

Risk Factors Comparison 2025-03-04 to 2024-02-29 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

RISKS RELATED TO OUR BUSINESS The loss of operating revenues from our BaaS partners and Walmart or any of our largest retail distributors as well as third- party processors or other major consumers would ~~adversely affect~~ **negatively impact** our business. A significant portion of our operating revenues are derived from our BaaS partners and the products and services sold at our largest retail distributors. Approximately ~~42-55~~ **42-55** % of our total operating revenues for the year ended December 31, ~~2023-2024~~ **2023-2024** was generated from a single BaaS partner. Additionally, as a percentage of total operating revenues, operating revenues derived from products and services sold at the store locations of Walmart was approximately ~~17-10~~ **17-10** % for the year ended December 31, ~~2023-2024~~ **2023-2024**. We expect that **both** Walmart **and our largest BaaS partner** will continue to have a significant impact on our operating revenues in future periods, ~~particularly in our Consumer Services segment~~. It would be difficult to replace ~~Walmart and the~~ **these** operating revenues ~~derived from products and services sold at their stores~~. Accordingly, ~~the loss of Walmart or any significant decrease~~ **reduction in transaction volume or** customers' spending levels ~~and ability or willingness to purchase our account products through Walmart~~ **or our largest BaaS partner**, for any reason, including **inflation macroeconomic conditions or non- renewal of existing contracts**, would **negatively impact** ~~have a material adverse effect on~~ our business and results of operations. In addition, any publicity associated with the loss of any of our large retail distributors, significant BaaS partner or third- party processors could harm our reputation, making it more difficult to attract and retain consumers, BaaS partners, third- party processors and other retail distributors, and could lessen our negotiating power with our remaining and prospective retail distributors, BaaS partners and third- party processors. The term of our Walmart ~~MoneyCard~~ **MoneyCard** agreement (which governs the MoneyCard program) expires on January 31, 2027, unless renewed under its automatic renewal provision, which provides for a one- year extension. Our contracts with Walmart and our other largest retail distributors can in limited circumstances, such as our material breach or insolvency or, in the case of Walmart, our failure to meet agreed- upon service levels, certain changes in control, and our inability or unwillingness to agree to requested pricing changes, be terminated by these retail distributors on relatively short notice. There can be no assurance that we will be able to continue our relationships with our largest retail distributors, ~~significant BaaS partner~~ **partners** or third- party processors on the same or more favorable terms in future periods or that our relationships will continue beyond the terms of our existing contracts with them. Our operating revenues and results of operations could ~~suffer~~ **be negatively impacted** if, among other things, any of our **largest** retail distributors, ~~significant~~ BaaS partners or third- party processors renegotiates, terminates or fails to renew, or to renew on similar or favorable terms, its agreement with us or otherwise chooses to modify the level of support it provides for our products. Our base of tax preparation partners is concentrated, and the performance of our Money Movement Services segment depends in part on our ability to retain existing partners. If one or more of our major tax preparation partners were to substantially reduce or stop offering our services to their customers, our tax refund processing services business, a component of our Money Movement Services segment, would be ~~harmed~~ **negatively impacted**. Substantially all the revenues we generate from our tax refund processing services business have come from sales through a relatively small number of tax preparation firms. We do not have long- term contractual commitments from most of our current tax preparation partners and our tax preparation partners for any reason may elect to not renew their contracts with us with little or no advance notice. As a result, we cannot be certain that any of our current tax preparation partners will continue to partner with us past the terms in their current agreements. A termination of our relationships with certain tax preparation partners that provide commercial tax preparation software would result in lost revenue and the loss of the ability to secure future relationships with new or existing tax preparation firms that use such tax software. Our future success depends upon the active and effective promotion of our products and services by our BaaS partners, retail distributors and tax preparation partners. Most of our operating revenues are derived from ~~platform program~~ **management** ~~service~~ **fees** that we earn from our BaaS partners and products and services sold at the stores of our retail distributors. In addition, the revenues we generate from our tax refund processing services are largely derived from products and services sold through retail tax preparation businesses and income tax software providers. Revenues from our BaaS partners, retail distributors and tax preparation partners depend on a number of factors outside our control and may vary from period to period. Our ~~platform program~~ **management** ~~service~~ **fees** depend upon the success of our BaaS partners' efforts to promote their own products and services which incorporate our products and services. Additionally, because we compete with many other providers of products and services for placement and promotion of products in the stores of our retail distributors or in conjunction with the delivery of tax preparation services by our tax preparation providers, our success depends on the willingness of our retail distributors and tax preparation partners to promote our products and services successfully. In general, our contracts with these third parties allow them to exercise significant discretion over the placement and promotion of our or their products and services, and for a variety of reasons they could give higher priority to other products or services they are offering or the products and services of other companies. Accordingly, ~~losing the commitment of our BaaS partners, retail distributors and tax preparation partners might limit or reduce~~ **platform program** ~~management~~ **service** ~~fees and the sales of our products and services~~. Our operating revenues and operating expenses may also be negatively affected by the operational decisions of our BaaS partners, retail distributors and tax preparation partners. For example, if a retail distributor reduces shelf space for our products or implements changes in its systems that disrupt the integration between its systems and ours, our product sales could be reduced or decline, and we may incur additional merchandising costs to ensure our products are appropriately stocked. Similarly, for a variety of reasons, many of our tax preparation partners that provide commercial income tax preparation software offer their customers several alternatives for tax

