant Shares. The Company shall maintain, or cause its transfer agent to maintain, a registry showing the name and address of the Warrantholder as the registered holder of this Warrant. This Warrant may be surrendered for exchange or exercise, in accordance with its terms, at the Designated Company Office, and the Company shall be entitled to rely in all respects, prior to written notice to the contrary, upon such registry.

10. Non-Business Day Extension. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then such action may be taken or such right may be exercised on the next succeeding day that is a Business Day.

11. Adjustments and Other Rights. The Exercise Price and Warrant Shares issuable upon exercise of this Warrant shall be subject to adjustment from time to time as follows; provided that if more than one subsection of this Section 11 is applicable to a single event, the subsection shall be applied that produces the largest adjustment and no single event shall cause an adjustment under more than one subsection of this Section 11 so as to result in duplication.

(i) Stock Splits, Subdivisions, Reclassifications, or Combinations. If the Company shall at any time or from time to time (a) declare, order, pay, or make a dividend or make a distribution on its Common Stock in additional shares of Common Stock, (b) split, subdivide, or reclassify the outstanding shares of Common Stock into a greater number of shares, or (c) combine or reclassify the outstanding shares of Common Stock into a smaller number of

shares, the number of Warrant Shares issuable upon exercise of this Warrant at the time of the record date for such dividend or distribution or the effective date of such split, subdivision, combination, or reclassification shall be proportionately adjusted so that the Warrantholder immediately after such record date or effective date, as the case may be, shall be entitled to purchase the number of shares of Common Stock which such holder would have owned or been entitled to receive in respect of the shares of Common Stock subject to this Warrant after such date had this Warrant been exercised in full immediately prior to such record date or effective date, as the case may be (disregarding whether or not this Warrant had been exercisable by its terms at such time). In the event of such adjustment, the Exercise Price in effect at the time of the record date for such dividend or distribution or the effective date of such split, subdivision, combination, or reclassification shall be immediately adjusted to the number obtained by dividing (x) the product of (1) the number of Warrant Shares issuable upon the exercise of this Warrant in full before the adjustment determined pursuant to the immediately preceding sentence (disregarding whether or not this Warrant was exercisable by its terms at such time) and (2) the Exercise Price in effect immediately prior to the record or effective date, as the case may be, for the dividend, distribution, split, subdivision, combination, or reclassification giving rise to such adjustment by (y) the new number of Warrant Shares issuable upon exercise of the Warrant in full determined pursuant to the immediately preceding sentence (disregarding whether or not this Warrant is exercisable by its terms at such time).

(ii) [***]

(iii) Acquisition Transactions. In case of any Acquisition Transaction or reclassification of Common Stock (other than a reclassification of Common Stock subject to adjustment pursuant to Section 11(i)), notwithstanding anything to the contrary contained herein, (a) the Company shall notify the Warrantholder in writing of such Acquisition Transaction or reclassification [***], and (b) solely in the event of an Acquisition Transaction that is a Business Combination or a reclassification, the Warrantholder's right to receive Warrant Shares upon exercise of this Warrant shall be converted, effective upon the occurrence of such Business Combination or reclassification, into the right to exercise this Warrant to acquire the number of shares of stock or other securities or property (including cash) that the shares of Common Stock issuable (at the time of such Business Combination or reclassification) upon exercise of this Warrant immediately prior to such Business Combination or reclassification would have been entitled to receive upon consummation of such Business Combination or reclassification. In determining the kind and amount of stock, securities, or the property receivable upon exercise of this Warrant upon and following adjustment pursuant to this paragraph, if the holders of Common Stock have the right to elect the kind or amount of consideration receivable upon consummation of such Business Combination, then the Warrantholder shall have the right to make the same election upon exercise of this Warrant with respect to the number of shares of stock or other securities or property which the Warrantholder shall receive upon exercise of this Warrant. [***]

(iv) Rounding of Calculations; Minimum Adjustments. All calculations under this Section 11 shall be made to the nearest one-tenth (1/10th) of a cent or to the nearest one-hundredth (1/100th) of a share, as the case may be. Any provision of this Section 11 to the

contrary notwithstanding, no adjustment in the Exercise Price or the number of Warrant Shares into which this Warrant is exercisable shall be made if the amount of such adjustment would be less than \$0.01 or one-tenth (1/10th) of a share of Common Stock, but any such amount shall be carried forward and an adjustment with respect thereto shall be made at the time of and together with any subsequent adjustment which, together with such amount and any other amount or amounts so carried forward, shall aggregate \$0.01 or one-tenth (1/10th) of a share of Common Stock, or more.

(v) Timing of Issuance of Additional Securities Upon Certain Adjustments. In any event in which (a) the provisions of this Section 11 shall require that an adjustment (the “Subject Adjustment”) shall become effective immediately after a record date (the “Subject Record Date”) for an event and (b) the Warrantholder exercises this Warrant after the Subject Record Date and before the consummation of such event, the Company may defer until the consummation of such event issuing to such Warrantholder the incrementally additional shares of Common Stock or other property issuable upon such exercise by reason of the Subject Adjustment; provided, however, that the Company upon request shall promptly deliver to such Warrantholder a due bill or other appropriate instrument evidencing such Warrantholder’s right to receive such additional shares (or other property, as applicable) upon the consummation of such event.

(vi) Statement Regarding Adjustments. Whenever the Exercise Price or the Warrant Shares into which this Warrant is exercisable shall be adjusted as provided in Section 11, the Company shall promptly prepare a statement showing in reasonable detail the facts requiring such adjustment and the Exercise Price that shall be in effect and the Warrant Shares into which this Warrant shall be exercisable after such adjustment, and cause a copy of such statement to be delivered to the Warrantholder as promptly as practicable after the event giving rise to the adjustment.

(vii) Notice of Adjustment Event. In the event that the Company shall propose to take any action of the type described in this Section 11 (but only if the action of the type described in this Section 11 would result in an adjustment in the Exercise Price or the Warrant Shares into which this Warrant is exercisable or a change in the type of securities or property to be delivered upon exercise of this Warrant), the Company shall provide written notice to the Warrantholder, which notice shall specify the record date, if any, with respect to any such action and the approximate date on which such action is to take place. Such notice shall also set forth the facts with respect thereto as shall be reasonably necessary to indicate the effect on the Exercise Price and the number, kind, or class of shares or other securities or property which shall be deliverable upon exercise of this Warrant. In the case of any action which would require the fixing of a record date, such notice shall be given at least ten days prior to the date so fixed. In case of all other actions, such notice shall be given at least ten days prior to the taking of such proposed action unless the Company reasonably determines in good faith that, given the nature of such action, the provision of such notice at least ten days in advance is not reasonably practicable from a timing perspective, in which case such notice shall be given as far in advance prior to the taking of such proposed action as is reasonably practicable from a timing perspective.

(viii) Adjustment Rules. Any adjustments pursuant to this Section 11 shall be made successively whenever an event referred to herein shall occur. If an adjustment in the Exercise Price made hereunder would reduce the Exercise Price to an amount below par value of the Common Stock, then such adjustment in the Exercise Price made hereunder shall reduce the Exercise Price to the par value of the Common Stock.

(ix) No Impairment. The Company shall not, by amendment of its certificate of incorporation, bylaws, or any other organizational document, or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue, or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but shall at all times in good faith assist in the carrying out of all the provisions of this Warrant. In furtherance and not in limitation of the foregoing, the Company shall not take or permit to be taken any action that would (a) increase the par value of any shares of Common Stock receivable upon the exercise of this Warrant above the Exercise Price then in effect or (b) entitle the Warrantholder to an adjustment under this Section 11 if the total number of shares of Common Stock issuable after such action upon exercise of this Warrant in full (disregarding whether or not this Warrant is exercisable by its terms at such time), together with all shares of Common Stock then outstanding and all shares of Common Stock then issuable upon the exercise in full of any and all outstanding Equity Securities (disregarding whether or not any such Equity Securities are exercisable by their terms at such time) would exceed the total number of shares of Common Stock then authorized by its certificate of incorporation.

(x) Proceedings Prior to Any Action Requiring Adjustment. As a condition precedent to the taking of any action which would require an adjustment pursuant to this Section 11, the Company shall promptly take any and all action which may be reasonably necessary, including obtaining approvals of regulatory or other governmental bodies, the Principal Trading Market or other applicable securities exchanges, or shareholders, or obtaining or seeking necessary exemptions therefrom (and the Warrantholder shall reasonably cooperate with the Company with respect to), in order that the Company may thereafter validly and legally issue as fully paid and nonassessable all shares of Common Stock, or all other securities or other property, that the Warrantholder is entitled to receive upon exercise of this Warrant pursuant to this Section 11.

(xi) No Adjustment for Permitted Transactions. Notwithstanding anything in this Warrant to the contrary, no adjustment shall be made pursuant to this Section 11 in connection with any Permitted Transaction.

12. Beneficial Ownership Limitation.

(i) Notwithstanding anything in this Warrant to the contrary, the Company shall not honor any exercise of this Warrant, and a Warrantholder shall not have the right to exercise any portion of this Warrant, to the extent that, after giving effect to an attempted exercise set forth on an applicable Notice of Exercise, such Warrantholder (together with such Warrantholder's Affiliates, and any other Person whose beneficial ownership of Common Stock would be aggregated with the Warrantholder's for purposes of Section 13(d) or Section 16 of the

Exchange Act, and any other applicable regulations of the Commission, including any Group of which the Warrantholder is a member (the foregoing, “Attribution Parties”)) would beneficially own a number of shares of Common Stock in excess of the Beneficial Ownership Limitation. For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by such Warrantholder and its Attribution Parties shall include the number of Warrant Shares issuable under the Notice of Exercise with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which are issuable upon (a) exercise of the remaining, unexercised portion of any Warrant beneficially owned by such Warrantholder or any of its Attribution Parties, and (b) exercise or conversion of the unexercised or unconverted portion of any other securities of the Company (including any warrants) beneficially owned by such Warrantholder or any of its Attribution Parties that are subject to a limitation on conversion or exercise similar to the limitation contained herein. For purposes of this Section 12, beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and any other applicable regulations of the Commission. For purposes of this Section 12, in determining the number of outstanding shares of Common Stock, a Warrantholder may rely on the number of outstanding shares of Common Stock as stated in the most recent of the following: (X) the Company’s most recent periodic or annual filing with the Commission, as the case may be, (Y) a more recent public announcement by the Company that is filed with the Commission, or (Z) a more recent notice by the Company or the Company’s transfer agent to the Warrantholder setting forth the number of shares of Common Stock then outstanding. Upon the written request of a Warrantholder, the Company shall, within three Trading Days thereof, confirm in writing to such Warrantholder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to any actual conversion or exercise of securities of the Company, including exercise of this Warrant, by such Warrantholder or its Attribution Parties since the date as of which such number of outstanding shares of Common Stock was last publicly reported or confirmed to the Warrantholder. The Company shall be entitled to rely on representations made to it by the Warrantholder in any Notice of Exercise regarding its Beneficial Ownership Limitation. The Warrantholder acknowledges that the Warrantholder is solely responsible for any schedules or statements required to be filed by it in accordance with Section 13(d) or Section 16(a) of the Exchange Act.

(ii) The “Beneficial Ownership Limitation” shall initially be 4.999% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of Warrant Shares pursuant to such Notice of Exercise (to the extent permitted pursuant to this Section 12); provided, however, that by written notice to the Company, which will not be effective until the 61st day after such notice is given by the Warrantholder to the Company, the Warrantholder may waive or amend the provisions of this Section 12 to change the Beneficial Ownership Limitation to any other number, and the provisions of this Section 12 shall continue to apply. Upon any such waiver or amendment to the Beneficial Ownership Limitation, the Beneficial Ownership Limitation may not be further waived or amended by the Warrantholder without first providing the minimum written notice required by the immediately preceding sentence. Notwithstanding the foregoing, at any time following notice of an Acquisition Transaction under Section 11(iii) with respect to an Acquisition Transaction that is pursuant to any tender offer or exchange offer (by the Company or another Person (other than the Warrantholder or any Affiliate of the Warrantholder)), the Warrantholder may waive or amend

the Beneficial Ownership Limitation effective immediately upon written notice to the Company and may reinstitute a Beneficial Ownership Limitation at any time thereafter effective immediately upon written notice to the Company.

(iii) Notwithstanding the provisions of this Section 12, none of the provisions of this Section 12 shall restrict in any way the number of shares of Common Stock which the Warrantholder may receive or beneficially own in order to determine the amount of securities or other consideration that the Warrantholder may receive in the event of an Acquisition Transaction as contemplated in Section 11 of this Warrant.

13. **Governing Law and Jurisdiction.** This Warrant shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware. In addition, each of the parties expressly (a) submits to the personal jurisdiction and venue of the Chancery Court of Delaware, or if such court is unavailable, the United States District Court for Delaware (the “**Chosen Courts**”), in the event any dispute (whether in contract, tort, or otherwise) arises out of this Warrant or the transactions contemplated hereby, (b) agrees that it shall not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court and waives any claim of lack of personal jurisdiction, improper venue and any claims that such courts are an inconvenient forum, and (c) agrees that it shall not bring any claim, action, or proceeding relating to this Warrant or the transactions contemplated hereby in any court other than the Chosen Courts, and in stipulated preference ranking, of the preceding clause (a). Each party agrees that service of process upon such party in any such claim, action, or proceeding shall be effective if notice is given in accordance with the provisions of this Warrant.

14. **Binding Effect.** This Warrant shall be binding upon any successors or assigns of the Company.

15. **Amendments.** This Warrant may be amended and the observance of any term of this Warrant may be waived only with the written consent of the Company and the Warrantholder.

16. **Notices.** Any notice, request, instruction or other document to be given hereunder by any party to the other shall be in writing and shall be deemed to have been duly given (a) if sent by United Parcel Service or FedEx on an overnight basis, signature receipt required, one Business Day after mailing, (b) if sent by email, with a copy mailed on the same day (or next Business Day, if such day is not a Business Day) in the manner provided in clause (a) of this Section 16 when transmitted and receipt is confirmed, or (c) if otherwise personally delivered, when delivered with signature receipt required. All notices hereunder shall be delivered as set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice.

If to the Company, to:

Name: Affirm Holdings, Inc.
Address: 650 California Street, 12th Floor
San Francisco, CA 94108
Attn: Chief Legal Officer
Email: corporate.legal@affirm.com

with a copy to (which copy alone shall not constitute notice):

Name: Baker & McKenzie LLP
Address: 600 Hansen Way
Palo Alto, California 94304
Attn: Lawrence C. Lee
Email: lawrence.c.lee@bakermckenzie.com

and

Name: Baker & McKenzie LLP
Address: 700 Louisiana Street, Suite 3000
Houston, Texas 77002
Attn: Jeremy Moore
Email: Jeremy.Moore@bakermckenzie.com

If to Amazon.com Services LLC, to:

Name: Amazon.com Services LLC
c/o Amazon.com, Inc.
Address: 410 Terry Avenue North
Seattle, Washington 98109-5210
Attn: General Counsel

with a copy to (which copy alone shall not constitute notice):

Name: Gibson, Dunn & Crutcher LLP
Address: 1881 Page Mill Road
Palo Alto, California 94304
Attn: Ed Batts, Esq.
Email: ebatts@gibsondunn.com

17. Entire Agreement. The Transaction Documents and the Confidentiality Agreement constitute the entire agreement and supersede all other prior agreements, understandings, representations, and warranties, both written and oral, between the parties, with respect to the subject matter hereof.

18. Specific Performance. The parties agree that failure of any party to perform its agreements and covenants under this Warrant, including a party's failure to take all actions as are

necessary on such party's part in accordance with the terms and conditions of this Warrant to consummate the transactions contemplated by this Warrant, will cause irreparable injury to the other party, for which monetary damages, even if available, will not be an adequate remedy. It is agreed that the parties shall be entitled to equitable relief including injunctive relief and specific performance of the terms hereof, without the requirement of posting a bond or other security, and each party hereby consents to the issuance of injunctive relief by any court of competent jurisdiction to compel performance of a party's obligations and to the granting by any court of the remedy of specific performance of such party's obligations under this Warrant, this being in addition to any other remedies to which the parties are entitled at law or equity.

19. Limitation of Liability. No provision of this Warrant, in the absence of any affirmative action by the Warrantholder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of Warrantholder, shall give rise to any liability of the Warrantholder for the purchase price of any Warrant Shares or as a shareholder of the Company, whether such liability is asserted by the Company or by creditors of the Company. Except as set forth in Annex C, the sole liability of the Warrantholder under this Warrant shall be the applicable aggregate Exercise Price if and when this Warrant is exercised in part or in whole.

20. Interpretation. When a reference is made in this Warrant to "Sections" or "Annexes" such reference shall be to a Section of, or Annex to, this Warrant unless otherwise indicated. The terms defined in the singular have a comparable meaning when used in the plural and vice versa. References to "herein," "hereof," "hereunder," and the like refer to this Warrant as a whole and not to any particular section or provision, unless the context requires otherwise. References to "parties" refer to the parties to this Warrant. The headings contained in this Warrant are for reference purposes only and are not part of this Warrant. Whenever the words "include," "includes," or "including" are used in this Warrant, they shall be deemed followed by the words "without limitation." No rule of construction against the draftsman shall be applied in connection with the interpretation or enforcement of this Warrant, as this Warrant is the product of negotiation between sophisticated parties advised by counsel. Any reference to a wholly owned subsidiary of a person shall mean such subsidiary is directly or indirectly wholly owned by such person. All references to "\$" or "dollars" mean the lawful currency of the United States of America. Except as expressly stated in this Warrant, all references to any statute, rule, or regulation are to the statute, rule or regulation as amended, modified, supplemented, or replaced from time to time (and, in the case of statutes, include any rules and regulations promulgated under the statute) and to any section of any statute, rule, or regulation include any successor to the section.

21. Replacement Warrant. This Warrant consolidates, amends and restates, and replaces and supersedes the Original Warrant previously issued by the Company to the Warrantholder from and after the date hereof.

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IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed by a duly authorized officer.

Dated: February 5, 2025

AFFIRM HOLDINGS, INC.

By: /s/ Rob O'Hare
Name: Rob O'Hare
Title: Chief Financial Officer

Acknowledged and Agreed

AMAZON.COM SERVICES LLC

By: /s/ Torben Severson
Name: Torben Severson
Title: Authorized Signatory

[Signature Page to Replacement Warrant]

[Form of Notice of Vesting Event]

Date:

TO: Amazon.com, Inc.

RE: Notice of Vesting Event

Reference is made to that certain Warrant to Purchase Class A Common Stock, dated as of February 5, 2025 (the “Warrant”), issued to Amazon.com Services LLC representing a warrant to purchase 4,839,130 shares of common stock of Affirm Holdings, Inc. (the “Company”). Capitalized terms used herein without definition are used as defined in the Warrant.

The undersigned hereby delivers notice to you that a Vesting Event has occurred under the terms of the Warrant.

A. Vesting Event. The following Vesting Event has occurred on or around [●], 20__.

B. Vested Warrant Shares. After giving effect to the Vesting Event referenced in Paragraph A above, the aggregate number of Warrant Shares issuable upon exercise of the Warrant that have vested under the terms of the Warrant is:

C. Exercised Warrant Shares. The aggregate number of Warrant Shares issuable upon exercise of the Warrant that have been exercised as of the date hereof is:

D. Purchase Price of Exercised Warrant Shares. The aggregate purchase price of the Warrant Shares that have been exercised as of the date hereof is:

E. Unexercised Warrant Shares. After giving effect to the Vesting Event referenced in Paragraph A above, the aggregate number of Warrant Shares issuable upon exercise of the Warrant that have vested but remain unexercised under the Warrant is:

AFFIRM HOLDINGS, INC.

By: __

Name: __

Title: __

[Form of Notice of Exercise]

Date:

TO: Affirm Holdings, Inc.

RE: Election to Purchase Shares of Warrant Shares

The undersigned, pursuant to the provisions set forth in the attached Warrant, hereby agrees to subscribe for and purchase the number of Warrant Shares set forth below covered by such Warrant. The undersigned, in accordance with Section 3 of the Warrant, hereby agrees to pay the aggregate Exercise Price for such shares of Common Stock. A new warrant evidencing the remaining Warrant Shares covered by such Warrant, but not yet subscribed for and purchased, if any, should be issued in the name of the Warrantholder. Capitalized terms used herein without definition are used as defined in the Warrant.

Number of Warrant Shares with respect to which the Warrant is being exercised (including shares to be withheld as payment of the Exercise Price pursuant to Section 3(ii)(b)(ii) of the Warrant, if any):

Method of Payment of Exercise Price (note if Cashless Exercise or Cash Exercise, in either case in accordance with Section 3 of the Warrant):

Aggregate Exercise Price: _____

Holder: __

By: __

Name: __

Title: __

Vesting Events

With respect to increments of 250,000 Warrant Shares, upon achievement of a [***] of [***] for each calendar quarter beginning with the calendar quarter ended December 31, 2021 and ending with the calendar quarter ended December 31, 2024 [***]. For purposes of this paragraph, the vesting shall occur, and such Warrant Shares shall become exercisable with respect thereto, on the date that Amazon delivers to the Company the attestations required by Schedule 13.1E with respect to the applicable calendar quarter. With respect to the periods covering: (a) the Issue Date of the Warrant through the calendar quarter ended December 31, 2021 (the “First Stub Period”) and (b) October 1, 2024 to November 9, 2024 (the “Second Stub Period”), upon achievement of the vesting condition set forth in this paragraph, the Warrant shall be eligible to vest those number of Warrant Shares equal to 250,000 multiplied by a fraction, the numerator of which is the number of days in the First Stub Period or the Second Stub Period, as applicable, and the denominator of which is the sum of the number of days in the First Stub Period and the Second Stub Period (in calculating the First Stub Period and Second Stub Period, such period shall be deemed to include the first day and the last day set forth in such period).

With respect to increments of 250,000 Warrant Shares, each calendar quarter beginning with the calendar quarter ended December 31, 2021 and ending with the calendar quarter ended December 31, 2024; provided, that a Termination Event did not occur during the period between the Issue Date and the applicable vesting date. For purposes of this paragraph, the vesting shall occur, and such Warrant Shares shall become exercisable with respect thereto, on the date that Amazon delivers to the Company the attestations required by Schedule 13.1E(2) with respect to the applicable calendar quarter. With respect to the periods covering: (a) the First Stub Period and (b) the Second Stub Period, upon achievement of the vesting condition set forth in this paragraph, the Warrant shall be eligible to vest those number of Warrant Shares equal to 250,000 multiplied by a fraction, the numerator of which is the number of days in the First Stub Period or the Second Stub Period, as applicable, and the denominator of which is the sum of the number of days in the First Stub Period and the Second Stub Period (in calculating the First Stub Period and Second Stub Period, such period shall be deemed to include the first day and the last day set forth in such period).

[***]

[***]

Unless the context otherwise requires, when used in this Annex C, the following terms shall have the meanings indicated.

“Additional Site” has the meaning ascribed to it in the Commercial Agreement.

[***]

[***]

“Amazon Site” has the meaning ascribed to it in the Commercial Agreement.

[***]

“Long-Term Installments Product” has the meaning ascribed to it in the Commercial Agreement.

[***]

[***]

“Short-Term Installments Product” has the meaning ascribed to it in the Commercial Agreement.

[***]

[***]

A “Termination Event” will have occurred if Amazon.com, Inc., any of its controlled Affiliates [***]

(x)[***]; or

(y)[***].

“Territory” has the meaning ascribed to it in the Commercial Agreement.

[***]

AMENDMENT NO. 3, dated as of December 16, 2024 (this “**Amendment**”) to the Credit Agreement, dated as of February 4, 2022, among Affirm, Inc., a Delaware corporation (the “**Borrower**”), Affirm Holdings, Inc., a Delaware corporation, the Lenders party thereto, and Barclays Bank PLC, as Administrative Agent (the “**Administrative Agent**”) (as heretofore amended, restated, modified and supplemented, the “**Credit Agreement**”). Capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement.

A. The Borrower has requested that the Administrative Agent and the Lenders agree to certain amendments to the Credit Agreement in the manner provided for herein.

B. The Lenders party hereto constitute the Required Lenders under the Credit Agreement, and pursuant to Section 9.02 of the Credit Agreement, the Administrative Agent and the Required Lenders are willing to agree to the terms of this Amendment and the amendments to the Credit Agreement effected hereby.

Accordingly, in consideration of the mutual agreements herein contained and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and subject to the conditions set forth herein, the parties hereto hereby agree as follows:

ARTICLE I

Amendments

The Borrower, the Required Lenders and the Administrative Agent hereby agree that the Credit Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in Exhibit A hereto.

ARTICLE II

Representations and Warranties

Each of Holdings and the Borrower represents and warrants, as of the Amendment Effective Date (as defined below), to the Administrative Agent that:

A. This Amendment has been duly executed and delivered by the Borrower and constitutes the legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except to the extent that the enforceability thereof may be limited by Debtor Relief Laws and by general principles of equity.

B. The representations and warranties of the Borrower set forth in the Loan Documents (including, for the avoidance of doubt, this Amendment as a Loan Document) are true and correct in all material respects (except that any such representation and warranty that is qualified as to “materiality” or “Material Adverse Effect” are true and correct in all respects as so qualified) on and as of the date such representation and warranty is made, except to the extent

such representations and warranties expressly relate to an earlier date (in which case such representations and warranties were true and correct in all material respects as of such earlier date).

C. As of the Amendment Effective Date, no Default or Event of Default has occurred and is continuing.

ARTICLE III

Conditions to Effectiveness

This Amendment shall become effective on the date (the “**Amendment Effective Date**”) on which each of the following conditions is satisfied:

A. The Administrative Agent (or its counsel) shall have received a counterpart of this Amendment from (i) the Required Lenders and (ii) the Borrower and each Guarantor signed on behalf of such party; and

B. The Administrative Agent shall have received all fees and other amounts due and payable on or prior to the Amendment Effective Date, including, to the extent invoiced, reimbursement or payment of all out of pocket expenses and fees of counsel to the Administrative Agent and the Lenders required to be reimbursed or paid by the Borrower.

ARTICLE IV

Further Acknowledgments

A. Each Guarantor acknowledges and agrees to each of the provisions of this Amendment. Each Guarantor acknowledges and agrees that, after giving effect to this Amendment, the Guaranty continues to be in full force and effect and affirms and confirms its guarantee of the Obligations, which continue in full force and effect.

B. The Required Lenders hereby direct and authorize the Administrative Agent (in its capacity as such) to execute and deliver this Amendment.

ARTICLE V

Miscellaneous

A. Credit Agreement. Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the Lenders, the Administrative Agent, the Borrower or any other Loan Party under the Credit Agreement or any other Loan Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document or any exhibits or schedules thereto, all of which are ratified and affirmed in all respects and shall continue in full force and effect after giving effect to this Amendment. After the Amendment Effective Date, any reference to the Credit Agreement shall mean the Credit Agreement as modified hereby. This Amendment shall constitute a “Loan Document” for all purposes of the Credit Agreement and the other Loan Documents.

B. No Novation. This Amendment shall not extinguish the Obligations for the payment of money outstanding under the Credit Agreement or discharge or release any guarantee of any Loan Document. Except as expressly provided, nothing herein contained shall be construed as a substitution or novation, or a payment and reborrowing, or a termination, of the Obligations outstanding under the Credit Agreement or instruments guaranteeing the same, which shall remain in full force and effect, except as modified hereby or by instruments executed concurrently herewith. Nothing expressed or implied in this Amendment or any other document contemplated hereby shall be construed as a release or other discharge of any Loan Party under the Credit Agreement or any Loan Document from any of its obligations and liabilities thereunder, and except as expressly provided, such obligations are in all respects continuing with only the terms being modified as provided in this Amendment.

C. Successors and Assigns. This Amendment shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties hereto and the successors and assigns of the Lenders (it being understood that rights of assignment of the parties hereto are subject to the further provisions of Section 9.04 of the Credit Agreement).

D. GOVERNING LAW. THIS AMENDMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK. EACH OF THE LENDERS AND THE ADMINISTRATIVE AGENT HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ANY CLAIMS BROUGHT AGAINST THE ADMINISTRATIVE AGENT BY ANY LENDER RELATING TO THIS AMENDMENT OR THE CONSUMMATION OR ADMINISTRATION OF THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK SITTING IN THE BOROUGH OF MANHATTAN (OR IF SUCH COURT LACKS SUBJECT MATTER JURISDICTION, THE SUPREME COURT OF THE STATE OF NEW YORK SITTING IN THE BOROUGH OF MANHATTAN), AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AMENDMENT OR THE TRANSACTIONS RELATING HERETO, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY (AND ANY SUCH CLAIMS, CROSS-CLAIMS OR THIRD PARTY CLAIMS BROUGHT AGAINST THE ADMINISTRATIVE AGENT OR ANY OF ITS RELATED PARTIES MAY ONLY) BE HEARD AND DETERMINED IN SUCH FEDERAL (TO THE EXTENT PERMITTED BY LAW) OR NEW YORK STATE COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AMENDMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT OR ANY LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AMENDMENT AGAINST THE BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT IT MAY LEGALLY AND EFFECTIVELY DO SO, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AMENDMENT IN ANY COURT REFERRED TO IN THIS SECTION D. EACH OF

THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT. EACH PARTY TO THIS AMENDMENT IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 9.01 OF THE CREDIT AGREEMENT. NOTHING IN THIS AMENDMENT WILL AFFECT THE RIGHT OF ANY PARTY TO THIS AMENDMENT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

E. WAIVER OF RIGHT TO JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AMENDMENT (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AMENDMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

F. Counterparts. This Amendment may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. The words "execution," "signed," "signature," and words of like import in this Amendment shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. A set of counterparts executed by all the parties hereto shall be lodged with the Borrower and the Administrative Agent.

