Risk Factors Comparison 2024-03-05 to 2023-03-13 Form: 10-K

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In the course of conducting our business operations, we are exposed to a variety of risks. Any of the risk factors we describe below have affected or could materially adversely affect our business, financial condition and results of operations. The market price of shares of our common stock could decline, possibly significantly or permanently, if one or more of these risks and uncertainties occurs. Certain statements in " Risk Factors " are forward- looking statements. See " Cautionary Note Regarding Forward- Looking Statements. " Unless otherwise noted or the context otherwise requires, the disclosures in this Item 1A refer to Dave Inc. and its consolidated subsidiaries following the consummation of the Business Combination. Summary Risk Factors Our business is subject to a number of risks, including risks that may prevent us from achieving our business objectives or may adversely affect our business, financial condition, results of operations, cash flows, and prospects. These risks are discussed more fully below and include, but are not limited to, risks related to: • The industries in which we ~~compete~~ **operate** are highly competitive, which could adversely affect our results of operations. • If we are unable to keep pace with the rapid technological developments in our industry and the larger financial services industry necessary to continue providing our Members with new and innovative products and services, the use of our platform and other products and services could decline. In addition, if the prices we charge for our products and services are unacceptable to our Members, our operating results will be harmed. • ~~Our~~ **Use of artificial intelligence in our operations and product offerings could result in reputational or competitive harm, legal or regulatory liability and adverse impacts on our results of operations. •** ExtraCash advances expose us to credit risk of our Members and if our underwriting criteria for making advances is not sufficient to mitigate against this risk **, or if the data we use to underwrite is inaccurate or incomplete** , our financial condition and operating results could be adversely affected if a substantial number of our Members fail to repay the ExtraCash advance they receive. • We may not be able to scale our business quickly enough to meet our Members' growing needs, and if we are not able to grow efficiently, our operating results could be harmed. • If we are unable to acquire new Members and retain our current members or sell additional functionality and services to them, our revenue growth will be adversely affected. • Dave has historically incurred losses in the operation of its business. We may never achieve or sustain profitability. • We operate in an uncertain regulatory environment and may from time to time be subject to **litigation or** governmental investigations or other inquiries by state, federal and local governmental authorities **which could result in fines, penalties, judgments, remediations and other costs which could result in increased expenses and reputational harm** . • The financial services industry continues to be targeted by new laws or regulations in many jurisdictions, including the U. S. states in which we operate, that could restrict the products and services we offer, impose additional compliance costs on us, render our current operations unprofitable or even prohibit our current **or future** operations. • Our business is subject to extensive regulation and oversight in a variety of areas ~~, including registration and licensing requirements~~ under federal, state and local laws and regulations **, which could cause us to modify our products and operations or cease our ability to offer certain products altogether and may subject us to regulatory investigations and consumer litigation** . • Stringent and changing laws and regulations relating to privacy and data protection could result in claims, harm our results of operations, financial condition, and future prospects, or otherwise harm our business **. • In the normal course of business, we collect, process, use and retain sensitive and confidential information regarding our Members and prospective Members, including data provided by and related to Members and their transactions, as well as other data of the counterparties to their payments. A data security breach could expose us to liability and protracted and costly litigation, and could adversely affect our reputation and operating revenues. • Cyberattacks and other security breaches or disruptions suffered by us or third parties upon which we rely could have a materially adverse effect on our business, harm our reputation and expose us to public scrutiny and liability** . • Dave identified material weaknesses in its internal control over financial reporting in its ~~audited~~ financial statements for the years ended December 31, **2023 and** 2022 ~~and 2021~~ . If Dave is unable to remediate these material weaknesses, or if it identifies additional material weaknesses in the future or otherwise fails to maintain effective internal control over financial reporting, it may not be able to accurately or timely report its financial condition or results of operations, which may adversely affect Dave' s business and share price. • Dave' s forecasted operating results and projections rely in large part upon assumptions, analyses and internal estimates developed by Dave' s management. If these assumptions, analyses or estimates prove to be incorrect or inaccurate, Dave' s actual operating results may differ materially and adversely from those forecasted or projected. • Fraudulent and other illegal activity involving our products and services could lead to reputational damage to us, reduce the use of our platform and services and may adversely affect our financial position and results of operations. • ~~In the normal course of business, we collect, process, use and retain sensitive and confidential information regarding our Members and prospective Members, including data provided by and related to Members and their transactions, as well as other data of the counterparties to their payments. A data security breach could expose us to liability and protracted and costly litigation, and could adversely affect our reputation and operating revenues. •~~ Dave' s management has limited experience in operating a public company. • We **accept funds from and** transfer funds to our Members daily, which in the aggregate comprise substantial sums, and are subject to the risk of errors, which could result in financial losses, damage to our reputation, or loss of trust in our brand, which would harm our business and financial results. • Dave ~~Inc.~~ has guaranteed ~~up to $ 25, 000, 000 of one of~~ its subsidiary' s obligations under a debt facility, **which** ~~and currently that limited guaranty is secured by a first- priority lien against substantially all of Dave Inc.' s assets. The debt facility~~ contains financial covenants and other restrictions on our actions, which could limit our operational flexibility and otherwise adversely affect our financial condition. • If our present or any future key banking relationships are terminated and we are not able to secure or successfully migrate client portfolios to a new bank partner or partners, our business would be adversely affected. • We depend upon several third- party service providers for processing our transactions and provide other important services for our business. If any of our agreements with our processing providers are terminated or if we experience any interruption or delay in the services provided by our third- party service providers, delivery of our products and services could be impaired or suspended and our business could suffer. • Our recent rapid growth, including growth in our volume of payments, may not be indicative of future growth, and if we continue to grow rapidly, we may not be able to manage our growth effectively. Our rapid growth also makes it difficult to evaluate our future prospects and may increase the risk that we will not be successful. Risks Related to Our Business and Industry The industries in which we compete are highly competitive and subject to rapid and significant changes. We compete against companies and financial institutions across the retail banking, financial services, consumer technology and financial technology services industries, as well as other nonbank lenders serving credit- challenged consumers, including online marketplace lenders, check cashers, point- of- sale lenders and payday lenders. We may compete with others in the market who may in the future provide offerings similar to ours, particularly companies who may provide money management, lending and other services though a platform similar to our platform. These and other competitors in the banking and financial technology industries are introducing innovative products and services that may compete with ours. We expect that this competition will continue as banking and financial technology industries continue to evolve, particularly if non- traditional non- recourse advance providers and other parties gain greater market share in these industries. If we are unable to differentiate our products and platform from and successfully compete with those of our competitors, our business, results of operations and financial condition will be materially and adversely affected. Many existing and potential competitors are entities substantially larger in size **and** ~~, have~~ more **established, including with greater** resources, ~~are more~~ highly diversified ~~in revenue~~ **revenues** and ~~substantially more established with~~ significantly more brand awareness than ours. As such, many of our competitors can leverage their size, robust networks, financial wherewithal, brand awareness, pricing power and technological assets to compete with us. To the extent new entrants gain market share, the purchase and use of our products and services would decline. If price competition materially intensifies, we may have to decrease the prices of our products and services, which would likely adversely affect the results of operations. Our long- term success depends on our ability to compete effectively against existing and potential competitors that seek to provide banking and financial technology products and services. If we fail to compete effectively against these competitors, our revenues, results of operations, prospects for future growth and overall business will be materially and adversely affected. The financial services industry is subject to rapid and significant technological changes. We cannot predict the effect of technological changes on our business. We expect that new services and technologies applicable to our industry will continue to emerge, and these new services and technologies may be superior to, or render obsolete, the technologies we currently utilize in our products and services. Our future success will depend, in part, on our ability to develop new technologies and adapt to technological changes and evolving industry standards. These initiatives are inherently risky, and they may not be successful or may have an adverse effect on our business, financial condition and results of operations. Additionally, we may make future investments in, or enter into strategic partnerships to develop new technologies and services or to implement infrastructure to further our strategic objectives, strengthen our existing businesses and remain competitive. However, our ability to transition to new services and technologies that we develop may be inhibited by a lack of industry- wide standards, changes to the regulatory landscape, resistance by consumers to these changes, or by the intellectual property rights of third parties **. We have incorporated, and expect to continue to incorporate in the future, AI solutions into our operations and product offerings, and the use of AI involves various risks and challenges that could adversely affect our business, financial condition or results of operations. The development and deployment of AI systems involve inherent technical complexities and uncertainties, and our AI systems may encounter unexpected technical difficulties, limitations or errors, including inaccuracies in data processing or flawed algorithms, which could compromise the reliability and effectiveness of our products and services based on AI. In addition, our competitors or other third parties may incorporate AI into their products more quickly or more successfully than us, which could impair our ability to compete effectively. The use of AI applications, including large language models, may result in cybersecurity incidents that implicate the personal data of end users of such applications. Any such cybersecurity incidents related to our use of AI applications could adversely affect our reputation and results of operations. AI also presents emerging ethical issues, and if our use of AI becomes controversial, we may experience brand or reputational harm, competitive harm, regulatory scrutiny or legal liability. The introduction of AI technologies into our products and services may result in new or enhanced governmental or regulatory scrutiny, litigation, confidentiality or security risks, ethical concerns or other complications that could adversely affect our business, reputation or financial results. The regulatory landscape governing AI technologies is evolving rapidly, and changes in laws, regulations or enforcement practices may impose new compliance requirements, restrict certain AI applications or increase our regulatory obligations, which could negatively impact our business and results of operations** . If the prices we charge for our products and services are unacceptable to our Members, our operating results will be harmed. We generate revenue by charging Members a fixed monthly rate for membership to our platform as well as additional fees related to optional expedited delivery of advances. Members who obtain an ExtraCash advance through our platform also have the option to tip us. We also generate revenue from our Dave banking product through interchange and out- of- network ATM fees, as well as from our job portal service through referral fees from partner companies. As the market for our platform matures, as new or existing competitors introduce new products or services that compete with ours or if general inflationary pressures continue, we may experience pricing pressure and be unable to retain current Members and attract new Members at prices that are consistent with our pricing model and operating budget. Our pricing strategy for new products and services ~~we introduce~~ may prove to be unappealing to our Members, and our competitors could choose to bundle certain products and services **to be** competitive with ours. If this were to occur, it is possible that we would have to change our pricing strategies or reduce our prices, which could harm our revenue, gross profits, and operating results. ~~Our~~ **The** ExtraCash advance product exposes us to financial losses if Members do not repay the advance ~~we provide~~ **provided** ~~to them~~. The timing and volume of advance repayments have a significant impact on our financial