refund processing services, including those of our competitors. Even if our BaaS partners, retail distributors and tax preparation partners actively and effectively promote our or their products and services, there can be no assurance that their efforts will maintain or result in growth of our operating revenues. Future revenue growth depends on our ability to retain and attract new **BaaS partners and** long- term users of our products. Our ability to increase account usage and **accountholder** ~~account holder~~ retention and to attract new **BaaS partners and** long- term users of our products can have a significant impact on our operating revenues. We may be unable to generate increases in account usage, **accountholder** ~~account holder~~ retention or attract new **BaaS partners and** long- term users of our products ~~for due to~~ a number of reasons, including if we are unable to maintain our existing distribution channels, **accurately** ~~accurately~~ predict ~~consumer preferences or industry changes and modify our products and services on a timely basis in response thereto, produce new features and services that appeal to existing and prospective customers, and influence~~ **accountholder** ~~account holder~~ behavior through ~~cardholder~~ **accountholder** retention and usage incentives. Our results of operations could vary materially from period to period based on the degree to which we are successful in increasing usage and retention and attracting **new BaaS partners and** long- term users of our products. Seasonal fluctuations in the use of our products and services impact our results of operations and cash flows. Our results of operations and cash flows vary from quarter to quarter, and periodically decline, due to the seasonal nature of the use of our products and services. For example, our results of operations for the first half of each year have been favorably affected by large numbers of taxpayers electing to receive their tax refunds via direct deposit on our accounts, which caused our operating revenues to be typically higher in the first half of those years than they were in the corresponding second half of those years. Our tax refund processing services business is also highly seasonal as it generates the substantial majority of its revenue in the first quarter, and substantially all of its revenue in the first half of each calendar year. To the extent that seasonal fluctuations become more pronounced, or are not offset by other factors, our results of operations and cash flows from operating activities could fluctuate materially from period to period. The industries in which we compete are highly competitive. 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, transaction processing, consumer technology and financial technology services industries, and may compete with others in the market who may in the future provide offerings similar to ours, particularly vendors which provide program management and other services through a platform similar to our banking platform. These and other competitors in the banking and electronic payments industries are introducing innovative products and services that directly compete or may compete with ours. We expect that this competition will continue as banking and electronic payments industries continue to evolve, particularly if non- traditional payments processors and other parties gain greater market share in these industries. If we are unable to differentiate our products and platform from and / or successfully compete with those of our competitors, our revenues, results of operations, prospects for future growth and overall business could be **negatively impacted** ~~materially and adversely affected~~. Many existing and potential competitors are entities substantially larger in size, more highly diversified in revenue and substantially more established with significantly more broadly known 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. Additionally, some of our current and potential competitors are subject to fewer regulations and restrictions than we are, and thus may be able to respond more quickly in the face of regulatory and technological changes. We are also experiencing ~~increased~~ competition as a result of ~~new~~ competitors offering free or low- cost alternatives to our products and services. ~~In recent years, digital~~ **Digital** - centric financial services platforms have **continued to** ~~gained~~ **gain** market share through the marketing of their largely free bank account offerings. To the extent these **competitors** ~~new entrants~~ continue to take market share at our expense, we expect that the purchase and use of our products and services would decline. ~~In response order to compete across such competition, we launched GO2bank. If GO2bank is not successful in the long-term markets served by or our~~ ~~our competitive position deteriorates further~~ **Consumer Services and Money Movement Services segments**, we may have to increase the incentives that we offer to our retail distributors and our tax preparation partners, or directly to consumers, and decrease the prices of our products and services, any of which would likely ~~adversely~~ **negatively** impact our results of operations. We may not keep pace with the rapid technological developments in the industries in which we compete and the larger electronic payments industry. The electronic payments industry is subject to rapid and significant technological changes. We cannot predict the effect of technological changes on our business. We rely in part on third parties for the development of, and access to, new technologies. 