G. Headings. The headings of the several sections and subsections of this Amendment are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Amendment.

H. Severability. Any provision of this Amendment held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction. The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first written above.

AFFIRM, INC.,

as Borrower

By: /s/ Brooke Major-Reid

Name: Brooke Major-Reid

Title: Chief Capital Officer

AFFIRM HOLDINGS, INC.,

as Guarantor

By: /s/ Michael Linford

Name: Michael Linford

Title: Chief Financial Officer

AFFIRM LOAN SERVICES LLC,

as Guarantor

By: /s/ Michael Linford

Name: Michael Linford

Title: Authorized Signatory

AFFIRM OPPORTUNITY FUND I LLC,

as Guarantor

By: Affirm, Inc., its sole member

By: /s/ Brooke Major-Reid

Name: Brooke Major-Reid

Title: Chief Capital Officer

RETURNLY HOLDINGS, LLC,

as Guarantor

By: Affirm, Inc., its sole member

By: /s/ Brooke Major-Reid

Name: Brooke Major-Reid

Title: Chief Capital Officer

BARCLAYS BANK PLC,
as Administrative Agent and as Lender

/s/ Edward Pan

By:

Name: Edward Pan

Title: Vice President

[Signature Page – Amendment No. 3]

BMO BANK N.A.,
as Lender

By: /s/ Chris Clark
Name: Chris Clark
Title: Managing Director

[Signature Page – Amendment No. 3]

**MORGAN STANLEY SENIOR
FUNDING INC.,**
as Lender

By: /s/ Gretell Merlo
Name: Gretell Merlo
Title: Vice President

[Signature Page – Amendment No. 3]

TRUIST BANK,
as Lender

By: /s/ Hays Wood
Name: Hays Wood
Title: Director

[Signature Page – Amendment No. 3]

JPMORGAN CHASE BANK, N.A.,
as Lender

By: /s/ Benjamin C. Mundt

Name: Benjamin C. Mundt

Title: Vice President

[Signature Page – Amendment No. 3]

EXHIBIT A

Conformed Credit Agreement

[Attached]

REVOLVING CREDIT AGREEMENT

dated as of

February 4, 2022 (as amended as of August 15, 2022 ~~and~~, as of June 26, 2024 [and as of December 16, 2024](#))

among

AFFIRM, INC.,
as Borrower,

AFFIRM HOLDINGS, INC.,
as Holdings,

The Lenders Party Hereto

and

BARCLAYS BANK PLC,
as Administrative Agent

BARCLAYS BANK PLC
Lead Left Arranger, Syndication Agent and Joint Bookrunner,

BANK OF MONTREAL,
CANADIAN IMPERIAL BANK OF COMMERCE, NEW YORK BRANCH,
CITIBANK, N.A.,
MORGAN STANLEY SENIOR FUNDING, INC. and
TRUIST BANK,
as Joint Lead Arrangers and Joint Bookrunners

JPMORGAN CHASE BANK, N.A.
as Co-Arranger

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Exhibit D – Form of Guaranty

Exhibit E-1 – U.S. Tax Compliance Certificate (For Non-U.S. Lenders that are not Partnerships for U.S. Federal Income Tax Purposes)

Exhibit E-2 – U.S. Tax Compliance Certificate (For Non-U.S. Participants that are not Partnerships for U.S. Federal Income Tax Purposes)

Exhibit E-3 – U.S. Tax Compliance Certificate (For Non-U.S. Participants that are Partnerships for U.S. Federal Income Tax Purposes)

Exhibit E-4 – U.S. Tax Compliance Certificate (For Non-U.S. Lenders that are Partnerships for U.S. Federal Income Tax Purposes)

Exhibit F – Monthly Receivables Report

Exhibit G – Quarterly Receivables Report

Exhibit H – Compliance Certificate

Exhibit I – Prepayment Notice

REVOLVING CREDIT AGREEMENT (this “Agreement”), dated as of February 4, 2022, among AFFIRM, INC., a Delaware corporation, AFFIRM HOLDINGS, INC., a Delaware corporation, the LENDERS party hereto, and BARCLAYS BANK PLC, as Administrative Agent.

The parties hereto agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01 Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

“3-Month Rolling Average Delinquent Receivable Ratio” means, with respect to any Due Period, the percentage equivalent of a fraction, (x) the numerator of which is the sum of the Delinquent Receivable Ratio for such Due Period and the Delinquent Receivable Ratios for the preceding two Due Periods, and (y) the denominator of which is three (3).

“ABR”, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, bear interest at a rate determined by reference to the Alternate Base Rate.

“ABR Borrowing” means, as to any Borrowing, the ABR Loans comprising such Borrowing.

“ABR Loan” means a Loan that bears interest based on the ABR.

“ABR Term SOFR Determination Day” has the meaning specified in the definition of “Term SOFR”.

“Account Debtor” means any Person or Persons that are an obligor in respect of any loan or other financial accommodation.

“Account Debtor Interest Rate” means, with respect to any Receivable, the contractual interest rate per annum payable by the Account Debtor under the terms of such Receivable.

“Acquired Debt” means, in connection with an acquisition, Indebtedness of a Person operating a Permitted Business existing at the time the Person becomes a Subsidiary and not incurred in connection with, or in contemplation of, the Person becoming a Subsidiary.

“Administrative Agent” means Barclays Bank PLC in its capacity as administrative agent for the Lenders hereunder.

“Administrative Questionnaire” means an Administrative Questionnaire in a form supplied by the Administrative Agent.

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Agent-Related Person” has the meaning assigned to it in Section 9.03(d).

“Alternate Base Rate” means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus ½ of 1% and (c) the Term SOFR for a one-month Interest Period on such day plus 1%. Any change in the Alternate Base Rate due to a change in the Prime Rate, the NYFRB Rate or the Term SOFR shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the Term SOFR, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.14, then the Alternate Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above. For the avoidance of doubt, if the Alternate Base Rate as determined pursuant to the foregoing would be less than 1.00%, such rate shall be deemed to be 1.00% for purposes of this Agreement.

“Ancillary Document” has the meaning assigned to it in Section 9.06(b).

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction applicable to Holdings or any of its Subsidiaries from time to time concerning or relating to bribery or corruption.

“Applicable Law” means any and all federal, state, local and applicable foreign law, statutes, ordinances, rules, regulations, court orders and decrees, administrative orders and decrees, and other legal requirements applicable to the Loans, the Loan Documents, the Borrower or Originator.

“Applicable Party” has the meaning assigned to it in Section 8.03(c).

“Applicable Percentage” means, with respect to any Lender, the percentage of the total Commitments represented by such Lender’s Commitment; *provided that*, in the case of Section

2.20 when a Defaulting Lender shall exist, “Applicable Percentage” shall mean the percentage of the total Commitments (disregarding any Defaulting Lender’s Commitment) represented by such Lender’s Commitment. If the Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Commitments most recently in effect, giving effect to any assignments and to any Lender’s status as a Defaulting Lender at the time of determination.

“Applicable Rate” means, for any day, with respect to any ABR Loan, 0.75% per annum, and with respect to any SOFR Loan, 1.75% per annum.

“Approved Electronic Platform” has the meaning assigned to it in Section 8.03(a).

“APR” means, with respect to any Receivable, the annual percentage rate required to be disclosed on the truth-in-lending statement delivered to the Account Debtor with respect to such Receivable.

“Arrangers” means, individually or collectively, Barclays Bank PLC, in its capacity as lead arranger hereunder.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.04), and accepted by the Administrative Agent, in the form of Exhibit A or any other form (including electronic records generated by the use of an electronic platform) approved by the Administrative Agent.

“Availability Period” means the period from and including the Effective Date to but excluding the earlier of the Maturity Date and the date of termination of the Commitments.

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and, for the avoidance of doubt, shall exclude any tenor for such Benchmark that is removed from the definition of “Interest Period” pursuant to clause (e) of Section 2.14.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member

Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy”, as now and hereafter in effect, or any successor statute.

“Bankruptcy Event” means, with respect to any Person, such Person becomes the subject of a voluntary or involuntary bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment or has had any order for relief in such proceeding entered in respect thereof; *provided* that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, unless such ownership interest results in or provides such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permits such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

“Benchmark” means, initially, Term SOFR; provided that, if a Benchmark Transition Event and the Benchmark Replacement Date with respect thereto have occurred with respect to Term SOFR or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (b) or (c) of Section 2.14.

“Benchmark Replacement” means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

- (1) Daily Simple SOFR;
- (2) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to

(i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities at such time and (b) the Benchmark Replacement Adjustment with respect thereto;

If the Benchmark Replacement as determined pursuant to clause (1) or (2) above of this definition would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Alternate Base Rate,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

- (1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or
- (2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by or on behalf of the administrator of such Benchmark (or such component thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative or non-compliant with or non-aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks; provided that such non-representativeness, non-compliance or non-alignment will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, the Term SOFR Administrator, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Unavailability Period” means the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.14 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.14.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership or control as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in Section 4975 of the Code to which Section 4975 of the Code applies, and (c) any Person whose assets include (for purposes of the Plan Asset Regulations or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“Bookrunners” means Barclays Bank PLC, in its capacity as bookrunner hereunder.

“Borrower” means Affirm, Inc., a Delaware corporation.

“Borrowing” means a Revolving Borrowing.

“Borrowing Request” means a request by the Borrower for a Revolving Borrowing in accordance with Section 2.03, which shall be substantially in the form of Exhibit B or any other form approved by the Administrative Agent.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; *provided* that, when used in connection with a SOFR Loan, the term “Business Day” shall also exclude any day on which banks are not open for dealings in dollar deposits in the London interbank market.

“Capital Lease Obligations” of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases or financing leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

“Cash Equivalents” means any of the following: (a) marketable direct obligations issued by, or unconditionally guaranteed or insured by, the United States Government or issued by any agency thereof, in each case maturing within ninety (90) days or less after the date of the applicable financial statement reporting such amounts, (b) certificates of deposit, time deposits or eurodollar or SOFR time deposits having maturities of ninety (90) days or less after the date of the applicable financial statement reporting such amounts, or overnight bank deposits, issued by any well-capitalized commercial bank organized under the laws of the United States or any state thereof having combined capital and surplus of not less than \$500,000,000, (c) repurchase obligations of any commercial bank satisfying the requirements of clause (b) of this definition, having a term of not more than seven (7) days with respect to securities issued or fully guaranteed or insured by the United States Government, (d) commercial paper of a domestic issuer rated at least A-1 or the equivalent thereof by S&P or P-1 or the equivalent thereof by

Moody's and in either case maturing within ninety (90) days after the day of acquisition, (e) securities with maturities of ninety (90) days or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A by S&P or A by Moody's, (f) securities with maturities of ninety (90) days or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the requirements of clause (b) of this definition, (g) shares of money market mutual or similar funds or (h) 70% of the unencumbered marketable securities in the Borrower or its Subsidiaries' accounts.

"Change in Control" means (a) the sale, lease or transfer, in one or a series of related transactions, of all or substantially all the assets of Holdings and its Subsidiaries, taken as a whole, to a person other than any of the Permitted Holders, (b) Holdings ceases to own directly or indirectly 100% of the issued and outstanding equity interests of the Borrower or (c) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Exchange Act and the rules of the SEC thereunder as in effect on the date hereof) other than any of the Permitted Holders, of Equity Interests representing more than 45% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of Holdings, unless the Permitted Holders have, at such time, the right or the ability by voting power, contract or otherwise to elect or designate for election at least a majority of the members of the board of directors or equivalent governing body of Holdings. For purposes of determining Equity Interests of Holdings owned by the Permitted Holders under the preceding clause (b), all amounts indirectly or beneficially owned by the Permitted Holders shall be included in the determination thereof.

Notwithstanding the foregoing: (i) the transfer of assets between or among Holdings and its Subsidiaries shall not itself constitute a Change in Control and (ii) a Person or group shall not be deemed to have beneficial ownership of securities subject to a stock purchase agreement, merger agreement or similar agreement (or voting or option agreement related thereto) prior to the consummation of the transactions contemplated by such agreement.

In addition, notwithstanding the foregoing, a transaction in which Holdings or a parent entity of Holdings becomes a Subsidiary of another Person (such Person, the "New Parent") shall not constitute a Change in Control if the equityholders of Holdings or such parent entity immediately prior to such transaction beneficially own, directly or indirectly through one or more intermediaries, at least a majority of the total voting power of the equity interests of Holdings or such New Parent immediately following the consummation of such transaction.

“Change in Law” means the occurrence after the date of this Agreement of (a) the adoption of or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) compliance by any Lender (or, for purposes of Section 2.15(b), by any lending office of such Lender or by such Lender’s holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; *provided* that, notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith or in the implementation thereof and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall, in each case, be deemed to be a “Change in Law,” regardless of the date enacted, adopted, issued or implemented.

“Charged-Off Receivable” means a Receivable that has been (a) specifically and separately reserved against by the Borrower or any of its Subsidiaries (other than Specified Subsidiaries) or (b) deemed charged-off or non-collectible by the Borrower or any of its Subsidiaries (other than Specified Subsidiaries) or that should have been charged off consistent with the Underwriting/Servicing Policies.

“Charges” has the meaning assigned to it in Section 9.14.

“Code” means the Internal Revenue Code of 1986, as amended.

“Commitment” means, with respect to each Lender, the amount set forth on Schedule 2.01 opposite such Lender’s name, or in the Assignment and Assumption or other documentation or record (as such term is defined in Section 9-102(a)(70) of the New York Uniform Commercial Code) as provided in Section 9.04(b)(ii)(C), pursuant to which such Lender shall have assumed its Commitment, as applicable, and giving effect to (a) any reduction in such amount from time to time pursuant to Section 2.09, (b) any increases from time to time pursuant to an Increased Commitment Supplement and (c) any reduction or increase in such amount from time to time pursuant to assignments by or to such Lender pursuant to Section 9.04; *provided* that, at no time shall the Revolving Credit Exposure of any Lender exceed its Commitment. The initial aggregate amount of the Lenders’ Commitments as of June 26, 2024 is \$330,000,000.

“Communications” has the meaning assigned to it in Section 8.03(c).

“Connection Income Taxes” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Consolidated Total Assets” means the total assets of Holdings and its Subsidiaries, determined on a consolidated basis in accordance with GAAP, as shown on the balance sheet as of the end of the most recent fiscal quarter for which financial statements have been delivered, adjusted on a pro forma basis to reflect any acquisition or dispositions of assets.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“Corresponding Tenor” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“Credit Party” means the Administrative Agent or any Lender.

“Cumulative Default Amount” means, for any Quarterly Vintage, the aggregate of the Default Amounts of all Past/Present Financed Receivables in such Quarterly Vintage that became Defaulted Receivables at any time after the Effective Date.

“Cumulative Default Ratio” means, for any Quarterly Vintage, the ratio expressed as a percentage of (i) the Cumulative Default Amount for such Quarterly Vintage to (ii) the sum of the initial Receivable Balances of all Past/Present Financed Receivables in such Quarterly Vintage. The Cumulative Default Ratio for each Quarterly Vintage shall be calculated as of the last day of the most recently ended calendar quarter and shall be reported on each quarterly report delivered pursuant to Section 5.01(e)(ii).

“Customary” means that in the good faith judgment of the Borrower’s senior management, (a) the terms are customary in the market or (b) such terms are not customary but are not materially worse for the Lenders than customary terms.

“Daily Simple SOFR” means, for any day (a “SOFR Rate Day”), a rate per annum equal to the greater of (a) SOFR for the day (such day “i”) that is five U.S. Government Securities Business Days prior to (i) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR

Administrator's Website, and (b) the Floor. If by 5:00 pm (New York City time) on the second (2nd) U.S. Government Securities Business Day immediately following any day "i", the SOFR in respect of such day "i" has not been published on the SOFR Administrator's Website and a Benchmark Replacement Date with respect to the Daily Simple SOFR has not occurred, then the SOFR for such day "i" will be the SOFR as published in respect of the first preceding U.S. Government Securities Business Day for which such SOFR was published on the SOFR Administrator's Website; provided that any SOFR determined pursuant to this sentence shall be utilized for purposes of calculation of Daily Simple SOFR for no more than three (3) consecutive SOFR Rate Days. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrower.

"Debtor Relief Law" means, collectively, the Bankruptcy Code and all other United States federal, State or foreign applicable liquidation, conservatorship, bankruptcy, moratorium, rearrangement, receivership, insolvency, reorganization or similar debtor relief laws from time to time in effect affecting the rights of creditors generally, as amended from time to time.

"Default" means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

"Default Amount" means, for any Defaulted Receivable, the outstanding Receivable Balance of such Receivable at the time such Receivable became a Defaulted Receivable.

"Defaulted Receivable" means, as of any date of determination, a Receivable (i) for which the related Account Debtor is more than 120 calendar days past due on all or any portion of any payment required to be made thereunder in an amount greater than \$1.00, (ii) for which the related Account Debtor is the subject of a proceeding under a Debtor Relief Law and the Borrower or any of its Subsidiaries has knowledge of such proceeding, or (iii) which constitutes a Charged-Off Receivable and has an outstanding principal balance of more than \$1.00.

"Defaulting Lender" means any Lender that (a) has failed, within two Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans or (ii) pay over to any Credit Party any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender's good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Borrower or any Credit Party in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Lender's good faith determination that a condition precedent (specifically identified and including the particular

default, if any) to funding a loan under this Agreement cannot be satisfied) or generally under other agreements in which it commits to extend credit, (c) has failed, within three Business Days after request by a Credit Party, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations (and is financially able to meet such obligations as of the date of certification) to fund prospective Loans under this Agreement, *provided* that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon such Credit Party's receipt of such certification in form and substance satisfactory to it and the Administrative Agent or (d) has become the subject of (A) a Bankruptcy Event or (B) a Bail-In Action.

“Delinquent Receivable” means, as of any date of determination, a Receivable (other than any Defaulted Receivable, any Fraudulent Receivable that has been repurchased or substituted for by the Borrower and any Designated Receivable that has been sold to a Designated Receivable Purchaser pursuant to the related Designated Receivable Sale Agreement) for which the related Account Debtor is more than 30 calendar days past due on all or any portion of any payment required to be made thereunder in an amount greater than \$1.00.

“Delinquent Receivable Ratio” means, for any Due Period, the percentage equivalent of a fraction, (x) the numerator of which is equal to the sum of the Receivable Balances of each Past/Present Financed Receivable that is a Delinquent Receivable, and (y) the denominator of which is the sum of the Receivable Balances of each Past/Present Financed Receivable, in each case determined as of the end of such Due Period.

“Designated Receivable” means any Receivable (a) where if the Account Debtor of such Receivable was a resident of the State of New York, Vermont or Connecticut as of the related Origination Date, such Receivable's APR exceeds the applicable maximum rate of interest prescribed in the usury statute(s) of such State for consumer loans, including any rate that solely gives rise to civil remedies, notwithstanding the fact that (i) such Receivable may not have been subject to the Applicable Law of such State on the applicable Origination Date or (ii) the Applicable Law of such State did not, or does not, apply to Originator or the Borrower, and (b) which Receivable's APR or Account Debtor Interest Rate, as applicable, exceeds the then applicable maximum rate of interest prescribed for consumer loans in the usury statute(s) of the State in which the Account Debtor was a resident as of the related Origination Date, excluding any rate that solely gives rise to civil remedies.

“Designated Receivable Purchaser” means an entity designated by the Borrower in writing to the Administrative Agent and the Lenders and for which the Borrower has provided the Administrative Agent and the Lenders reasonable comfort (including, if requested, an opinion of outside counsel) that neither the Borrower nor any of its Subsidiaries would be

substantively consolidated into such entity in the event of a bankruptcy or other insolvency proceeding where such entity is the debtor.

“Designated Receivable Sale Agreement” means, with respect to a Designated Receivable Purchaser, a transfer agreement to be entered into among the Borrower, such Designated Receivable Purchaser and others pursuant to which the Borrower may sell, from time to time, Designated Receivables to such Designated Receivable Purchaser, in form and substance reasonably satisfactory to the Administrative Agent (including as it relates to matters of true sale), as such agreement may be amended, restated, supplemented or otherwise modified from time to time.

“Disclosed Matters” has the meaning assigned to it in Section 3.06(a).

“Disposition” or “Dispose” means the sale, transfer, license, lease or other disposition (in one transaction or in a series of transactions and whether effected pursuant to a division or otherwise) of any property by any Person (including any sale and leaseback transaction and any issuance of Equity Interests by a Subsidiary of such Person), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

“Disqualified Equity Interests” means Equity Interests that by their terms or upon the happening of any event are (a) required to be redeemed or redeemable at the option of the holder prior to the Maturity Date for consideration other than Qualified Equity Interests or (b) convertible at the option of the holder into Disqualified Equity Interests or exchangeable for Indebtedness; *provided* that Equity Interests will not constitute Disqualified Equity Interests solely because of provisions giving holders thereof the right to require repurchase or redemption upon an “asset sale” or “change in control” occurring prior to the Maturity Date if those provisions (i) are no more favorable to the holders thereof than to the Lenders under this Agreement and (ii) specifically state that repurchase or redemption pursuant thereto will not be required prior to any required prepayments under this Agreement.

“Dollars” or “\$” refers to lawful money of the United States of America.

“Domestic Subsidiary” means any Subsidiary that is organized under the laws of any political subdivision of the United States, excluding (x) any such Subsidiary substantially all of the assets of which consist of Equity Interests in one or more Subsidiaries that are “controlled foreign corporations” within the meaning of Section 957 of the Code and (y) any such Subsidiary that is owned (directly or indirectly) by a Subsidiary that is a “controlled foreign corporation” within the meaning of Section 957 of the Code.

“Due Period” means (i) the period from and including the Effective Date to and including the last day of the first calendar month ending after the Effective Date and (ii) each subsequent calendar month.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a Subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Effective Date” means the date on which the conditions specified in Section 4.01 are satisfied (or waived in accordance with Section 9.02).

“Electronic Signature” means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

“Environmental Laws” means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by any Governmental Authority, relating in any way to (i) the environment, (ii) preservation or reclamation of natural resources, (iii) the management, release or threatened release of any Hazardous Material or (iv) health and safety matters as they relate to exposure to Hazardous Materials.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower or any Subsidiary directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Equity Interests” means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest, but excluding any debt securities convertible into any of the foregoing.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder.

“ERISA Affiliate” means any trade or business (whether or not incorporated) that, together with the Borrower, is treated as a single employer under Section 414(b) or (c) of the Code or Section 4001(14) of ERISA or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

“ERISA Event” means (a) any “reportable event”, as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30 day notice period is waived); (b) the failure to satisfy the “minimum funding standard” (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived; (c) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by the Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by the Borrower or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by the Borrower or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal of the Borrower or any of its ERISA Affiliates from any Plan or Multiemployer Plan; or (g) the receipt by the Borrower or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Borrower or any ERISA Affiliate of any notice, concerning the imposition upon the Borrower or any of its ERISA Affiliates of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in endangered or critical status, within the meaning of Title IV of ERISA.

“Erroneous Payment Recipient” has the meaning assigned to it in Section 9.18.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

“Event of Default” has the meaning assigned to such term in Section 7.01.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Excluded Subsidiary” means (a) any Subsidiary that is prohibited by applicable law, rule or regulation (including in respect of any self-regulatory organization) or by any contractual obligation to which such Subsidiary is a party or by which it or any of its property or assets is bound from guaranteeing the Obligations; *provided* that any such agreement, instrument or other undertaking (i) is in existence on the Effective Date (or, with respect to a Subsidiary acquired after the Effective Date, as of the date such acquisition) and (ii) in the case of a Subsidiary acquired after the Effective Date, was not entered into in connection with, or in contemplation of, such acquisition, (b) any Subsidiary with respect to which guaranteeing the Obligations would require consent, approval, license or authorization from any Governmental Authority or self-regulatory organization, unless such consent, approval, license or authorization has been obtained, (c) any other Subsidiary with respect to which the Administrative Agent, in consultation with the Borrower, consents to the exclusion thereof either because the burden or cost or other consequences is excessive in view of the benefits to be obtained by the Lenders or otherwise, (d) any Subsidiary that is a broker-dealer, (e) an Immaterial Subsidiary, (f) a Securitization Subsidiary and (g) a Specified Subsidiary. Excluded Subsidiaries as of the Effective Date are set forth on Schedule 5.09.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 2.19(b)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.17, amounts with respect to such Taxes were payable either to such Lender’s assignor immediately before such Lender acquired the applicable interest in a Loan or Commitment or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient’s failure to comply with Section 2.17(f) and (d) any withholding Taxes imposed under FATCA.

“Experimental or Exploratory Receivable” means any Receivable designated as such by Borrower at the time of origination of such Receivable; *provided* that no Receivable may be designated as an Experimental or Exploratory Receivable if after giving effect thereto, the aggregate Receivable Balance of all Experimental or Exploratory Receivables would exceed 2% of the Receivable Balance of all Receivables.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

“Federal Funds Effective Rate” means, for any day, the rate calculated by the NYFRB based on such day’s federal funds transactions by depository institutions, as determined in such manner as shall be set forth on the Federal Reserve Bank of New York’s Website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate; *provided* that if the Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“Federal Reserve Bank of New York’s Website” means the website of the NYFRB at <http://www.newyorkfed.org>, or any successor source.

“Federal Reserve Board” means the Board of Governors of the Federal Reserve System of the United States of America.

“Financeable Assets” means (a) Receivables, (b) Residual Interests and (c) any assets related to the foregoing that are of the type transferred in connection with securitization transactions involving assets such as, or similar to, such Receivables or Residual Interests, as the case may be or other similar assets, interests in any of the foregoing and any collections or proceeds of any of the foregoing.

“Financial Covenant” has the meaning assigned to it in Section 6.10.

“Financial Covenant Compliance” means compliance with the Financial Covenants levels set forth in Section 6.10 as of the last day of the most recent fiscal quarter for which financial statements have been delivered, whether or not any such Financial Covenant is required to be tested on such date, and on the proposed Borrowing date or on a Transaction Date, as applicable, if such compliance were determined on such date; *provided* that, with respect to a proposed Borrowing or a Restricted Payment, Tangible Net Worth may be calculated as of the last day of the most recent fiscal quarter for which financial statements have been delivered (or as of the last day of the most recent fiscal month for which financial statements are internally available) but adjusted on a pro forma basis to reflect any Restricted Payments made after such quarter end or month end and the Borrower’s good faith estimate of net income after such quarter end or month end.

“Financial Officer” means the chief financial officer, principal accounting officer, treasurer or controller of the Borrower.

“Fitch” means Fitch Ratings Inc. (or any successor thereto).

“Floor” means a rate of interest equal to 0.00%.

“Foreign Lender” means (a) if the Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if the Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which the Borrower is resident for tax purposes.

“Fraudulent Receivable” means any Receivable that was fraudulently obtained by the related Account Debtor.

“GAAP” means generally accepted accounting principles in the United States of America as in effect from time to time.

“Governmental Authority” means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Guarantee” of or by any Person (the “guarantor”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; *provided* that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business.

“Guarantor” means Holdings and any Domestic Subsidiary of Holdings (other than the Borrower) that has delivered a Guaranty or a joinder agreement to a Guaranty pursuant to Section 4.01(a)(ii) or 5.09 hereof.

“Guaranty” means a guaranty agreement in substantially the form of Exhibit D hereto.

“Hazardous Materials” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, per- and polyfluoroalkyl substances, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“Hedging Agreement” means (i) any interest rate swap agreement, interest rate cap agreement or other agreement designed to protect against fluctuations in interest rates or (ii) any foreign exchange forward contract, currency swap agreement or other agreement designed to protect against fluctuations in foreign exchange rates.

“Holdings” means Affirm Holdings, Inc., a Delaware corporation.

“IBA” means ICE Benchmark Administration together with any successor thereto.

“Immaterial Subsidiary” means, at any date of determination, any Subsidiary of the Borrower (a) whose Consolidated Total Assets as of the most recent available quarterly or year-end financial statements do not exceed 2.5% of the Consolidated Total Assets of Holdings and its Subsidiaries at such date and (b) whose revenues for the most recently ended four-quarter period for which financial statements are available do not exceed 2.5% of the consolidated revenues of Holdings and its Subsidiaries for such period, in each case determined in accordance with GAAP; *provided* that (i) the Consolidated Total Assets of all such Subsidiaries as of the most recent available quarterly or year-end financial statements shall not exceed 5.0% of the Consolidated Total Assets of Holdings and its Subsidiaries at such date and (ii) the total revenues of all such Subsidiaries for the most recently ended four-quarter period for which financial statements are available shall not exceed 5.0% of the consolidated revenues of Holdings and its Subsidiaries for such period, in each case determined in accordance with GAAP. For any determination made as of or prior to the time any Person becomes an indirect or direct Subsidiary of the Borrower, such determination and designation shall be made based on financial statements provided by or on behalf of such Person in connection with the acquisition of such Person or such Person’s assets.