results and cash flows. If a large number of Members do not repay advances, our financial condition and operating results would be adversely affected. Our underwriting standards may not offer adequate protection against the risk of non-payment, especially in periods of economic uncertainty such as ~~has~~ existed **during** ~~with the onset of~~ the COVID- 19 pandemic and more recently with rising interest rates **,** and inflationary pressures **. We rely on consumer' s bank account data obtained through a third party in order to develop our underwriting models and in order to underwrite any particular consumer' s advance. If this data becomes unavailable or is inaccurate or incomplete, our underwriting may not adequately predict repayment of advances** . Our ability to accurately forecast performance and determine an appropriate provision and allowance for credit losses, is critical to our business and financial results. The allowance for credit losses is established through a provision for credit losses based on management' s evaluation of the risk inherent in the cash advance portfolio, the composition of the portfolio, specific impaired advances, and current economic conditions. Please see " Management' s Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies and Estimates " in this Annual Report on Form 10- K. There can be no assurance that our performance forecasts will be accurate. In periods with changing economic conditions, rising interest rates and increasing inflationary pressures, accurately forecasting repayment of advances is more difficult. Our allowance for **credit** losses is an estimate, and if actual repayment defaults are materially greater than our allowance for **credit** losses, or more generally, if our forecasts are not accurate, our financial position, liquidity and results of operations could be materially adversely affected. For example, uncertainty surrounding the continuing economic impact of COVID- 19 on our Members has made historical information on credit losses slightly less reliable in the current environment, and there can be no assurances that we have accurately estimated repayment rates. **We may not be able to scale our business on a timely basis to meet our Members' growing needs, and if we are not able to grow efficiently, our operating results could be harmed.** As usage of our platform grows and we sign additional strategic partners, we will need to devote additional resources to improving and maintaining our infrastructure and computer network and integrating with third- party applications to maintain the performance of our platform. In addition, we will need to appropriately scale our internal business systems and our services organization, including customer support, risk and compliance operations, and professional services, to serve our growing Member base. Any failure of or delay in these efforts could result in service interruptions, impaired system performance, and reduced Member satisfaction, which could ~~hurt~~ **negatively impact** our revenue growth. If sustained or repeated, performance issues could reduce the attractiveness of our platform to Members and could result in lost Member opportunities, which could hurt our revenue growth, Member loyalty, and our reputation. Even if we are successful in these efforts to scale our business, they will be expensive and complex, and require the dedication of significant management time and attention. We could also face inefficiencies or service disruptions as a result of our efforts to scale our internal infrastructure. We cannot be sure that the expansion and improvements to our internal infrastructure will be effectively implemented on a timely basis, if at all, and such failures could adversely affect our business, operating results, and financial condition. **If we are unable to acquire new Members and retain our current Members or sell additional functionality and services to them, our revenue growth will be adversely affected.** To increase our revenue, in addition to acquiring new Members, we must continue to retain existing Members and ~~convince them to~~ expand their use of our platform by increasing the number of Members and incentivizing them to pay for additional functionality. Our ability to retain our Members and increase their usage could be impaired for a variety of reasons, including ~~member~~ **Member** reaction to changes in the pricing of our products or the other risks described in this Annual Report on Form 10- K. As a result, we may be unable to retain existing Members or increase ~~the~~ **their** usage of our platform ~~by them~~, which would have an adverse effect on our business, revenue, gross margins, and other operating results, and accordingly, on the trading price of our common stock. Our ability to sell additional functionality to our existing Members may require more sophisticated and costly sales efforts. Similarly, the rate at which our Members purchase additional products from us depends on several factors, including general economic conditions, such as rising interest rates and inflation, and the pricing of additional product functionality. If our efforts to sell additional functionality to our Members are not successful, our business and growth prospects would suffer. Our ~~member~~ **Member** subscriptions are open- ended arrangements that can be terminated by the Member without penalty at any time. For us to maintain or improve our operating results, it is important that our Members continue to maintain their subscriptions on the same or more favorable terms. We cannot accurately predict renewal or expansion rates given the diversity of our member base in terms of size, industry, and geography. Our renewal and expansion rates may decline or fluctuate as a result of several factors, including ~~member~~ **Member** spending levels, ~~member~~ **Member** satisfaction with our platform, decreases in the number of Members, pricing changes, competitive conditions, the acquisition of our Members by other companies, and general economic conditions. If our Members do not renew their subscriptions, or if they reduce their usage of our platform, our revenue and other operating results will decline and our business will be adversely affected. If our renewal or expansion rates fall significantly below the expectations of the public market, securities analysts, or investors, the trading price of our common stock would likely decline. We have limited operating history and face significant challenges as a new entrant in our industry. Legacy Dave was incorporated in October 2015 and we have a relatively short operating history in the financial services industry, which is continuously evolving. We have limited experience to date in building consumer financial services technology. We cannot **provide** ~~assure~~ **assurance** ~~you~~ that we will be able to develop products and services on our platform that will enable us to meet quality, price and engineering standards, as well as comply with any regulatory standards we may be subject to. ~~You~~ **Our business and prospects** should **be** ~~consider~~ **considered** ~~our business and prospects~~ in light of the risks and significant challenges we face as a new entrant in our industry, including, among other things, with respect to our ability to: • build a well- recognized, trusted and respected brand; • establish and expand our Member base; • successfully market our products and services; • properly price our services and successfully anticipate the usage of such services by our Members; • improve and maintain our operational efficiency; • maintain a reliable, secure, highperformance and scalable technology infrastructure; • predict our future revenues and appropriately budget our expenses; • attract, retain and motivate talented employees; • anticipate trends that may emerge and affect our business; • anticipate and adapt to changing market conditions, including technological developments and changes in competitive landscape; and • navigate an evolving and complex regulatory environment. If we fail to address any or all of these risks and challenges, our business may be materially and adversely affected. Changes in debit interchange rates could adversely affect our business, financial position and results of operations. We expect interchange revenues from fees charged to merchants by card networks for processing a debit or credit payment to represent a significant percentage of our total operating revenues as adoption of our Dave banking product increases. The amount of interchange revenues that we earn is highly dependent on the interchange rates that the payment networks set and adjust from time to time. The enactment of the Dodd- Frank Act required the Federal Reserve Board to implement regulations that have substantially limited interchange fees for many debit card issuers. While the interchange rates that may be earned by us are exempt from the limitations imposed by the Dodd- Frank Act, there can be no assurance that future regulation or changes by the payment networks will not impact our interchange revenues substantially. If interchange rates decline, whether due to actions by the payment networks or future regulation, we would likely need to change our fee structure to offset the loss of interchange revenues. To the extent we change the pricing of our Dave banking product, we might find it more difficult to acquire new Members, to maintain or grow Dave banking debit card usage and to retain existing Members. As a result, our total operating revenues, operating results, prospects for future growth and overall business could be materially and adversely affected. If we lose key personnel, ~~if their reputations are damaged,~~ or if we are unable to attract and retain executives and employees we need to support our operations and growth, our business may be harmed. Our success and future growth depend upon the continued services of our management team and other key employees who are critical to our overall management, as well as the continued development of our products, strategic partnerships, our culture and our strategic direction. We currently do not have " key person " insurance on any of our employees. The loss of one or more of our senior management team members or other key employees could disrupt or harm our business, and we may not be able to find adequate replacements. We cannot ~~ensure~~ **provide assurance** that we will be able to retain the services of any members of our senior management or other key employees or that we would be able to timely replace members of our senior management or other key employees should any of them depart. If we fail to offer high- quality customer support, or if our support is more expensive than anticipated, our business and reputation could suffer. Our Members rely on our customer support services to resolve issues and realize the full benefits provided by our platform. High- quality support is also important for the renewal and expansion of our subscriptions with existing Members. We primarily provide customer support over chat and email. If we do not help our Members quickly resolve issues and provide effective ongoing support, or if our support personnel or methods of providing support are insufficient to meet the needs of our Members, our ability to retain Members, increase adoption by our existing Members and acquire new Members could suffer, and our reputation with existing or potential Members could be harmed. If we are not able to meet the customer support needs of our Members by chat and email during the hours that we currently provide support, we may need to increase our support coverage and provide additional phone- based support, which may reduce our profitability. We rely on agreements with Evolve to provide **ExtraCash and other** deposit accounts, debit card services and other transaction services to us and our Members. These agreements and corresponding regulations governing banks and financial institutions may give Evolve substantial discretion in approving certain aspects of our business practices, including our application and qualification procedures for Members and require us to comply with certain legal requirements. Evolve discretionary actions under these agreements could impose material limitations to, or have a material adverse effect on, our business, financial condition and results of operations. If our relationship with Evolve Bank is terminated, we would need to find another financial institution to provide those services, which could be difficult and expensive. If we are unable to find a replacement financial institution to provide the services we receive from Evolve, we would not be able to **offer ExtraCash advances,** service our deposit accounts, debit cards and other services, which would have a material adverse effect on our business, financial condition and results of operations. Furthermore, our financial results could be adversely affected if our costs associated with using Evolve materially change or if any penalty or claim for damages is imposed as a result of our breach of our agreements with them ~~or their other requirements~~ . Our recent rapid growth, including growth in our volume of payments, may not be indicative of our future growth, and if we continue to grow rapidly, we may not be able to manage our growth effectively. Our rapid growth also makes it difficult to evaluate our future prospects and may increase the risk that we will not **continue to** be successful. Our operating revenues increased from $ ~~153. 0 million in 2021 to $~~ 204. 8 million in 2022 **to $ 259. 1 million in 2023** . Although we have recently experienced significant growth in our revenue and transaction volume, even if our revenue continues to increase, we expect our growth rate will decline in the future as a result of a variety of factors, including the increasing scale of our business. Overall growth of our revenue depends on a number of factors, including our ability to: • price our products and services effectively to attract new Members; • create new products and expand the functionality and scope of the products we offer on our platform; • maintain the rates at which Members subscribe to and continue to use our platform; • provide our Members with high- quality support that meets their needs; • introduce our products to new markets; • successfully identify and acquire or invest in businesses, products or technologies that we believe could complement or expand our platform; • increase awareness of our brand and successfully compete with other companies; and • manage the risks related to the effects of the COVID- 19 pandemic, rising interest rates and inflation on our business and operations. We may not successfully accomplish any of these objectives, which makes it difficult for us to forecast our future operating results. If the assumptions that we use to plan our business are incorrect or change in reaction to changes in our market, or if we are unable to maintain consistent revenue or revenue growth, it may be difficult to achieve and maintain profitability. You should not rely on our revenue from any prior quarterly or annual periods as any indication of our future revenue or revenue or payment growth. In addition, we expect to **invest** ~~continue to expand~~ substantial financial and other resources on: • product development, including investments in our product development team and the development of new products and new functionality for our platform; •