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. Additionally, we may make future investments in, or enter into strategic alliances to develop, new technologies and services or to implement infrastructure change to further our strategic objectives, strengthen our existing businesses and remain competitive. However, our ability to **develop** ~~or~~ transition to new services and technologies ~~that we develop~~ may be inhibited by a lack of industry- wide standards, by **difficulties encountered in our development of new services and technologies, by** resistance from our retail distributors, BaaS partners, third- party processors or consumers to these changes, ~~or~~ by the intellectual property rights of third parties ~~or our~~ **reliance on certain third- party service providers**. These initiatives **Investments in new services and technologies or enhancements** are inherently risky, and they may not be successful or may have ~~an adverse effect~~ **a negative impact** on our business, financial condition and results of operations. Fraudulent and other illegal activity involving our products and services could ~~adversely affect~~ **negatively impact** our financial position and results of operations. Criminals are using increasingly sophisticated methods to engage in illegal activities using deposit account products (including **demand deposit accounts and** prepaid cards), reload products, or customer information and may see their effectiveness enhanced by the use of Artificial Intelligence. Illegal activities involving our products and services often include malicious social engineering schemes - ~~Fraudulent activity related to tax and other governmental benefits continues to persist at elevated levels~~. This transaction fraud has negatively impacted and is expected to continue to impact many financial services companies including us in relation to our

products. Illegal activities may also include fraudulent payment or refund schemes and identity theft. We rely upon third parties for transaction processing services, which subjects us and our customers 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 **cards deposit account products**, and other products and services, have in the past and could in the future, result in reputational damage to us **in addition to losses**. Such damage could reduce the use and acceptance of our **cards deposit account products** and other products and services, cause retail distributors 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 negatively impact** our business, results of operations and financial condition. To address the challenges that we face with respect to fraudulent activity, we have implemented risk control mechanisms that have made it more difficult for all customers, including legitimate customers, to obtain and use our products and services. We believe it is likely that our risk control mechanisms may continue to **adversely affect negatively impact** our new **account and card activations** for the foreseeable future and that our operating revenues may be negatively impacted as a result. Further, implementing such risk control mechanisms can be costly and has and **may we expect will** continue to negatively impact our operating margins as we continuously seek to enhance our risk controls. **Disputes, threats of litigation or other types of remediation over how we address actual or suspected fraudulent activity involving our products and services could be costly to resolve and could also negatively impact new account and card activations**. We are exposed to losses from customer accounts. Fraudulent activity involving our products may lead to customer 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. To the extent we incur losses from disputed transactions, our business, results of operations and financial condition could be **negatively impacted materially and adversely affected**. Additionally, our **cardholders accountholders who opt- in to optional overdraft protection programs we offer** can incur charges in excess of the funds available in their accounts, and we may become liable for these overdrafts. **Additionally, for accountholders** We offer an optional overdraft protection program service on certain demand deposit account programs that allows eligible cardholders who opt- in to spend up to a pre- authorized amount in excess of their available card balance. For cardholders who are not enrolled or do not meet the eligibility requirements of **these our overdraft protection program programs**, we generally decline authorization attempts for amounts that exceed the available **accountholder balance in a cardholder's account balance**, however, the application of card association rules, the timing of the settlement of transactions and the assessment of the **card account's** monthly maintenance fee, among other things, can still result in overdrawn accounts. Our overdraft exposure in these instances arises primarily from late- posting. A late- post occurs when a merchant posts a transaction within a payment network- permitted time frame, but subsequent to our release of the authorization for that transaction, as permitted by card association rules. Under card association rules, we may be liable for the transaction amount even if the **cardholder accountholder** has made additional purchases in the intervening period and funds are no longer available **on in** the **card account** at the time the transaction is posted. We maintain reserves to cover the risk that we may not recover these amounts due from our **cardholders accountholders**, but our exposure may increase above these reserves for a variety of reasons, including our failure to predict the actual recovery rate accurately. To the extent we incur losses from overdrafts above our reserves or we determine that it is necessary to increase our reserves substantially, our business, results of operations and financial condition could be **negatively impacted materially and adversely affected**. We face settlement risks from our retail distributors and banking partners, which may increase during an economic recession. A large portion of our business is conducted through retail distributors that sell our products and services to consumers at their store locations or other banking partners that collect funds and fees from our customers on our behalf. Our retail distributors and banking partners collect funds from the consumers who purchase our products and services and then must remit these funds directly to our subsidiary bank. While the remittance of these funds by the retail distributor or banking partner takes on average two business days, we **have in the past and may in the future** experience lengthy delays. ~~For example, Rite Aid delayed its scheduled remittances to us as it commenced restructuring proceedings in October 2023.