“Increased Commitment Supplement” means a supplement to this Agreement executed pursuant to the terms of Section 2.21.

“Incremental Revolving Commitment” has the meaning assigned to such term in Section 2.21(a).

“Incremental Revolving Facility” has the meaning assigned to such term in Section 2.21(a).

“Incremental Revolving Loans” has the meaning assigned to such term in Section 2.21(a).

“Indebtedness” means, with respect to any Person, without duplication, (a) obligations created, issued or incurred by such Person for borrowed money (whether by loan, the issuance and sale of debt securities or the sale of property to another Person subject to an understanding or agreement, contingent or otherwise, to repurchase such property from such Person), (b) obligations of such Person to pay the deferred purchase or acquisition price of property or services, other than trade accounts payable (other than for borrowed money) within 90 days of the date the related goods are delivered or services are rendered, arising in the ordinary course of business, and other than to pay accrued expenses incurred in the ordinary course of business, (c) indebtedness of others secured by a lien on the property of such Person, whether or not the respective indebtedness so secured has been assumed by such Person, (d) obligations (contingent or otherwise) of such Person in respect of letters of credit or similar instruments issued or accepted by banks and other financial institutions for account of such Person, (e) Capital Lease Obligations of such Person, (f) obligations of such Person under repurchase agreements, sale/buy-back agreements or like arrangements, (g) indebtedness of others Guaranteed by such Person, (h) all obligations of such Person incurred in connection with the acquisition or carrying of fixed assets by such Person, (i) indebtedness of general partnerships of which such Person is a general partner and (j) any other indebtedness of such Person evidenced by a note, bond, debenture or similar instrument.

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Loan Document and (b) to the extent not otherwise described in (a) hereof, Other Taxes.

“Indemnitee” has the meaning assigned to it in Section 9.03(c).

“Ineligible Institution” means (a) a natural person, (b) a Defaulting Lender or its Lender Parent, (c) a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person or relative(s) thereof or (d) the Borrower or any of its Affiliates; provided that, with respect to clause (c), such holding company, investment vehicle or trust shall not constitute an Ineligible Institution if it (x) has not been established for the primary purpose of acquiring any Loans or Commitments, (y) is managed by a professional advisor, who is not such natural person or a relative thereof, having significant experience in the business of making or purchasing commercial loans, and (z) has assets greater than \$25,000,000 and a

significant part of its activities consist of making or purchasing commercial loans and similar extensions of credit in the ordinary course of its business.

“Information” has the meaning assigned to it in Section 9.12.

“Interest Election Request” means a request by the Borrower to convert or continue a Revolving Borrowing in accordance with Section 2.08, which shall be substantially in the form of Exhibit C or any other form approved by the Administrative Agent.

“Interest Payment Date” means (a) with respect to any ABR or Daily Simple SOFR Loan, the last day of each March, June, September and December and the Maturity Date and (b) with respect to any SOFR Loan, the last day of each Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a SOFR Borrowing with an Interest Period of more than three months’ duration, each day prior to the last day of such Interest Period that occurs at intervals of three months’ duration after the first day of such Interest Period, and the Maturity Date.

“Interest Period” means (a) with respect to any SOFR Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, three or six months thereafter, as the Borrower may elect; *provided* that, (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (ii) any Interest Period pertaining to a SOFR Borrowing that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period and (iii) no Interest Period shall extend beyond the Maturity Date. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and, in the case of a Revolving Borrowing, thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

“Investment” means any loan, advance, extension of credit (by way of Guarantee or otherwise) or capital contributions by Holdings or any of its Subsidiaries to any other Person. For the avoidance of doubt, notwithstanding anything to the contrary herein, the value of any Investment shall be deemed to be the original cost of such Investment plus the cost of all additions thereto, without any adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect to such Investment; *provided*, that the value of such Investment shall be net of cash return received after the Effective Date as a result of any sale for

cash, repayment, redemption, liquidation, distribution or other cash realization, not to exceed the original cost of such Investment.

“IRS” means the United States Internal Revenue Service.

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

“Lender Parent” means, with respect to any Lender, any Person as to which such Lender is, directly or indirectly, a Subsidiary.

“Lender-Related Person” has the meaning assigned to it in Section 9.03(b).

“Lenders” means the Persons listed on Schedule 2.01A and any other Person that shall have become a party hereto pursuant to an Assignment and Assumption or otherwise, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption or otherwise.

“Leverage Ratio” means the ratio of (i) the Total Liabilities of Holdings and its consolidated Subsidiaries, less the amount of any Non-Recourse Indebtedness of Holdings and its consolidated Subsidiaries, to (ii) the Tangible Net Worth of Holdings and its consolidated Subsidiaries; *provided*, that Permitted Securitization Indebtedness shall be excluded for the purpose of calculating such ratio.

“Liabilities” means any losses, claims (including intraparty claims), demands, damages or liabilities of any kind.

“Lien” means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset and (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset; *provided* that in no event shall an operating lease be deemed to constitute a Lien.

“Liquidity” at any time means the sum of (a) the aggregate Unfunded Commitments at such time and (b) the aggregate amount of all (i) cash and Cash Equivalents and (ii) without duplication of the foregoing, Investments classified as “securities available for sale at fair value” within Holdings’ public filings on Form 10-K or Form 10-Q, in each case, of Holdings and its

Subsidiaries (other than Specified Subsidiaries) on the consolidated balance sheet of Holdings that are not “restricted” for purposes of GAAP nor otherwise subject to a Lien (other than Liens in favor of the Administrative Agent) at such time.

“LLC” means any Person that is a limited liability company under the laws of its jurisdiction of formation.

“Loan Documents” means this Agreement, including schedules and exhibits hereto, the promissory notes executed under this Agreement and any agreements entered into in connection herewith by the Borrower with or in favor of the Administrative Agent and/or the Lenders.

“Loan Parties” means the Borrower and the Guarantors.

“Loans” means the loans made by the Lenders to the Borrower pursuant to this Agreement.

“Margin Stock” means margin stock within the meaning of Regulations T, U and X, as applicable.

“Material Adverse Change” means any event, development or circumstances that has had or would reasonably be expected to have a Material Adverse Effect.

“Material Adverse Effect” means a material adverse effect on (a) the business, assets, property or condition (financial or otherwise) of the Borrower and its Subsidiaries taken as a whole, (b) the ability of the Borrower and the Guarantors, taken as a whole, to perform their respective payment obligations under this Agreement or any of the other Loan Documents or (c) the validity or enforceability of this Agreement or any other Loan Document or the rights or remedies of the Administrative Agent and the Lenders hereunder or thereunder.

“Maturity Date” means June 26, 2027; *provided however*, (a) if such date is not a Business Day, the Maturity Date shall be the next preceding Business Day and (b) if at any time on any day occurring on or after the 91st day before the maturity of the Specified Convertible Notes [described in clause \(a\) of the definition of “Specified Convertible Notes”](#), the aggregate outstanding principal amount of ~~the~~[such](#) Specified Convertible Notes shall be equal to or shall exceed the greater of (i) \$150,000,000 or (ii) Liquidity, Maturity Date thenceforth shall mean such day.

“Material Domestic Subsidiary” means a wholly-owned Domestic Subsidiary that is not an Excluded Subsidiary.

“Material Obligation” means (i) Indebtedness of any Loan Party or its Subsidiaries which individually, or taken together with any other such Indebtedness, exceeds \$15,000,000 or (ii) without duplication, any other obligation of any Loan Party or of any of its Subsidiaries in respect of any agreement involving aggregate payment or consideration in excess of \$15,000,000, in each case other than Non-Recourse Indebtedness.

“Maximum Rate” has the meaning assigned to it in Section 9.14.

“Monthly Receivables Report” means the report substantially in the form of Exhibit F hereto or in such other form as may be approved by the Administrative Agent in its sole discretion.

“Moody’s” means Moody’s Investors Service, Inc. (or any successor thereto).

“Multiemployer Plan” means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“New Lender” has the meaning assigned to such term in Section 2.21(c).

“Non-Recourse Indebtedness” means (i) any Indebtedness of any Subsidiary that is a special-purpose, bankruptcy remote vehicle established in connection with a securitization or structured financing (including any warehouse or term credit agreement) and which is non-recourse to any Loan Party (other than with respect to Standard Securitization Undertakings), and (ii) any Indebtedness resulting from a transaction in which all or substantially all of the economic value of loans have been sold, transferred or assigned, directly or indirectly through a series of related transactions, by Borrower or a Subsidiary of Borrower to a Person that is not an Affiliate of Borrower, which Indebtedness is non-recourse to any Loan Party (other than with respect to Standard Securitization Undertakings); *provided* that, for the avoidance of doubt, at no time shall Residual Funding Facilities be Non-Recourse Indebtedness.

“NYFRB” means the Federal Reserve Bank of New York.

“NYFRB Rate” means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); *provided* that if none of such rates are published for any day that is a Business Day, the term “NYFRB Rate” means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by the Administrative Agent from a federal funds broker of recognized standing selected by it; *provided further*, that if any of the aforesaid rates as so determined be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Obligations” means all advances to, and debts, liabilities, obligations, covenants and duties of, the Borrower arising under any Loan Document or otherwise with respect to any Loan, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against the Borrower or any Affiliate thereof of any proceeding under any debtor relief laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed or allowable claims in such proceeding. Without limiting the foregoing, the Obligations include (a) the obligation to pay principal, interest, charges, expenses, fees, indemnities and other amounts payable by the Borrower under any Loan Document and (b) the obligation of the Borrower to reimburse any amount in respect of any of the foregoing that the Administrative Agent or any Lender, in each case in its sole discretion, may elect to pay or advance on behalf of the Borrower.

“Obligor Principal Balance” means, for any Receivable and as of any date of determination, the outstanding principal amount (excluding any capitalized interest) required to be paid by the related Account Debtor in respect thereof, as such amount may have been reduced from time to time in accordance with the Underwriting/ Servicing Policies, including without limitation by refunded amounts in respect thereof.

“Originating Bank” means (i) Cross River Bank, a New Jersey state-chartered commercial bank, (ii) Celtic Bank Corporation, a Utah industrial bank, (iii) Affirm Loan Services LLC, and (iv) such other bank or financial institution that originates and sells Receivables to Borrower.

“Origination Date” means the date of the closing and funding of the applicable Receivable between an Originator and the applicable Account Debtor.

“Originator” means, with respect to any Receivable, (i) the Borrower or any of its Subsidiaries (other than Specified Subsidiaries), (ii) Cross River Bank, a New Jersey state chartered bank, (iii) Celtic Bank, a Utah state-chartered industrial bank or (iv) any other banking institution approved by the Required Lenders in writing in their sole discretion.

“Other Connection Taxes” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“Other Taxes” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.19).

“Overnight Bank Funding Rate” means, for any day, the rate comprised of both overnight federal funds and overnight eurodollar or SOFR borrowings by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the NYFRB as set forth on the Federal Reserve Bank of New York’s Website from time to time, and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

“Past/Present Financed Receivable” means, on any date of determination, any Receivable that is or was, at any time from and after the Effective Date, acquired by the Borrower from any Originating Bank in the ordinary course of business consistent with past practices, but excluding (i) any Fraudulent Receivable, (ii) any Designated Receivable that has been sold to a Designated Receivable Purchaser pursuant to the related Designated Receivable Sale Agreement and (iii) any Experimental or Exploratory Receivable.

“Participant” has the meaning assigned to such term in Section 9.04(c).

“Participant Register” has the meaning assigned to such term in Section 9.04(c).

“Patriot Act” has the meaning assigned to it in Section 9.16.

“Payment” has the meaning assigned to it in Section 9.18.

“Payment Dates” means, with respect to any Receivable, the date a payment is due in accordance with the Receivables Agreement with respect to such Receivable as in effect as of the date of determination.

“Payment Notice” has the meaning assigned to it in Section 9.18.

“PBGC” means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

“Periodic Term SOFR Determination Day” has the meaning specified in the definition of “Term SOFR”.

“Permitted Business” means any of the businesses in which the Borrower and its Subsidiaries are engaged on the Effective Date, and any business reasonably related, incidental, complementary or ancillary thereto or any business deemed strategically desirable by the Borrower in good faith in connection therewith.

“Permitted Encumbrances” means:

(a) Liens imposed by law for Taxes that are not yet due or are being contested in compliance with Section 5.04;

(b) carriers’, warehousemen’s, mechanics’, materialmen’s, repairmen’s and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than 45 days or are being contested in compliance with Section 5.04;

(c) pledges and deposits made in the ordinary course of business in compliance with workers’ compensation, unemployment insurance and other social security laws or regulations or employment laws or to secure other public, statutory or regulatory obligations;

(d) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(e) judgment liens in respect of judgments that do not constitute an Event of Default under Section 7.01(k);

(f) survey exceptions, title exceptions, encumbrances, easements or reservations of, or rights of others for, licenses, rights of way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property, not interfering in any material respect with the conduct of the business of the Borrower and its Subsidiaries;

(g) leases, licenses, subleases or sublicenses granted to third parties in the ordinary course of business, including of intellectual property;

(h) customary Liens in favor of trustees and escrow agents, Liens to secure cash management services or to implement pooling arrangements and netting and setoff rights, banker’s liens and the like in favor of financial institutions, depositories, securities intermediaries and counterparties to financial obligations and instruments;

(i) Liens securing reimbursement obligations with respect to letters of credit that encumber documents and other property relating to such letters of credit and the proceeds thereof;

(j) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business so long as such Liens only cover the related goods; and

(k) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts incurred in the ordinary course of business and not for speculative purposes;

provided that the term “Permitted Encumbrances” shall not include any Lien securing Indebtedness.

“Permitted Holders” means the holders of Equity Interests in Holdings immediately prior to the consummation of Holdings’ initial public offering of its equity securities on Nasdaq on January 15, 2021.

“Permitted Refinancing Indebtedness” means an extension or renewal of, replacement of, or substitution for, or issued in exchange for, or the net proceeds of which are used to repay, prepay, defease, retire, redeem, repurchase, refinance or refund, including by way of defeasance (all of the above, for purposes of this clause, “refinance”) in whole or in part then outstanding Indebtedness in an amount (after deduction of any original issue discount) not to exceed the principal amount of the Indebtedness so refinanced, plus premiums, accrued interest, fees and expenses; *provided* that, (A) in case the Indebtedness to be refinanced is Subordinated Debt, the new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which it is outstanding, is expressly made subordinate in right of payment to the Revolving Facility at least to the extent that the Indebtedness to be refinanced is subordinated to the Revolving Facility and (B) the new Indebtedness does not have a stated maturity prior to the earlier of (x) the stated maturity of the Indebtedness to be refinanced and (y) 91 days following the final scheduled maturity of the Revolving Facility (*provided* that this subclause (B) will not apply to any refunding or refinancing of any secured Indebtedness).

“Permitted Securitization Indebtedness” means Indebtedness of any Securitization Subsidiary of the Borrower where no portion of such Indebtedness is guaranteed by the Borrower or any of its Subsidiaries other than pursuant to Standard Securitization Undertakings, is recourse to or obligates the Borrower or any of its Subsidiaries (other than such Securitization Subsidiary) in any way other than pursuant to Standard Securitization Undertakings or subjects any property or asset of the Borrower or any of its other Subsidiaries (other than such Securitization

Subsidiary), directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Plan” means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which the Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Plan Asset Regulations” means 29 CFR § 2510.3-101 et seq., as modified by Section 3(42) of ERISA, as amended from time to time.

“Preferred Stock” means, with respect to any Person, any and all Equity Interests which is preferred as to the payment of dividends or distributions, upon liquidation or otherwise, over another class of Equity Interests of such Person.

“Prime Rate” means the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

“Proceeding” means any claim, litigation, investigation, action, suit, arbitration or administrative, judicial or regulatory action or proceeding in any jurisdiction.

“PTE” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“Public Company Compliance” means compliance with the requirements of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith, the provisions of the Securities Act and the Exchange Act, and the rules of national securities exchange listed companies (in each case, as applicable to companies with equity or debt securities held by the public), including procuring directors’ and officers’ insurance, legal and other professional fees, and listing fees.

“Purchase Principal Balance” means, for any Receivable, an amount equal to (a) in the case of any Zero Interest Receivable, the related Risk-Based Price for such Receivable, as measured on the date the Borrower or any of its Subsidiaries acquired such Receivable, and (b) in the case of any other Receivable, the Obligor Principal Balance of such Receivable, as measured as of the end of the day immediately preceding the date on which the Borrower or its Subsidiaries acquired such Receivable.

“Qualified Equity Interests” means all Equity Interests of a Person other than Disqualified Equity Interests.

“Quarterly Receivables Report” means the report substantially in the form of Exhibit F hereto or in such other form as may be approved by the Administrative Agent in its sole discretion.

“Quarterly Vintage” means, for any calendar quarter, all Receivables that were originated during such calendar quarter.

“Receivable” or “Receivables” means all rights to payment of indebtedness and other obligations (including without limitation, unpaid principal, accrued interest, costs, fees, expenses and indemnity obligations) owing by an Account Debtor in respect of a loan or loans or other financial accommodations made or extended by an Originator to or for the benefit of such Account Debtor and if such Originator is not the Borrower or any of its Subsidiaries (other than a Specified Subsidiary), subsequently sold to the Borrower or a Subsidiary (other than a Specified Subsidiary) of the Borrower.

“Receivable Balance” means, for any Receivable and as of any date of determination, the positive difference, if any, of (i) the Purchase Principal Balance of such Receivable, *minus* (ii) the aggregate amount, if any, by which the principal balance of such Receivable has been reduced in accordance with the Underwriting/ Servicing Policies of the Borrower and its applicable Subsidiaries with respect to the Receivables, including without limitation by refunded amounts in respect thereof, after the date as of which such Purchase Principal Balance was determined; *provided* that the Receivable Balance of any Defaulted Receivable (other than for purposes of determining its Release Price) shall be equal to \$0.

“Recipient” means (a) the Administrative Agent and (b) any Lender, as applicable.

“Register” has the meaning assigned to such term in Section 9.04(b).

“Regulation D” means Regulation D of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“Regulation T” means Regulation T of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“Regulation U” means Regulation U of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“Regulation X” means Regulation X of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“Related Parties” means, with respect to any specified Person, such Person’s Affiliates and the respective directors, officers, employees, agents and advisors of such Person and such Person’s Affiliates.

“Relevant Governmental Body” means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

“Reporting Entity” has the meaning assigned to such term in Section 5.01.

“Required Lenders” means, subject to Section 2.20, (a) at any time prior to the earlier of the Loans becoming due and payable pursuant to Section 7.01 or the Commitments terminating or expiring, at least two Lenders (that are not Affiliates of each other) having Revolving Credit Exposures and Unfunded Commitments representing more than 50.0% of the sum of the Total Revolving Credit Exposure and Unfunded Commitments at such time, *provided* that, solely for purposes of declaring the Loans to be due and payable pursuant to Section 7.01, the Unfunded Commitment of each Lender shall be deemed to be zero; and (b) for all purposes after the Loans become due and payable pursuant to Section 7.01 or the Commitments expire or terminate, at least two Lenders (that are not Affiliates of each other) having Revolving Credit Exposures representing more than 50.0% of the Total Revolving Credit Exposure at such time. Notwithstanding the foregoing, Required Lenders shall include each Lender party to this Agreement as of the Effective Date so long as such Lender maintains a Commitment not less than the Commitment of such Lenders as of the Effective Date (or such lesser Commitment equal to such Lender’s ratable amount of the aggregate Commitments to the extent reduced or terminated by the Borrower in accordance with Section 2.09).

“Residual Funding Facility” means any funding arrangement with a financial institution or institutions or other lenders or purchasers under which advances are made to the Borrower or any Subsidiary secured solely by Residual Interests.

“Residual Interest” means (i) any residual and subordinated (after giving effect to the incurrence of Permitted Securitization Indebtedness or Non-Recourse Indebtedness) reserve accounts and ownership (including equity) or participation interest held by the Borrower or a Subsidiary in Securitization Subsidiaries or their assets, regardless of whether required to appear on the face of the consolidated financial statements in accordance with GAAP or (ii) with respect to any Securitization Subsidiary, the residual right (which may be represented by an equity interest or a subordinated debt obligation of such entity) owned or held by the Borrower or a Subsidiary (other than a Securitization Subsidiary) to receive cash flows from the Financeable Assets sold to such Securitization Subsidiary in excess of amounts needed to pay principal of, interest on and other amounts in respect of Securitization Indebtedness of such entity, servicing expenses of such entity, costs in respect of hedging obligations of such entity (if any) and other fees and obligations in respect of the third-party securities issued by such entity and secured by such Financeable Assets.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer” means the chief executive officer, the chief financial officer, the president or the treasurer of the Borrower.

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in the Borrower or any Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interests or any option, warrant or other right to acquire any such Equity Interests (other than any debt securities convertible into such Equity Interests).

“Reuters” means, as applicable, Thomson Reuters Corp., Refinitiv, or any successor thereto.

“Revolving Borrowing” means Revolving Loans of the same Type, made, converted or continued on the same date and, in the case of SOFR Loans, as to which a single Interest Period is in effect.

“Revolving Credit Exposure” means, with respect to any Lender at any time, the outstanding principal amount of such Lender’s Revolving Loans at such time.

“Revolving Facility” means the Commitments and the Revolving Loans made thereunder.

“Revolving Loan” means a Loan made pursuant to Section 2.03 and any Incremental Revolving Loan.

“Risk-Based Discount Rate” means for any Zero Interest Receivable, a rate per annum equal to, if such Receivable was assigned a credit grade by the Borrower as of the related Origination Date of: (1) “A”, 7.10%, (2) “B”, 10.70%, (3) “C”, 16.93%, or (4) “D”, 29.65%; or such other per annum rates as may be consented to by the Required Lenders from time to time.

“Risk-Based Price” means, with respect to any Zero Interest Receivable and as of any date of determination, the result of the following formula (in Microsoft Excel):

$$= PV (D / 12, T, PMT (0, T, 1)) x B$$

where “D” is the Risk-Based Discount Rate for such Receivable, “T” is the original term to maturity (in months) of such Receivable and “B” is the Obligor Principal Balance of such Receivable as of the end of the day immediately preceding such date of determination. For the avoidance of the doubt, the Risk-Based Price cannot exceed the value of B.

“S&P” means Standard & Poor’s Rating Services, a Standard & Poor’s Financial Services LLC business (or any successor thereto).

“Sanctioned Country” means, at any time, a country, region or territory which is the target of comprehensive Sanctions (at the time of this Agreement, Crimea, Cuba, Iran, North Korea, Syria, Donetsk, Luhansk, Zaporizhzhia, and Kherson).

“Sanctioned Person” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, the United Nations Security Council, the European Union, any European Union member state or His Majesty’s Treasury of the United Kingdom, (b) any Person located, organized or resident in a Sanctioned Country, (c) any Person owned 50% or more by, or controlled by, any such Person or Persons described in the foregoing clauses (a) or (b), or (d) any Person otherwise the target of Sanctions.

“Sanctions” means all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, or (b) the United Nations Security Council, the European Union, any European Union member state or His Majesty’s Treasury of the United Kingdom.

“SEC” means the Securities and Exchange Commission of the United State of America.

“Securities Act” means the Securities Act of 1933, as amended.

“Securitization Subsidiary” means a direct or indirect wholly-owned, special purpose bankruptcy remote Subsidiary or other Affiliate of Borrower formed for the purpose of directly or indirectly purchasing Receivables or other Financeable Assets from the Borrower or any of its Subsidiaries in connection with any Permitted Securitization Indebtedness or Non-Recourse Indebtedness (other than Standard Securitization Undertakings).

“Significant Subsidiary” means any Subsidiary that would be a “Significant Subsidiary” of the Borrower within the meaning of Rule 1-02 under Regulation S-X promulgated by the SEC (or any successor provision).

“SOFR” means, with respect to any U.S. Government Securities Business Day, a rate per annum equal to the secured overnight financing rate for such U.S. Government Securities Business Day published by the SOFR Administrator on the website of the SOFR Administrator, currently at <http://www.newyorkfed.org> (or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time) on the immediately succeeding U.S. Government Securities Business Day.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Borrowing” means, as to any Borrowing, the SOFR Loans comprising such Borrowing.

“SOFR Loan” means a Loan that bears interest at a rate based on Term SOFR, other than pursuant to clause (c) of the definition of “Alternate Base Rate”.

“Solvent” means, as to any Person as of any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair saleable value of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts, including contingent debts, as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities, including contingent debts and liabilities, beyond such Person’s ability to pay such debts and liabilities as they mature and (d) such Person is not engaged in a business or a transaction, and is not about to engage in a business or a transaction, for which such Person’s property would constitute an unreasonably small capital. The amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“Specified Convertible Notes” means collectively, (a) the 0% convertible notes due 2026 in the aggregate principal amount of \$1.725 billion issued by Holdings pursuant to the Indenture

dated as of November 23, 2021 between Holdings and Wilmington Trust, National Association, as trustee [and \(b\) the convertible notes due 2029 in the aggregate principal amount of up to \\$1.15 billion issued by Holdings on or prior to December 31, 2024.](#)

“Specified Subsidiary” means each Subsidiary that is not organized under the laws of any political subdivision of the United States and is either (a) listed on Schedule 1.01 or (b) designated as a Specified Subsidiary by the Borrower after the Effective Date. The board of directors of the Borrower may designate after the Effective Date any Subsidiary of the Borrower, including a newly acquired or created Subsidiary, to be a Specified Subsidiary if it meets the following qualifications:

(i) such Subsidiary does not own any Equity Interest of the Borrower or any Subsidiary that is not a Specified Subsidiary;

(ii) the Borrower would be permitted to make an Investment at the time of the designation in an amount equal to the aggregate fair market value of all Investments in such Subsidiary by the Borrower or its Subsidiaries that are not Specified Subsidiaries;

(iii) any guarantee or other credit support thereof by the Borrower or any Subsidiary that is not a Specified Subsidiary is permitted under Sections 6.01 and 6.04;

(iv) neither the Borrower nor any Subsidiary that is not a Specified Subsidiary has any obligation to subscribe for additional Equity Interests of such Subsidiary or cause it to achieve specified levels of operating results except to the extent permitted by Sections 6.01 and 6.04;

(v) immediately before and after such designation, no Default or Event of Default shall have occurred and be continuing or would result from such designation; and

(vi) no Subsidiary may be designated as a Specified Subsidiary if it is a “restricted subsidiary” or a “guarantor” (or any similar designation) for any other Material Obligation of the Borrower or any Subsidiary that is not a Specified Subsidiary.

Once so designated, the Subsidiary will remain a Specified Subsidiary.

“Standard Securitization Undertakings” means representations, warranties, covenants, pledges and indemnities made or provided by the Borrower in connection with Permitted Securitization Indebtedness or Non-Recourse Indebtedness which are (a) customary for the sponsor of a non-recourse financing transaction in which receivables are transferred, directly or indirectly, to a special purpose, bankruptcy remote securitization vehicle or (b) consented to in writing by the Required Lenders. For the avoidance of doubt, the granting and perfection of liens in any applicable servicing account and servicing agreement in connection with a Permitted

Securitization Indebtedness or Non-Recourse Indebtedness shall constitute a Standard Securitization Undertaking.

“Subordinated Debt” means any Indebtedness of Holdings or its Subsidiaries which is subordinated in right of payment to the Loans, pursuant to a written agreement in form and substance reasonably acceptable to the Administrative Agent.

“Subsidiary” means, with respect to any Person (the “parent”) at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent’s consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held, or (b) that is, as of such date, otherwise Controlled by the parent and/or one or more subsidiaries of the parent. Except for purposes of the definition of “Leverage Ratio”, Section 6.10, Section 5.01(a) and Section 5.01(b) and unless otherwise specified, all references herein to a “Subsidiary” or to “Subsidiaries” shall refer to a Subsidiary (but shall exclude a Specified Subsidiary) or Subsidiaries (but shall exclude Specified Subsidiaries) of Holdings.

“Syndication Agent” means Barclays Bank PLC, in its capacity as syndication agent hereunder.

“Tangible Net Worth” means, for any Person, such Person’s (a) assets, *minus* (b) liabilities, *minus* (c) any intangible assets of such person, including but not limited to, goodwill, trademarks, tradenames, copyrights, patents, patent allocations, licenses and rights in any of the foregoing and other items treated as intangibles, *minus* (d) amounts due to such Person from any of its Affiliates (excluding such Person and its consolidated Subsidiaries), in each case as determined in accordance with GAAP.

“Tangible Net Worth Level” means, at any time, (a) \$850,000,000 *plus* (b) 60% of the aggregate amount of net proceeds from each sale or issuance of Equity Interests by the Borrower or any of its parent entity (including Holdings) after the Effective Date (excluding, for the avoidance of doubt, the initial public offering of Holdings’ equity securities described in Section 4.01(i) and any issuance of Equity Interests to its directors, officers or employees).