sales, marketing and customer success; • technology infrastructure, including systems architecture, scalability, availability, performance and security; • acquisitions and / or strategic investments; • regulatory compliance and risk management; and • general administration, including increased legal and accounting expenses associated with being a public company. These investments may not result in increased revenue growth in our business. If we are unable to increase our revenue at a rate sufficient to offset the expected increase in our costs, or if we encounter difficulties in managing a growing volume of payments, our business, financial position and operating results will be adversely affected, and we may not be able to achieve or maintain profitability over the long term. Since incorporation in October 2015, we have been engaged in growth activities related to building our business, which requires substantial capital and other expenditures. We have incurred net losses in previous fiscal years, including fiscal year ~~2022~~ **2023**, and we may incur losses again in the future. We expect our cash needs to increase significantly for the next several years as we: • market our products and services; • hire additional marketing, client support, engineering, product development and administrative personnel; • expand our client support and service operations; and • implement new and upgraded operational and financial systems, procedures and controls. As a result of these continuing costs and expenses, we need to generate significant revenues to attain and maintain profitability and positive cash flow. To date, our operations have been supported by **primarily through cash receipts from services and transaction based revenues,** equity ~~and debt~~ financings **, borrowings under the Debt Facility, issuances of convertible notes and funds received as a result of the business combination**. If we do not continue to increase our revenues, our business, results of operations and financial condition could be materially and adversely affected. We may require additional capital to support the growth of our business, and this capital may not be available on acceptable terms, if at all. We have funded our operations since inception primarily through **cash receipts from services and transaction based revenues,** equity financings, **borrowings under the Debt Facility** ~~sales of memberships to our platform~~, ~~optional expedited processing fees~~ **issuances of convertible notes** and ~~Member tips~~ **funds received as a result of the business combination**. We cannot be certain when or if our operations will generate sufficient cash to fully fund our ongoing operations or the growth of our business. We intend to continue to make investments to support our business, which may require us to engage in equity or debt financings to secure additional funds. We expect to have sufficient capital to fund our planned operations for the next 12 months. We may need to raise additional funds through the issuance of equity, equity related or debt securities, or through obtaining credit from government, financial institutions or other lenders. We cannot be certain that additional funds will be available to us on favorable terms when required, or at all. If we cannot raise additional funds when we need them, our financial condition, results of operations, business and prospects could be materially adversely affected. Our operating results may fluctuate in the future. Our quarterly and annual results of operations may fluctuate in the future, which may adversely affect our stock price. Fluctuations in our quarterly or annual results of operations might result from a number of factors, many of which are outside of our control, including, but not limited to: • the election by our Members of expedited processing of ~~our~~ **the** ExtraCash advance product; • the timing and volume of **optional** tips our Members send to us, advance payments and subscriptions and use of our products and services; • the timing and success of new product or service introductions by us or our competitors; • fluctuations in Member retention rates; • changes in the mix of products and services that we provide to our Members; • the timing of commencement of new product development and initiatives, the timing of costs of existing product roll- outs and the length of time we must invest in those new products before they generate material operating revenues; • our ability to effectively sell our products through direct- to- consumer initiatives; • changes in our or our competitors' pricing policies or sales terms; • costs associated with significant changes in our risk policies and controls; • the amount and timing of costs related to fraud losses; • the amount and timing of commencement and termination of major advertising campaigns, including partnerships and sponsorships; • disruptions in the performance of our products and services, and the associated financial impact thereof; • the amount and timing of costs of any major litigation to which we are a party; • the amount and timing of costs related to the acquisition of complementary businesses; • the amount and timing of capital expenditures and operating costs related to the maintenance and expansion of our business; • changes in our executive leadership team; • our ability to control costs, including third- party service provider costs and sales and marketing expenses in an increasingly competitive market; and • changes in the political or regulatory environment affecting the banking or financial technology service industries. Fraudulent and other illegal activity involving our products and services could lead to reputational damage to us, cause us to incur financial losses, reduce the use of our platform and services and may adversely affect our financial position and results of operations. Criminals are using increasingly sophisticated methods to engage in illegal activities using **ExtraCash or** deposit account products or Member information. Illegal activities involving products and services like ours often include malicious social engineering schemes **,** ~~. Illegal activities may also include~~ fraudulent payment or refund schemes ~~and~~ **, fabricated identities, account takeovers,** identity theft **and other fraudulent schemes**. We rely upon third parties for transaction processing services, which subjects us and our Members to risks related to the vulnerabilities of those third parties. A single significant incident of fraud, or increases in the overall level of fraud, involving our products and services, have in the past and could in the future, result in **operational losses and** reputational damage to us. Such damage could reduce the use and acceptance of our products and services, cause our banking and strategic partners to cease doing business with us, or lead to greater regulation that would increase our compliance costs. Fraudulent activity could also result in the imposition of regulatory sanctions, including significant monetary fines, which could adversely affect our business, results of operations and financial condition. For example, in ~~February 2021, we observed anomalous " chargeback " transaction volume in connection with the funding of Dave Banking accounts via debit card networks. After investigating, we discovered that these were fraudulent transactions exposing us to losses under the debit card network rules. In~~ the third quarter of 2022, we experienced a fraud event which resulted in ~~member~~ **Member** advance write- offs of approximately $ 3. 0 million. To address the challenges we face with respect to fraudulent activity of the nature outlined above and other **fraudulent** ~~activity~~ **activities** ~~as well~~, we have implemented risk control mechanisms that have made it more difficult for all Members, including legitimate Members, to obtain and use our Dave banking product. We believe it is likely that our risk control mechanisms may continue to adversely affect the growth of our Dave banking product for the foreseeable future and **,** as a result, negatively impact our operating revenues. We are exposed to losses from Dave banking Member accounts. Fraudulent activity involving our Dave banking account may lead to **fraudulent or baseless** Member disputed transactions, for which we may be liable under banking regulations and payment network rules. Our fraud detection and risk control mechanisms may not prevent all fraudulent or illegal activity **, and the regulations and payment network rules may become more onerous, causing additional losses for us** . To the extent we incur losses from disputed transactions, our business, results of operations and financial condition could be materially and adversely affected. Additionally, our Members can incur charges in excess of the funds available in their accounts, and we may become liable for these overdrafts. While we decline authorization attempts for amounts that exceed the available balance in a Member' s account, the application of payment network rules and the timing of the settlement of transactions, among other things, can result in overdrawn accounts. Our remaining overdraft exposure arises primarily from late-posting. A late- post occurs when a merchant posts a transaction within a payment network- permitted timeframe, but subsequent to our release of the authorization for that transaction, as permitted by payment network rules. Under payment network rules, we may be liable for the transaction amount even if the Member has made additional purchases in the intervening period and funds are no longer available in the Member' s account at the time the transaction is posted. We **receive funds from** ~~have grown rapidly and seek to continue to grow~~ , and ~~although we maintain a robust~~ **transfer funds to, our Members daily, which in the aggregate comprise substantial sums,** and ~~multi- faceted~~ **are subject to the** risk ~~management process~~ **of errors** , **which could result in financial losses, damage to our reputation,** ~~our~~ - **or loss of trust in our brand, which would harm our business and financial results. Our** business is ~~always~~ subject to the risk of financial losses as a result of operational errors, software defects, service disruption, employee misconduct, security breaches, or other similar actions or errors on our platform. Software errors in our platform and operational errors by our employees may also expose us to losses. Moreover, our trustworthiness and reputation are fundamental to our business. The occurrence of any operational errors, software defects, service disruption, employee misconduct, security breaches, or other similar actions or errors on our platform could result in financial losses to our business and our Members, loss of trust, damage to our reputation, or termination of our agreements with strategic partners, each of which could result in: • loss of Members; • lost or delayed market acceptance and sales of our products and services; • legal claims against us; • regulatory enforcement action; or • diversion of our resources, including through increased service expenses or financial concessions, and increased insurance costs. ~~Although we maintain insurance to cover losses resulting from our errors and omissions, there~~ **There** can be no assurance that our insurance will cover ~~all~~ losses or our coverage will be sufficient to cover our losses. If we suffer significant losses or reputational harm as a result, our business, operating results, and financial condition could be adversely affected ~~. Cyberattacks and other security breaches or disruptions suffered by us or third parties upon which we rely could have a materially adverse effect on our business, harm our reputation and expose us to public scrutiny and liability~~ . In the normal course of business, we collect, process, use and retain sensitive and confidential information regarding our Members and prospective Members, including data provided by and related to Members and their transactions, as well as other data of the counterparties to their payments. We also have arrangements in place with certain third- party service providers that require us to share consumer information **for servicing purposes** . Information security risks in the financial services industry continue to increase generally, in part because of new technologies, the use of the Internet and telecommunications technologies (including mobile devices) to conduct financial and other business transactions and the increased sophistication and activities of organized criminals, perpetrators of fraud, hackers, terrorists and other malicious third parties. In addition to cyberattacks and other security breaches involving the theft of sensitive and confidential information, hackers, terrorists, sophisticated nation- state and nation- state supported actors and other malicious third parties recently have engaged in attacks that are designed to disrupt key business services, such as consumer- facing **applications and** websites. These cybersecurity challenges, including threats to our own IT infrastructure or those of third- party providers, may take a variety of forms ranging from stolen bank accounts, business email compromise, user fraud, account takeover, check fraud or cybersecurity attacks, such as ransomware, unauthorized encryption, denial- of- service attacks, social engineering, unauthorized access, spam or other attacks, to " mega breaches " targeted against cloud- based services and other hosted software, which could be initiated by individual or groups of hackers or sophisticated cyber criminals. A cybersecurity incident or breach could result in disclosure of confidential information and intellectual property, or cause service interruptions and compromised data. We may be unable to anticipate or prevent techniques used in the future to obtain unauthorized access or to sabotage systems because they change frequently and often are not detected until after an incident has occurred. **Our** ~~We have administrative, technical, and physical security measures in place, and we have policies and procedures in place to contractually require service providers to whom we disclose data to implement and maintain reasonable privacy and security measures. Despite our security measures, and those of our third- party vendors, our~~ information technology and infrastructure has experienced breaches and may be subject or vulnerable in the future to breaches or attacks. If our own confidential business information were improperly disclosed, our business could be materially and adversely affected. A core aspect of our business is the reliability and security of our platform. Any perceived or actual breach of security, regardless of how it occurs or the extent of the breach, could have a significant impact on our reputation as a trusted brand, cause us to lose existing partners or Members, prevent us from obtaining new partners and Members, require us to expend significant funds to remedy problems caused by breaches and implement measures to prevent further breaches, and expose us to legal risk and potential liability including from governmental or