~~ Such delays or refusal to pay exposes us to increased settlement risk. If a retail distributor or other banking partner becomes insolvent, files for bankruptcy, commits fraud or otherwise fails to remit proceeds to our card issuing bank from the sales of our products and services, we are liable for any amounts owed to our customers. As of December 31, ~~2023~~ **2024**, we had assets subject to settlement risk of \$ ~~738.616.02~~ million. Given the possibility of recurring volatility in global financial markets, the approaches we use to assess and monitor the creditworthiness of our retail distributors or other banking partners may be inadequate, and we may be unable to detect and take steps to mitigate an increased credit risk in a timely manner. Economic recessions could result in settlement losses, whether or not directly related to our business. We are not insured against these risks. Significant settlement losses could have a **negative impact material adverse effect** on our business, results of operations and financial condition. Worsening economic conditions, high rates of inflation, or other potential causes of economic distress could **negatively materially and adversely** impact our business and financial results. Global and macro-economic factors have resulted and may continue to result in high inflation rates, interest rates, **and or** unemployment rates, leading to economic challenges for consumers and our retail distributors and other partners as well as reduced transaction and spending volumes on accounts. Additionally, these effects increase the settlement risk from our retail distributors and banking partners and could cause us to experience contraction in the number of locations within our network of retail distributors due to store closures or other developments, ~~such as the Rite Aid restructuring,~~ with attendant negative impacts to our operating revenues and results of operations. If current market conditions persist or deteriorate, we may decide to adjust pricing to account for an increasing cost of funds and increased credit risk **in a down economy**, and thereby erode our margins and negatively impact our future financial performance and the price of our Class A common stock. Additionally, significant inflationary pressure increases borrowing rates, and we may not be able to fully offset such higher costs through rate increases. Our inability or failure to do so could ~~harm~~ **negatively impact** our business, financial condition and results of operations. Additionally,

increased interest rates may ~~adversely~~ **negatively** impact our customers' spending levels or our customers' ability to pay outstanding amounts owed to us. Please see "Quantitative and Qualitative Disclosures about Market Risk" for more information regarding the potential impact of the various market risks on our business. Economic, political and other conditions may ~~adversely affect~~ **negatively impact** trends in consumer spending. The electronic payments industry, including the prepaid and debit card financial services segment within that industry, depends heavily upon the overall level of consumer spending. ~~An economic recession~~ **Economic recessions have resulted and may continue to result in decreased consumer spending and may also** result in us experiencing a reduction in the number of our accounts that are purchased or reloaded, the number of transactions involving our cards and the use of our reload network and related services. A sustained reduction in the use of our products and related services, either as a result of a general reduction in consumer spending or as a result of a disproportionate reduction in the use of card-based payment systems, would ~~materially harm~~ **negatively impact** our business, results of operations and financial condition. We must be able to operate and scale our technology effectively. Our ability to continue to provide our products and services to network participants, as well as to enhance our existing products and services and offer new products and services, is dependent on our information technology systems. If we are unable to manage and scale the technology associated with our business effectively, we could experience increased costs, reductions in system availability and losses of our network participants. Any failure of our systems in scalability and functionality would ~~adversely~~ **negatively** impact our business, financial condition and results of operations. We make significant investments in products and services that may not be successful. Our prospects for growth depend on our ability to innovate by offering new, and adding value to our existing, product and service offerings and on our ability to effectively commercialize such innovations. While we will continue to make investments in research, development, and marketing for new products and services, if customers do not perceive our new offerings as providing significant value, they may fail to accept our new products and services, which would negatively impact our operating revenues. We may not achieve significant operating revenues from new product and service investments for a number of years, if at all. Moreover, new products and services may not be profitable, and even if they are profitable, operating margins for new products and services may not be as high as the margins we have experienced in the past. Our business could ~~suffer~~ **be negatively impacted** if there is a decline in the use of prepaid cards or demand deposit accounts as a payment mechanism or there are adverse developments with respect to the financial services industry in general. As the financial services industry evolves, consumers may find prepaid financial services or demand deposit accounts to be less attractive ~~than other financial~~ **and demand for such services and accounts could decline**. Consumers might not use prepaid financial services or demand deposit accounts for any number of reasons, including the general perception of our industry, new technologies, a decrease in our distribution partners' willingness to sell these products as a result of a more challenging regulatory environment or other factors outside of our control ~~such as an economic recession~~. If consumers do not continue or increase their usage of prepaid cards or demand deposit accounts, including making changes in the way such products are ~~loaded~~ **funded**, our operating revenues may decline. Any projected growth for the industry may not occur or may occur more slowly than estimated. If there is a shift in the mix of payment forms, such as cash, credit cards, traditional debit cards and prepaid cards, away from our products and services, it could have a **negative impact** ~~material adverse effect~~ on our financial position and results of operations.