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term SOFR” means,

(a) for any calculation with respect to a SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “Periodic Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and

(b) for any calculation with respect to an ABR Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the “ABR Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any ABR Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such ABR SOFR Determination Day;

provided, further, that if Term SOFR determined as provided above (including pursuant to the proviso under clause (a) or clause (b) above) shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.

“Term SOFR Administrator” means the CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

“Term SOFR Reference Rate” means the rate per annum determined by the Administrative Agent as the forward-looking term rate based on SOFR.

“Total Liabilities” means, for any Person, as at any date of determination, the aggregate amount of all Indebtedness of such Person, as determined on a consolidated basis in accordance with GAAP.

“Total Revolving Credit Exposure” means, at any time, the outstanding principal amount of the Revolving Loans at such time.

“Transactions” means the execution, delivery and performance by the Borrower of this Agreement, the borrowing of Loans and the use of the proceeds thereof.

“Type”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Term SOFR or the Alternate Base Rate.

“UK Financial Institutions” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the Benchmark Replacement Adjustment with respect thereto.

“Underwriting/Servicing Policies” means the credit and collection policies and procedures of the Borrower and its Subsidiaries, including their underwriting guidelines and methodology, and the collection, servicing and administration policies and procedures of the Borrower and its Subsidiaries, as such policies, procedures, guidelines and methodologies may be amended, supplemented or otherwise modified from time to time.

“Unfunded Commitment” means, with respect to each Lender, the Commitment of such Lender less its Revolving Credit Exposure.

“U.S. Government Securities Business Day” means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“U.S. Person” means a “United States person” within the meaning of Section 7701(a)(30) of the Code.

“U.S. Tax Compliance Certificate” has the meaning assigned to such term in Section 2.17(f)(ii)(B)(3).

“Withdrawal Liability” means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

“Zero Interest Receivable” means a Receivable the stated APR of which is 0.0% (or which has no stated APR).

SECTION 1.02. Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Type (e.g., a “SOFR Loan”). Borrowings also may be classified and referred to Type (e.g., a “SOFR Borrowing”).

SECTION 1.03. Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “herein”, “hereof” and “hereunder”,

and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) any reference to any law, rule or regulation herein shall, unless otherwise specified, refer to such law, rule or regulation as amended, modified or supplemented from time to time and (f) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

SECTION 1.04. Accounting Terms; GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; *provided* that, if the Borrower notifies the Administrative Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to (i) any election under Financial Accounting Standards Board Accounting Standards Codification 825 (or any other Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Borrower or any Subsidiary at “fair value”, as defined therein and (ii) any treatment of Indebtedness under Accounting Standards Codification 470-20 or 2015-03 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof.

SECTION 1.05. Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction’s laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized and acquired on the first date of its existence by the holders of its Equity Interests at such time.

ARTICLE II
THE CREDITS

SECTION 2.01. Commitments. Subject to the terms and conditions set forth herein, each Lender severally agrees to make Revolving Loans in Dollars to the Borrower from time to time during the Availability Period in an aggregate principal amount that will not result (after giving effect to any application of proceeds of such Borrowing pursuant to Section 2.10) in (a) such Lender's Revolving Credit Exposure exceeding such Lender's Commitment or (b) the Total Revolving Credit Exposure exceeding the total Commitments. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, prepay and reborrow Revolving Loans.

SECTION 2.02. Loans and Borrowings.

(a) Each Revolving Loan shall be made as part of a Borrowing consisting of Revolving Loans made by the Lenders ratably in accordance with their respective Commitments. The failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; *provided* that the Commitments of the Lenders are several and no Lender shall be responsible for any other Lender's failure to make Loans as required.

(b) Subject to Section 2.14, each Revolving Borrowing shall be comprised entirely of ABR Loans or SOFR Loans as the Borrower may request in accordance herewith. Each Lender at its option may make any SOFR Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; *provided* that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement.

(c) At the commencement of each Interest Period for any SOFR Revolving Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000. At the time that each ABR Revolving Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of \$500,000 and not less than \$1,000,000; *provided* that an ABR Revolving Borrowing may be in an aggregate amount that is equal to the entire unused balance of the total Commitments. Borrowings of more than one Type may be outstanding at the same time; *provided* that there shall not at any time be more than a total of five SOFR Revolving Borrowings outstanding.

(d) Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Maturity Date.

SECTION 2.03. Requests for Revolving Borrowings. To request a Revolving Borrowing, the Borrower shall notify the Administrative Agent of such request by submitting a Borrowing Request (a) in the case of a SOFR Borrowing, not later than 12:00 p.m., New York City time, three Business Days before the date of the proposed Borrowing or (b) in the case of an ABR Borrowing, not later than 12:00 p.m., New York City time, on the date of the proposed Borrowing. Each such Borrowing Request shall specify the following information in compliance with Section 2.02:

- (i) the aggregate amount of the requested Borrowing;
- (ii) the date of such Borrowing, which shall be a Business Day;
- (iii) whether such Borrowing is to be an ABR Borrowing or a SOFR Borrowing;
- (iv) in the case of a SOFR Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period"; and

(v) the location and number of the Borrower's account to which funds are to be disbursed, which shall comply with the requirements of Section 2.07.

If no election as to the Type of Revolving Borrowing is specified, then the requested Revolving Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested SOFR Revolving Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

SECTION 2.04. [Reserved].

SECTION 2.05. [Reserved].

SECTION 2.06. [Reserved].

SECTION 2.07. Funding of Borrowings.

(a) Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof solely by wire transfer of immediately available funds, by 11:00 a.m., New York City time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders. The Administrative Agent will make such Loans available to the Borrower by promptly (and in no event later than 3:00 p.m., New York City

time) crediting the funds so received to an account designated by the Borrower in the applicable Borrowing Request.

(b) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the Borrower, the interest rate applicable to ABR Loans. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing.

SECTION 2.08. Interest Elections.

(a) Each Revolving Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a SOFR Revolving Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a SOFR Revolving Borrowing, may elect Interest Periods therefor, all as provided in this Section. The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing.

(b) To make an election pursuant to this Section, the Borrower shall notify the Administrative Agent of such election by the time that a Borrowing Request would be required under Section 2.03 if the Borrower were requesting a Revolving Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such Interest Election Request shall be irrevocable and shall be signed by a Responsible Officer of the Borrower.

(c) Each Interest Election Request shall specify the following information in compliance with Section 2.02:

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing or a SOFR Borrowing; and

(iv) if the resulting Borrowing is a SOFR Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term “Interest Period”.

If any such Interest Election Request requests a SOFR Borrowing but does not specify an Interest Period, then the Borrower shall be deemed to have selected an Interest Period of one month’s duration.

(d) Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender’s portion of each resulting Borrowing.

(e) If the Borrower fails to deliver a timely Interest Election Request with respect to a SOFR Revolving Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall, if not repaid, be continued as a SOFR Revolving Borrowing with an Interest Period of the same duration as the Interest Period then ended. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Required Lenders, so notifies the Borrower, then, so long as an Event of Default is continuing (i) no outstanding Revolving Borrowing may be converted to or continued as a SOFR Borrowing and (ii) unless repaid, each SOFR Revolving Borrowing shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto.

SECTION 2.09. Termination and Reduction of Commitments.

(a) Unless previously terminated, the Commitments shall terminate on the Maturity Date.

(b) The Borrower may at any time terminate, or from time to time reduce, the Commitments; *provided* that (i) each reduction of the Commitments shall be in an amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000 and (ii) the Borrower shall not terminate or reduce the Commitments if, after giving effect to any concurrent prepayment of the Loans in accordance with Section 2.11, (A) any Lender's Revolving Credit Exposure would exceed its Commitment or (B) the sum of the Total Revolving Credit Exposure would exceed the total Commitments.

(c) The Borrower shall notify the Administrative Agent of any election to terminate or reduce the Commitments under paragraph (b) of this Section at least three Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Borrower pursuant to this Section shall be irrevocable; *provided* that a notice of termination of the Commitments delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities, indentures or similar agreements or other transactions specified therein, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Commitments shall be permanent. Each reduction of the Commitments shall be made ratably among the Lenders in accordance with their respective Commitments.

SECTION 2.10. Repayment of Loans; Evidence of Indebtedness.

(a) The Borrower hereby unconditionally promises to pay to the Administrative Agent for the account of each Lender the then unpaid principal amount of each Revolving Loan on the Maturity Date.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(c) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder and the Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(d) The entries made in the accounts maintained pursuant to paragraph (b) or (c) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein; *provided* that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement.

(e) Any Lender may request that Loans made by it be evidenced by a promissory note. In such event, the Borrower shall prepare, execute and deliver to such Lender a promissory note payable to such Lender (or, if requested by such Lender, to such Lender and its registered assigns) and in a form approved by the Administrative Agent. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 9.04) be represented by one or more promissory notes in such form.

SECTION 2.11. Prepayment of Loans.

(a) The Borrower shall have the right at any time and from time to time to prepay any Borrowing in whole or in part, subject to prior notice in accordance with paragraph (b) of this Section.

(b) The Borrower shall notify the Administrative Agent by telephone (confirmed by telecopy or electronic mail) of any prepayment hereunder (i) in the case of prepayment of a SOFR Revolving Borrowing, not later than 11:00 a.m., New York City time, three Business Days before the date of prepayment or (ii) in the case of prepayment of an ABR Revolving Borrowing, not later than 11:00 a.m., New York City time, on the date of prepayment. Each such notice shall be irrevocable, may be in the form of Exhibit I and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid; *provided* that, if a notice of prepayment is given in connection with a conditional notice of termination of the Commitments as contemplated by Section 2.09, then such notice of prepayment may be revoked if such notice of termination is revoked in accordance with Section 2.09. Promptly following receipt of any such notice relating to a Revolving Borrowing, the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any Revolving Borrowing shall be in an amount that would be permitted in the case of an advance of a Revolving Borrowing of the same Type as provided in Section 2.02. Each prepayment of a Revolving Borrowing shall be applied ratably to the Loans included in the prepaid Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.13 and any break funding payments required by Section 2.16.

SECTION 2.12. Fees.

(a) The Borrower agrees to pay to the Administrative Agent for the account of each Lender a commitment fee, which shall accrue at 0.20% per annum on the average daily amount of the Unfunded Commitment of such Lender during the period from and including the Effective Date to but excluding the date on which such Commitment terminates. Commitment fees accrued through and including the last day of March, June, September and December of each year shall be payable in arrears on the fifteenth day following such last day and on the date on which the Commitments terminate, commencing on the first such date to occur after the date hereof. All commitment fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(b) The Borrower agrees to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed upon between the Borrower and the Administrative Agent.

(c) All fees payable hereunder shall be paid on the dates due, in Dollars in immediately available funds, to the Administrative Agent for distribution, in the case of commitment fees, to the Lenders. Fees paid shall not be refundable under any circumstances.

SECTION 2.13. Interest.

(a) The Loans comprising each ABR Borrowing shall bear interest at the Alternate Base Rate plus the Applicable Rate.

(b) The Loans comprising each SOFR Borrowing shall bear interest at the Term SOFR for the Interest Period in effect for such Borrowing plus the Applicable Rate.

(c) Notwithstanding the foregoing, if any principal of or interest on any Loan or any fee or other amount payable by the Borrower hereunder is not paid when due, whether at stated maturity, upon acceleration or otherwise, such overdue amount shall bear interest, after as well as before judgment, at a rate per annum equal to (i) in the case of overdue principal of any Loan, 2% plus the rate otherwise applicable to such Loan as provided in the preceding paragraphs of this Section or (ii) in the case of any other amount, 2% plus the rate applicable to ABR Loans as provided in paragraph (a) of this Section.

(d) Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan and upon termination of the Commitments; *provided* that (i) interest accrued pursuant to paragraph (c) of this Section shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Revolving Loan prior to the end of the Availability Period), accrued interest on the principal amount repaid or

prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any SOFR Revolving Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(e) All interest hereunder shall be computed on the basis of a year of 360 days, except that interest computed by reference to the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable Alternate Base Rate or Term SOFR shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

SECTION 2.14. Alternate Rate of Interest.

(a) Subject to clauses (b), (c), (d), (e) and (f) of this Section 2.14, if prior to the commencement of any Interest Period for a SOFR Loan:

(i) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Term SOFR for such Interest Period; or

(ii) the Administrative Agent is advised by the Required Lenders that the Term SOFR for such Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) included in such Borrowing for such Interest Period;

then the Administrative Agent shall give notice thereof to the Borrower and the Lenders by telephone, telecopy or electronic mail as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (A) any Interest Election Request that requests the conversion of any Revolving Borrowing to, or continuation of any Revolving Borrowing as, a SOFR Borrowing shall be ineffective and (B) if any Borrowing Request requests a SOFR Borrowing, such Borrowing shall be made as an ABR Borrowing; *provided* that if the circumstances giving rise to such notice affect only one Type of Borrowings, then the other Type of Borrowings shall be permitted.

(b) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event and a Benchmark Replacement Date have occurred, then:

(x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace the then-current Benchmark for all purposes under this Agreement and under any other Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without requiring any amendment to, or requiring any further action by or consent of any other party to, this Agreement or any other Loan Document, and

(y) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace the then-current Benchmark for all purposes under this Agreement and under any other Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without requiring any amendment to, or requiring any further action by or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders; or .

(c) Benchmark Replacement Conforming Changes. In connection with the implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without requiring any further action by or consent of any other party to this Agreement or any other Loan Document.

(d) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (i) any occurrence of a Benchmark Transition Event, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (e) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.14, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its (or their) sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.14.

(e) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of “Interest Period” for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of “Interest Period” for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(f) Benchmark Unavailability Period. Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a SOFR Borrowing of, conversion to or continuation of SOFR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to ABR Loans. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR.

SECTION 2.15. Increased Costs.

(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, liquidity or similar requirement (including any compulsory loan requirement, insurance charge or other assessment) against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Term SOFR);

(ii) impose on any Lender or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender; or

(iii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, continuing, converting or maintaining any Loan (or of maintaining its obligation to make any such Loan) or to reduce the amount of any sum received or receivable by such Lender or such other Recipient hereunder (whether of principal, interest or otherwise), then the Borrower will pay to such Lender or such other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender or such other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) If any Lender determines that any Change in Law regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement or the Loans made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy and liquidity), then from time to time the Borrower will pay to such Lender, as the case may be, such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's right to demand such compensation; *provided* that the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs or reductions incurred more than 90 days prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 90-day period referred to above shall be extended to include the period of retroactive effect thereof.

SECTION 2.16. Break Funding Payments. In the event of (a) the payment of any principal of any SOFR Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any SOFR Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any SOFR Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.11(b) and is revoked in accordance therewith) or (d) the assignment of any SOFR Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.19, then, in any such event, the Borrower shall compensate each Lender for the loss, cost and expense attributable to such event. In the case of a SOFR Loan, such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the Term SOFR that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for Dollar deposits of a comparable amount and period from other banks in the eurodollar market. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

SECTION 2.17. Withholding of Taxes; Gross-Up Payments Free of Taxes. Any and all payments by or on account of any obligation of the Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law (including FATCA). If any applicable law (including FATCA and as determined in the good faith discretion of an applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by a withholding agent, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law (including FATCA) and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the

applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by the Borrower. The Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law (including FATCA), or at the option of the Administrative Agent timely reimburse it for the payment of, Other Taxes.

(c) Evidence of Payments. As soon as practicable after any payment of Taxes by the Borrower to a Governmental Authority pursuant to this Section, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(d) Indemnification by the Borrower. The Borrower shall indemnify each Recipient, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e) Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 9.04(c) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.17(f)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that the Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), an executed copy of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, an executed copy of IRS Form W-8BEN-E or IRS Form W-8BEN establishing an exemption from, or

reduction of, U.S. federal withholding Tax pursuant to the “interest” article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN-E or IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;

(2) in the case of a Foreign Lender claiming that its extension of credit will generate U.S. effectively connected income, an executed copy of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit E-1 to the effect that such Foreign Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” related to the Borrower as described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (y) an executed copy of IRS Form W-8BEN-E or IRS Form W-8BEN; or

(4) to the extent a Foreign Lender is not the beneficial owner, an executed copy of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN-E, IRS Form W-8BEN, a U.S. Tax Compliance Certificate substantially in the form of Exhibit E-2 or Exhibit E-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; *provided* that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit E-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of any other form prescribed by applicable law (including FATCA) as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law

(including FATCA) to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including FATCA and as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(g) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section (including by the payment of additional amounts pursuant to this Section), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been

deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) Survival. Each party's obligations under this Section shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

SECTION 2.18. Payments Generally; Pro Rata Treatment; Sharing of Setoffs.

(a) The Borrower shall make each payment or prepayment required to be made by it hereunder (whether of principal, interest, fees or of amounts payable under Section 2.15, 2.16 or 2.17, or otherwise) prior to 12:00 noon, New York City time, on the date when due or the date fixed for any prepayment hereunder, in immediately available funds, without setoff, recoupment or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at its offices set forth in Section 9.01. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder shall be made in Dollars.

(b) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties.

(c) If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal or interest on any of its Revolving Loans resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Revolving Loans and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Revolving Loans of other Lenders to the extent necessary so that the benefit

of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Revolving Loans; *provided* that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than to the Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply). The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

(d) Unless the Administrative Agent shall have received, prior to any date on which any payment is due to the Administrative Agent for the account of the Lenders pursuant to the terms hereof or any other Loan Document (including any date that is fixed for prepayment by notice from the Borrower to the Administrative Agent pursuant to Section 2.11(b)), notice from the Borrower that the Borrower will not make such payment or prepayment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

SECTION 2.19. Mitigation Obligations; Replacement of Lenders.

(a) If any Lender requests compensation under Section 2.15, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Sections 2.15 or 2.17, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all

reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) If any Lender requests compensation under Section 2.15, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, or if any Lender becomes Defaulting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 9.04), all its interests, rights (other than its existing rights to payments pursuant to Sections 2.15 or 2.17) and obligations under this Agreement and the other Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); *provided* that (i) the Borrower shall have received the prior written consent of the Administrative Agent, which consent shall not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts) and (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.15 or payments required to be made pursuant to Section 2.17, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply. Each party hereto agrees that (i) an assignment required pursuant to this paragraph may be effected pursuant to an Assignment and Assumption executed by the Borrower, the Administrative Agent and the assignee (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and such parties are participants), and (ii) the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to and be bound by the terms thereof; *provided* that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender; *provided* that any such documents shall be without recourse to or warranty by the parties thereto.

SECTION 2.20. Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) fees shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Lender pursuant to Section 2.12(a);

(b) any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 7.03 or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 9.08 shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; third, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released pro rata in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement; fourth, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement or under any other Loan Document; fifth, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement or under any other Loan Document; and sixth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if (x) such payment is a payment of the principal amount of any Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of such Defaulting Lender until such time as all Loans are held by the Lenders pro rata in accordance with the Commitments. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto; and

(c) the Commitment and Revolving Credit Exposure of such Defaulting Lender shall not be included in determining whether the Required Lenders have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification pursuant to Section 9.02); *provided* that this clause (c) shall not apply to the vote of a Defaulting Lender except (i) such Defaulting Lender's Commitment may not be increased or extended without its consent and (ii) the principal amount of, or interest or fees payable on, Loans may not be reduced or excused or the scheduled date of payment may not be postponed as to such Defaulting Lender without such Defaulting Lender's consent.

In the event that the Administrative Agent and the Borrower agree that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the Revolving Credit Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Commitment and on such date such Lender shall purchase at par such of the Loans of the other Lenders as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans in accordance with its Applicable Percentage.

SECTION 2.21. Incremental Revolving Facilities.

(a) The Borrower may, on no more than five occasions, pursuant to an Increased Commitment Supplement increase the aggregate amount of the Commitments (the commitment of any Lender to provide such increase, an "Incremental Revolving Commitment" and such increase, an "Incremental Revolving Facility" and any loans made pursuant to an Incremental Revolving Facility, "Incremental Revolving Loans") in an aggregate outstanding principal amount not to exceed \$100,000,000, which increase shall be requested in dollars.

(b) Each Incremental Revolving Facility shall be subject to the following provisions:

(i) each Incremental Revolving Commitment must be in an aggregate amount equal to any integral multiple of \$5,000,000 and not less than \$10,000,000 (*provided* that such amount may be less than \$10,000,000 if such amount represents all remaining availability for Incremental Revolving Facilities under the limit set forth above),

(ii) except as the Borrower and any Lender may separately agree, no Lender shall be obligated to provide any Incremental Revolving Commitment, and the determination to provide any Incremental Revolving Commitment shall be within the sole discretion of such Lender,

(iii) no Incremental Revolving Facility, Incremental Revolving Commitment or Incremental Revolving Loan (nor the creation, provision or implementation thereof) shall require the approval of any existing Lender other than in its capacity, if any, as a lender providing all or part of any Incremental Revolving Commitment,

(iv) the terms and conditions of any Incremental Revolving Facility shall be identical to the existing Revolving Loans and Commitments (other than with respect to fees) and, for purposes of this Agreement and the other Loan Documents, all Revolving Loans made under any Incremental Revolving Commitment shall be deemed to be Revolving Loans,

(v) to the extent applicable, any fees payable in connection with any Incremental Revolving Facility shall be determined by the Borrower and the arrangers and/or lenders providing such Incremental Revolving Facility,

(vi) no Incremental Revolving Facility may be guaranteed by any Person and no Incremental Revolving Facility shall be secured,

(vii) the proceeds of any Incremental Revolving Facility shall be used for general corporate purposes and any other use permitted by this Agreement, and

(viii) (A) no Default or Event of Default shall exist immediately prior to or after giving effect to such Incremental Revolving Facility and (B) the representations and warranties of the Borrower set forth in the Loan Documents shall be true and correct in all material respects (or, in the case of any representation and warranty qualified by materiality, all respects) on and as of the date of the effectiveness of such Incremental Revolving Facility after giving effect to the Loans made on such date, except to the extent such representations and warranties specifically relate to any earlier date in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date (or, in the case of any representation and warranty qualified by materiality, in all respects as of such earlier date).

(c) Incremental Revolving Commitments may be provided by any existing Lender, or by one or more new banks, financial institutions or other entities that are not Ineligible Institutions (any such other lender, a “New Lender”); *provided* that the Administrative Agent shall have a right to consent (such consent not to be unreasonably withheld or delayed) to the relevant New Lender’s provision of Incremental Revolving Commitments.

(d) Each Lender or New Lender providing a portion of any Incremental Revolving Commitment shall execute and deliver to the Administrative Agent and the Borrower all such documentation (including the relevant Increased Commitment Supplement) as may be reasonably required by the Administrative Agent to evidence and effectuate such Incremental Revolving Commitment. On the effective date of such Incremental Revolving Commitment, each New Lender shall become a Lender for all purposes in connection with this Agreement.

(e) The Lenders hereby irrevocably authorize the Administrative Agent to enter into any Increased Commitment Supplement and/or any amendment to this Agreement and/or to any other Loan Document as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Borrower to effect the provisions of this Section 2.21.

(f) This Section 2.21 shall supersede any provision in Section 9.02 to the contrary.

(g) Each increase and addition consummated under this Section 2.21 shall be effective upon the delivery of an Increased Commitment Supplement (herein so called) executed by the Borrower, the Administrative Agent and the Lenders willing to increase their respective Revolving Commitments and/or the New Lenders (if any).

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Each of Holdings and the Borrower represents and warrants to the Lenders on the date hereof, on the Effective Date and on each date of Borrowing that:

SECTION 3.01. Organization; Powers. Each of Holdings, the Borrower and its Subsidiaries is duly organized or formed, validly existing and, except to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect in the case of such Subsidiaries, is in good standing (to the extent such concept is applicable in such jurisdiction) under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now conducted and, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business in, and (to the extent such concept is applicable in such jurisdiction) is in good standing in, every jurisdiction where such qualification is required.

SECTION 3.02. Authorization; Enforceability. The Transactions are within Holdings' and the Borrower's corporate or other organizational powers and have been duly authorized by all necessary corporate or other organizational and, if required, stockholder action. This Agreement has been duly executed and delivered by Holdings and the Borrower and constitutes a legal, valid and binding obligation of Holdings and the Borrower, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

SECTION 3.03. Governmental Approvals; No Conflicts. The Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect (unless the failure to obtain such consents or approval will not have a Material Adverse Effect), (b) will not violate in any material respect any applicable law or regulation or the charter, by-laws or other organizational documents of Holdings, the Borrower or any of its Subsidiaries or any order of any Governmental Authority, (c) will not violate or result in a material default under any material indenture, agreement or other instrument binding upon Holdings, the Borrower or any of its Subsidiaries or its assets, or give rise to a right thereunder to require any payment to be made by Holdings, the Borrower or any of its Subsidiaries, unless

such violation or default will not have a Material Adverse Effect and (d) will not result in the creation or imposition of, or the requirement to create, any Lien on any asset of Holdings, the Borrower or any of its Subsidiaries.

SECTION 3.04. Financial Condition; No Material Adverse Change.

(a) The Borrower has heretofore furnished to the Lenders (i) Holdings' audited consolidated balance sheet and statements of income, stockholders equity and cash flows as of and for the fiscal years ended June 30, 2021 and June 30, 2020, reported by Deloitte & Touche LLP and Ernst & Young LLP, respectively, and (ii) Holdings' unaudited consolidated balance sheet and statements of income and cash flows as of and for the fiscal quarter ended September 30, 2021, certified by a Financial Officer. Such financial statements present fairly, in all material respects, the financial position and results of operations and cash flows of Holdings and its consolidated Subsidiaries as of such dates and for such periods in accordance with GAAP, subject to year-end audit adjustments and the absence of footnotes in the case of the statements referred to in clause (ii) above.

(b) Since June 30, 2021, there has been no Material Adverse Change with respect to the Borrower and its Subsidiaries, taken as a whole.

SECTION 3.05 Properties.

(a) Each of the Borrower and its Subsidiaries has good title to, or valid leasehold interests in, all its real and personal property, except for minor defects in title that do not interfere with its ability to conduct its business as currently conducted or to utilize such properties for their intended purposes, except where the failure to do so would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Each of the Borrower and its Subsidiaries owns, or is licensed to use, all trademarks, trade names, copyrights, patents and other intellectual property material to its business, and the use thereof by the Borrower and its Subsidiaries does not infringe upon the rights of any other Person, except for any such infringements (or ownership or license issues) that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.06. Litigation and Environmental Matters.

(a) There are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of the Borrower, threatened in writing against or affecting the Borrower or any of its Subsidiaries (i) as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, would

reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect (other than as set forth on Schedule 3.06 (the “Disclosed Matters”)) or (ii) that involve this Agreement or the Transactions.

(b) Except for the Disclosed Matters and except with respect to any other matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, neither the Borrower nor any of its Subsidiaries (i) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) is subject to any Environmental Liability, (iii) has received notice of any claim with respect to any Environmental Liability or (iv) knows of any basis for any Environmental Liability.

(c) Since the date of this Agreement, there has been no change in the status of the Disclosed Matters that, individually or in the aggregate, has resulted in, or materially increased the likelihood of, a Material Adverse Effect.

SECTION 3.07. Compliance with Laws and Agreements. Each of the Borrower and its Subsidiaries is in compliance with all laws, regulations and orders of any Governmental Authority applicable to it or its property and all indentures, agreements and other instruments binding upon it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. No Default or Event of Default has occurred and is continuing.

SECTION 3.08. Investment Company Status. Neither Holdings nor the Borrower or any of its Subsidiaries is an “investment company” as defined in, or subject to regulation under, the Investment Company Act of 1940.

SECTION 3.09. Taxes. Each of the Borrower and its Subsidiaries has timely filed or caused to be filed all Tax returns and reports required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it, except (a) Taxes that are being contested in good faith by appropriate proceedings and for which the Borrower or such Subsidiary, as applicable, has set aside on its books adequate reserves or (b) to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.10. ERISA. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, would reasonably be expected to result in a Material Adverse Effect.

SECTION 3.11. Disclosure.

(a) None of the reports, lender presentations, information memorandum, financial statements, certificates or other information furnished by or on behalf of the Borrower or any Subsidiary to the Administrative Agent or any Lender in connection with the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other information so furnished) contains, at the time furnished, any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that, with respect to projected financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time delivered, it being recognized that such financial information as it relates to future events is not to be viewed as fact and that actual results during the period or periods covered by such financial information may differ from the projected results set forth therein by a material amount.

(b) As of the Effective Date, to the best knowledge of the Borrower, the information included in the Beneficial Ownership Certification provided on or prior to the Effective Date to any Lender in connection with this Agreement is true and correct in all respects.