regulatory investigations, class action litigation and other lawsuits. If sensitive information is lost or improperly disclosed through a data breach or otherwise or threatened to be disclosed, we could experience a loss of confidence by our partners and Members in the security of our systems, products and services and prevent us from obtaining new partners and Members, and we could incur significant costs to remedy problems caused by breaches and implement measures to prevent further breaches, and expose us to legal risk and potential liability and penalties, including from governmental or regulatory investigations, class action litigation and other lawsuits, all of which could adversely affect our reputation and our operating results. Any actual or perceived security breach at a company providing services to us or our Members could have similar effects. Most jurisdictions have enacted laws requiring companies to notify individuals, regulatory authorities and others of security breaches involving certain types of data. In addition, our agreements with certain partners and service providers may require us to notify them in the event of a security breach. Such mandatory disclosures are costly, could lead to negative publicity, may cause our Members to lose confidence in the effectiveness of our security measures and require us to expend significant capital and other resources to respond to and / or alleviate problems caused by the actual or perceived security breach. A security breach of any of our vendors that processes personally identifiable information of our Members may pose similar risks. In May 2020, an unauthorized third party attempted to gain access to Dave Member accounts and was able to access Member profiles and Members' partial or incomplete bank account information. We did not uncover any evidence that the attacker was able to take any actions with respect to the data, other than gaining read access to it, nor do we believe any unauthorized transactions were made or advances requested on the Dave system. We provided notice to relevant parties as required under applicable law and agreements and took steps to set up alerts to detect abnormal request volumes and introduced rate limiting at the IP address level. In addition, in June 2020, we were notified of an unauthorized third party breach of our Dave database. The third party was able to access to Dave' s system by breaching the system of one of Dave' s third party service providers. The attacker was able to download a large data set, including encrypted social security numbers for some Members; however, there was no evidence that unauthorized transactions were made or advances requested on the Dave system, nor do we believe that the third party gained access to decryption keys or was otherwise able to decrypt encrypted information. **The May 2020 and June 2020 incidents are collectively referred to herein as the" 2020 Incidents."** We took remedial measures, including the engagement of an outside security consultant to monitor for ongoing dark web activity and to conduct a security audit and incident investigation, and notified relevant parties as required under applicable law and agreements. As a result of ~~these~~ -- **the** ~~breaches~~ **2020 Incidents** , ~~Dave did not experience any material adverse impact to its business~~ **we are in the process of settling a purported class action in California** ~~or~~ **for** ~~operation~~ **approximately $ 3. 1 million** and ~~any costs and expenses relating to such security breaches were not material to Dave~~ **we settled individual claims outside of California for approximately $ 4. 4 million. See Item 1. Legal Proceedings** . As we have increased our Member base and our brand has become more widely known and recognized, third parties may continue to seek to compromise our security controls or gain unauthorized access to our sensitive corporate information or our Members' data. If our banking partner or other strategic partners were to conclude that our systems **and security policies** and procedures are insufficiently rigorous, they could terminate their relationships with us, and our financial results and business could be adversely affected. Under our terms of service and our contracts with strategic partners, if there is a breach of nonpublic personal information of our Members that we store, we could be liable to the partner for their losses and related expenses. ~~While~~ **Additionally, as computer malware, viruses, and computer hacking, fraudulent use attempts, and phishing attacks have become more prevalent,** we **, and third parties upon which we rely, face increased risk in** ~~maintain~~ **maintaining the performance, reliability,** ~~cybersecurity~~ ----- **security** ~~insurance~~ , **and availability of our solutions and related services and technical infrastructure to the satisfaction of our Members. Any computer malware, viruses, computer hacking, fraudulent use attempts, phishing attacks,** ~~our~~ - **or other data security breaches related to our network infrastructure or information technology systems or to computer hardware we lease from third parties, could, among other things, harm our reputation and our ability to retain existing Members and attract new Members. Our** insurance may be insufficient or may not cover all liabilities incurred by ~~such attacks~~ **cybersecurity incidents** . We also cannot be certain that our insurance coverage will be adequate for data handling or data security liabilities actually incurred, that insurance will continue to be available to us on economically reasonable terms, or at all, or that any insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co- insurance requirements, could have a material adverse effect on our business, including our financial condition, operating results, and reputation. We guarantee certain obligations of one of our wholly- owned subsidiaries, which guaranty ~~is secured by a first- priority lien against substantially all of our assets, and~~ contains financial covenants and other restrictions on our actions, which could limit our operational flexibility and otherwise adversely affect our financial condition. One of our wholly- owned subsidiaries, Dave OD Funding has a senior secured debt facility with Victory Park Capital Advisors, LLC and its affiliates (the " Debt Facility "). We have guaranteed **certain** ~~up to $ 25, 000, 000~~ of Dave OD Funding' s obligations under the Debt Facility ~~, and currently that limited guaranty is secured by a first- priority lien against substantially all of our assets~~ . The Debt Facility contains financial covenants and other restrictions on our actions, which could limit our operational flexibility and otherwise adversely affect our financial condition. Our business involves processing of large numbers of transactions and management of the data necessary to do so. Our success depends upon the efficient and error- free handling of the money that is collected, remitted or deposited in connection with the provision of our products and services. We rely on the ability of our vendors and third- parties to process and facilitate these transactions, including ACH processing (as we are not a bank), and debit card payment processing, in an efficient, uninterrupted and error- free manner. We also rely on third- party service providers to perform various functions relating to our business, including software development, marketing, operational functions, fraud detection, cloud infrastructure services, information technology, data analysis, and, because we are not a bank and cannot belong or directly access the ACH payment network, ACH processing, and debit card payment processing. While we oversee these service providers to ensure they provide services in accordance with our agreements and regulatory requirements, we do not have control over the operations of any of the third- party service providers that we utilize. In the event that a third- party service provider fails to perform such functions for any reason, including negligence, willful misconduct or fraud, fire, natural disaster, power loss, telecommunication failures, software and hardware defects, terrorist attacks and similar events, our ability to process payments and perform other operational functions for which we currently rely on such third- party service providers will suffer and our business, cash flows and future prospects may be negatively impacted.

We use both internally developed and third- party systems, including cloud computing and storage systems, for our services and certain aspects of transaction processing. Any damage to, or failure of, third party computer network systems or data centers generally, or those of our vendors (including as a result of disruptions at our third- party data center hosting facilities and cloud providers), or an improper action by our employees, agents or third- party vendors, could result in interruptions in our services, causing Members and other partners to become dissatisfied with our products and services or subject us to potential financial losses. Sustained or repeated system failures could reduce the attractiveness of our products and services, and result in Member attrition, thereby reducing operating revenue and harming our results of operations. Further, negative publicity arising from these types of disruptions could be damaging to our reputation and may adversely impact use of our products and services, including our platform, and adversely affect our ability to attract new Members and business partners. If we fail to adequately protect our proprietary rights, our competitive position could be impaired and we may lose valuable assets, generate less revenue and incur costly litigation to protect our rights. Our success is dependent, in part, upon protecting our proprietary technology and rights. We rely on a combination of copyrights, trademarks, trade secret laws, and contractual provisions to establish and protect our proprietary rights. However, the steps we take to protect our intellectual property may be inadequate. Any of our trademarks or other intellectual property rights may be challenged or circumvented by others or invalidated through administrative process or litigation. Furthermore, legal standards relating to the validity, enforceability, and scope of protection of intellectual property rights are uncertain. Despite our precautions, it may be possible for unauthorized third parties to copy our products and use information that we regard as proprietary to create products and services that compete with ours. No assurance can be given that the contractual agreements we enter into to establish and protect our proprietary rights will be effective in controlling access to and distribution of our products and proprietary information. Further, these agreements do not prevent our competitors or partners from independently developing technologies that are substantially equivalent or superior to our platform. Real or perceived software errors, failures, bugs, defects, or outages could adversely affect our business, results of operations, financial condition, and future prospects. Our platform and our internal systems rely on software that is highly technical and complex. In addition, our platform and our internal systems depend on the ability of such software to store, retrieve, process, and manage immense amounts of data. As a result, undetected errors, failures, bugs, or defects may be present in such software or occur in the future in such software, including open source software and other software we license from third parties, especially when updates or new products or services are released. Any real or perceived errors, failures, bugs, or defects in the software may not be found until our Members use our platform and could result in outages or degraded quality of service on our platform that could adversely impact our business, as well as cause negative publicity, loss of or delay in market acceptance of our products and services, and harm to our brand or weakening of our competitive position. In such an event, we may be required, or may choose, to expend significant additional resources in order to correct the problem. Any real or perceived errors, failures, bugs, or defects in the software we rely on could also subject us to liability claims, impair our ability to attract new Members, retain existing Members, or expand their use of our products and services, which would adversely affect our business, results of operations, financial condition, and future prospects. Many of our senior management team have limited experience in **managing** ~~the management of~~ a publicly- traded company. Their limited experience ~~in dealing~~ with the increasingly complex laws pertaining to public companies could be a significant disadvantage **and** ~~in that it is likely that~~ an increasing amount of their time may be devoted to these activities, which will result in less time being devoted to the management and growth of the company' s operations. We may not have adequate personnel with the appropriate level of knowledge, experience and training in accounting policies, compliance practices or internal controls required of public companies. For example, lack of a sufficient number of accounting and finance professionals contributed to material weaknesses in our internal control over financial reporting as described in Item 9A of this Annual Report on Form 10- K. The development and implementation of the standards and controls and the hiring of experienced personnel necessary to achieve the level of accounting standards required of a public company may require expenditures greater than expected, and a delay could impact our ability to accurately and timely report our operating results, timely file required reports with the SEC and comply with Section 404 of the Sarbanes- Oxley Act of 2002 (the " Sarbanes- Oxley Act "). We have expanded our employee base to support our operations as a public company and it is possible that additional employees may need to be hired, which will increase ~~its~~ **our** operating costs in future periods. In connection with the preparation and audits of our consolidated financial statements for the years ended December 31, **2023 and** 2022 ~~and 2021~~ , material weaknesses were identified in our internal control over financial reporting. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of its annual or interim consolidated financial statements will not be prevented or detected on a timely basis. As of December 31, ~~2022~~ **2023** , material weaknesses were identified in our internal control over financial reporting. These material weaknesses, as well as our remediation plans, are described in Item 9A of this Annual Report on Form 10- K. While we believe these efforts will be sufficient to remediate the material weaknesses, we cannot **provide** ~~assure~~ **assurance** ~~you~~ that we will be able to complete our evaluation, testing or any required remediation in a timely fashion, or at all or that the measures we have taken to date and may take in the future will prevent or avoid potential future material weaknesses. The effectiveness of our internal control over financial reporting is subject to various inherent limitations, including cost limitations, judgments used in decision making, assumptions about the likelihood of future events, the possibility of human error and the risk of fraud. If we are unable to remediate the material weaknesses or identify additional material weakness in the future, our ability to record, process and report financial information accurately, and to prepare financial statements within the time periods required by the SEC, could be adversely affected which, in turn, may adversely affect our reputation and business and the market price of the Company' s Class A Common Stock. In addition, any such failures could result in litigation or regulatory actions by the SEC or other regulatory authorities, loss of investor confidence, delisting of our securities and harm to our reputation and financial condition, or diversion of financial and management resources from the operation of our business. We strive to deliver simple, transparent, and fair financial products, which may conflict with the short- term interests of our stockholders. Our core principle, and the foundation on which we have built our company, is to deliver simple, transparent, and fair financial products. Therefore, we have made in the past, and may make in the future, decisions that we believe will benefit our Members and therefore provide long- term benefits for our business, even if our decision negatively impacts our short- term results of operations. For example, the advances facilitated through our platform have no mandatory fees. Our decisions may negatively impact our short- term financial results or not provide the long- term benefits that we expect, in which case the success of our business and results of operations could be harmed. Negative publicity about us or our industry could adversely affect our business, results of operations, financial condition, and future prospects. Negative publicity about us or our industry, even if inaccurate, could adversely affect our reputation and the confidence in, and use of our platform, potentially harming our reputation and causing disruptions to our platform. Such negative publicity could involve: the transparency, fairness, Member experience, quality, and reliability of our platform or consumer fintech platforms in general, the effectiveness of our risk models, our ability to effectively manage and resolve complaints, our privacy and security practices, litigation, regulatory activity, misconduct by our employees, funding sources, bank partners **and structure of our bank partner products** , service providers, or others in our industry, the experience of consumers with our platform or services. Any such reputational harm could further affect the behavior of consumers, including their willingness to obtain advances, deposit accounts, and other products and services facilitated through our platform. As a result, our business, results of operations, financial condition, and future prospects would be materially and adversely affected ~~. Our business, financial condition and results of operations have and may continue to be adversely affected by the COVID- 19 pandemic or other similar epidemics or adverse public health developments, including government responses to such events. There are many uncertainties regarding the current global pandemic involving a novel strain of coronavirus, and the Company continues to closely monitor the impact of the pandemic on all aspects of its business, including how it has and may in the future impact its Members, employees, suppliers, vendors, and business partners. The duration and magnitude of the continuing effects of COVID- 19 on the Company' s Members remain uncertain and dependent on various factors, including the continued severity and transmission rate of the virus, new variants of the virus which may evade vaccines and developed treatments for COVID- 19, the nature of and duration for which preventative measures are instituted and remain in place, the extent and effectiveness of containment and mitigation efforts, including vaccination programs, and the type of stimulus measures and other policy responses that the U. S. government may further adopt. The Company' s business and operations were disrupted by the conditions caused by COVID- 19, which adversely affected Members' spending levels and disposable income. In general, overall economic conditions potentially increases Members' credit risk. Economic conditions that affect personal finances of Members could also impact repayment of advances that we make to our Members. The Company is concurrently evaluating its policies around the level and extent of Members' cash advances and corresponding credit risk. The Company expects to continue to assess the evolving impact of the COVID- 19 pandemic and intends to make adjustments to its responses accordingly. Additionally, concerns over the economic impact of the COVID- 19 pandemic and variants of the virus that have emerged have in the past caused volatility in financial and other capital markets and any such volatility may adversely affect our stock price and our ability to access capital markets in the future~~ . If we cannot maintain our company culture as we grow, our success and our business may be harmed. We believe our culture has been a key contributor to our success to date and that the nature of the platform that we provide promotes a sense of greater purpose and fulfillment in our employees. Any failure to preserve our culture could negatively affect our ability to retain and recruit personnel, which is critical to our growth, and to effectively focus on and pursue our corporate objectives. As we grow and develop the infrastructure of a public company, we may find it difficult to maintain these important aspects of our culture. If we fail to maintain our company culture, our business and competitive position may be adversely affected. We use open source software in our products, which could subject us to litigation or other actions. We use open source software in our products. From time to time, there have been claims challenging the ownership of open source software against companies that incorporate it into their products. As a result, we could be subject to lawsuits by parties claiming ownership of what we believe to be open source software. Litigation could be costly for us to defend, have a negative effect on our operating results and financial condition, or require us to devote additional research and development resources to change our products. In addition, if we were to combine our proprietary software products with open source software in a certain manner under certain open source licenses, we could be required to release the source code of our proprietary software products. If we inappropriately use or incorporate open source software subject to certain types of open source licenses that challenge the proprietary nature of our products, we may be required to re- engineer such products, discontinue the sale of such products, or take other remedial actions. Natural catastrophic events, pandemics and man- made problems such as power disruptions, ~~computer viruses~~ **political instability** , **civil unrest** ~~data security breaches~~ , ~~and terrorism~~ **terrorist activity or war** may disrupt our business. Natural disasters, pandemics ~~such as COVID- 19~~ , ~~or~~ other catastrophic events **or man- made disasters** may cause damage or disruption to our operations, international commerce and the global economy, and thus could harm our business. We have a large employee presence in Los Angeles, California, and our data centers are located in the Midwest. The west coast of the United States contains active earthquake zones and the greater Los Angeles area has experienced major fire danger in the past five years and may experience major fires in the future. In the event of a major earthquake, hurricane or catastrophic event such as fire, power loss, telecommunications failure, ~~cyber- attack~~ **political instability, civil unrest** , war, or terrorist attack, we may be unable to continue our operations and may ~~endure~~ **experience** system interruptions, reputational harm, delays in our application development, lengthy interruptions in the availability of our products and services, breaches of data security, and loss of critical data, all of which could harm our business, operating results, and financial condition ~~. Additionally, as computer malware, viruses, and computer hacking, fraudulent use attempts, and phishing attacks have become more prevalent, we, and third parties upon which we rely, face increased risk in maintaining the performance, reliability, security, and availability of our solutions and related services and technical infrastructure to the satisfaction of our Members. Any computer malware, viruses, computer hacking, fraudulent use attempts, phishing attacks, or other data security breaches related to our network infrastructure~~

~~or information technology systems or to computer hardware we lease from third parties, could, among other things, harm our reputation and our ability to retain existing Members and attract new Members~~ . In addition, the insurance we maintain may **not cover or may** be insufficient to cover our losses resulting from disasters, ~~cyber- attacks,~~ or other business interruptions, and any incidents may result in loss of, or increased costs of, such insurance. Risks Related to Regulatory and Legal Matters **Our business is subject to extensive regulation and oversight in a variety of areas under federal, state and local laws, and is subject to regulatory investigations and consumer litigation.** We are subject to extensive regulation under United States federal and state laws and regulations. Regulators have broad discretion with respect to the interpretation, implementation, and enforcement of these laws and regulations, including through enforcement actions that could subject us to civil money penalties, Member ~~remediations~~ **remediation** , increased compliance costs, and limits or prohibitions on our ability to offer certain products or services or to engage in certain activities. Any failure or perceived failure to comply with any of these laws or regulations could subject us to lawsuits or governmental actions and / or damage our reputation, which could materially and adversely affect our business. Moreover, any competitors subject to different, or in some cases less restrictive, legislative or regulatory regimes may have or obtain a competitive advantage over us. We are subject to the regulatory and enforcement authority of the CFPB, which oversees compliance with federal consumer financial protection laws. In addition, our partnership with Evolve is subject to the supervisory authority of the Federal Reserve, which is Evolve' s primary federal bank regulator. The CFPB has broad enforcement powers, and upon determining a violation of applicable law has occurred can order, among other things, rescission or reformation of contracts, the refund of moneys, restitution, disgorgement or compensation for unjust enrichment, the payment of damages or other monetary relief, public notifications regarding violations, limits on activities or functions, remediation of practices, external compliance monitoring and civil money penalties. The cost of responding to investigations can be substantial and an adverse resolution to an investigation, including a consent order or other settlement, may have a material adverse effect on our business, financial position, results of operations and future prospects. ~~In June~~ **For example, since January** ~~2020~~ **2023** , we ~~received~~ **have been cooperating with the FTC staff in response to** a Civil Investigative Demand (" CID ") ~~notifying us~~ **seeking information in connection with the sale, offering, advertising, marketing or other promotion of cash advance products and online financial services. Although we believe** that ~~the CFPB had opened a non- public investigation into various aspects of~~ our ~~ExtraCash advance business~~ **practices at all times have been** in compliance with **applicable law** ~~the prohibition against UDAAPs~~ , the ~~EFTA,~~ **defense or resolution of this matter could involve significant monetary costs or penalties** and **have a significant impact** ~~, to the extent it applies, the Truth in Lending Act. We provided the CFPB with all information and documents required by the CID, and~~ on **our financial results and operations** ~~September 27, 2021, the CFPB staff notified us that it currently did not intend to recommend that the CFPB take any enforcement action~~ . In addition, ~~on~~ **we are also subject to consumer litigation, including putative consumer class actions which allege that we violate federal and / or state laws regulating the financial services industry. For example, in** July ~~15,~~ 2022, a purported class action **Lopez v. Dave, Inc.** was filed in the U. S. District Court for the Northern District of California alleging violations of California consumer protection laws and state and federal lending laws, among other things. The complaint seeks injunctive relief, damages, restitution, nonrestitutionary disgorgement, pre- and post- judgment interest and reasonable attorneys' fees and costs. ~~The Company is~~ **In December 2022, a purported class action Golubiewski and Checchia v. Dave, Inc. was filed in the U. S. District Court for the Middle District of Pennsylvania alleging similar violations under Pennsylvania state and federal laws. We are** actively litigating ~~this~~ **these** ~~matter~~ **matters** and cannot estimate the likely outcome at this time **. Our" terms of use" for the Dave App as well as the Evolve agreements related to the ExtraCash and deposit accounts include arbitration clauses. If our arbitration agreements were to become unenforceable for any reason, we could experience an increase to our consumer litigation costs and exposure to potentially damaging class action lawsuits. Even if our arbitration clause remains enforceable, we may be subject to mass arbitrations in which large groups of consumers bring arbitration claims against the Company simultaneously** . We have been and may in the future also be subject to investigations and potential enforcement actions that may be brought by state regulatory authorities, state attorneys general or other state enforcement authorities and other governmental agencies. Any such actions could subject us to civil money penalties and fines, Member ~~remediations~~ **remediation** , and increased compliance costs, damage our reputation and brand and limit or prohibit our ability to offer certain products and services or engage in certain business practices. Further, in some cases, regardless of fault, it may be less time- consuming or costly to settle these matters, which may require us to implement certain changes to our business practices, provide remediation to certain individuals or make a settlement payment to a given party or regulatory body **. The financial services industry continues to be highly regulated and subject to new laws or regulations in many jurisdictions, including the U. S. states in which we operate, which could restrict the products and services we offer, impose additional compliance costs on us, render our current operations unprofitable or even prohibit our current or future operations** . We are required to comply with frequently changing federal, state, and local laws and regulations that regulate, among other things, the terms of the financial products and services we offer. New laws or regulations may require us to incur significant expenses to ensure compliance. Federal and state regulators of consumer financial products and services are also enforcing existing laws, regulations, and rules more aggressively, and enhancing their supervisory expectations regarding the management of legal and regulatory compliance risks. For example, State attorneys general have indicated that they will take a more active role in enforcing consumer protection laws, including through the establishment of state consumer protection agencies as well as the use of Dodd- Frank Act provisions that authorize state attorneys general to enforce certain provisions of federal consumer financial laws and obtain civil money penalties and other relief available to the CFPB. In addition, regulators are interpreting existing laws, regulations and rules in new and different ways as they attempt to apply them to novel products and business models such as ours. **" True lender" challenges of bank partnership arrangements for credit products (such as the arrangement for ExtraCash) are being raised at the federal and state levels, and banking as a service arrangements (such as the arrangements for our deposit accounts) are**