RISKS RELATED TO OUR OPERATIONS Our business is dependent on the efficient and uninterrupted operation of computer network systems and data centers, including third party systems. Our ability to provide reliable service to customers and other network participants depends on the efficient and uninterrupted operation of our computer network systems and data centers as well as those of our retail distributors, network acceptance members and third-party processors. Our business involves the movement of large sums of money, the processing of large numbers of transactions and the management of the data necessary to do both. Our success in our account programs, including our BaaS programs, as well as our ~~money movement~~ **within our Money Movement Services segment**, 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 employees, systems and processes and those of the banks that issue our cards, our retail distributors, tax refund preparation partners, other business partners and third-party processors to process and facilitate these transactions in an efficient, uninterrupted and error-free manner. Their failure to do so could **negatively** ~~materially and adversely~~ impact our operating revenues and results of operations, particularly during the tax season, when we derive substantially all of our operating revenues for our tax refund processing services and a significant portion of our other operating revenues. Our systems and the systems of third-party processors are susceptible to outages and interruptions **including** due to fire, natural disaster, cyber-attacks, power loss, telecommunications failures, software or hardware defects, terrorist attacks, pandemics and similar events. We use both internally developed and third-party systems, including cloud computing and storage systems, for our services and certain aspects of transaction processing. Interruptions in our service may result for a number of reasons. Additionally, the data center hosting facilities that we use could be closed without adequate notice or ~~suffer~~ **experience** unanticipated problems resulting in lengthy interruptions in our service. Moreover, as we continue to add cloud-based solutions or additional capacity to our existing data centers, we could experience problems transferring customer accounts and data, impairing the delivery of our service. ~~Our~~ **While we completed the migration for most of our core card processing to our in-licensed solution, our** technology platforms ~~will~~ continue to evolve as we regularly invest in enhancing our systems, ~~including the reevaluation of a new core banking platform~~. As a result, some customers **have in the past and may in the future** experience disruptions in service ~~in connection with such projects~~ despite significant investments in planning and testing on the part of us and our technology partners. In addition, the implementation of technological changes could cause significant disruptions to our customers and our business and may cause processing errors. Any damage to, or failure of, or delay in our processes or systems 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 service, causing customers, retail distributors and other partners to become dissatisfied with our products and services or obligate us to issue credits or pay

finances or other penalties to them. Sustained or repeated process or system failures **have in the past and could in the future** reduce the attractiveness of our products and services, including our banking platform, and **could** result in contract terminations, thereby reducing operating revenue and **harming negatively impact** our results of operations **and could result in additional regulatory actions and / or fines and penalties**. Further, negative publicity arising from these types of disruptions could **damage** be damaging to our reputation and may **adversely negatively impact** use of our products and services, including our banking platform, and **adversely affect negatively impact** our ability to attract new customers and business partners. Additionally, some of our contracts with retail distributors, including our contract with Walmart, contain service level standards pertaining to the operation of our systems, and provide the retail distributor with the right to collect damages and to potentially terminate its contract with us for system downtime exceeding stated limits. If we face system interruptions or failures, our business interruption insurance may not be adequate to cover the losses or damages that we incur. In addition, our insurance costs may also increase substantially in the future to cover the costs our insurance carriers may incur. A **data-cyber- attack, incident or security breach** could expose us to liability and protracted and costly litigation, regulatory penalties, and could **adversely affect negatively impact** our reputation and operating revenues. We and our retail distributors, tax preparation partners, network acceptance members, third- party processors and the merchants that accept our cards receive, transmit and store confidential customer and other information, including personal information, in connection with the sale and use of our products and services. **Our Despite the** encryption software and the other technologies **and systems** we use to provide security for storage, processing and transmission of confidential customer and other information **may not these technologies or systems have been, and continue to** be effective, **vulnerable** to **protect against cyber- attacks, incidents and** data security breaches by third parties **and we have experienced, and may in the future experience, attacks, incidents and breaches that circumvent our security measures**. The risk of unauthorized circumvention of our security measures has been heightened by advances in computer capabilities and the increasing