SECTION 3.12. Anti-Corruption Laws and Sanctions. The Borrower has implemented and maintains in effect policies and procedures reasonably designed to promote compliance by the Borrower, its Subsidiaries and Affiliates and their respective directors, officers, employees, advisors and agents with Anti-Corruption Laws and applicable Sanctions, and the Borrower, its Subsidiaries and Affiliates and their respective directors and officers and, to the knowledge of the Borrower, its employees, advisors and agents (when acting in their role as directors, officers, employees, advisors and agents), are in compliance with Anti-Corruption Laws and applicable Sanctions in all respects. None of (a) the Borrower, any Subsidiary or Affiliate thereof, any of their respective directors or officers or, to the Borrower's knowledge, employees or (b) to the Borrower's knowledge, any agent or advisor of the Borrower or any Subsidiary that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No Borrowing, use of proceeds or other Transaction contemplated by this Agreement will violate any Anti-Corruption Law or applicable Sanctions.

SECTION 3.13 Affected Financial Institutions. The Borrower is not an Affected Financial Institution.

SECTION 3.14. [Reserved].

SECTION 3.15 Margin Regulations. The Borrower is not engaged and will not engage, principally or as one of its important activities, in the business of purchasing or carrying Margin Stock, or extending credit for the purpose of purchasing or carrying Margin Stock, and no part of the proceeds of any Borrowing hereunder will be used to buy or carry any Margin Stock. Following the application of the proceeds of each Borrowing, not more than 25% of the value of the assets (either of the Borrower only or of the Borrower and its Subsidiaries on a consolidated basis) will be Margin Stock.

SECTION 3.16 Solvency. The Borrower and its Subsidiaries, taken as a whole, are Solvent.

SECTION 3.17. Subsidiaries. Schedule 3.17 contains an accurate list of all Subsidiaries of the Borrower as of the Effective Date, setting forth their respective jurisdictions of organization and the percentage of their respective Equity Interests owned by the Borrower or other Subsidiaries. All of the issued and outstanding Equity Interests of such Subsidiaries have been (to the extent such concepts are relevant with respect to such ownership interests) duly authorized and issued and are fully paid and nonassessable.

SECTION 3.18. Employee Matters. None of the Borrower or its Subsidiaries is engaged in any unfair labor practice that would reasonably be expected to have a Material Adverse Effect. There is (a) no unfair labor practice complaint pending against Borrower or any of its Subsidiaries, or to the knowledge of the Borrower, threatened in writing against the Borrower or any of its Subsidiaries and no grievance or arbitration proceeding arising out of or under any collective bargaining agreement that is so pending against Borrower or any of its Subsidiaries or to the knowledge of the Borrower, threatened in writing against the Borrower or any of its Subsidiaries, (b) no strike, work stoppage or other labor controversy in existence or threatened in writing involving the Borrower or any of its Subsidiaries, and (c) no violation of any laws or regulations, foreign or domestic, with respect to any employee, union or related matters by the Borrower or its Subsidiaries, except (with respect to any matter specified in clause (a), (b) or (c) above, either individually or in the aggregate) such as is not reasonably likely to have a Material Adverse Effect.

ARTICLE IV
CONDITIONS

SECTION 4.01 Effective Date. The obligations of the Lenders to make Loans hereunder shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 9.02):

(a) The Administrative Agent (or its counsel) shall have received from (i) each party hereto a counterpart of this Agreement signed on behalf of such party and (ii) Holdings and each Material Domestic Subsidiary of the Borrower a counterpart of the Guaranty signed on behalf of such Person (which, in each case of clauses (i) and (ii), subject to Section 9.06(b), may include any Electronic Signatures transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page).

(b) The Administrative Agent shall have received a favorable written opinion (addressed to the Administrative Agent and the Lenders and dated the Effective Date) of DLA Piper LLP (US), counsel for the Borrower, in form and substance acceptable to the Administrative Agent and covering matters relating to the Borrower, this Agreement or the Transactions as the Required Lenders shall reasonably request. The Borrower hereby requests such counsel to deliver such opinion.

(c) The Administrative Agent shall have received such documents and certificates as the Administrative Agent or its counsel may reasonably request relating to the organization, existence and good standing of the Borrower, and the authorization of this Agreement and the Transactions, all in form and substance reasonably satisfactory to the Administrative Agent and its counsel.

(d) The Administrative Agent shall have received a certificate, dated the Effective Date and signed by the president or a Financial Officer of the Borrower, certifying (i) compliance with the conditions set forth in paragraphs (a), (b) and (c) of Section 4.02 and (ii) the Borrower and its Subsidiaries, after giving effect to the Effective Date and any Borrowing on such date, taken as a whole, are Solvent.

(e) The Administrative Agent shall have received all fees and other amounts due and payable on or prior to the Effective Date, including, to the extent invoiced, reimbursement or payment of all out of pocket expenses and fees of counsel to the Administrative Agent and the Lenders required to be reimbursed or paid by the Borrower.

(f) The Administrative Agent shall have received the audited annual financial statements and the unaudited quarterly financial statements of the Borrower referred to in Section 3.04(a).

(g) (i) The Administrative Agent shall have received, at least five days prior to the Effective Date, all documentation and other information regarding the Borrower requested in connection with applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act, to the extent requested in writing of the Borrower at least 10 Business Days prior to the Effective Date and (ii) to the extent the Borrower qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, at least five days prior to the Effective Date, any Lender that has requested, in a written notice to the Borrower at least 10 Business Days prior to the Effective Date, a Beneficial Ownership Certification in relation to the Borrower shall have received such Beneficial Ownership Certification (*provided* that, upon the execution and delivery by such Lender of its signature page to this Agreement, the condition set forth in this clause (ii) shall be deemed to be satisfied).

(h) All governmental and third party approvals necessary in connection with the financing contemplated hereby and the continuing operations of the Borrower and its Subsidiaries shall have been obtained and be in full force and effect.

The Administrative Agent shall notify the Borrower and the Lenders of the Effective Date, and such notice shall be conclusive and binding. Notwithstanding the foregoing, the obligations of the Lenders to make Loans hereunder shall not become effective unless each of the foregoing conditions is satisfied (or waived pursuant to Section 9.02) at or prior to 11:59 p.m., New York City time, on February 4, 2022 (and, in the event such conditions are not so satisfied or waived, the Commitments shall terminate at such time).

SECTION 4.02. Each Credit Event. The obligation of each Lender to make a Loan on the occasion of any Borrowing is subject to the satisfaction of the following conditions:

(a) The representations and warranties of the Borrower set forth in this Agreement shall be true and correct in all material respects on and as of the date of such Borrowing, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall have been true and correct in all material respects of such earlier date.

(b) At the time of and immediately after giving effect to such Borrowing, no Default or Event of Default shall have occurred and be continuing.

(c) The Borrower shall be in Financial Covenant Compliance at the time of and immediately after giving effect to such Borrowing.

(d) The Borrower shall have delivered a Borrowing Request by the deadlines specified in Section 2.03.

(e) (i) Commencing on February 28, 2022, the 3-Month Rolling Average Delinquent Receivable Ratio for the most recently ended Due Period does not exceed 8% and (ii) the Cumulative Default Ratio for the Quarterly Vintage for the most recently ended calendar quarter (commencing with the Quarterly Vintage for the calendar quarter ending March 31, 2022) does not exceed 9%.

(f) The Borrower shall have delivered to the Administrative Agent a certificate of a Financial Officer of the Borrower dated as of the date of the proposed Borrowing certifying as to the satisfaction of the conditions specified in clauses (a) through (e) above.

ARTICLE V

AFFIRMATIVE COVENANTS

Until the Commitments have expired or been terminated and the principal of and interest on each Loan and all fees payable hereunder shall have been paid in full, the Borrower (and in the case of Sections 5.01, 5.03, 5.04, 5.05, 5.06, 5.07 and 5.09 only, Holdings) covenants and agrees with the Lenders that:

SECTION 5.01. Financial Statements; Ratings Change and Other Information. The Borrower will furnish to the Administrative Agent and each Lender:

(a) within the earlier of (x) 120 days after the end of each fiscal year of Holdings and (y) the date by which Holdings is required by the SEC to file such financial statements (including any period as would be permitted by Rule 12b-25 under the Exchange Act or any special order of the SEC), its audited consolidated and consolidating balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on by Deloitte & Touche LLP or other independent public accountants of recognized national standing (without a "going concern" or like qualification commentary or exception and without any qualification or exception as to the scope of such audit) to the effect that such consolidated and consolidating financial statements present fairly in all material respects the financial condition and results of operations of Holdings and its consolidated and consolidating Subsidiaries on a consolidated and consolidating basis in accordance with GAAP consistently applied;

(b) within the earlier of (x) 45 days after the end of each of the first three fiscal quarters of each fiscal year of Holdings and (y) the date by which Holdings is required by

the SEC to file such financial statements (including any time period as would be permitted by Rule 12b-25 under the Exchange Act or any special order of the SEC), its consolidated and consolidating balance sheet and related statements of operations and cash flows as of the end of and for such fiscal quarter and the then elapsed portion of the fiscal year, setting forth in each case in comparative form the figures as of the end of and for the corresponding period or periods of the previous fiscal year, all certified by one of its Financial Officers as presenting fairly in all material respects the financial condition and results of operations of Holdings and its consolidated and consolidating Subsidiaries on a consolidated and consolidating basis in accordance with GAAP consistently applied, subject to normal year-end audit adjustments and the absence of footnotes;

(c) concurrently with any delivery of financial statements under clause (a) or (b) above, a certificate of a Financial Officer of the Borrower substantially in the form of Exhibit H (or in such other form as may be reasonably satisfactory to the Administrative Agent) (i) certifying as to whether a Default or Event of Default has occurred and, if a Default or Event of Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) setting forth reasonably detailed calculations of the Financial Covenants set forth in Section 6.10, whether or not such Financial Covenants are required to be tested, and (iii) stating whether any change in GAAP or in the application thereof has occurred since the date of the audited or unaudited financial statements referred to in Section 3.04 and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate;

(d) promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by Holdings, the Borrower or any Subsidiary with the SEC or any Governmental Authority succeeding to any or all of the functions of said Commission, or with any national securities exchange;

(e) (i) no later than the 17th calendar day after the end of each calendar month, commencing with the calendar month ending February 28, 2022, the Monthly Receivables Report setting forth the 3-Month Rolling Average Delinquent Receivable Ratio for the most recently ended Due Period and (ii) no later than the 17th calendar day after the end of each calendar quarter, commencing with the quarter ending March 31, 2022, the Quarterly Receivables Report setting forth the Cumulative Default Ratio for the Quarterly Vintage for the most recently ended calendar quarter, in each case with reasonable details and certified by a Financial Officer of the Borrower;

(f) promptly following any request therefor, copies of accountant letters submitted to the board of directors (or the audit committee of the board of directors) of the

Borrower by independent accountants in connection with the accounts or books of the Borrower or any Subsidiary; and

(g) promptly following any request therefor, (x) such other information regarding the operations, business affairs and financial condition of the Borrower or any Subsidiary as the Administrative Agent or any Lender (through the Administrative Agent) may reasonably request and (y) information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation.

Documents required to be delivered pursuant to Section 5.01(a), (b) or (d) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and, if so delivered, shall be deemed to have been delivered on the date (i) on which such materials are publicly available as posted on the Electronic Data Gathering, Analysis and Retrieval system (EDGAR); or (ii) on which such documents are posted on Holdings’ behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether made available by the Administrative Agent); *provided* that in the case of Section 5.01(a) and (b) only: (A) upon written request by the Administrative Agent (or any Lender through the Administrative Agent) to the Borrower, the Borrower shall deliver paper copies of such documents to the Administrative Agent or such Lender until a written request to cease delivering paper copies is given by the Administrative Agent or such Lender and (B) the Borrower shall notify the Administrative Agent (by telecopier or electronic mail) of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request by a Lender for delivery, and each Lender shall be solely responsible for timely accessing posted documents or requesting delivery of paper copies of such document to it and maintaining its copies of such documents.

The financial statements, information and other documents required to be provided pursuant to Section 5.01(a), (b) or (d) may be those of (i) the Borrower or (ii) any direct or indirect parent of the Borrower (any such entity described in clause (i) or (ii), a “Reporting Entity”), so long as in the case of clause (ii) either (1) such direct or indirect parent of the Borrower shall not conduct, transact or otherwise engage, or commit to conduct, transact or otherwise engage, in any business or operations other than its direct or indirect ownership of all of the Equity Interests in, and its management, of the Borrower or (2) if otherwise, the financial information so delivered shall be accompanied by the consolidating financial statements of

Holdings and its Subsidiaries prepared in accordance with GAAP and a reasonably detailed description of the material quantitative differences between the information relating to such parent, on the one hand, and the information relating to Holdings and its Subsidiaries on a standalone basis, on the other hand.

If at any time the Borrower or any direct or indirect parent of the Borrower has made a good faith determination to file a registration statement with the SEC with respect to a public offering of such entity's capital stock, the Borrower will not be required to disclose any information or take any actions that, in the good faith view of the Borrower, would violate the securities laws or the SEC's "gun jumping" rules.

Notwithstanding the foregoing, (a) neither the Borrower nor another Reporting Entity will be required to deliver any information, certificates or reports that would otherwise be required by (i) Section 302 or Section 404 of the Sarbanes-Oxley Act of 2002, or related Items 307 or 308 of Regulation S-K or (ii) Item 10(e) of Regulation S-K promulgated by the SEC with respect to any non-generally accepted accounting principles financial measures contained therein, (b) such reports will not be required to contain financial information required by Rule 3-09, Rule 3-10 or Rule 3-16 (or any successor provision, including Rule 13-01 and Rule 13-02) of Regulation S-X or include any exhibits or certifications required by Form 10-K, Form 10-Q or Form 8-K (or any successor or comparable forms) or related rules under Regulation S-K and (c) such reports shall be subject to exceptions, exclusions and other differences consistent with the presentation of financial and other information to the Lenders prior to the date of this Agreement and shall not be required to present compensation or beneficial ownership information.

SECTION 5.02. Notices of Material Events. The Borrower will furnish to the Administrative Agent and each Lender prompt written notice of the following:

(a) the occurrence of any Default;

(b) the filing or commencement of any Proceeding by or before any arbitrator or Governmental Authority against or affecting the Borrower or any Significant Subsidiary as to which there is a reasonable possibility of an adverse determination and which, if adversely determined, would reasonably be expected to result in a Material Adverse Effect;

(c) the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, would reasonably be expected to result in a Material Adverse Effect;

(d) notice of any action arising under any Environmental Law or of any noncompliance by the Borrower or any Subsidiary with any Environmental Law or any permit, approval, license or other authorization required thereunder as to which there is a reasonable

possibility of an adverse determination and which, if adversely determined, would reasonably be expected to result in a Material Adverse Effect; and

(e) any other development that results in, or would reasonably be expected to result in, a Material Adverse Effect.

Each notice delivered under this Section (i) shall be in writing and (ii) shall be accompanied by a statement of a Responsible Officer or other executive officer of the Borrower setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto. Information required to be delivered pursuant to this Section 5.02 may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which such documents are filed for public availability on the SEC's Electronic Data Gathering and Retrieval System.

SECTION 5.03. Existence; Conduct of Business. Each of Holdings, the Borrower will, and will cause each of its Subsidiaries to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect (i) its legal existence and (ii) the rights, licenses, permits, privileges and franchises material to the conduct of the business of the Borrower and its Subsidiaries, in each case except (other than with respect to Holdings and the Borrower in the case of the preceding clause (i)) where the failure to do so would not reasonably be expected to result in a Material Adverse Effect; provided that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution permitted under Section 6.03.

SECTION 5.04 Payment of Obligations. Holdings and the Borrower will, and will cause each of their Subsidiaries to, pay its obligations, including Tax liabilities, that, if not paid, would reasonably be expected to result in a Material Adverse Effect before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, and (b) the Borrower or such Subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP.

SECTION 5.05. Maintenance of Properties; Insurance. Holdings and the Borrower will, and will cause each of their Subsidiaries to, (a) keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, and except if failure to do so would not reasonably be expected to have a Material Adverse Effect, and (b) maintain, with financially sound and reputable insurance companies, insurance in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations.

SECTION 5.06. Books and Records; Inspection Rights. Holdings and the Borrower will, and will cause each of their Subsidiaries to, keep proper books of record and account in which full, true and correct entries in all material respects are made of all material financial

dealings and transactions in relation to its business and activities. Holdings and the Borrower will, and will cause each of their Subsidiaries to, permit any representatives designated by the Administrative Agent or any Lender, upon at least 5 Business Days' notice, subject to the confidentiality requirements of Section 9.12, to examine and make extracts from its books and records (including the form of Receivables Agreements, Receivables Program Agreements, Underwriting/Servicing Policies, information processes and controls, and compliance practices and procedures), to discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times and as often as reasonably requested; provided that unless an Event of Default has occurred and is continuing, there shall be no more than 2 such requests in any fiscal year.

SECTION 5.07. Compliance with Laws. Each of Holdings and the Borrower will, and will cause each of their Subsidiaries to, comply with all laws, rules, regulations and orders of any Governmental Authority applicable to it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. Each of Holdings and the Borrower will maintain in effect and enforce policies and procedures reasonably designed to promote compliance by Holdings, the Borrower, their Subsidiaries and their respective directors, officers, employees, advisors and agents with Anti-Corruption Laws and applicable Sanctions.

SECTION 5.08. Use of Proceeds. The proceeds of the Loans will be used only for general corporate purposes of the Borrower and its Subsidiaries in the ordinary course of business. No part of the proceeds of any Loan will be used, whether directly or indirectly, for any purpose that entails a violation of any of the regulations of the Federal Reserve Board, including Regulations T, U and X. The Borrower will not request any Borrowing, and the Borrower shall not use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Borrowing (A) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (B) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, except to the extent permitted for a Person required to comply with Sanctions, or (C) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

SECTION 5.09. Guarantors. If, as of the date of the most recently available financial statements delivered pursuant to Section 5.01(a) or 5.01(b), as the case may be, any Person shall have become a Material Domestic Subsidiary, then Holdings and the Borrower shall, (i) within 45 days thereafter (or such longer period of time as the Administrative Agent may agree in its sole discretion) after delivery of such financial statements, cause such Material

Domestic Subsidiary to enter into a Guaranty, or, if a Guaranty has previously been entered into by a Material Domestic Subsidiary (and remains in effect), a joinder agreement to such Guaranty in form and substance reasonably satisfactory to the Administrative Agent, and (ii) on or prior to the date any Guaranty or joinder agreement to a Guaranty has been delivered pursuant to clause (i) above, deliver to the Administrative Agent and each Lender all documentation and other information required by bank regulatory authorities under applicable “know-your-customer” and anti-money laundering rules and regulations, including the USA Patriot Act. For the avoidance of doubt, this Section 5.09 shall not apply to any Excluded Subsidiary. Excluded Subsidiaries as of the Effective Date are set forth on Schedule 5.09. If requested by the Administrative Agent, the Administrative Agent shall receive an opinion of counsel for the Borrower in customary form and substance reasonably satisfactory to the Administrative Agent in respect of matters reasonably requested by the Administrative Agent relating to any Guaranty or joinder agree.

ARTICLE VI

NEGATIVE COVENANTS

Until the Commitments have expired or terminated and the principal of and interest on each Loan and all fees payable hereunder have been paid in full, each of Holdings and the Borrower covenants and agrees with the Lenders that:

SECTION 6.01. Indebtedness. Neither Holdings nor the Borrower will, or will permit any Subsidiary (other than any Specified Subsidiary) of the Borrower to, create, incur, assume or permit to exist any Indebtedness (including Preferred Stock of the Subsidiaries), except:

(a) Indebtedness created hereunder;

(b) Guarantees of Indebtedness so long as such guaranteed Indebtedness is permitted under this Section 6.01; *provided*, that if the Indebtedness that is being Guaranteed is (i) unsecured or subordinated to the Obligations, the Guarantee shall also be unsecured and/or subordinated to the Obligations, and (ii) Permitted Securitization Indebtedness or Non-Recourse Indebtedness, such Guarantee is pursuant to Standard Securitization Undertakings;

(c) Permitted Securitization Indebtedness;

(d) Indebtedness under Hedging Agreements;

(e) Indebtedness of Holdings, the Borrower or any Subsidiary with respect to (i) performance, bid, appeal, customs or surety bonds and completion guarantees in the ordinary course of business, obligations in respect of any workers’ compensation claims, early retirement

or termination obligations, deferred compensatory or employee or director equity plans, pension fund obligations or contributions or similar claims, obligations or contributions or social security or wage taxes, payment obligations in connection with self-insurance, or similar requirements, including letters of credit and bankers' acceptances supporting any of the foregoing or anything else that is not Indebtedness, or supporting any of the following items in clauses (ii) or (iii), (ii) financing insurance premiums or (iii) indemnification, adjustment of purchase price or similar obligations incurred in connection with the acquisition or disposition of any business or assets;

(f) Indebtedness in respect of netting services, overdraft protections, automated clearing house transactions, and otherwise in connection with treasury and/or cash management services, including, but not limited to, controlled disbursement services, overdraft facilities, foreign exchange facilities, deposit and other accounts and merchant services;

(g) to the extent otherwise constituting Indebtedness, obligations arising from agreements providing for indemnification, adjustment of purchase price, earn-outs or similar obligations, in each case, incurred or assumed in connection with the acquisition or disposition of any business, assets or a Subsidiary;

(h) intercompany Indebtedness among Holdings and its Subsidiaries to the extent permitted by Section 6.04;

(i) Non-Recourse Indebtedness;

(j) trade payables to third party service providers, fees and other general unsecured liabilities incurred in the ordinary course of business;

(k) unsecured Subordinated Debt in an aggregate principal amount not to exceed \$50,000,000 at any time outstanding;

(l) Indebtedness of the Borrower or any of its Subsidiaries under one or more Residual Funding Facilities in an aggregate principal amount in respect of any Residual Funding Facility at any time outstanding not to exceed 5% of the aggregate assets held by the applicable Securitization Subsidiaries the Residual Interest with respect to which is pledged to secure such Residual Funding Facility;

(m) Indebtedness in connection with an acquisition of a Permitted Business or of assets to be used in a Permitted Business or Acquired Debt in an aggregate principal amount at any time outstanding not to exceed \$50,000,000;

(n) Indebtedness in respect of letters of credit to the extent cash collateralized;

(o) Indebtedness in an aggregate principal amount not to exceed \$5,000,000 at any time outstanding incurred to finance the development, acquisition, construction, purchase, lease, repair, maintenance or improvement of any fixed or capital assets (real or personal and whether through the direct purchase of assets or the Equity Interest of any person owning such assets), including Capital Lease Obligations and purchase money indebtedness and any Indebtedness assumed in connection with the acquisition of any such assets or secured by a Lien on any such assets prior to the acquisition thereof, and extensions, renewals and replacements of any such Indebtedness that do not increase the outstanding principal amount thereof; provided that such Indebtedness is incurred prior to or within 365 days after the consummation of such development, acquisition, construction, purchase, lease, repair, maintenance or improvement

(p) Indebtedness in respect of the Specified Convertible Notes; and

(q) Permitted Refinancing Indebtedness in respect of the foregoing.

SECTION 6.02. Liens. Neither Holdings nor the Borrower will, or will permit any Subsidiary (other than any Specified Subsidiary) of the Borrower to, create, incur, assume or permit to exist any Lien on any property or asset now owned or hereafter acquired by it (including on Equity Interests of the Subsidiaries), or assign or sell any income or revenues (including accounts receivable) or rights in respect of any thereof, except:

(a) Permitted Encumbrances;

(b) any Lien on any property or asset of the Borrower or any Subsidiary existing on the date hereof and set forth in Schedule 6.02; *provided* that (i) such Lien shall not apply to any other property or asset of the Borrower or any Subsidiary and (ii) such Lien shall secure only those obligations which it secures on the date hereof and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof;

(c) Liens incurred in connection with any Permitted Securitization Indebtedness or Non-Recourse Indebtedness;

(d) Liens securing Hedging Agreements;

(e) Liens on assets pursuant to merger agreements, stock or asset purchase agreements and similar agreements in respect of the disposition of such assets;

(f) options, put and call arrangements, rights of first refusal and similar rights relating to investments in joint ventures, partnerships and the like;

(g) the interest and title of a lessor or licensor under any lease, license, sublease or sublicense entered into by the Borrower or any Subsidiary in the ordinary course of

business not securing Indebtedness and not in the aggregate materially detracting from the value of the properties or their use in the operation of the business of the Borrower and its Subsidiaries;

(h) Liens on insurance policies and the proceeds thereof securing the financing of premiums with respect thereto, *provided* that such Liens shall not exceed the amount of such premiums so financed;

(i) extensions, renewals or replacements of any Liens referred to in Section 6.02(b) in connection with the refinancing, refunding, extension, renewal, or replacement of the obligations secured thereby, *provided* that such Lien does not extend to any other property (other than improvements on such property) and, except as contemplated by the definition of “Permitted Refinancing Indebtedness”, the amount secured by such Lien is not increased;

(j) Liens of a collecting bank arising in the ordinary course of business;

(k) Liens on Residual Interests securing Indebtedness permitted under Section 6.01(l);

(l) Liens securing Indebtedness permitted under Section 6.01(m) and existing on property at the time of its acquisition or existing on the property of any Person at the time such Person becomes a Subsidiary; provided that (i) such Lien was not created in contemplation of the relevant acquisition and (ii) such Lien does not extend to or cover any other assets or property (other than, with respect to such Person, any replacements of such property or assets and additions and accessions, proceeds and products thereto);

(m) Liens on fixed or capital assets developed, acquired, constructed, purchased leased, repaired, maintained or improved by the Borrower or any Subsidiary; provided that (i) such security interests secure Indebtedness is permitted by Section 6.01(o), (ii) such security interests and the Indebtedness secured thereby are incurred prior to or within 365 days after the consummation of such development, acquisition, construction, purchase, lease, repair, maintenance or improvement and (iii) such security interests shall not apply to any other property or assets of the Borrower or any Subsidiary;

(n) Liens on cash collateral to backstop letters of credit; and

(o) Liens incurred with respect to any servicing account and servicing agreement entered into by the Borrower or any of its Subsidiaries in connection with any sale, assignment and transfer of Receivables to any Person that is not an Affiliate of the Borrower.

SECTION 6.03. Fundamental Changes.

(a) Neither Holdings nor the Borrower will, or will permit any Subsidiary (other than any Specified Subsidiary) to, merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or otherwise Dispose of all or substantially all of its assets, or all or substantially all of the stock of any of its Subsidiaries (in each case, whether now owned or hereafter acquired), or liquidate or dissolve, except that, if at the time thereof and immediately after giving effect thereto no Default or Event of Default shall have occurred and be continuing, (i) any Subsidiary may merge into the Borrower in a transaction in which the Borrower is the surviving corporation, (ii) any Subsidiary may merge into (A) any Subsidiary in a transaction in which the surviving entity is a Subsidiary or (B) any other Person in a transaction in which the surviving entity is a Subsidiary subject to compliance with Sections 5.09 and 6.04, (iii) any Subsidiary may Dispose of its assets to the Borrower or to another Subsidiary, (iv) any Subsidiary may liquidate or dissolve if the Borrower determines in good faith that such liquidation or dissolution is in the best interests of the Borrower and is not materially disadvantageous to the Lenders, (v) the Borrower may merge into another Person or another person may merge into the Borrower if the Borrower is the surviving Person and (vi) the Borrower may merge or consolidate with a newly formed or incorporated Affiliate of the Borrower formed or incorporated solely for the purpose of changing the form of organization of the Borrower or reincorporating or reorganizing the Borrower in another state of the United States or may convert into a corporation, partnership or limited liability company, so long as the amount of Indebtedness of the Borrower is not increased thereby and there are no material adverse tax consequences from such conversion as reasonably determined by the Borrower. For the avoidance of doubt, this Section 6.03(a) shall not apply to any sale, assignment, transfer, conveyance or other disposition of any assets in connection with any Permitted Securitization Indebtedness.

(b) Neither Holdings nor the Borrower will, or will permit any of its Subsidiaries to, engage to any material extent in any business other than businesses of the type conducted by the Borrower and its Subsidiaries on the date of execution of this Agreement and businesses reasonably related, complementary, ancillary or incidental thereto or that constitute reasonable extensions thereof.

SECTION 6.04. Investment. Neither Holdings nor the Borrower will, or will permit any of its Subsidiaries (other than any Specified Subsidiary) to, directly or indirectly, make or own any Investment in any Person, except:

- (a) Investments existing on the date hereof;
- (b) Investments in any Loan Party;

(c) Investments (including acquisitions) made when (i) no Default or Event of Default has occurred and is continuing or shall occur from the making of such Investment and (b) the Borrower and its Subsidiaries are in Financial Covenant Compliance at the time of and immediately after giving effect to such Investment;

(d) Investments in Equity Interests of Securitization Subsidiaries arising in connection with Permitted Securitization Indebtedness;

(e) accounts receivable, security deposits and prepayments arising and trade credit granted in the ordinary course of business;

(f) Investments of a Subsidiary acquired after the Effective Date or of a person merged into the Borrower or a Subsidiary after the Effective Date, in each case to the extent that such Investments were not made in contemplation of or in connection with any such acquisition or merger;

(g) Investments to the extent that payment for such Investments is made with Equity Interests (other than Disqualified Equity Interests) of Holdings;

(h) Investments in Specified Subsidiaries not otherwise permitted pursuant to Section 6.04(c) in the ordinary course of business in an aggregate amount not to exceed \$50,000,000 at any time outstanding; and

(i) Cash Equivalents.