subject to heightened scrutiny. Changes in the laws, regulations and enforcement priorities applicable to our business, or changes in the way existing laws and regulations are interpreted and applied to us, could have a material impact on our business model, operations and financial position. In some cases, these measures could even directly prohibit some or all of our current business activities in certain jurisdictions or render them unprofitable and / or impractical to continue. The application of traditional federal and state consumer protection statutes and related regulations to innovative products offered by financial technology companies such as us is often uncertain, evolving and unsettled. To the extent that our products are deemed to be subject to any such laws, we could be subject to additional compliance obligations, including state licensing requirements, disclosure requirements and usury or fee limitations, among other things. Application of such requirements and restrictions to our products and services could require us to make significant changes to our business practices (which may increase our operating expenses and / or decrease revenue) and, in the event of retroactive application of such laws, subject us to litigation or enforcement actions that could result in the payment of damages, restitution, monetary penalties, injunctive restrictions, or other sanctions, any of which could have a material adverse effect on our business, financial position, and results of operations. Further, we may not be able to respond quickly or effectively to regulatory, legislative, and other developments, and these changes may in turn impair our ability to offer our existing or planned features, products, and services and / or increase our cost of doing business. In addition, we expect to continue to launch new products and services in the coming years, which may subject us to additional legal and regulatory requirements under federal, state and local laws and regulations. To the extent the application of these laws or regulations to our new offerings is unclear or evolving, including changing interpretations and the implementation of new or varying regulatory requirements by federal or state governments and regulators, this may significantly affect or change our proposed business model, increase our operating expenses and hinder or delay our anticipated launch timelines for new products and services. If we were to become directly subject to banking regulations or be subjected to additional third- party risk management obligations, our business model may need to be substantially altered and we may not be able to continue to operate our business as it is currently operated. We are not currently **directly** subject to laws and regulations applicable to traditional banks. However, banking products made available through us by our bank partner remain subject to regulation and supervision by our bank partner' s regulators and we, as a service provider to our bank partner, undertake certain compliance obligations. If we were to become directly subject to banking regulations or if the third- party risk management requirements applicable to us were to change, our business model may need to be substantially altered and we may not be able to continue to operate our business as it is currently operated. Failure by us, or any of our business partners, to comply with applicable laws and regulations could have a material adverse effect on our business, financial position and results of ~~operations. Determinations of compliance with applicable legal and regulatory requirements can be highly technical and subject to varying interpretations. From time to time we become aware of instances where our products and services have not fully complied with requirements under applicable laws and regulations. When we become aware of such an instance, whether as a result of our compliance reviews, regulatory inquiry, Member complaint or otherwise, we generally conduct a review of the activity in question and determine how to address it, such as modifying the product, making Member refunds or taking other remedial actions. Failure to comply with applicable laws, regulations, rules and guidance, or any finding that our past forms, practices, processes, procedures, controls or infrastructure were insufficient or not in compliance, could subject us to regulatory enforcement actions, result in the assessment against us of civil, monetary, criminal or other penalties (some of which could be significant in the case of knowing or reckless violations), result in the issuance of cease and desist orders (which can include orders for restitution, as well as other kinds of affirmative relief), require us to refund payments, interest or fees, result in a determination that certain financial products are not collectible, result in a suspension or revocation of licenses or authorization to transact business, result in a finding that we have engaged in unfair and deceptive acts or practices, limit our access to services provided by third- party financial institutions or cause damage to our reputation, brands and valued Member relationships. We may also incur additional, substantial expenses to bring those products and services into compliance with the laws of various jurisdictions or as a result choose to stop offering certain products and services in certain jurisdictions. Our failure to comply with any regulations, rules, or guidance applicable to our business could have a material adverse effect on our business. In addition, changes to, or the discontinuation of, certain products and services necessary to maintain compliance with regulatory and legal requirements or to adequately manage compliance- related risks may result in corresponding changes to or limitations on the fees we can charge and other sources of revenue we currently rely upon. Such failures or changes to our products, services or business may have substantial adverse effects on our prospects, results of operations, financial condition and cash flows and could prohibit or directly or indirectly impair our ability to continue current~~ operations. If we were found to be operating without having obtained necessary state or local licenses, it could adversely affect our business, results of operations, financial condition, and future prospects. Certain states have adopted laws regulating and requiring licensing, registration, notice filing, or other approval by parties that engage in certain activities regarding consumer finance transactions. We have also received inquiries from state regulatory agencies regarding requirements to obtain licenses from or register with those states, including in states where we have determined that we are not required to obtain such a license or be registered with the state, and we expect to continue to receive such inquiries. The application of ~~some~~ **certain** consumer financial licensing laws to our platform and the related activities it performs is **not always** ~~unclear~~ -- **clear, and regulatory agencies may not agree with our determinations on the applicability of such laws to us** . In addition, state licensing requirements may evolve over time, including, in particular, recent trends in legislation seeking to impose licensing requirements and regulation of parties engaged in ~~non- recourse~~ **business to consumer** advance ~~activities~~ **products such as ExtraCash** . If we were found to be in violation of applicable state licensing **or other** requirements by a court or a state, federal, or local enforcement agency, or agree to resolve such concerns by voluntary agreement, we could be subject to or agree to pay fines, damages, injunctive relief (including required modification or discontinuation of our business in certain areas), criminal penalties, and other penalties or consequences, and the advances facilitated through our platform could be rendered void in whole or in part, any of which could have an adverse effect on our business, results of operations, and financial condition. For example, we have received and responded to inquiries from various states, in each case regarding whether the advance products we offer in those states should subject us to state licensing and related requirements. In December 2021, we entered into a Memorandum of Understanding (" MOU ") with the California Department of Financial Protection and Innovation (" CA DFPI "). The MOU requires us to provide the CA DFPI with certain information as requested by the CA DFPI and adhere to certain best practices in connection with our ExtraCash advance product (including certain disclosures related to us not being licensed by the CA DFPI) **. Stringent and changing laws and regulations relating to privacy and data protection could result in claims against us, harm our results of operations, financial condition, and future prospects, or otherwise harm our business** . We are subject to a variety of laws, rules, directives, and regulations, as well as contractual obligations, relating to the processing of personal information, including personally identifiable information. The regulatory framework for privacy and data protection worldwide is rapidly evolving and, as a result, implementation standards and enforcement practices are likely to continue to evolve for the foreseeable future. Legislators and regulators are increasingly adopting or revising privacy and data protection laws, rules, directives, and regulations that could have a significant impact on our current and planned privacy and data protection- related practices, our processing of consumer or employee information, and our current or planned business activities. Compliance with current or future privacy and data protection laws (including those regarding security breach notification) affecting consumer and / or employee data to which we are subject could result in higher compliance and technology costs and could restrict our ability to provide certain products and services (such as products or services that involve us sharing information with third parties or storing sensitive information), which could materially and adversely affect our profitability and could reduce income from certain business initiatives. Our failure, or the failure of any third party with whom we work, to comply with privacy and data protection laws could result in potentially significant regulatory investigations and government actions, litigation, fines, or sanctions, consumer, funding source, or bank partner actions, and damage to our reputation and brand, all of which could have a material adverse effect on our business. Complying with privacy and data protection laws and regulations may cause us to incur substantial operational costs or require us to change our business practices. We may not be successful in our efforts to achieve compliance either due to internal or external factors, such as resource allocation limitations or a lack of vendor cooperation. We have in the past, and may in the future, receive complaints or notifications from third parties alleging that we have violated applicable privacy and data protection laws and regulations. Non- compliance could result in proceedings against us by governmental entities, consumers, or others. In addition to government regulation, privacy advocates and industry groups may propose new and different self- regulatory standards that may apply to us. Because the interpretation and application of privacy and data protection laws, regulations, rules, and other standards are still uncertain, it is possible that these laws, rules, regulations, and other actual or alleged legal obligations, such as contractual or self- regulatory obligations, may be interpreted and applied in a manner that is inconsistent with our existing data management practices or the functionality of our platform. If so, in addition to the possibility of fines, lawsuits and other claims, we could be required to fundamentally change our business activities and practices or which could have an adverse effect on our business. Any failure or perceived failure by us to comply with laws, regulations, policies, legal, or contractual obligations, industry standards, or regulatory guidance relating to privacy or data security, may result in governmental investigations and enforcement actions, litigation, fines and penalties, or adverse publicity, and could cause our Members and partners to lose trust in us, which could have an adverse effect on our reputation and business. We expect that there will continue to be new proposed laws, regulations, and industry standards relating to privacy, data protection, marketing, consumer communications, and information security, and we cannot determine the impact such future laws, regulations, and standards may have on our business. Future laws, regulations, standards, and other obligations or any changed interpretation of existing laws or regulations could impair our ability to develop and market new functionality and maintain and grow our Member base and increase revenue. Future restrictions on the collection, use, sharing, or disclosure of data, or additional requirements for express or implied consent of our Members, partners, or end users for the use and disclosure of such information could require us to incur additional costs or modify our platform, possibly in a material manner, and could limit our ability to develop new functionality. **We rely on obtaining our Member' s banking data, with their consent, through a third party, in order to provide ExtraCash, deposit and budgeting products. If such data becomes more difficult or expensive to obtain due to changing laws and regulations, our operating results may be impacted. For example, in October 2023, the CFPB proposed a rule intended to accelerate a shift towards open banking by establishing a comprehensive regulatory framework providing consumers and their authorized third parties with rights to receive access to consumers' personal financial data held by a financial institution. These rules also propose limitations on authorized third parties' (such as Dave' s) collection, use and retention of such data.