sophistication of hackers, including state sponsored hackers. Our retail distributors, tax preparation partners, network acceptance members, other business partners, third- party processors and the merchants that accept our cards also may experience similar **cyber- attacks, incidents or** security breaches or discover securities vulnerabilities involving the receipt, transmission and storage of our confidential customer and other information. Improper access to our or these third parties' systems or databases could result in the theft, publication, deletion or modification of confidential customer and other information. A data security breach of the systems on which sensitive **cardholder accountholder** or other customer or end- customer data and account information are stored **have led, and could in the future lead** to fraudulent activity involving our products and services, reputational damage and claims **or, and could lead to** regulatory actions, including penalties, against us. **Further, a cyber- attack or other incident could go undetected and persist in our systems for extended periods**. Regardless of whether or not we are sued or face regulatory actions, a breach will require us to carefully assess the materiality of a cyber- attack **or other incident**. Depending on the nature and magnitude of the accessed data, this effort may require substantial resources. If we are sued in connection with any data security breach, we could be involved in protracted and costly litigation and might be forced to pay damages and / or change our business practices, any of which could have a **negative impact material adverse effect** on our operating revenues and profitability. We would also likely have to pay (or indemnify the banks that issue our **products and services which includes** cards **for**) fines, penalties and / or other assessments imposed by Visa or Mastercard as a result of any data security breach. Further, a significant data security breach could lead to additional regulation, which could impose new and costly compliance obligations. In addition, a data security breach or perceived security vulnerability at any of the third- party banks that issue our cards or at any of our retail distributors, tax preparation partners, network acceptance members, other business partners, third- party processors or the merchants that accept our cards could result in significant reputational harm to us and cause the use and acceptance of our cards or other products and services to decline, either of which could have a significant adverse impact on our operating revenues and future growth prospects. Moreover, it may require substantial financial resources to address and remediate any such breach, including additional costs for hiring an external party to conduct a forensic investigation, replacement cards, manufacturing, distribution, re- stocking fees, fraud monitoring, and other added security measures, among others, which could have a significant adverse impact on our operating results. Additionally, we cannot be certain that our insurance coverage will be adequate for data security liabilities actually incurred, will cover any indemnification claims against us relating to any incident, that insurance will continue to be available to us on reasonable terms, or that any insurer will not deny coverage as to any future claim. The assertion of large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or large deductible or co- insurance requirements, could have a **negative impact material adverse effect** on our business, including our financial condition, operating results, and reputation. Failure to maintain satisfactory compliance with certain privacy and data protection laws and regulations may subject us to substantial negative financial consequences, civil or criminal penalties and business reputation risk. Complex existing and emerging local, state, and federal laws and regulations apply to the collection, use, retention, protection, disclosure, transfer, and other processing of personal information. These privacy laws and regulations are quickly evolving, with new or modified laws and regulations proposed and implemented frequently and existing laws and regulations subject to new or different interpretations. Complying with these laws and regulations can be costly and can impede the development and offering of new products and services. In addition, our failure to comply with applicable laws and regulations or other obligations to which we may be subject relating to personal information, or to protect personal information from unauthorized access, use, or other processing, could result in enforcement actions and regulatory investigations against us, claims for damages by customers and other affected individuals, fines, damage to our reputation, and loss of goodwill, any of which could have a **negative impact material adverse effect** on our operations, financial performance, and business. Replacing third- party vendors would be difficult and disruptive to our business. Some services relating to our business, including fraud management and other customer verification services, cash processing, card production, and customer service, are outsourced to third- party vendors. We also depend on third- party