SECTION 6.05. Restrictive Agreements. Neither Holdings nor the Borrower will, or will permit any of its Subsidiaries (other than any Specified Subsidiary) to, directly or indirectly, enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon the ability of any Subsidiary (other than any Specified Subsidiary) to pay dividends or other distributions with respect to any shares of its Equity Interests or to make or repay loans or advances to the Borrower or any other Subsidiary (other than any Specified Subsidiary) or of any Subsidiary (other than any Specified Subsidiary) to Guarantee Indebtedness of the Borrower or any other Subsidiary (other than any Specified Subsidiary) under the Loan Documents; *provided* that (i) the foregoing shall not apply to restrictions and conditions imposed by law or by this Agreement or any other Loan Document, (ii) the foregoing shall not apply to prohibitions, restrictions and conditions existing on the date hereof (and any amendments or modifications thereof that do not materially expand the scope of any such prohibition, restriction or condition), (iii) the foregoing shall not apply to customary prohibitions, restrictions and conditions contained in agreements relating to the sale of a Subsidiary or assets of the Borrower or any Subsidiary pending such sale; *provided* such restrictions and conditions apply only to the Subsidiary or assets to be sold and such sale is not

prohibited hereunder, (iv) the foregoing shall not apply to any agreement, prohibition, or restriction or condition in effect at the time any Subsidiary becomes a Subsidiary of the Borrower, so long as such agreement was not entered into solely in contemplation of such Person becoming a Subsidiary of the Borrower (and any amendments or modifications thereof that do not materially expand the scope of any such prohibition restriction or condition), (v) the foregoing shall not apply to customary provisions in joint venture agreements and other similar agreements applicable to joint ventures, (vi) clause (a) of the foregoing shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness, (vii) clause (a) of the foregoing shall not apply to customary provisions in leases, licenses, sub-leases and sub-licenses and other contracts restricting the assignment thereof, (viii) the foregoing shall not apply to restrictions or conditions set forth in any agreement governing Indebtedness not prohibited by Section 6.01; provided that such restrictions and conditions are customary for such Indebtedness, (ix) the foregoing shall not apply to restrictions on cash or other deposits (including escrowed funds) imposed under contracts entered into in the ordinary course of business or restrictions imposed by the terms of a Lien permitted by Section 6.02 and (x) the foregoing shall not apply to encumbrances, restrictions, limitations, conditions or prohibitions in respect of Receivables subject to, and any other encumbrances, restrictions, limitations, conditions or prohibitions consisting of customary provisions in connection with, any Permitted Securitization Indebtedness.

SECTION 6.06. Dispositions. Neither Holdings nor the Borrower will, or will permit any of its Subsidiaries (other than any Specified Subsidiary) to, Dispose of (including, without limitation, any exclusive licensing of) any material intellectual property, that is used in and necessary for the operation of the business of the Borrower or such Subsidiaries (other than any Specified Subsidiary), if such Disposition would prohibit the Borrower or such Subsidiaries, as applicable, from utilizing such intellectual property.

SECTION 6.07. Restricted Payments. Neither Holdings nor the Borrower will, or will permit any of its Subsidiaries (other than any Specified Subsidiary) to, declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, unless (a) no Default or Event of Default has occurred and is continuing or shall occur from the making of such Restricted Payment and (b) the Borrower and its Subsidiaries are in Financial Covenant Compliance at the time of and immediately after giving effect to such Restricted Payment.

SECTION 6.08. Transactions with Affiliates. Neither Holdings nor the Borrower will, or will permit any of its Subsidiaries (other than any Specified Subsidiary) to, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions involving an aggregate payment or

consideration in excess of \$1,000,000 individually or \$10,000,000 in the aggregate with, any of its Affiliates, except:

(a) in the ordinary course of business;

(b) at prices and on terms and conditions not less favorable to the Borrower or such Subsidiary than could be obtained on an arm's-length basis from unrelated third parties;

(c) transactions between or among the Loan Parties;

(d) any transactions permitted by Sections 6.01, 6.03, 6.04 or 6.07;

(e) transactions pursuant to any contract or agreement or investment (including guarantee) in effect on the Effective Date and set forth on Schedule 6.07, as amended, modified or replaced from time to time, or similar transactions, so long as the amended, modified or new agreements, taken as a whole, are no more disadvantageous to the Lenders in any material respect than those in effect on the Effective Date (as determined by the Borrower in good faith); *provided* that with respect to the modification, amendment or replacement of any such transaction in existence as of the Effective Date on substantially comparable terms, such threshold shall be calculated only with respect to the amount of any net increase in the value of such transaction as a result of such modification, amendment or replacement rather than the aggregate value;

(f) the payment of reasonable and customary regular fees to directors of Holdings and the Borrower who are not employees of Holdings and the Borrower and the provision of customary indemnities to directors, officers or employees of Holdings, the Borrower and their Subsidiaries in their capacities as such;

(g) transactions, agreements, plans, arrangements or payments pursuant to any employee, officer or director compensation or benefit, travel, relocation or expense advance plans or arrangements;

(h) transactions in connection with any Permitted Securitization Indebtedness;

(i) mortgage loans provided to officers, directors or employees on terms consistent with past practice;

(j) licensing of intellectual property rights (whether as licensor or licensee);

(k) transactions (including pursuant to joint venture agreements) with customers, clients, suppliers, any Person in which the Borrower or any Subsidiary has made an investment or holds an interest as a joint venture partner (and such Person is an Affiliate solely

because of such Investment or interest) or others that are Affiliates of the Borrower, in each case in the ordinary course of business;

(l) leases of real property entered into in the ordinary course of business on terms not materially less favorable to the Borrower and its Subsidiaries than could be obtained at the time in an arm's length transaction with a Person who was not an Affiliate (as determined in good faith by management of the Borrower);

(m) sales of Qualified Equity Interests by the Borrower or any Subsidiary and capital contributions to the Borrower from Affiliates;

(n) any transaction in which the Borrower or any Subsidiary delivers to the Administrative Agent a written opinion from a nationally or regionally recognized investment banking, accounting or appraisal firm as to (i) the fairness of the transaction to the Borrower and its Subsidiaries from a financial point of view or (ii) that such transaction is not materially less favorable to the Borrower and its Subsidiaries than could be obtained at the time in an arm's length transaction with a Person who was not an Affiliate; or

(o) any agreement between a Person and an Affiliate of such Person existing at the time such Person is acquired by, or merged into, the Borrower or a Subsidiary and not entered into in contemplation of such acquisition or merger.

SECTION 6.09. Restricted Debt Payments. Neither Holdings nor the Borrower will, or will permit any Subsidiary (other than any Specified Subsidiary) of the Borrower to, voluntarily prepay, redeem, purchase, defease or otherwise satisfy prior to the scheduled maturity thereof in any manner any Subordinated Debt, or make any payment in violation of any subordination terms to which any Subordinated Debt is subject. For the avoidance of doubt, any mandatory or regularly scheduled payments, that are otherwise permitted by the terms of the respective subordination agreement, are not prohibited by this Section 6.09.

SECTION 6.10. Financial Covenants. The Borrower will not permit (each of the clauses (a) through (d) below, a "Financial Covenant"):

- (a) on the last day of any fiscal quarter ending after the date hereof, the Leverage Ratio to exceed 2.5 to 1.0;
- (b) [reserved];
- (c) [reserved]; or

(d) on the last day of any fiscal quarter ending after the date hereof, the Tangible Net Worth of Holdings and its consolidated Subsidiaries to be less than the Tangible Net Worth Level at such time.

ARTICLE VII

EVENTS OF DEFAULT

SECTION 7.01. Events of Default. If any of the following events (“Events of Default”) shall occur:

(a) the Borrower shall fail to pay any principal of any Loan when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

(b) the Borrower shall fail to pay any interest on any Loan or any fee or any other amount (other than an amount referred to in clause (a) of this Article) payable under this Agreement or any other Loan Document, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five Business Days;

(c) any representation or warranty made or deemed made by or on behalf of Holdings, the Borrower or any Subsidiary in this Agreement, any other Loan Document, or any amendment or modification hereof or thereof or waiver hereunder or thereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with this Agreement, any other Loan Document, or any amendment or modification hereof or thereof or waiver hereunder or thereunder, shall prove to have been incorrect in any material respect when made or deemed made;

(d) Holdings, the Borrower or any Subsidiary shall fail to observe or perform any covenant, condition or agreement contained in Section 5.02(a), 5.03 (with respect to the Borrower’s existence only) or 5.08 or in Article VI;

(e) Holdings, the Borrower or any Subsidiary shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in clause (a), (b), (c) or (d) of this Article) or any other Loan Document, and such failure shall continue unremedied for a period of thirty (30) days after notice thereof from the Administrative Agent to the Borrower (which notice will be given at the request of any Lender);

(f) Holdings, the Borrower or any Subsidiary shall fail to make any payment (whether of principal or interest) in respect of any Material Obligation, when and as the same shall become due and payable (whether by scheduled maturity, required prepayment,

acceleration, demand, or otherwise) and such failure shall have continued after the applicable grace period, if any;

(g) any event, condition or default occurs that results in any Material Obligation becoming due prior to its scheduled maturity or that enables or permits (with or without the giving of notice, the lapse of time or both but with all applicable grace periods in respect of such event or condition under the documentation representing such Material Obligation having expired) the holder or holders of such Material Obligation or any trustee or agent on its or their behalf to cause such Material Obligation to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity; provided that this clause (g) shall not apply to (x) any requirement to, or any offer to, repurchase, prepay or redeem any Material Obligation of a Person acquired in an acquisition permitted hereunder, to the extent such offer is required as a result of, or in connection with, such acquisition, (y) an early payment requirement, unwinding or termination with respect to any Hedging Agreement except an early payment, unwinding or termination that results from a default or non-compliance thereunder by the Borrower or any Subsidiary, or another event of the type that would constitute an Event of Default or (z) (i) any event or the satisfaction of any condition that permits holders of any Specified Convertible Notes to convert such Indebtedness pursuant to the terms of such Specified Convertible Notes or (ii) the conversion or exchange of any Specified Convertible Notes, in either case, into common stock of Holdings (or other securities or property following a merger event, reclassification or other change of the common stock of Holdings), cash or a combination thereof, pursuant to the terms of such Specified Convertible Notes;

(h) Holdings, the Borrower or any Significant Subsidiary shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (h) of this Article, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any Subsidiary or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding or (v) make a general assignment for the benefit of creditors;

(i) Holdings, the Borrower or any Significant Subsidiary shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(j) one or more judgments for the payment of money in an aggregate amount equal to or exceeding \$15,000,000 shall be rendered against Holdings, the Borrower, any Subsidiary or any combination thereof and the same shall remain undischarged for a period of 60

consecutive days during which execution shall not be effectively stayed or vacated; provided, that any such amount shall be calculated after deducting from the sum so payable any amount of such judgment or order that is covered by a valid and binding policy of insurance in favor of Holdings, the Borrower or such Subsidiary (but only if the applicable insurer shall have been advised of such judgment and of the intent of Holdings, the Borrower or such Subsidiary to make a claim in respect of any amount payable by it in connection therewith and such insurer shall not have disputed coverage);

(k) an ERISA Event shall have occurred that, when taken together with all other ERISA Events that have occurred, would reasonably be expected to result in a Material Adverse Effect;

(l) a Change in Control shall occur;

(m) this Agreement or any other Loan Document is not in full force and effect, or the Borrower or any Guarantor claims to such effect in writing;

(n) (i) commencing February 28, 2022, the 3-Month Rolling Average Delinquent Receivable Ratio shall exceed 10% or (ii) the Cumulative Default Ratio for any three or more Quarterly Vintages (commencing with the Quarterly Vintage for the calendar quarter ending March 31, 2022) shall exceed 12%; or

(o) there shall occur any changes in laws or regulations applicable to the business of Holdings, the Borrower and its Subsidiaries, including without limitation, those with respect to consumer financing, that would reasonably be expected to have a Material Adverse Effect.

SECTION 7.02. Remedies Upon an Event of Default. If an Event of Default occurs (other than an event with respect to the Borrower described in Sections 7.01(h) or 7.01(i)), and at any time thereafter during the continuance of such Event of Default, the Administrative Agent may with the consent of the Required Lenders, and shall at the request of the Required Lenders, by notice to the Borrower, take any or all of the following actions, at the same or different times:

(a) terminate the Commitments, and thereupon the Commitments shall terminate immediately;

(b) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder and under any other Loan Document, shall become due and payable

immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower;

(c) exercise on behalf of itself and the Lenders all rights and remedies available to it and the Lenders under the Loan Documents and Applicable Law.

If an Event of Default described in Sections 7.01(h) or 7.01(i) occurs with respect to the Borrower, the Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder and under any other Loan Document including any break funding payment or prepayment premium, shall automatically become due and payable, in each case, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower.

SECTION 7.03. Application of Payments. Notwithstanding anything herein to the contrary, following the occurrence and during the continuance of an Event of Default, and notice thereof to the Administrative Agent by the Borrower or the Required Lenders, all payments received on account of the Obligations shall, subject to Section 2.20, be applied by the Administrative Agent as follows:

(i) first, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts payable to the Administrative Agent (including fees and disbursements and other charges of counsel to the Administrative Agent payable under Section 9.03 and amounts pursuant to Section 2.12(b) payable to the Administrative Agent in its capacity as such);

(ii) second, to payment of that portion of the Obligations constituting fees, expenses, indemnities and other amounts (other than principal and interest) payable to the Lenders (including fees and disbursements and other charges of counsel to the Lenders payable under Section 9.03) arising under the Loan Documents, ratably among them in proportion to the respective amounts described in this clause (ii) payable to them;

(iii) third, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loans, ratably among the Lenders in proportion to the respective amounts described in this clause (iii) payable to them;

(iv) fourth, to payment of that portion of the Obligations constituting unpaid principal of the Loans;

(v) fifth, to the payment in full of all other Obligations, in each case ratably among the Administrative Agent and the Lenders based upon the respective aggregate

amounts of all such Obligations owing to them in accordance with the respective amounts thereof then due and payable; and

(vi) finally, the balance, if any, after all Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by law.

ARTICLE VIII

THE ADMINISTRATIVE AGENT

SECTION 8.01. Authorization and Action.

(a) Each Lender hereby irrevocably appoints the entity named as Administrative Agent in the heading of this Agreement and its successors and assigns to serve as the administrative agent under the Loan Documents and each Lender authorizes the Administrative Agent to take such actions as agent on its behalf and to exercise such powers under this Agreement and the other Loan Documents as are delegated to the Administrative Agent under such agreements and to exercise such powers as are reasonably incidental thereto. Without limiting the foregoing, each Lender hereby authorizes the Administrative Agent to execute and deliver, and to perform its obligations under, each of the Loan Documents to which the Administrative Agent is a party, and to exercise all rights, powers and remedies that the Administrative Agent may have under such Loan Documents.

(b) As to any matters not expressly provided for herein and in the other Loan Documents (including enforcement or collection), the Administrative Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the written instructions of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, pursuant to the terms in the Loan Documents), and, unless and until revoked in writing, such instructions shall be binding upon each Lender; *provided however*, that the Administrative Agent shall not be required to take any action that (i) the Administrative Agent in good faith believes exposes it to liability unless the Administrative Agent receives an indemnification and is exculpated in a manner satisfactory to it from the Lenders with respect to such action or (ii) is contrary to this Agreement or any other Loan Document or applicable law, including any action that may be in violation of the automatic stay under any requirement of law relating to bankruptcy, insolvency or reorganization or relief of debtors or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any requirement of law relating to bankruptcy, insolvency or reorganization or relief of debtors; *provided further*, that the Administrative Agent may seek clarification or direction from the Required Lenders prior to the exercise of any such instructed action and may refrain from acting

until such clarification or direction has been provided. Except as expressly set forth in the Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower, any Subsidiary or any Affiliate of any of the foregoing that is communicated to or obtained by the Person serving as Administrative Agent or any of its Affiliates in any capacity. Nothing in this Agreement shall require the Administrative Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(c) In performing its functions and duties hereunder and under the other Loan Documents, the Administrative Agent is acting solely on behalf of the Lenders (except in limited circumstances expressly provided for herein relating to the maintenance of the Register), and its duties are entirely mechanical and administrative in nature. Without limiting the generality of the foregoing:

(i) the Administrative Agent does not assume and shall not be deemed to have assumed any obligation or duty or any other relationship as the agent, fiduciary or trustee of or for any Lender, other than as expressly set forth herein and in the other Loan Documents, regardless of whether a Default or an Event of Default has occurred and is continuing (and it is understood and agreed that the use of the term “agent” (or any similar term) herein or in any other Loan Document with reference to the Administrative Agent is not intended to connote any fiduciary duty or other implied (or express) obligations arising under agency doctrine of any applicable law, and that such term is used as a matter of market custom and is intended to create or reflect only an administrative relationship between contracting parties); additionally, each Lender agrees that it will not assert any claim against the Administrative Agent based on an alleged breach of fiduciary duty by the Administrative Agent in connection with this Agreement and/or the transactions contemplated hereby;

(ii) nothing in this Agreement or any Loan Document shall require the Administrative Agent to account to any Lender for any sum or the profit element of any sum received by the Administrative Agent for its own account;

(d) The Administrative Agent may perform any of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any of their respective duties and exercise their respective rights and powers through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities pursuant to this Agreement. The

Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agent except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agent.

(e) None of any Syndication Agent, any Documentation Agent, any Bookrunner or any Arranger shall have obligations or duties whatsoever in such capacity under this Agreement or any other Loan Document and shall incur no liability hereunder or thereunder in such capacity, but all such persons shall have the benefit of the indemnities provided for hereunder.

(f) In case of the pendency of any proceeding with respect to the Borrower under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(i) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim under Sections 2.12, 2.13, 2.15, 2.17 and 9.03) allowed in such judicial proceeding; and

(ii) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders to pay to the Administrative Agent any amount due to it, in its capacity as the Administrative Agent, under the Loan Documents (including under Section 9.03). Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

(g) The provisions of this Article are solely for the benefit of the Administrative Agent, and the Lenders, and, except solely to the extent of the Borrower's rights

to consent pursuant to and subject to the conditions set forth in this Article, none of the Borrower or any Subsidiary, or any of their respective Affiliates, shall have any rights as a third party beneficiary under any such provisions.

SECTION 8.02. Administrative Agent's Reliance, Limitation of Liability, Etc.

(a) Neither the Administrative Agent nor any of its Related Parties shall be (i) liable for any action taken or omitted to be taken by such party, the Administrative Agent or any of its Related Parties under or in connection with this Agreement or the other Loan Documents (x) with the consent of or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith to be necessary, under the circumstances as provided in the Loan Documents) or (y) in the absence of its own gross negligence or willful misconduct (such absence to be presumed unless otherwise determined by a court of competent jurisdiction by a final and non-appealable judgment) or (ii) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by the Borrower or any officer thereof contained in this Agreement or any other Loan Document or in any certificate, report, statement or other document referred to or provided for in, or received by the Administrative Agent under or in connection with, this Agreement or any other Loan Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document (including, for the avoidance of doubt, in connection with the Administrative Agent's reliance on any Electronic Signature transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page) or for any failure of the Borrower to perform its obligations hereunder or thereunder.

(b) The Administrative Agent shall be deemed not to have knowledge of any (i) notice of any of the events or circumstances set forth or described in Section 5.02 unless and until written notice thereof stating that it is a "notice under Section 5.02" in respect of this Agreement and identifying the specific clause under said Section is given to the Administrative Agent by the Borrower, or (ii) notice of any Default or Event of Default unless and until written notice thereof (stating that it is a "notice of Default" or a "notice of an Event of Default") is given to the Administrative Agent by the Borrower or a Lender. Further, the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with any Loan Document, (ii) the contents of any certificate, report or other document delivered thereunder or in connection therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth in any Loan Document or the occurrence of any Default or Event of Default, (iv) the sufficiency, validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article IV or elsewhere in any Loan Document, other than to confirm receipt of items (which on

their face purport to be such items) expressly required to be delivered to the Administrative Agent or satisfaction of any condition that expressly refers to the matters described therein being acceptable or satisfactory to the Administrative Agent.

(c) Without limiting the foregoing, the Administrative Agent (i) may treat the payee of any promissory note as its holder until such promissory note has been assigned in accordance with Section 9.04, (ii) may rely on the Register to the extent set forth in Section 9.04(b), (iii) may consult with legal counsel (including counsel to the Borrower), independent public accountants and other experts selected by it, and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts, (iv) makes no warranty or representation to any Lender and shall not be responsible to any Lender for any statements, warranties or representations made by or on behalf of the Borrower in connection with this Agreement or any other Loan Document, (v) in determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender sufficiently in advance of the making of such Loan and (vi) shall be entitled to rely on, and shall incur no liability under or in respect of this Agreement or any other Loan Document by acting upon, any notice, consent, certificate or other instrument or writing (which writing may be a fax, any electronic message, Internet or intranet website posting or other distribution) or any statement made to it orally or by telephone and believed by it to be genuine and signed or sent or otherwise authenticated by the proper party or parties (whether or not such Person in fact meets the requirements set forth in the Loan Documents for being the maker thereof).

SECTION 8.03. Posting of Communications.

(a) The Borrower agrees that the Administrative Agent may, but shall not be obligated to, make any Communications available to the Lenders by posting the Communications on IntraLinks™, DebtDomain, SyndTrak, ClearPar or any other electronic platform chosen by the Administrative Agent to be its electronic transmission system (the “Approved Electronic Platform”).

(b) Although the Approved Electronic Platform and its primary web portal are secured with generally-applicable security procedures and policies implemented or modified by the Administrative Agent from time to time (including, as of the Effective Date, a user ID/password authorization system) and the Approved Electronic Platform is secured through a per-deal authorization method whereby each user may access the Approved Electronic Platform only on a deal-by-deal basis, each of the Lenders and the Borrower acknowledges and agrees that the distribution of material through an electronic medium is not necessarily secure, that the Administrative Agent is not responsible for approving or vetting the representatives or contacts

of any Lender that are added to the Approved Electronic Platform, and that there may be confidentiality and other risks associated with such distribution. Each of the Lenders and the Borrower hereby approves distribution of the Communications through the Approved Electronic Platform and understands and assumes the risks of such distribution.

(c) THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS ARE PROVIDED “AS IS” AND “AS AVAILABLE”. THE APPLICABLE PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS, OR THE ADEQUACY OF THE APPROVED ELECTRONIC PLATFORM AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE APPLICABLE PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT, ANY ARRANGER, ANY BOOKRUNNER, ANY DOCUMENTATION AGENT, ANY SYNDICATION AGENT OR ANY OF THEIR RESPECTIVE RELATED PARTIES (COLLECTIVELY, “APPLICABLE PARTIES”) HAVE ANY LIABILITY TO THE BORROWER, ANY LENDER OR ANY OTHER PERSON OR ENTITY FOR DAMAGES OF ANY KIND, INCLUDING DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF THE BORROWER’S OR THE ADMINISTRATIVE AGENT’S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET OR THE APPROVED ELECTRONIC PLATFORM.

“Communications” means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of the Borrower pursuant to any Loan Document or the transactions contemplated therein which is distributed by the Administrative Agent or any Lender or by means of electronic communications pursuant to this Section, including through an Approved Electronic Platform.

(d) Each Lender agrees that notice to it (as provided in the next sentence) specifying that Communications have been posted to the Approved Electronic Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Loan Documents. Each Lender agrees (i) to notify the Administrative Agent in writing (which could be in the form of electronic communication) from time to time of such Lender’s (as applicable) email address to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such email address.

(e) Each of the Lenders and the Borrower agrees that the Administrative Agent may, but (except as may be required by applicable law) shall not be obligated to, store the Communications on the Approved Electronic Platform in accordance with the Administrative Agent's generally applicable document retention procedures and policies.

(f) Nothing herein shall prejudice the right of the Administrative Agent or any Lender to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document.

SECTION 8.04. The Administrative Agent Individually. With respect to its Commitment and Loans, the Person serving as the Administrative Agent shall have and may exercise the same rights and powers hereunder and is subject to the same obligations and liabilities as and to the extent set forth herein for any other Lender. The terms "Lenders", "Required Lenders" and any similar terms shall, unless the context clearly otherwise indicates, include the Administrative Agent in its individual capacity as a Lender or as one of the Required Lenders, as applicable. The Person serving as the Administrative Agent and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of banking, trust or other business with, the Borrower, any Subsidiary or any Affiliate of any of the foregoing as if such Person was not acting as the Administrative Agent and without any duty to account therefor to the Lenders.

SECTION 8.05. Successor Administrative Agent.

(a) The Administrative Agent may resign at any time by giving 30 days' prior written notice thereof to the Lenders and the Borrower, whether or not a successor Administrative Agent has been appointed. Upon any such resignation, the Required Lenders shall have the right to appoint a successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Required Lenders, and shall have accepted such appointment, within 30 days after the retiring Administrative Agent's giving of notice of resignation, then the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent, which shall be a bank with an office in New York, New York or an Affiliate of any such bank. In either case, such appointment shall be subject to the prior written approval of the Borrower (which approval may not be unreasonably withheld and shall not be required while an Event of Default under Sections 7.01(a), (b), (h) or (i) has occurred and is continuing). Upon the acceptance of any appointment as Administrative Agent by a successor Administrative Agent, such successor Administrative Agent shall succeed to, and become vested with, all the rights, powers, privileges and duties of the retiring Administrative Agent. Upon the acceptance of appointment as Administrative Agent by a successor Administrative Agent, the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement and the other Loan Documents. Prior to any retiring Administrative Agent's

resignation hereunder as Administrative Agent, the retiring Administrative Agent shall take such action as may be reasonably necessary to assign to the successor Administrative Agent its rights as Administrative Agent under the Loan Documents.

(b) Notwithstanding paragraph (a) of this Section, in the event no successor Administrative Agent shall have been so appointed and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its intent to resign, the retiring Administrative Agent may give notice of the effectiveness of its resignation to the Lenders and the Borrower, whereupon, on the date of effectiveness of such resignation stated in such notice, (i) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents; and (ii) the Required Lenders shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent; *provided* that (A) all payments required to be made hereunder or under any other Loan Document to the Administrative Agent for the account of any Person other than the Administrative Agent shall be made directly to such Person and (B) all notices and other communications required or contemplated to be given or made to the Administrative Agent shall directly be given or made to each Lender. Following the effectiveness of the Administrative Agent's resignation from its capacity as such, the provisions of this Article and Section 9.03, as well as any exculpatory, reimbursement and indemnification provisions set forth in any other Loan Document, shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

SECTION 8.06. Acknowledgements of Lenders.

(a) Each Lender represents and warrants that (i) the Loan Documents set forth the terms of a commercial lending facility, (ii) it is engaged in making, acquiring or holding commercial loans and in providing other facilities set forth herein as may be applicable to such Lender, in each case in the ordinary course of business, and not for the purpose of purchasing, acquiring or holding any other type of financial instrument (and each Lender agrees not to assert a claim in contravention of the foregoing), (iii) it has, independently and without reliance upon the Administrative Agent, any Arranger, any Bookrunner, any Syndication Agent, any Documentation Agent or any other Lender, or any of the Related Parties of any of the foregoing, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement as a Lender, and to make, acquire or hold Loans hereunder and (iv) it is sophisticated with respect to decisions to make, acquire and/or hold commercial loans and to provide other facilities set forth herein, as may be applicable to such Lender, and either it, or the Person exercising discretion in making its decision to make, acquire and/or hold such commercial loans or to provide such other facilities, is experienced in

making, acquiring or holding such commercial loans or providing such other facilities. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, any Arranger, any Bookrunner, any Syndication Agent, any Documentation Agent or any other Lender, or any of the Related Parties of any of the foregoing, and based on such documents and information (which may contain material, non-public information within the meaning of the United States securities laws concerning the Borrower and its Affiliates) as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

(b) Each Lender, by delivering its signature page to this Agreement on the Effective Date, or delivering its signature page to an Assignment and Assumption or any other Loan Document pursuant to which it shall become a Lender hereunder, shall be deemed to have acknowledged receipt of, and consented to and approved, each Loan Document and each other document required to be delivered to, or be approved by or satisfactory to, the Administrative Agent or the Lenders on the Effective Date.

SECTION 8.07. Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, each Arranger and each Bookrunner and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of the Plan Asset Regulations) of one or more Benefit Plans in connection with the Loans or the Commitments,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, each Bookrunner and each Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that none of the Administrative Agent, or any Arranger, Bookrunner, any Syndication Agent or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related to hereto or thereto).