** If we are not able to comply with these laws or regulations, or if we become liable under these laws or regulations, we could be directly harmed, and we may be forced to implement new measures to reduce our exposure to this liability. This may require us to expend substantial resources or to discontinue certain products, which would negatively affect our business, financial condition, and operating results. In addition, the increased attention focused upon liability issues as a result of lawsuits and legislative proposals could harm our reputation or otherwise adversely affect the growth of our business. Furthermore, any costs incurred as a result of this potential liability could harm our operating results. ~~Any future litigation~~ **Litigation** against us could be costly and time- consuming to defend. We have in the past and may in the future become subject to legal proceedings and claims that arise in the ordinary course of business, such as claims brought by our Members in connection with commercial disputes, employment claims made by our current or former employees, or claims for reimbursement following misappropriation of Member data. Litigation might result in substantial costs and may divert management' s attention and resources, which might seriously harm our business, overall financial condition, and operating results. Insurance might not cover such claims, might not provide sufficient payments to cover all the costs to resolve one or more such claims, and might not continue to be available on terms acceptable to us. A claim brought against us that is uninsured or underinsured could result in unanticipated costs, thereby reducing our operating results and leading analysts or potential investors to reduce their expectations of our performance, which could reduce the trading price of our stock. Risks Relating to Ownership of our Securities The dual class structure of our Common Stock has the effect of concentrating voting control with Jason Wilk, Dave' s founder, Chief Executive Officer and President and a member of the Dave Board of Directors. This will limit or preclude your ability to influence corporate matters, including the outcome of important transactions, including a change in control. Shares of Dave Class V Common Stock ~~will~~ have 10 votes per share, while shares of Dave Class A Common Stock ~~will~~ have one vote per share. Jason Wilk, Dave' s co- founder and its Chief Executive Officer and President, ~~respectively,~~ holds all of the issued and outstanding shares of Dave Class V Common Stock. Accordingly, as of March 1, ~~2023~~ **2024** , Mr. Wilk holds approximately 60. 0 % of the voting power of our capital stock on an outstanding basis and will be able to control matters submitted to ~~its~~ **our** stockholders for approval, including the election of directors, amendments ~~of~~ **to** our organizational documents and any merger, consolidation, sale of all or substantially all of Dave' s assets or other major corporate transactions. Mr. Wilk may have interests that differ from ~~yours~~ **other shareholders'** and may vote in a way with which you disagree and which may be adverse to ~~your~~ **other shareholder** interests **.** This concentrated control may have the effect of delaying, preventing or deterring a change in control of Dave, could deprive its stockholders of an opportunity to receive a premium for their capital stock as part of a sale of Dave and might ultimately affect the market price of shares of Dave Class A Common Stock. ~~For information about Dave' s dual class structure, see the section titled " Description of Securities. "~~ Dave' s dual class structure may depress the trading price of our Dave Class A Common Stock. Dave cannot predict whether its dual class structure will result in a lower or more volatile market price of the Dave Class A Common Stock or in adverse publicity or other adverse consequences. For example, certain index providers have announced restrictions on including companies with multiple- class share structures in certain of their indexes. S & P Dow Jones and FTSE Russell have announced changes to their eligibility criteria for inclusion of shares of public companies on certain indices, including the S & P 500, pursuant to which companies with multiple classes of shares of common stock are excluded. In addition, several stockholder advisory firms have announced their opposition to the use of multiple class structures. As a result, the dual class structure of Dave' s Common Stock may cause stockholder advisory firms to publish negative commentary about Dave' s corporate governance practices or otherwise seek to cause Dave to change its capital structure. Any such exclusion from indices or any actions or publications by stockholder advisory firms critical of Dave' s corporate governance practices or capital structure could adversely affect the value and trading market of the Dave Class A Common Stock. Our stock price is volatile. The trading price of the Dave Class A Common Stock and Public Warrants is volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond Dave' s control. These factors include: • actual or anticipated fluctuations in operating results; • failure to meet or exceed financial estimates and projections of the investment community or that Dave provides to the public; • issuance of new or updated research or reports by securities analysts or changed recommendations for the industry in general; • announcements of significant acquisitions, strategic partnerships, joint ventures, collaborations or capital commitments; • operating and share price performance of other companies in the industry or related markets; • the timing and magnitude of investments in the growth of the business; • actual or anticipated changes in laws and regulations; • additions or departures of key management or other personnel; • increased labor costs; • disputes or other developments related to intellectual property or other proprietary rights, including litigation; • the ability to market new and enhanced solutions on a timely basis; • sales of substantial amounts of the Dave Class A Common Stock by Dave' s directors, executive officers or significant stockholders or the perception that such sales could occur; • **limited liquidity and trading volumes in the Dave Class A Common Stock; •** changes in capital structure, including future issuances of securities or the incurrence of debt; and • general economic, political and market conditions, including rising interest rates. In addition, the stock market in general, and the stock prices of technology companies in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies. Broad market and industry factors may seriously affect the market price of Dave Class A Common Stock, regardless of actual operating performance. In addition, in the past, following periods of volatility in the overall market and the market price of a particular company' s securities, securities class action litigation has often been instituted against these companies. This litigation, if instituted, could result in substantial costs and a diversion of management' s attention and resources. Dave has never paid cash dividends on our capital stock and does not anticipate paying dividends in the foreseeable future. Dave has never paid cash dividends on our capital stock and currently intends to retain any future earnings to fund the growth of its business. Any determination to pay dividends in the future will be at the discretion of the Board and will depend on Dave' s financial condition, operating results, capital requirements, general business conditions and other factors that the Board may deem relevant. As a result, capital appreciation, if any, of our Dave Class A Common Stock will be the sole source of gain for the foreseeable future. Anti- takeover provisions contained in our certificate of incorporation and bylaws and applicable laws could impair a takeover attempt. Our certificate of incorporation and bylaws afford certain rights and powers to the Board that could contribute to the delay or prevention of an acquisition that it deems undesirable. Dave is also subject to Section 203 of the DGCL and other provisions of Delaware law that limit the ability of stockholders in certain situations to effect certain business combinations. Any of the foregoing provisions and terms that have the effect of delaying or deterring a change in control could limit the opportunity for stockholders to receive a premium for their shares of Dave Class A Common Stock, and could also affect the price that some investors are willing to pay for the Dave Class A Common Stock. Dave is subject to risks related to taxation in the United States. Significant judgments based on interpretations of existing tax laws or regulations are required in determining Dave' s provision for income taxes. Dave' s effective income tax rate could be adversely affected by various factors, including, but not limited to, changes in the mix of earnings in tax jurisdictions with different statutory tax rates, changes in the valuation of deferred tax assets and liabilities, changes in existing tax policies, laws, regulations or rates, changes in the level of non- deductible expenses (including share- based compensation), changes in the location of Dave' s operations, changes in Dave' s future levels of research and development spending, mergers and acquisitions or the results of examinations by various tax authorities. Although Dave believes its tax estimates are reasonable, if the IRS or any other taxing authority disagrees with the positions taken on its tax returns, Dave could have additional tax liability, including interest and penalties. If material, payment of such additional amounts upon final adjudication of any disputes could have a material impact on our results of operations and financial position. Changes to applicable tax laws and regulations or exposure to additional income tax liabilities could affect Dave' s business and future profitability. Dave is a U. S. corporation and thus subject to U. S. corporate income tax on its worldwide income. Further, since Dave' s operations and customers are located throughout the United States, Dave will be subject to various U. S. state and local **taxes, including local and state sales and use** taxes. U. S. federal, state, local and non- U. S. tax laws, policies, statutes, rules, regulations or ordinances could be interpreted, changed, modified or applied adversely to Dave and may have an adverse effect on its business and future profitability. For example, several tax proposals have been set forth that would, if enacted, make significant changes to U. S. tax laws. Such proposals include an increase in the U. S. income tax rate applicable to corporations (such as Dave) from 21 % to 28 %. Congress may consider, and could include, some or all of these proposals in connection with tax reform that may be undertaken. It is unclear whether these or similar changes will be enacted and, if enacted, how soon any such changes could take effect. The passage of any legislation as a result of these proposals and other similar changes in U. S. federal income tax laws could adversely affect Dave' s business and future profitability. As a result of plans to expand Dave' s business operations, including to jurisdictions in which tax laws may not be favorable, its obligations may change or fluctuate, become significantly more complex or become subject to greater risk of examination by taxing authorities, any of which could adversely affect Dave' s after- tax profitability and financial results. In the event that Dave' s business expands domestically or internationally, its effective tax rates may fluctuate widely in the future. Future effective tax rates could be affected by operating losses in jurisdictions where no tax benefit can be recorded under U. S. GAAP, changes in deferred tax assets and liabilities, or changes in tax laws. Factors that could materially affect Dave' s future effective tax rates include, but are not limited to: (a) changes in tax laws or the regulatory environment, (b) changes in accounting and tax standards or practices, (c) changes in the composition of operating income by tax jurisdiction, and (d) pre- tax operating results of Dave' s business. Additionally, Dave may be subject to significant income, withholding, and other tax obligations in the United States and may become subject to taxation in numerous additional U. S. state and local and non- U. S. jurisdictions with respect to income, operations and subsidiaries related to those jurisdictions. Dave' s after- tax profitability and financial results could be subject to volatility or be affected by numerous factors, including (a) the availability of tax deductions, credits, exemptions, refunds and other benefits to reduce tax liabilities, (b) changes in the valuation of deferred tax assets and liabilities, if any, (c) the expected timing and amount of the release of any tax valuation allowances, (d) the tax treatment of stock- based compensation, (e) changes in the relative amount of earnings subject to tax in the various jurisdictions, (f) the potential business expansion into, or otherwise becoming subject to tax in, additional jurisdictions, (g) changes to existing intercompany structure (and any costs related thereto) and business operations, (h) the extent of intercompany transactions and the extent to which taxing authorities in relevant jurisdictions respect those intercompany transactions, and (i) the ability to structure business operations in an efficient and competitive manner. Outcomes from audits or examinations by taxing authorities could have an adverse effect on Dave' s after- tax profitability and financial condition. Additionally, the IRS and several foreign tax authorities have increasingly focused attention on intercompany transfer pricing with respect to sales of products and services and the use of intangibles. Tax authorities could disagree with Dave' s intercompany charges, cross- jurisdictional transfer pricing or other matters and assess additional taxes. If Dave does not prevail in any such disagreements, Dave' s profitability may be affected. Dave' s after- tax profitability and financial results may also be adversely affected by changes in relevant tax laws and tax rates, treaties, regulations, administrative practices and principles, judicial decisions and interpretations thereof, in each case, possibly with retroactive effect. Dave' s ability to utilize its net operating loss and tax credit carryforwards to offset future taxable income may be subject to certain limitations. In general, under Section 382 of the Code, a corporation that undergoes an " ownership change " is subject to limitations on its ability to use its pre- change net operating loss carryforwards (" NOLs ") to offset future taxable income. The limitations apply if a corporation undergoes an " ownership change, " which is generally defined as a greater than 50 percentage point change (by value) in its equity ownership by certain stockholders over a three- year period. If Dave has experienced an ownership change at any time since its incorporation, Dave may be subject to limitations on its ability to utilize its existing NOLs and other tax attributes to offset taxable income or tax liability. In addition, future changes in Dave' s stock ownership, which may be outside of Dave' s control, may trigger an ownership change. Similar provisions of state tax law may also apply to limit Dave' s use of accumulated state tax attributes. As a result, even if Dave earns net taxable income in the future, its ability to use its pre- change NOL carryforwards and other tax attributes to offset such taxable income or tax liability may be subject to limitations, which could potentially result in increased future income tax liability to Dave. There is no guarantee that the Public Warrants will be in the money at the time they become exercisable, and they may expire worthless. The exercise price for our warrants is $ 368. 00 per share of Dave Class A Common Stock. There is no guarantee that the Public Warrants will be in the money following the time they become exercisable and prior to their expiration, and as such, they may expire worthless. We may amend the terms of the Public Warrants in a manner that may be adverse to holders of Public Warrants with the approval by the holders of at least 50 % of the then- outstanding Public Warrants. As a result, the exercise price of the Public Warrants could be increased, the exercise period could be shortened and the number of shares of Dave Class A Common Stock purchasable upon exercise of a Public Warrant could be decreased, all without a holder' s approval. The Public Warrants were issued in registered form under a warrant agreement between Continental Stock Transfer & Trust Company, as warrant agent, and us. The Warrant Agreement provides that the terms of the Public Warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, but requires the approval by the holders of at least 50 % of the then- outstanding Public Warrants to make any change that adversely affects the interests of the registered holders of Public Warrants. Accordingly, we may amend the terms of the Public Warrants in a manner adverse to a holder if holders of at least 50 % of the then- outstanding