banks to assist with our tax refund processing services. It would be difficult to replace some of our third- party vendors in a timely manner if they were unwilling or unable to provide us with these services during the term of their agreements with us or if they elected not to renew their contracts with us, and our business and operations would be **adversely affected negatively impacted**. Additionally, replacing third- party vendors with in- house solutions may lead to unanticipated operating costs and potential exposure to increased regulatory scrutiny. In particular, due to the seasonality in our business, any material service interruptions, service delays or changes in service contracts with key vendors during the tax season would result in losses that have an even greater ~~adverse effect~~ **negative impact** on that business than would be the case with our overall business. Further, we have in the past and may in the future experience operational issues with the third- party call centers that we rely on to provide customer support. Any prolonged closure or disruption in the services provided by such call centers would have ~~an adverse effect~~ **a negative impact** on our business. Some of our operations, including a significant portion of our software development operations, are located outside of the United States, which subjects us to additional risks. ~~A~~ **We have significantly -- significant expanded portion of** our software development operations **are based** in Shanghai, China ~~over the years~~. A prolonged disruption at our China facility for any reason **including** due to natural ~~or~~ man- made disasters, outbreaks of disease, climate change or other events outside of our control, such as equipment malfunction or large- scale outages or interruptions of service from utilities or telecommunications providers, could potentially delay our ability to launch new products or services or impact our ability to deliver current products and services, which could **negatively impact materially and adversely affect** our business. Additionally, as a result of our international operations, we face numerous other challenges and risks, including **, but not limited to**: • increased complexity and costs of managing international operations; • regional economic and geopolitical instability and military conflicts; • limited protection of our intellectual property and other assets; • compliance with and unanticipated changes in local laws and regulations, including tax laws and regulations; • foreign currency exchange fluctuations relating to our international operating activities; • local business and cultural factors that differ from our normal standards and practices; and • differing employment practices and labor relations. REGULATORY AND LEGAL RISKS As a bank holding company, we are subject to extensive and potentially changing regulation and are required to serve as a source of strength for Green Dot Bank. As a bank holding company, we, along with Green Dot Bank, are subject to comprehensive supervision and examination by the Federal Reserve Board and the State of Utah Department of Financial Institutions and must comply with applicable laws and regulations and other commitments we have agreed to, including financial commitments with respect to minimum capital and leverage requirements. If regulators believe that we or Green Dot Bank have not complied with any of these requirements, we **have in the past and may in the future** become subject to **additional** formal or informal enforcement actions, proceedings, or investigations, which could result in regulatory orders, penalties, restitution, restrictions on our business operations or requirements to take corrective actions, which may, individually or in the aggregate, ~~affect~~ **negatively impact** our results of operations and restrict our ability to grow. For example, **in July 2024** we and our subsidiary bank ~~received~~ **entered into** a proposed consent order ~~from~~, **including a \$ 44 million civil money penalty, with** the Federal Reserve Board relating principally to various aspects of compliance risk management, including consumer compliance and compliance with AML regulations ~~. The proposed (the" consent Consent order Order ") includes proposals for civil money penalties related to these issues and while the amount of any monetary penalty and the nature of any other relief the Federal Reserve Board may seek to obtain from us have not yet been determined, we have accrued an estimated liability of \$ 20 million related to the proposed consent order during the three months ended December 31, 2023 and estimate that the aggregate range of reasonably possible losses is up to \$ 50 million as of December 31, 2023.~~ **In** However, there can be no assurances regarding the timing, terms, and conditions of any final resolution of these matters with the Federal Reserve Board. Additionally, in response to enhanced regulatory scrutiny, we have increased our investment in our regulatory and compliance infrastructure and will continue with further increases. If we fail to comply with the applicable capital and leverage requirements, or if Green Dot Bank fails to comply with its applicable capital and leverage requirements, the Federal Reserve Board may limit our or Green Dot Bank' s ability to pay dividends or fund stock repurchases, or ~~if we become less than adequately capitalized,~~ require us to raise additional capital. In addition, if at any time we or Green Dot Bank fail to be " well ~~capitalized~~ " or " well managed, " we may not commence, or acquire any shares of a company engaged in, any activities only permissible for an FHC, without prior Federal Reserve approval. The restriction on our ability to commence, or acquire any shares of a company engaged in, any activities only permissible for an FHC, without prior Federal Reserve approval would also generally apply if Green Dot Bank received a CRA rating of less than " Satisfactory. " Currently, under the Bank Holding Company Act (the" BHC Act"), we may not be able to engage in new activities or acquire shares or control of other businesses. Such restrictions might limit our ability to pursue future business opportunities which we might otherwise consider, but which might fall outside the scope of permissible activities. U. S. bank regulatory agencies from time to time take supervisory actions under certain circumstances that restrict or limit a financial institution' s activities, including in