(c) The Administrative Agent, and each Arranger, Bookrunner, Syndication Agent and Documentation Agent hereby informs the Lenders that each such Person is not undertaking to provide investment advice or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, the Commitments, this Agreement and any other Loan Documents (ii) may recognize a gain if it extended the Loans, or the Commitments for an amount less than the amount being paid for an interest in the Loans or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees,

term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

ARTICLE IX

MISCELLANEOUS

SECTION 9.01. Notices.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy, as follows:

(i) if to the Borrower,

650 California Street
San Francisco, CA 94108
Attention of Chief Legal Officer
Email: legal@affirm.com
Telephone: (855) 423-3729A

(i) (ii) if to the Administrative Agent for purposes of borrowing notices, conversion notices, prepayment notices and payments of interest and fees, to

Barclays Bank PLC
Attention: William Coshburn
400 Jefferson Park
New Jersey, Whippany 07981
Telephone: 201 499-8427
Fax: 201 499-4547
Email:
12145455230@tls.ldsprod.com/william.coshburn@barclays.com

(ii) (iii) if to the Administrative Agent for purposes of compliance certificates and financial statements or any general queries, to

Barclays Bank PLC
Attention: May Huang
745 7th Avenue

New York, NY 10019
Telephone: (212) 526-0787
Fax: 212 526 5115
Email: may.huang@barclays.com

(iv) if to any other Lender, to it at its address (or telecopy number) set forth in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through Approved Electronic Platforms, to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

(b) Notices and other communications to the Borrower and the Lenders hereunder may be delivered or furnished by using Approved Electronic Platforms pursuant to procedures approved by the Administrative Agent; *provided* that the foregoing shall not apply to notices pursuant to Article II unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; *provided* that approval of such procedures may be limited to particular notices or communications.

(c) Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; *provided* that, for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(d) Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto.

SECTION 9.02. Waivers; Amendments.

(a) No failure or delay by the Administrative Agent or any Lender in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent and the Lenders hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan shall not be construed as a waiver of any Default or Event of Default, regardless of whether the Administrative Agent or any Lender may have had notice or knowledge of such Default or Event of Default at the time.

(b) Subject to Section 2.14 and Section 9.02(c) below, neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrower and the Required Lenders or by the Borrower and the Administrative Agent with the consent of the Required Lenders; *provided* that no such agreement shall (i) increase the Commitment of any Lender without the written consent of such Lender, (ii) reduce the principal amount of any Loan or reduce the rate of interest thereon, or reduce any fees payable hereunder, without the written consent of each Lender affected thereby, (iii) postpone the scheduled date of payment of the principal amount of any Loan, or any interest thereon, or any fees payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender affected thereby, (iv) change Section 2.09(c) or 2.18(b) or (c) in a manner that would alter the ratable reduction of Commitments or the pro rata sharing of payments required thereby, without the written consent of each Lender, (v) change the payment waterfall provisions of Section 2.20(b) or 7.03 without the written consent of each Lender, (vi) change any of the provisions of this Section or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender, (vii) release all or substantially all of the value of the Guaranty, without the written consent of each Lender, (viii) amend or waive any condition precedent set forth in Article IV, without the written consent of each Lender or (ix) subordinate any of the Obligations to any other Indebtedness or obligations, without the written consent of each Lender; *provided further* that no such agreement shall amend, modify or

otherwise affect the rights or duties of the Administrative Agent hereunder without the prior written consent of the Administrative Agent.

(c) If the Administrative Agent and the Borrower acting together identify any ambiguity, omission, mistake, typographical error or other defect in any provision of this Agreement or any other Loan Document, then the Administrative Agent and the Borrower shall be permitted to amend, modify or supplement such provision to cure such ambiguity, omission, mistake, typographical error or other defect, and such amendment shall become effective without any further action or consent of any other party to this Agreement.

SECTION 9.03. Expenses; Limitation of Liability; Indemnity, Etc.

(a) Expenses. The Borrower shall pay (i) all reasonable and documented out of pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, in connection with the syndication of the credit facility provided for herein, the preparation and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof and (ii) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent or any Lender, including the fees, charges and disbursements of any counsel for the Administrative Agent or any Lender, in connection with the enforcement or protection of its rights in connection with this Agreement and the other Loan Documents, including its rights under this Section, or in connection with the Loans made hereunder, including all such reasonable and documented out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(b) Limitation of Liability. To the extent permitted by applicable law (i) the Borrower shall not assert, and the Borrower hereby waives, any claim against the Administrative Agent, any Arranger, any Bookrunner, any Syndication Agent, any Documentation Agent and any Lender, and any Related Party of any of the foregoing Persons (each such Person being called a "Lender-Related Person") for any Liabilities arising from the use by others of information or other materials (including, without limitation, any personal data) obtained through telecommunications, electronic or other information transmission systems (including the Internet), and (ii) no party hereto shall assert, and each such party hereby waives, any Liabilities against any other party hereto, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document, or any agreement or instrument contemplated hereby or thereby, the Transactions, any Loan or the use of the proceeds thereof; *provided* that, nothing in this Section 9.03(b) shall relieve the Borrower of any obligation it may

have to indemnify an Indemnitee, as provided in Section 9.03(c), against any special, indirect, consequential or punitive damages asserted against such Indemnitee by a third party.

(c) Indemnity. The Borrower shall indemnify the Administrative Agent, each Arranger, each Bookrunner, each Syndication Agent, each Documentation Agent and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an “Indemnitee”) against, and hold each Indemnitee harmless from, any and all Liabilities and related expenses, including the fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document, or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the Transactions or any other transactions contemplated hereby, (ii) any Loan or the use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by Holdings, the Borrower or any of their Subsidiaries, or any Environmental Liability related in any way to Holdings, the Borrower or any of their Subsidiaries or (iv) any actual or prospective Proceeding relating to any of the foregoing, whether or not such Proceeding is brought by the Borrower or its equity holders, Affiliates, creditors or any other third Person and whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such Liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted primarily from the bad faith, gross negligence or willful misconduct of such Indemnitee. This Section 9.03(c) shall not apply with respect to Taxes other than any Taxes that represent losses, claims or damages arising from any non-Tax claim.

(d) Lender Reimbursement. Each Lender severally agrees to pay any amount required to be paid by the Borrower under paragraphs (a), (b) or (c) of this Section 9.03 to the Administrative Agent, and each Related Party of any of the foregoing Persons (each, an “Agent-Related Person”) (to the extent not reimbursed by the Borrower and without limiting the obligation of the Borrower to do so), ratably according to their respective Applicable Percentage in effect on the date on which such payment is sought under this Section (or, if such payment is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with such Applicable Percentage immediately prior to such date), from and against any and all Liabilities and related expenses, including the fees, charges and disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against such Agent-Related Person in any way relating to or arising out of the Commitments, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the

transactions contemplated hereby or thereby or any action taken or omitted by such Agent-Related Person under or in connection with any of the foregoing; *provided* that the unreimbursed expense or Liability or related expense, as the case may be, was incurred by or asserted against such Agent-Related Person in its capacity as such; *provided further* that no Lender shall be liable for the payment of any portion of such Liabilities, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted primarily from such Agent-Related Party's gross negligence or willful misconduct. The agreements in this Section shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

(e) Payments. All amounts due under this Section 9.03 shall be payable promptly after written demand therefor.

SECTION 9.04. Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in paragraph (c) of this Section) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b)

(i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more Persons (other than an Ineligible Institution) all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Borrower; *provided* that the Borrower shall be deemed to have consented to an assignment of all or a portion of the Revolving Loans and Commitments unless it shall have objected thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof; *provided further*, that no consent of the Borrower shall be required for an assignment to a Lender

or an Affiliate of a Lender or, if an Event of Default under Sections 7.01(a), (b), (h) or (i) has occurred and is continuing, any other assignee;

(B) the Administrative Agent; *provided* that no consent of the Administrative Agent shall be required for an assignment to a Lender or an Affiliate of a Lender; and

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000 unless each of the Borrower and the Administrative Agent otherwise consent; *provided* that no such consent of the Borrower shall be required if an Event of Default under Sections 7.01(a), (b), (h) or (i) has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent (x) an Assignment and Assumption or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, together with a processing and recordation fee of \$3,500; and

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Borrower and its related parties or its securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including Federal and state securities laws.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section, from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.15, 2.16, 2.17 and 9.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section.

(iv) The Administrative Agent, acting for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of (x) a duly completed Assignment and Assumption executed by an assigning Lender and an assignee or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register; *provided* that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to 2.07(b), 2.18(d) or 9.03(d), the Administrative Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No

assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) Any Lender may, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to one or more banks or other entities (a "Participant"), other than an Ineligible Institution, in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); *provided* that (A) such Lender's obligations under this Agreement shall remain unchanged; (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations; and (C) the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in clauses (i), (ii) or (iii) the first proviso to Section 9.02(b) that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.15, 2.16 and 2.17 (subject to the requirements and limitations therein, including the requirements under Sections 2.17(f) (it being understood that the documentation required under Section 2.17(f) shall be delivered to the participating Lender and the information)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; *provided* that such Participant (A) agrees to be subject to the provisions of Section 2.19 as if it were an assignee under paragraph (b) of this Section; and (B) shall not be entitled to receive any greater payment under Section 2.15 or 2.17, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 2.19(b) with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.08 as though it were a Lender; *provided* that such Participant agrees to be subject to Section 2.18(c) as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans or its other obligations under any Loan Document) to any Person except to

the extent that such disclosure is necessary to establish that such Commitment, Loan, or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(d) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; *provided* that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

SECTION 9.05. Survival. All covenants, agreements, representations and warranties made by the Borrower herein and in the other Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Documents shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default or Event of Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid and so long as the Commitments have not expired or terminated. The provisions of Sections 2.15, 2.16, 2.17 and 9.03 and Article VIII shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans and the Commitments or the termination of this Agreement or any provision hereof.

SECTION 9.06. Counterparts; Integration; Effectiveness; Electronic Execution.

(a) This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative

Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(b) Delivery of an executed counterpart of a signature page of (x) this Agreement, (y) any other Loan Document and/or (z) any document, amendment, approval, consent, information, notice (including, for the avoidance of doubt, any notice delivered pursuant to Section 9.01), certificate, request, statement, disclosure or authorization related to this Agreement, any other Loan Document and/or the transactions contemplated hereby and/or thereby (each an “Ancillary Document”) that is an Electronic Signature transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement, such other Loan Document or such Ancillary Document, as applicable. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Agreement, any other Loan Document and/or any Ancillary Document shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be; *provided* that nothing herein shall require the Administrative Agent to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it; *provided further*, without limiting the foregoing, (i) to the extent the Administrative Agent has agreed to accept any Electronic Signature, the Administrative Agent and each of the Lenders shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of the Borrower without further verification thereof and without any obligation to review the appearance or form of any such Electronic signature and (ii) upon the request of the Administrative Agent or any Lender, any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, the Borrower hereby (i) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Administrative Agent, the Lenders and the Borrower, Electronic Signatures transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Agreement, any other Loan Document and/or any Ancillary Document shall have the same legal effect, validity and enforceability as any paper original, (ii) the Administrative Agent and each of the Lenders may, at its option, create one or more copies of this Agreement, any other Loan Document and/or any Ancillary Document in the form of an imaged electronic record in any format, which shall be deemed created in the ordinary course of such Person’s business, and destroy the original paper document (and all such electronic records shall be

considered an original for all purposes and shall have the same legal effect, validity and enforceability as a paper record), (iii) waives any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement, any other Loan Document and/or any Ancillary Document based solely on the lack of paper original copies of this Agreement, such other Loan Document and/or such Ancillary Document, respectively, including with respect to any signature pages thereto and (iv) waives any claim against any Lender-Related Person for any Liabilities arising solely from the Administrative Agent's and/or any Lender's reliance on or use of Electronic Signatures and/or transmissions by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page, including any Liabilities arising as a result of the failure of the Borrower to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

SECTION 9.07. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 9.08. Reserved.

SECTION 9.09. Governing Law; Jurisdiction; Consent to Service of Process.

(a) This Agreement and the other Loan Documents shall be construed in accordance with and governed by the law of the State of New York.

(b) Each of the Lenders and the Administrative Agent hereby irrevocably and unconditionally agrees that, notwithstanding the governing law provisions of any applicable Loan Document, any claims brought against the Administrative Agent by any Lender relating to this Agreement, any other Loan Document or the consummation or administration of the transactions contemplated hereby or thereby shall be construed in accordance with and governed by the law of the State of New York.

(c) Each of the parties hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the United States District Court for the Southern District of New York sitting in the Borough of Manhattan (or if such court lacks subject matter jurisdiction, the Supreme Court of the State of New York sitting in the Borough of Manhattan), and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Loan Document or the transactions relating hereto or thereto, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or

proceeding may (and any such claims, cross-claims or third party claims brought against the Administrative Agent or any of its Related Parties may only) be heard and determined in such Federal (to the extent permitted by law) or New York State court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any other Loan Document shall affect any right that the Administrative Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement against the Borrower or its properties in the courts of any jurisdiction.

(d) Each of the parties hereto hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (c) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(e) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 9.10. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 9.11. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 9.12. Confidentiality. Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any Governmental Authority (including any self-regulatory authority, such as the National Association of Insurance Commissioners), subject to, except with respect to any routine or ordinary course audit or examination conducted by bank accountants or any regulatory authority or self-regulatory authority exercising examination or regulatory authority, informing the Borrower promptly prior to such disclosure to the extent practicable and not prohibited by applicable law, (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, subject to, except with respect to any routine or ordinary course audit or examination conducted by bank accountants or any regulatory authority or self-regulatory authority exercising examination or regulatory authority, informing the Borrower promptly prior to such disclosure to the extent practicable and not prohibited by applicable law, (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder or under any other Loan Document, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations, (g) on a confidential basis to (1) any rating agency in connection with rating the Borrower or its Subsidiaries or the credit facilities provided for herein or (2) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of identification numbers with respect to the credit facilities provided for herein, (h) with the consent of the Borrower or (i) to the extent such Information (1) becomes publicly available other than as a result of a breach of this Section, (2) is independently developed by the Administrative Agent or any Lender or any of their Affiliates or (3) becomes available to the Administrative Agent or any Lender on a non-confidential basis from a source other than the Borrower. For the purposes of this Section, "Information" means all information received from the Borrower relating to the Borrower or its business, other than any such information that is available to the Administrative Agent or any Lender on a non-confidential basis prior to disclosure by the Borrower and other than information pertaining to this Agreement routinely provided by arrangers to data service providers, including league table providers, that serve the lending industry. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

SECTION 9.13. Material Non-Public Information.

(a) EACH LENDER ACKNOWLEDGES THAT INFORMATION AS DEFINED IN SECTION 9.12 FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING THE BORROWER AND ITS RELATED PARTIES OR THEIR RESPECTIVE SECURITIES, AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.

(b) ALL INFORMATION, INCLUDING REQUESTS FOR WAIVERS AND AMENDMENTS, FURNISHED BY THE BORROWER OR THE ADMINISTRATIVE AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION ABOUT THE BORROWER AND ITS RELATED PARTIES OR ITS SECURITIES. ACCORDINGLY, EACH LENDER REPRESENTS TO THE BORROWER AND THE ADMINISTRATIVE AGENT THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW.

SECTION 9.14. Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable law (collectively the “Charges”), shall exceed the maximum lawful rate (the “Maximum Rate”) which may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the NYFRB Rate to the date of repayment, shall have been received by such Lender.

SECTION 9.15. No Fiduciary Duty, Etc.

(a) The Borrower acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that no Credit Party will have any obligations except those obligations expressly set forth herein and in the other Loan Documents and each Credit Party is acting solely in the capacity of an arm's length contractual counterparty to the Borrower with respect to the Loan Documents and the transactions contemplated herein and therein and not as a financial advisor or a fiduciary to, or an agent of, the Borrower or any other person. The Borrower agrees that it will not assert any claim against any Credit Party based on an alleged breach of fiduciary duty by such Credit Party in connection with this Agreement and the transactions contemplated hereby. Additionally, the Borrower acknowledges and agrees that no Credit Party is advising the Borrower as to any legal, tax, investment, accounting, regulatory or any other matters in any jurisdiction. The Borrower shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated herein or in the other Loan Documents, and the Credit Parties shall have no responsibility or liability to the Borrower with respect thereto.

(b) The Borrower further acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that each Credit Party, together with its Affiliates, is a full service securities or banking firm engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, any Credit Party may provide investment banking and other financial services to, and/or acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of, the Borrower and other companies with which the Borrower may have commercial or other relationships. With respect to any securities and/or financial instruments so held by any Credit Party or any of its customers, all rights in respect of such securities and financial instruments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion.

(c) In addition, the Borrower acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that each Credit Party and its affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which the Borrower may have conflicting interests regarding the transactions described herein and otherwise. No Credit Party will use confidential information obtained from the Borrower by virtue of the transactions contemplated by the Loan Documents or its other relationships with the Borrower in connection with the performance by such Credit Party of services for other companies, and no Credit Party will furnish any such information to other companies. The Borrower also acknowledges that no Credit Party has any obligation to use in connection with the transactions contemplated by the Loan Documents, or to furnish to the Borrower, confidential information obtained from other companies.

SECTION 9.16. USA PATRIOT Act. Each Lender that is subject to the requirements of the USA PATRIOT Act of 2001 (the “Patriot Act”) and the requirements of the Beneficial Ownership Regulation hereby notifies the Borrower and the Guarantors that pursuant to the requirements of the Patriot Act and the Beneficial Ownership Regulation, it is required to obtain, verify and record information that identifies the Borrower and the Guarantors, which information includes the name and address of the Borrower and the Guarantors and other information that will allow such Lender to identify the Borrower and the Guarantors in accordance with the Patriot Act and the Beneficial Ownership Regulation.

SECTION 9.17. Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

SECTION 9.18. Erroneous Payment.

(a) Each Lender hereby acknowledges and agrees that if the Administrative Agent notifies such Lender that the Administrative Agent has determined in its sole discretion that any funds (or any portion thereof) received by such Lender (any of the foregoing, an “Erroneous Payment Recipient”) from the Administrative Agent (or any of its Affiliates) were

erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Erroneous Payment Recipient (whether or not known to such Erroneous Payment Recipient) (whether as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, a "Payment") and demands the return of such Payment, such Erroneous Payment Recipient shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Payment as to which such a demand was made. A notice of the Administrative Agent to any Erroneous Payment Recipient under this Section shall be conclusive, absent manifest error.

(b) Without limitation of clause (a) above, each Erroneous Payment Recipient further acknowledges and agrees that if such Erroneous Payment Recipient receives a Payment from the Administrative Agent (or any of its Affiliates) (x) that is in an amount, or on a date different from the amount and/or date specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Payment (a "Payment Notice"), (y) that was not preceded or accompanied by a Payment Notice, or (z) that such Erroneous Payment Recipient otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part), in each case, it understands and agrees at the time of receipt of such Payment that an error has been made (and that it is deemed to have knowledge of such error) with respect to such Payment. Each Erroneous Payment Recipient agrees that, in each such case, it shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made.

(c) Any Payment required to be returned by an Erroneous Payment Recipient under this Section shall be made in same day funds in the currency so received, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Erroneous Payment Recipient to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect. Each Erroneous Payment Recipient hereby agrees that it shall not assert and, to the fullest extent permitted by applicable law, hereby waives, any right to retain such Payment, and any claim, counterclaim, defense or right of set-off or recoupment or similar right to any demand by the Administrative Agent for the return of any Payment received, including without limitation any defense based on "discharge for value" or any similar doctrine.

(d) The Borrower and each other Loan Party hereby agrees that (x) in the event an erroneous Payment (or portion thereof) is not recovered from any Lender that has received such Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender with respect to such amount and (y) an erroneous

Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Loan Party except, in each case, to the extent such erroneous Payment is, and with respect to the amount of such erroneous Payment that is, comprised of funds of the Borrower or any other Loan Party.

(e) Each party's obligations, agreements and waivers under this Section 9.18 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective authorized officers as of the day and year first above written.

AFFIRM, INC.

By: _____

Name:

Title:

BARCLAYS BANK PLC, individually and
as Administrative Agent,

By: _____

Name:

Title:

[LENDER], as a Lender

By: _____

Name:

Title:

Certain identified information in this document has been excluded because it is both (i) not material and (ii) is the type of information that the Company customarily and actually treats as private or confidential. This document has been marked with “[***]” to indicate where omissions have been made.

AMENDMENT 1 TO CUSTOMER INSTALLMENT PROGRAM AGREEMENT

This Amendment 1 (“**Amendment**”) to the Amended and Restated Customer Installment Program Agreement dated March 19, 2024 (“**Agreement**”), is entered into between Shopify, Inc. a Canadian corporation (“**Shopify**”) and Affirm, Inc., a Delaware corporation (“**Affirm**”), as of the date of last signature below. Shopify and Affirm may be referred to collectively as the “**Parties**” or individually as a “**Party**.”

RECITALS

WHEREAS, the Parties entered into the Agreement to establish a program to make the Financial Product available to Customers and Eligible Merchants;

WHEREAS, other than as expressly amended through this Amendment, the Parties wish the Agreement to remain in full force and effect.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, Shopify and Affirm hereby agree as follows:

AGREEMENT

1. **Defined Terms.** Except as otherwise specifically indicated in this Amendment, capitalized terms used in this Amendment have the meanings ascribed to them in the Agreement.
2. **EXHIBIT C-4 - FOURTH PROGRAM OUTLINE.** The Agreement shall be amended as set forth in the new Exhibit C-4 (FOURTH PROGRAM OUTLINE) to be added to the Agreement immediately after Exhibit C-3 as attached hereto as Exhibit A.
3. **Miscellaneous.** This Amendment may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all of such counterparts shall together constitute one and the same instrument.

[Signature page follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their authorized representatives below.

Shopify Inc.	Affirm, Inc.		
Signature: /s/ Jason Kilpela	Signature: /s/ Rebecca Z Stone		
Name: Jason Kilpela	Name: Rebecca Z Stone		
Title: VP Finance	Title: VP, Strategic Partnerships		
Date: 10/10/2024	Date: 10/9/2024		
<p>Notices. Notices required under this Amendment shall be delivered pursuant to Section 23 (Notice) of the Agreement, and addressed as set forth below:</p> <p>-</p> <table><tr><td data-bbox="44 674 794 1023"><p><u>If to Shopify:</u></p><p>-</p><p>Shopify 150 Elgin Street, 8th Floor Ottawa, ON K2P 1L4 Canada [***]</p></td><td data-bbox="794 674 1544 1023"><p><u>If to Affirm:</u></p><p>-</p><p>Affirm, Inc. 650 California Street, 12th Floor San Francisco, CA 94108 Attention: Chief Legal Officer [***]</p><p>-</p></td></tr></table>		<p><u>If to Shopify:</u></p> <p>-</p> <p>Shopify 150 Elgin Street, 8th Floor Ottawa, ON K2P 1L4 Canada [***]</p>	<p><u>If to Affirm:</u></p> <p>-</p> <p>Affirm, Inc. 650 California Street, 12th Floor San Francisco, CA 94108 Attention: Chief Legal Officer [***]</p> <p>-</p>
<p><u>If to Shopify:</u></p> <p>-</p> <p>Shopify 150 Elgin Street, 8th Floor Ottawa, ON K2P 1L4 Canada [***]</p>	<p><u>If to Affirm:</u></p> <p>-</p> <p>Affirm, Inc. 650 California Street, 12th Floor San Francisco, CA 94108 Attention: Chief Legal Officer [***]</p> <p>-</p>		

Exhibit C-4
FOURTH PROGRAM OUTLINE
Shop Pay Components Services- SPC Program

1. **Program Description.** [***]. The Program [***] will be offered only in the United States and [***] further outlined in the Merchant Agreement (the “**SPC Product**”).
2. **Product Construct.** In addition to (i) Section 2 of Exhibit C-1 (*First Program Outline - Low AOV Product*) (as amended, the “**Low AOV Program Outline**”) (ii) Section 2 of Exhibit C-2 (*Second Program - High AOV Product*) (as amended, the “**High AOV Program Outline**”) and (iii) Section 2 of Exhibit C-3 (*Third Program Outline- POS Product*) (as amended the “**POS Program Outline**”), the Parties have agreed to the following as the minimum requirements necessary for the “Product Construct” for the SPC Product. To the extent that there are any changes to the SPC Product, the Parties will mutually agree to such changes (email sufficient).
3. **Definitions.**
 - (a) “**SPC Product Merchant**” is [***].
 - (b) “**Shop Pay Component Services Merchant**” means [***].
 - (c) “**Affirm Direct Merchant**” is [***].
 - (d) [***]
4. **Merchant Engagement.** With respect to merchant engagement and marketing in connection with the SPC Product, the Parties agree as follows:
 - (a) [***]
 - (b) [***]
 - (c) [***]
 - (d) For all other merchant engagement and marketing in connection with the SPC Product, the Parties acknowledge that the terms of the Agreement shall apply.
5. [***]
6. **Customer Information, Merchant Information and Program Information.** Notwithstanding anything to the contrary in the Agreement, any information or data obtained by [***] about [***] independent of the SPC Program shall be [***] and shall not constitute [***]; provided that [***] to the extent [***] independently possesses or obtains such [***] from [***].
7. **Merchant Fees and Payout.**
 - (a) Merchant Fees.
 - (i) [***].
 - (ii) [***].

(b) Payouts to Eligible Merchants. Funds shall be disbursed in connection with this Program Outline to each Eligible Merchant in accordance with the disbursement terms associated with the Financial Product being offered as set forth in the Low AOV Program Outline or the High AOV Program Outline, each as amended and as applicable, and as stated in the applicable Merchant Agreement. For instance, if a Merchant is offering the Low AOV via the SPC Product, then the Payouts to Eligible Merchants will be as set forth in the Low AOV Program Outline. Affirm or, as agreed in writing by the Parties, a third-party payment processing provider, shall disburse funds in connection with the Program to each Eligible Merchant in accordance with this Section and as stated in the applicable Merchant Agreement.

8. Shopify Fees and Payout.

(a) Shopify Fees.

(i) [***].

(ii) [***].

(b) Payouts to Shopify. Payouts to Shopify shall be as set forth in the applicable Program Outline associated with the Financial Product being offered through the SPC Product.

(c) Payment Processing: Notwithstanding the terms of the Agreement, including Section 2(a) of Addendum A to Exhibit C-1 of the Low AOV Program Outline and Section 7(c) of Exhibit C-2 of the High AOV Program Outline, for each Affirm Direct Merchant that becomes a SPC Product Merchant, [***]. [***].

9. [***]

10. **Merchant Underwriting and AML/OFAC Screening**. Merchant underwriting and AML/OFAC screening shall be conducted in accordance with the Financial Product being offered as set forth in the Low AOV Program Outline or the High AOV Program Outline, as applicable.

11. **Reports**. Affirm shall include a section related to the SPC Product in the Reports it delivers to Shopify in accordance with any other Program Outline; provided, that Shopify will provide Affirm with necessary information in order for Affirm to identify transactions completed through the SPC Product. The details necessary for any Reports that are related to the SPC Product will be mutually agreed to between the Parties.

12. **Program Modifications**. To the extent Shopify requests a modification of the SPC Product that requires development beyond that contemplated by this Agreement, the Parties will review the incremental cost of any such development. If the Parties agree to such modification, the incremental costs will be shared equally between the Parties unless the Parties mutually agreed to a different allocation of costs.

13. **Tests**.

(a) To the extent the Parties agree to [***].

(b) Each Party acknowledges that certain internal approvals may be required before such Party can provide written agreement to proceed with a Test. For clarity, for Shopify, director approvals will be required for any Test with an expected volume exceeding \$[***]. Any applicable internal approval processes are solely for each Party's internal governance and do not impose any obligation on the other Party to confirm that approvals received under this section comply with any approving Party's internal processes.

(c) Following the conclusion of a Test, if the Parties desire to more widely deploy the construct from the Test, Parties may agree to amend this Agreement or add an additional Program Outline to reflect the terms of (or substantially similar to those of) the Test.

Certain identified information in this document has been excluded because it is both (i) not material and (ii) is the type of information that the Company customarily and actually treats as private or confidential. This document has been marked with “[***]” to indicate where omissions have been made.

AMENDMENT 2 TO THE A&R CUSTOMER INSTALLMENT PROGRAM AGREEMENT

This Amendment 2 (“**Amendment**”) to the Amended and Restated Customer Installment Program Agreement dated March 19, 2024 (“**Agreement**”), is entered into between Shopify, Inc. a Canadian corporation (“**Shopify**”) and Affirm, Inc., a Delaware corporation (“**Affirm**”), as of the date of last signature below. Shopify and Affirm may be referred to collectively as the “**Parties**” or individually as a “**Party**.”

RECITALS

WHEREAS, the Parties entered into the Agreement to establish a program to make the Financial Product available to Customers and Eligible Merchants;

WHEREAS, the Parties desire to introduce new loan terms for the Low AOV Product;

WHEREAS, other than as expressly amended through this Amendment, the Parties wish the Agreement to remain in full force and effect.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, Shopify and Affirm hereby agree as follows:

AGREEMENT

- 1. Defined Terms.** Except as otherwise specifically indicated in this Amendment, capitalized terms used in this Amendment have the meanings ascribed to them in the Agreement.
- 2. Exhibit C-1 to the First Program Outline (Low AOV).** The Agreement shall be amended as set forth in the attached revised provisions of the “Exhibit C-1 (Low AOV Program Updates)” as set forth on Exhibit A to this Amendment.
- 3. Miscellaneous.** This Amendment may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all of such counterparts shall together constitute one and the same instrument.