Public Warrants approve of such amendment. Although our ability to amend the terms of the Public Warrants with the consent of at least 50 % of the then- outstanding Public Warrants is unlimited, examples of such amendments could be amendments to, among other things, increase the exercise price of the Public Warrants, convert the Public Warrants into cash or stock (at a ratio different than initially provided), shorten the exercise period or decrease the number of shares of Dave Class A Common Stock purchasable upon exercise of a Public Warrant. We may redeem unexpired warrants prior to their exercise at a time that is disadvantageous to warrant holders, thereby making their warrants worthless. We have the ability to redeem outstanding warrants at any time after they become exercisable and prior to their expiration, at a price of $ 0. ~~32~~ **01** per warrant, provided that the last reported sales price of the Dave Class A Common Stock equals or exceeds $ 576. 00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within a 30- trading day period ending on the third trading day prior to the date on which we give proper notice of such redemption and provided certain other conditions are met. If and when the warrants become redeemable by us, we may exercise our redemption right even if we are unable to register or qualify the underlying securities for sale under all applicable state securities laws. Redemption of the outstanding warrants could force you (a) to exercise your warrants and pay the exercise price therefor at a time when it may be disadvantageous for you to do so, (b) to sell your warrants at the then- current market price when you might otherwise wish to hold your warrants or (c) to accept the nominal redemption price which, at the time the outstanding warrants are called for redemption, is likely to be substantially less than the market value of your warrants. None of the Private Warrants will be redeemable by us for cash so long as they are held by the initial purchasers or their permitted transferees. In addition, we may redeem your warrants after they become exercisable for a number of shares of Dave Class A Common Stock determined based on the redemption date and the fair market value of the Dave Class A Common Stock. Any such redemption may have similar consequences to a cash redemption described above. In addition, such redemption may occur at a time when the warrants are " out- of- the- money, " in which case you would lose any potential embedded value from a subsequent increase in the value of the Dave Class A Common Stock had your warrants remained outstanding. We have issued and will continue to issue a substantial number of additional shares of Dave Class A Common Stock under an employee incentive plan. Any such issuances dilute the interest of our stockholders and likely present other risks. We have issued and will continue to issue additional shares of Dave Class A Common Stock under an employee incentive plan. The issuance of additional Dave Class A Common Stock: • may significantly dilute the equity interests of our investors; • could cause a change in control if a substantial number of shares of Dave Class A Common Stock are issued, which may affect, among other things, our ability to use our net operating loss carry forwards, if any, and could result in the resignation or removal of our present officers and directors; and • may adversely affect prevailing market prices for the Dave Class A Common Stock and / or the Public Warrants. There can be no assurance that Dave Class A Common Stock will be able to comply with the listing standards of Nasdaq. On January 5, 2023, Dave effected a 1- for- 32 reverse stock split in order to regain compliance with Nasdaq' s minimum bid price requirement. There can be no assurance that Dave will be able to continue to comply with Nasdaq' s minimum bid price requirement or other Nasdaq listing standards. If The Nasdaq Stock Market delists the Dave Class A Common Stock from trading on its exchange for failure to meet the listing standards, our stockholders could face significant material adverse consequences including: • a limited availability of market quotations for our securities; • reduced liquidity for our securities; • a determination that the Dave Class A Common Stock is a " penny stock " which will require brokers trading in the Dave Class A Common Stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities; • a limited amount of news and analyst coverage; and • a decreased ability to issue additional securities or obtain additional financing in the future. Sales of a substantial number of shares of Dave Class A Common Stock in the public market could occur at any time. This could cause the market price of the Dave Class A Common Stock to drop significantly, even if our business is doing well. Sales of a substantial number of the Dave Class A Common Stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of the Dave Class A Common Stock. As of March 1, ~~2023~~ **2024** , our current officers and directors hold approximately 15 % of the outstanding shares of Common Stock, including the 1, 514, 082 shares of Dave Class V Common Stock convertible into shares of Dave Class A Common Stock, which represents approximately 60. 0 % of the voting power of the outstanding shares of Common Stock. Pursuant to the Investor Rights Agreement, certain holders are entitled to, among other things, certain registration rights, including the demand of up to three underwritten offerings and customary piggyback registration rights. Further, pursuant to the Subscription Agreements, we are also required to register additional shares of Dave Class A Common Stock. To satisfy these obligations, we previously registered up to 10, 356, 391 shares (on a post- split adjusted basis) of Dave Class A Common Stock, which also covers shares issuable upon exercise of the Public Warrants. The sale of these shares is likely to have an adverse effect on the trading price of the Dave Class A Common Stock. If the Business Combination' s benefits do not meet the expectations of investors, stockholders or financial analysts, the market price of our securities may decline. If the benefits of the Business Combination do not meet the expectations of investors or securities analysts, the market price of our securities prior to the Closing may decline. The market values of our securities at the time of the Business Combination may vary significantly from their prices on the date the Merger Agreement was executed, the date of this Annual Report on Form 10- K or the date on which our stockholders voted on the Business Combination. In addition, fluctuations in the price of Dave securities could contribute to the loss of all or part of ~~your~~ **Dave shareholders'** investment. If an active market for our securities develops and continues, the trading price of Dave securities could be volatile and subject to wide fluctuations in response to various factors, some of which are beyond our control. Any of the factors listed below could have a material adverse effect on ~~your investment~~ **investments** in our securities and our securities may trade at prices significantly below the price ~~you~~ paid for ~~them~~ **such investments** . In such circumstances, the trading price of our securities may not recover and may experience a further decline. Factors that may affect the trading price of Dave securities include: • actual or anticipated fluctuations in our quarterly financial results or the quarterly financial results of companies perceived to be similar to Dave; • changes in the market’ s expectations about Dave’ s operating results; • success of competitors; • Dave’ s operating results failing to meet the expectation of securities analysts or investors in a particular period; • changes in financial estimates and recommendations by securities analysts concerning Dave or the market in general; • operating and stock price performance of other companies that investors deem comparable to Dave; • Dave’ s ability to market new and enhanced products and technologies on a timely basis; • changes in laws and regulations affecting Dave’ s business; • Dave’ s ability to meet compliance requirements; • commencement of, or involvement in, litigation involving Dave; • changes in Dave’ s capital structure, such as future issuances of securities or the incurrence of additional debt; • the volume of Dave Class A Common Stock available for public sale; • any major change in the Board or management; • sales of substantial amounts of Dave Class A Common Stock by Dave’ s directors, executive officers or significant stockholders or the perception that such sales could occur; and • general economic and political conditions such as recessions, interest rates, fuel prices, international currency fluctuations and acts of war or terrorism. Broad market and industry factors may materially harm the market price of our securities irrespective of our operating performance. The stock market in general and The Nasdaq Stock Market have experienced price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of the particular companies affected. The trading prices and valuations of these stocks, and of our securities, may not be predictable. A loss of investor confidence in the market for retail stocks or the stocks of other companies which investors perceive to be similar to Dave could depress our stock price regardless of our business, prospects, financial conditions or results of operations. A decline in the market price of Dave’ s securities also could adversely affect its ability to issue additional securities and its ability to obtain additional financing in the future. If securities or industry analysts do not publish or cease publishing research or reports about Dave, its business or its market, or if they change their recommendations regarding the Dave Class A Common Stock adversely, the price and trading volume of the Dave Class A Common Stock could decline. The trading market for the Dave Class A Common Stock will be influenced by the research and reports that industry or securities analysts may publish about Dave, its business, its market or its competitors. If any of the analysts who may cover Dave change their recommendation regarding the Dave Class A Common Stock adversely, or provide more favorable relative recommendations about its competitors, the price of the Dave Class A Common Stock would likely decline. If any analyst who may cover Dave were to cease their coverage or fail to regularly publish reports on Dave, we could lose visibility in the financial markets, which could cause the stock price or trading volume of Dave securities to decline. The JOBS Act permits “ emerging growth companies ” like us to take advantage of certain exemptions from various reporting requirements applicable to other public companies that are not emerging growth companies. We qualify as an “ emerging growth company ” as defined in Section 2 (a) (19) of the Securities Act, as modified by the JOBS Act. As such, we take advantage of certain exemptions from various reporting requirements applicable to other public companies that are not emerging growth companies, including (a) the exemption from the auditor attestation requirements with respect to internal control over financial reporting under Section 404 of the Sarbanes- Oxley Act, (b) the exemptions from say- on- pay, say- on- frequency and say- on- golden parachute voting requirements and (c) reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. As a result, our stockholders may not have access to certain information they deem important. We will remain an emerging growth company until the earliest of (a) the last day of the fiscal year (i) following March 4, 2025, the fifth anniversary of our IPO, (ii) in which we have total annual gross revenue of at least $ 1. 07 billion (as adjusted for inflation pursuant to SEC rules from time to time) or (iii) in which we are deemed to be a large accelerated filer, which means the market value of the shares of Dave Class A Common Stock that are held by non- affiliates exceeds $ 700 million as of the last business day of our prior second fiscal quarter, and (b) the date on which we have issued more than $ 1. 0 billion in non- convertible debt during the prior three year period. In addition, Section 107 of the JOBS Act provides that an emerging growth company can take advantage of the exemption from complying with new or revised accounting standards provided in Section 7 (a) (2) (B) of the Securities Act as long as we are an emerging growth company. An emerging growth company can therefore delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non- emerging growth companies, but any such election to opt out is irrevocable. We have elected not to opt out of such extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of our financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used. We cannot predict if investors will find the Dave Class A Common Stock less attractive because we will rely on these exemptions. If some investors find the Dave Class A Common Stock less attractive as a result, there may be a less active trading market for the Dave Class A Common Stock and our share price may be more volatile.