[Signature page follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their authorized representatives below.

Shopify Inc.	Affirm, Inc.
Signature: /s/ Jason Kilpela	Signature: /s/ Rebecca Z Stone
Name: Jason Kilpela	Name: Rebecca Z Stone
Title: VP Finance	Title: VP, Strategic Partnerships
Date: 11/12/2024	Date: 11/8/2024
Notices. Notices required under this Amendment shall be delivered pursuant to Section 23 (Notice) of the Agreement, and addressed as set forth below:	
<u>If to Shopify:</u>	<u>If to Affirm:</u>
Shopify 150 Elgin Street, 8 th Floor Ottawa, ON K2P 1L4 Canada [***]	Affirm, Inc. 650 California Street, 12 th Floor San Francisco, CA 94108 Attention: Chief Legal Officer [***]

EXHIBIT A

Low AOV Program Updates

1. Section 1 (Program Description) of Exhibit C-1 (FIRST PROGRAM OUTLINE - Low AOV) is hereby replaced with the following:

1. Program Description. The Program will be offered only in the United States, and (at the option of Affirm with Shopify consent) [***]. The Financial Product associated with the Program (“First Product”) shall be a closed-end installment loan product that will bear an interest rate of [***], will have no Customer fees of any kind (including late fees), and will have a repayment term of either: (i) [***] biweekly (every other week) payments (“Pay in [***]” or “Pi[***]”) only available for orders that are \$[***]-\$[***] USD; (ii) [***] biweekly (every other week) payments if a partial payment is made by a Customer at the time of purchase, only available for orders that are \$[***]-\$[***] USD; or (iii) [***] biweekly (every other week) payments if a partial payment is not made by a Customer at the time of purchase ((ii) and (iii), “Pay in [***]” or “Pi[***]”) only available for orders that are \$[***]-\$[***] USD. The First Product may be utilized only for orders that are not less than \$[***] USD and not greater than \$[***] USD, unless otherwise approved by Affirm in its sole discretion; provided, that, eligible order amounts for each repayment term to be determined by Affirm.

2. [***]

Certain identified information in this document has been excluded because it is both (i) not material and (ii) is the type of information that the Company customarily and actually treats as private or confidential. This document has been marked with “[***]” to indicate where omissions have been made.

AMENDMENT 3 TO THE A&R CUSTOMER INSTALLMENT PROGRAM AGREEMENT

This Amendment 3 (“**Amendment**”) to the Amended and Restated Customer Installment Program Agreement dated March 19, 2024 (“**Agreement**”), is entered into between Shopify, Inc. a Canadian corporation (“**Shopify**”) and Affirm, Inc., a Delaware corporation (“**Affirm**”), as of the date of last signature below. Shopify and Affirm may be referred to collectively as the “**Parties**” or individually as a “**Party**.”

RECITALS

WHEREAS, the Parties entered into the Agreement to establish a program to make the Financial Product available to Customers and Eligible Merchants;

WHEREAS, Affirm leverages multiple financial institutions for purposes of facilitating Payouts to Eligible Merchant Bank Accounts;

WHEREAS, the Parties desire to establish a process to streamline Payouts made to Eligible Merchants under the Program through a Payout Provider engaged by Shopify, such that Payouts to Eligible Merchants are consolidated through the Payout Provider as a single source of payment (“**Payout Consolidation Feature**”);

WHEREAS, other than as expressly amended through this Amendment, the Parties wish the Agreement to remain in full force and effect.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, Shopify and Affirm hereby agree as follows:

AGREEMENT

- 1. Defined Terms.** Except as otherwise specifically indicated in this Amendment, capitalized terms used in this Amendment have the meanings ascribed to them in the Agreement.
- 2. Terms and Conditions.** The Agreement shall be amended as set forth in the attached changed sections/items of the “Terms and Conditions” as set forth on Exhibit A.
- 3. Exhibit D - SLA.** The Agreement shall be amended as set forth in the attached revised provisions of the “Exhibit D (Service Level Agreement (SLA) Standards)” as set forth on Exhibit B to this Amendment.
- 4. Exhibit E- Data Protection Agreement.** Exhibit E to the Agreement is hereby deleted in its entirety.

5. **Exhibit G - Payout Consolidation Feature.** The Agreement shall be amended as set forth in the new Exhibit G (Payment Consolidation Feature) to be added to the Agreement immediately after Exhibit F as attached hereto as Exhibit C.
6. **Miscellaneous.** This Amendment may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all of such counterparts shall together constitute one and the same instrument.

[Signature page follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their authorized representatives below.

Shopify Inc.	Affirm, Inc.
Signature: /s/ Ritu Khanna	Signature: /s/ Pat Suh
Name: Ritu Khanna	Name: Pat Suh
Title: VP, Global Partnerships	Title: SVP Revenue
Date: 12/18/2024	Date: 12/18/2024
Notices. Notices required under this Agreement shall be delivered pursuant to Section 23 (Notice) of the Agreement, and addressed as set forth below:	
<u>If to Shopify:</u>	<u>If to Affirm:</u>
Shopify 150 Elgin Street, 8 th Floor Ottawa, ON K2P 1L4 Canada [***]	Affirm, Inc. 650 California Street, 12 th Floor San Francisco, CA 94108 Attention: Chief Legal Officer [***]

EXHIBIT A

AMENDED TERMS AND CONDITIONS

The following terms and conditions are intended to be added to the Terms and Conditions of the Agreement, and, where such terms conflict with an existing section in the Agreement, entirely replace such sections of the Agreement.

The amended sections below shall entirely replace those same sections in the Agreement. All other sections that are not amended or replaced herein shall remain unmodified as expressly stated in the Agreement.

1. Section 2.11 is hereby deleted in its entirety and replaced with the following: 2.11 “**Customer Information**” means all Personal Information (as defined under Applicable Law) provided by a Customer that is submitted and/or obtained by or on behalf of Affirm or Shopify about a Customer or an Application (whether or not completed) for products or services offered pursuant to the Program, including demographic data, and transaction data and only in connection with the Services provided by Affirm under the Program. “Customer Information” as contemplated in Sections 14.6

(Data Correction, Blocking, Export and Deletion), 14.7 *(Compelled Disclosure)* and 15.7 *(Subprocessors)*, will not include (i) information about a Customer provided by a non-Customer third party only to Affirm or Shopify, including but not limited to consumer reports about Customers provided by credit bureaus; and (ii) any customer information that is not part of and was not provided in connection with the Program ((i) and (ii) collectively “Excluded Customer Information”).

2. Section 2.25 is hereby deleted in its entirety and replaced with the following: 2.25 “**Merchant Information**” means any information or data obtained during the Term and in connection with the Program about Merchants specifically including, but not limited to, the following: the fact that someone is a Merchant; all lists of Merchants; and all information relating to and identified with such Merchants or its owners. “Merchant Information” does not include (i) information about a Merchant provided by a non-Merchant third party to only Affirm or Shopify; or (ii) any information about merchants not related to or not provided or processed in connection with the Program (collectively “Excluded Merchant Information”). For the avoidance of doubt, Merchant Information shall be considered Confidential Information and not Personal Information under this Agreement.

3. Section 2.32 is hereby deleted in its entirety and replaced with the following:

2.32 “**Program Information**” means any information and data related to the Program or any information or data provided by or on behalf of a Party to the other Party in connection with the Program that is not considered to be Merchant Information or Customer Information; provided that “Program Information” shall not include (i) each Party’s Confidential Information, (ii) each Party’s Materials, (iii) each Party’s Pre-Existing IP, (iv) Intellectual Property Rights that a Party or its respective Affiliates solely create, author, develop or otherwise acquire (as further described in Section 8.4), (v) Intellectual Property Rights that the Parties jointly create, author or develop (as further described in Section 8.4), or (vi) information or data related to the Program that is not unique to the Program or that was created, authored or developed by a Party for use outside of the Program (e.g., existing Affirm products that are similar to the Financial Product) ((i) through (vi) collectively “Excluded Program Information.”). For the avoidance of doubt, Program Information shall be considered Confidential Information and not Personal Information under this Agreement.

4. Section 10.3.5 (Taxes) is hereby deleted in its entirety and replaced with the following:

10.3.5. [***]

5. Section 14 (*Customer Information, Merchant Information and Program Information*) is hereby deleted in its entirety and replaced with the following:

14.1 General. The purpose of this Section 14 is to ensure that this Agreement conforms to Applicable Law, and otherwise sets forth the Parties' agreement with respect to the use, ownership rights, and disclosure of Customer Information, Merchant Information, and Program Information. All use and disclosure of Customer Information, Merchant Information, and Program Information under this Agreement shall be subject to the provisions of this Section 14.

14.2 Ownership and Use of Customer Information. As between the Parties, the Customer Information shall be [***]. Each Party may only use the Customer Information in accordance with Applicable Law, its agreements with the Customer or Merchant (as the case may be), and its privacy policy.

14.3 Ownership and Use of [*].** As between the Parties, all [***] and all [***] shall be owned exclusively by [***] unless otherwise expressly stated herein in this Section 14. [***] and [***] shall be owned by [***]. Subject to Section 14.4 (Exceptions and Additional Obligations), [***] agrees that, during Term, it shall not use, nor permit any [***], any [***] or [***] other than as necessary [***]. [***] shall have all rights and interest with respect to the sharing, use and disclosure of [***] or [***] during the Term and following the expiration or termination of this Agreement in its entirety. Upon the termination or expiration of this Agreement and any applicable transition or wind-down period, or at any time upon the reasonable request of [***], [***] shall return (or destroy if so directed by [***]) all [***] and [***] in its/their possession subject only to any limitations on the return or destruction of [***] or [***] as provided under this Agreement or Applicable Law. Any [***] or [***] separately maintained in an electronic format shall be returned to [***] in an industry standard and secure format or, at the option of [***], as is possible, deleted and removed from all computers, electronic databases and other media. Compliance by [***] with this Section shall be certified in writing by an appropriate officer of [***] within [***] of the end of the Term or the wind-down period, whichever is later, which certification shall include a statement that no [***] or [***] has been retained except as described in this Section 14.

14.4 Exceptions and Additional Obligations. Without waiving any of its rights under Sections 11, 13, 14.2 and 14.3, [***] may retain and use: (a) [***]. For the avoidance of doubt, [***] is not required to change its hard-coded underwriting, other models, automated backups, [***] Systems or records that may contain [***] or [***] added/embedded into them, but it has no right to use any such information independently, separate from such models or for any other purposes than [***]. Notwithstanding the limitations and rights set forth in this Section 14, and only as expressly stated herein and as expressly agreed to by the Parties, the Parties commit to support, and will work in good faith to (a) enable growth initiatives designed to enhance the consumer brand and consumer experience of each of Shopify and Affirm, respectively; (b) optimize the Customer's onboarding and user experience for the Financial Product and, upon the Customer Engagement Effective Date, permit Customers to access the Customer Engagement Functionality in accordance with Section 4.11; and (c) optimize the Customer's onboarding and user experience

for any other installments products the Parties mutually agree to launch consistent with Section 36.

14.5 Confidentiality. Notwithstanding anything to the contrary in the Agreement, if required by Applicable Law, each Party shall have the right to provide a copy of the Agreement to a requesting governmental authority.

14.6 Compelled Disclosure. If Affirm is required by Applicable Law to disclose [***] or [***] to any third party, Affirm shall immediately, but in any event within [***] of receiving notice of the obligation to disclose, notify Shopify in writing to the extent permitted by Applicable Law. Affirm will consult and cooperate with Shopify (to the extent legally permitted) to obtain a protective order from the appropriate governmental authority, or other reliable assurance that confidential treatment will be accorded such information and will otherwise only disclose that portion of the information that is required to be disclosed by Applicable Law.

6. Section 15 (*Affirm Data Security*) is hereby deleted in its entirety and replaced with the following:

15.1 Security Plan. Affirm shall establish and maintain appropriate administrative, technical and physical safeguards designed to (i) protect the security, confidentiality and integrity of the Protected Information in the possession or control of Affirm or its Personnel; (ii) ensure against any anticipated threats or hazards to its security and integrity; (iii) protect against unauthorized access to or use of such Protected Information or associated records which could result in substantial harm or inconvenience to any Customer or applicant; and (iv) ensure the proper disposal of Protected Information (collectively, the “**Security Program**”). At all times during the Term, and during any wind-down or transition period, (x) Affirm shall use the same degree of care in protecting the Protected Information against unauthorized disclosure as it accords to its other confidential customer or consumer information, but in no event less than a reasonable standard of care, and (y) the Security Program shall be in compliance with all information and data security requirements promulgated by the Applicable Law. Upon request, Affirm shall provide Shopify a copy of its Security Program. Any material change to the Security Program by Affirm, which change would cause Affirm to not be in compliance with this Section 15.1, shall be approved in advance by Shopify.

15.2 Security Measures. Shopify and Affirm may amend the Security Program and Sections 14, 15 and 16 from time to time upon written amendment, provided such updates may be no more onerous than those required by the then prevailing good industry practices and changes in Applicable Law. Affirm shall review any such amendments and updates and will use reasonable commercial efforts to adjust its security practices to comply with any such amendment and updates within [***] if feasible or as soon as practicable in the event [***] is not feasible following Affirm’s receipt of such amendments and updates from Shopify. Notwithstanding the foregoing, if Affirm fails to adjust its security practices to comply with any such amendment or updates within [***] or the time period mutually agreed upon by the Parties in writing if [***] is not feasible, then Shopify may terminate this Agreement.

15.3 Access. Affirm shall ensure its Personnel, when working with or accessing Shopify’s Systems, comply at all times with all applicable instructions, policies and procedures provided by Shopify to Affirm or Affirm’s Personnel from time to time, including safety and security policies and procedures and information security policies and procedures. Affirm will execute, and ensure each of its Personnel execute, all applicable documents generally required by Shopify for access

to Shopify's Systems. Affirm will not: (i) alter or disable any hardware or software security programs residing on Shopify's hardware, networks, computing environments or systems; (ii) allow unauthorized traffic to pass into Shopify's networks, computing environments or systems; or (iii) resell or assign Shopify's Confidential Information or access to Shopify's Systems to another entity or person. If Affirm or Affirm's Personnel allow unauthorized access to, or traffic to (as applicable) Shopify's systems, Shopify may immediately terminate Affirm's access to Shopify's Systems.

15.4 Network Connections. If a network connection is established between Shopify Systems and the computing environment(s) used by Affirm or Affirm Personnel in connection with this Agreement or the Program, Affirm agrees, for itself and all Affirm Personnel, to maintain an alert status regarding the security of such computing environments, including all vulnerabilities and security patches or corrective actions, by subscribing to an industry recognized service. Affirm understands that, should a Shopify review reveal any non-compliance with the Security Measures, Shopify may, in addition to other remedies it may have, remove access by Affirm Personnel to Shopify Systems until Affirm Personnel satisfactorily comply with the Security Measures.

15.5 Data Security Compliance. Affirm will permit Shopify to review Affirm's documents and records confirming its compliance with this Section 15 (Affirm Data Security) and provide Shopify with the relevant portions of audits and system test results acquired by Affirm in relation to the data security policies and procedures designed to meet the requirements of this Section 15 (Affirm Data Security). Upon request, Affirm shall submit to [***] assessments of Affirm's security policies, standards and practices by Shopify, make reasonable efforts to resolve deficiencies noted as a result of these assessments in a manner commensurate to the risk those deficiencies represent and promptly notify Shopify of any material changes to Affirm's security policies, standards and practices.

15.6 Security Breach

15.6.1 If Affirm maintains, processes or otherwise is permitted access to Protected Information, Affirm will maintain and, upon request, produce copies of incident response policies and procedures and evidence of incident response testing conducted within the last year. Notwithstanding the foregoing, initial evidence of incident response testing will be provided as soon as possible after the execution of this Agreement.

15.6.2 In the event Affirm suffers or learns of any actual Security Breach (including any unauthorized acquisition, accessing, use, alteration, disclosure, compromise or loss of any Protected Information or Merchant Information), then, as soon as practicable but within no more than [***] (except that notice to Shopify may be delayed if required by law enforcement or other Regulatory Authority), Affirm will notify its primary Shopify contact and provide an estimate of the Security Breach's effect on Shopify. Affirm will diligently investigate the cause of the Security Breach and promptly create and enact a corrective action plan to prevent future breaches.

15.6.3 In the case of a Security Breach involving Protected Information, Affirm will cooperate fully with Shopify to correct any Security Breach and notify each Customer as to the facts and circumstances of the breach of the Customer's particular information.

Affirm agrees not to notify any Regulatory Authority, nor any Customer, on behalf of Shopify unless Shopify specifically requests Affirm to provide such notification (such notification to be in a form approved by Shopify in writing). If Affirm reasonably determines that Regulatory Authority or Customer notification is required by it under Applicable Law, then Affirm must provide Shopify prior notice, and if Shopify disagrees, Shopify and Affirm will then negotiate in good faith to make a final determination regarding what action, if any, is to be taken. To the extent requested by Shopify, Affirm will cooperate fully with all Regulatory Authorities investigating a Security Breach and any known or suspected criminal activity. Affirm shall be responsible for all Security Breach Costs associated with its Security Breach.

15.6.4 In the event of a Security Complaint directed at Affirm, then, as soon as practicable but within no more than [***], Affirm will notify its primary Shopify contact and the Parties shall promptly work in good faith to determine the appropriate actions to be taken in connection with such Security Complaint.

15.7 Subprocessing. Affirm may only permit Subprocessors to Process Personal Information for the limited and specific purposes of providing Shopify with the Services or as required to comply with Applicable Law. Affirm shall be responsible and liable for the acts, omissions or defaults of Subprocessors in the performance of Affirm's obligations under the Agreement, as if they were Affirm's own acts, omissions or defaults. Affirm will notify Shopify in writing promptly upon becoming aware of any breach by a Subprocessor of the terms of this Agreement.

7. Shopify Data Security. Section 16 (Shopify Data Security), is hereby deleted in its entirety and replaced with the following:

Section 15 (Affirm Data Security) will apply equally to Shopify, mutatis mutandis.

Certain identified information in this document has been excluded because it is both (i) not material and (ii) is the type of information that the Company customarily and actually treats as private or confidential. This document has been marked with “[***]” to indicate where omissions have been made.

Fourth Amendment to Amended and Restated Installment Financing Services Agreement

This Fourth Amendment to the Amended and Restated Installment Financing Services Agreement (the “**Fourth Amendment**”) is made as of October 25, 2024 (the “**Fourth Amendment Effective Date**”) by and between (a) Affirm, Inc. (“**Affirm**”), (b) Amazon.com Services LLC (“**Amazon Services**”) and (c) Amazon Payments, Inc. (“**Amazon Payments**”), and hereby amends and modifies the Amended and Restated Installment Financing Services Agreement between Amazon and Affirm dated November 10, 2021 (as amended, restated, supplemented or otherwise modified from time to time, the “**Agreement**”). Amazon Services and Amazon Payments may also be referred to herein individually as “**Amazon**”. Amazon and Affirm may sometimes be referred to herein together as the “**Parties**” or singularly as a “**Party**”. Unless otherwise defined herein, capitalized terms shall have the meanings ascribed to such terms in the Agreement.

WHEREAS, Amazon and Affirm are parties to the Agreement;

WHEREAS, Amazon and Affirm wish to amend the Agreement as set forth in this Fourth Amendment;

NOW, THEREFORE, in consideration of the mutual covenants and promises herein, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Amazon and Affirm agree as follows:

- 1. Section 5.5, Program Initiative Plans.** A new Section 5.5, Program Initiative Plans is hereby added to the Agreement with the content of Exhibit A attached hereto.
- 2. Section 6.1, Steering Committee.** Section 6.1(B) of the Agreement is hereby amended in its entirety and replaced with the content of Exhibit B attached hereto.
- 3. Section 6.10(e), Settlement of Program Credit Proceeds.** Section 6.10(e) of the Agreement is hereby amended in its entirety and replaced with the content of Exhibit C attached hereto.
- 4. Schedule 7.3, Financial Obligations.** Section 3(A) of Schedule 7.3 of the Agreement is hereby amended in its entirety and replaced with the content of Exhibit D attached hereto.
- 5. Schedule 1.1, Definitions. The following definition set forth in Schedule 1.1, Definitions of the Agreement is hereby amended by deleting such definitions in their entirety and restating them as follows:**
 - a.** “Partial Payment” has the meaning set forth in Section 6.10(E). The Parties agree that the amount of a Partial Payment will not exceed [***] of an Approved Customer’s Requested Loan Amount.
- 6. Governing Law and Forum.** This Fourth Amendment is governed by the laws of the State of Washington, without reference to its conflict of law rules. Each Party agrees to exclusive personal jurisdiction and venue in the federal and state courts in King County, Washington for any dispute arising out of this Agreement. With respect to any proceeding or action arising out of or in any way relating to this Agreement (whether in contract, tort, equity or otherwise), the Parties knowingly, intentionally and irrevocably waive their right to trial by jury.

7. Effectiveness; No other Modification. This Amendment is effective as of the Fourth Amendment Effective Date. Except as modified in this Fourth Amendment, all of the terms and conditions of the Agreement remain unchanged and in full force and effect. In the event of any conflict between the terms of the Agreement and those in this Fourth Amendment, the terms of this Fourth Amendment shall govern with respect to the subject matter hereof.

8. Counterparts. This Amendment may be executed simultaneously in any number of counterparts, each of which may be deemed an original but all of which together constitute one and the same agreement. The Parties may execute and deliver signatures to this Amendment electronically, including by facsimile or portable document format (PDF) file.

[SIGNATURE BLOCK ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Fourth Amendment as of the date written above.

AFFIRM, INC.

By: /s/ Scott Williams
Name: Scott Williams
Title: VP Client Success

AMAZON.COM SERVICES LLC

By: /s/ David Williams
Name: David Williams
Title: Authorized Signatory

AMAZON PAYMENTS, INC.

By: /s/ Scott Williams
Name: Scott Williams
Title: VP Client Success

EXHIBIT B

(B) Duties. The Steering Committee will be the forum used by the Parties to (1) establish the strategic direction of the Program and align on the priorities of the Program Initiative Plan; (2) review and evaluate the overall performance of the Program, including with respect to any Marketing Plan; (3) resolve strategic issues between the Parties; (4) address issues related to the marketing efforts identified in this Agreement; (5) review Affirm's presentations regarding [***] as described in Section 4 of Schedule 2.3(A)(1); (6) review and approve technology-related initiatives and requirements; and (7) discuss all other material concerns relating to this Agreement and the Program. Additionally, the Steering Committee will review on an ongoing basis throughout the Term the overall performance of the Program, including trends with respect to (x) fraudulent activity in connection with Program Applications, (y) Program profitability and loss and (z) the level of credit losses incurred by Affirm in respect of Program Credits, and will serve as the primary mechanism by which the Parties will agree upon, develop and implement any remediation or risk mitigation initiatives as may be required, including temporary adjustments from time to time to the Subsidized Approval Rate Targets and Unsubsidized Approval Rate Targets (which may be implemented without formally amending this Agreement, if the Parties so agree).

EXHIBIT C

6.10 (E) Settlement of Program Credit Proceeds. (1) In the case of any purchase made on a Participating Site other than a Processed Merchant Site, upon Affirm's receipt of confirmation from Amazon that the last Purchased Good in a Basket has shipped, or (2) in the case of any purchase made on a Processed Merchant Site, [***] Affirm will initiate payment to Amazon Services or Amazon Payments, as the case may be, [***] of an amount equal to the entire loan proceeds under the Installment Credit Agreement approved for that Basket, which amount will equal the sum of the Basket Amount due from Affirm to Amazon, less any (i) Subsidy (as applicable) with respect to that Installment Credit Agreement, (ii) in the case of payments made to Amazon Payments, Affirm MDR, (iii) Processed Merchant Losses, and (iv) the Buy Rate Amount (the "Settled Loan Proceeds"). Thirty days following the end of each month during the Term, Affirm will also pay to Amazon Payments the aggregate amount of Rev Share in respect of Program Credits relating to all transactions processed through the Amazon Pay Widget on Processed Merchant Sites during the immediately preceding month in accordance with Section 4.7 of Schedule 2.3(A)(2) less any Rev Share previously paid to Amazon Payments that corresponds to Full Order Cancellations, Partial Order Cancellations, Warranty Partial Order Cancellations or Amazon Concessions processed during such month. Notwithstanding the foregoing, solely with respect to purchases made on a Participating Site other than a Processed Merchant Site, if any item in a Basket has not shipped (a "Delayed Item") by the Settlement Cutoff Date then (x) Affirm will, in conjunction with Bank, as applicable, reduce the principal amount of the corresponding Program Credit as if the applicable Approved Customer had initiated a Partial Order Cancellation with respect to such Delayed Item in accordance with Section 6.11(C), and (y) by the first Business Day to occur after the Settlement Cutoff Date, Affirm will initiate payment to Amazon Services of an amount equal to the loan proceeds under the Installment Credit Agreement approved for that Basket (for the avoidance of doubt, after giving effect to the principal reduction described in the immediately preceding clause (x)). The "Settlement Cutoff Date" means the date that is one hundred twenty (120) days (if Affirm receives one-time, prior Bank approval), or otherwise sixty (60) days, after the entire loan proceeds under the Installment Credit Agreement were approved for a Basket. The Parties will mutually agree upon communications to Approved Customers relating to a Partial Order Cancellation for a Delayed Item. Affirm may not otherwise reduce or set off against the Settled Loan Proceeds, except for (i) any Subsidy due to Affirm with respect to that Installment Credit Agreement as set forth in Schedule 2.3(A)(1) or Schedule 2.3(A)(2), as applicable, (ii) refunds arising from Full Order Cancellations, Partial Order Cancellations, Warranty Partial Order Cancellations or Amazon Concessions, in each case communicated to Affirm by Amazon as set forth in Section 6.11; or (iii) Processed Merchant Losses. Affirm will transmit Settled Loan Proceeds to one or more accounts of Amazon Services or its Affiliates specified by Amazon Services. An Approved Customer's initial, one-time partial payment of the applicable purchase price (i.e., down payments) that is collected by Affirm on behalf of Amazon (in connection with a transaction made on a Participating Site other than a Processed Merchant Site) or a Processed Merchant (in connection with a transaction made on a Processed Merchant Site) under this Agreement (each a "**Partial Payment**") will be considered the same as a payment made directly to Amazon (in connection with a transaction made on a Participating Site other than a Processed Merchant Site) or the applicable Processed Merchant (in connection with a transaction made on the applicable Processed Merchant Site). To the extent a Partial Payment is required and as applicable, Amazon appoints Affirm Loan Services, LLC and/or Affirm Payments, LLC as its payment collection agent solely for the purpose of accepting such Partial Payment from Approved Customers on behalf of Amazon. Each payment by an Approved Customer to Affirm Loan Services, LLC and/or Affirm Payments, LLC will be considered the same as a payment made directly as applicable to Amazon or the applicable Processed Merchant. Amazon understands that subject to Section 6.8(C), Affirm Loan Services, LLC's and/or Affirm Payments, LLC's obligation to transmit a Partial Payment to Amazon is subject to and conditional upon successful receipt of the associated Partial Payment from Customer. Notwithstanding anything to the contrary in the Agreement, Affirm Loan Services LLC and Affirm Payments, LLC will be third-party beneficiaries under the Agreement to the extent necessary to agree to and uphold the foregoing appointment. Affirm Loan Services LLC's and Affirm Payments LLC's rights under this Section transfer to any successor of Affirm Loan Services LLC or Affirm Payments LLC, as applicable. For the avoidance of doubt, with respect to Program Credits originated by Bank, Bank will disburse the Settled Loan Proceeds to Amazon; and with respect to

Program Credits originated by Affirm's Affiliate, Affirm Loan Services, LLC, such Affirm Affiliate will disburse the Settled Loan Proceeds to Amazon. With respect to Program Credits relating to transactions processed through the Amazon Pay Widget on Processed Merchant Sites, Settled Loan Proceeds will be disbursed to Amazon Payments. With respect to Program Credits relating to transactions processed through Participating Sites that do not include Processed Merchant Sites, Settled Loan Proceeds will be disbursed to Amazon Services or the applicable Covered Affiliate.

EXHIBIT D
SCHEDULE 7.3
FINANCIAL OBLIGATIONS

3. Marketing and Program Support.

[***]

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a), AS ADOPTED
PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Max Levchin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Affirm Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 6, 2025

/s/ Max Levchin

Max Levchin
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a), AS ADOPTED
PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Rob O'Hare, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Affirm Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 6, 2025

/s/ Rob O'Hare

Rob O'Hare

Chief Financial Officer

(Principal Financial Officer)

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned certifies that this periodic report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in this periodic report fairly presents, in all material respects, the financial condition and results of operations of the issuer.

Dated: February 6, 2025

/s/ Max Levchin

Max Levchin

Chief Executive Officer

(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned certifies that this periodic report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in this periodic report fairly presents, in all material respects, the financial condition and results of operations of the issuer.

Dated: February 6, 2025

/s/ Rob O'Hare

Rob O'Hare

Chief Financial Officer

(Principal Financial Officer)