connection with examinations, which take place on a continual basis. We are subject to significant legal restrictions on our ability to publicly disclose the existence of these actions or any of the related details. In addition, as part of the regular examination process, our and Green Dot Bank' s regulators may direct us or our subsidiaries to operate under various restrictions as a prudential matter. Such restrictions may include not being able to engage in certain categories of new activities or acquire shares or control of other companies. The failure by Green Dot Bank to properly classify its deposits could have ~~an adverse effect~~ **a negative impact** on our financial condition. The FDIC issued a final rule ~~relating to the classification of brokered deposits, with full compliance required in 2022. The final rule established~~ **establishing** a framework for analyzing certain provisions of the " deposit broker " definition, including " placing deposits, " " facilitating the placement of deposits " and " primary purpose, " for purposes of the classification of deposits as brokered deposits and exemptions from such a classification. As a result of the final rule, Green Dot Bank reclassified most of its deposits as non- brokered. **If our reclassification is deemed non- compliant, we could be subject to regulatory fines and penalties, increased regulatory oversight, restrictions on our activities, and increased litigation risk.** Failure by us and our business

partners to comply with applicable laws and regulations could have ~~an adverse effect~~ **a negative impact** on our business, financial position and results of operations. The banking, financial technology, transaction processing and tax refund processing services industries are highly regulated, and failure by us, the banks that issue our cards or the businesses that participate in our reload network, **third party service providers** or other business partners to comply with the laws and regulations to which we ~~or they~~ are subject could negatively impact our business. We are subject to ~~state money transmission licensing requirements and~~ a wide range of federal and other state laws and regulations. In particular, our products and services are subject to an increasingly strict set of legal and regulatory requirements intended to protect consumers, such as various disclosure and consent requirements, mandated or prohibited terms and conditions, prohibitions on discrimination based on certain prohibited bases, prohibitions on unfair, deceptive or abusive acts or practices, or to help detect and prevent money laundering, terrorist financing and other illicit activities. For example, we are subject to the AML reporting and recordkeeping requirements of the BSA, as amended by the PATRIOT Act. Monitoring and complying with all applicable laws, regulations and licensing requirements can be difficult and costly. Failure to ~~fully~~ comply with these requirements exposes us to the risk of being required to undertake substantial remediation efforts and to the risk of, among other things, enforcement actions, lawsuits, monetary damages, fines, penalties and reputational harm, any one of which could have a material adverse impact on our results of operations, financial condition or business prospects. From time to time, federal and state legislators and regulatory authorities, including state attorney generals, increase their focus on the banking, consumer financial services and tax preparation industries and have in the past and may in the future propose and adopt new legislation or guidance that could result in significant adverse changes in the regulatory landscape for financial institutions and financial services companies. Accordingly, changes in laws and regulations or the interpretation or enforcement thereof may occur that could increase our compliance and other costs of doing business, require significant systems redevelopment, or render our products or services less profitable or obsolete, any of which could have ~~an adverse effect~~ **a negative impact** on our results of operations. For example, we could face more stringent AML rules and regulations, as well as more stringent licensing rules and regulations, compliance with which could be expensive and time consuming. In addition, adverse rulings relating to the industries in which we participate could cause our products and services to be subject to additional laws and regulations, which could make our products and services less profitable. ~~Further, with the current administration and leadership at federal agencies such as the CFPB, we expect that financial institutions will remain heavily regulated in the near future and that additional laws or regulations may be adopted that further regulate specific banking practices, including with respect to the fees we are permitted to charge to customers.~~ If additional regulatory requirements were imposed on our bank or the sale of our products and services, the requirements could lead to a loss of retail distributors, **network participants**, tax preparation partners or other business partners, which could **negatively** materially and adversely impact our operations. Moreover, if our products are ~~adversely~~ **negatively** impacted by the interpretation or enforcement of these regulations or if we or any of our retail distributors or tax preparation partners were unwilling or unable to make such operational changes to comply with the interpretation or enforcement thereof, we would no longer be able to sell our products and services through that noncompliant retail distributor or tax preparation partner, which could **negatively impact** materially and adversely affect our business, financial position and operating results. Failure by us or those businesses to comply with the laws and regulations to which we are or may become subject could result in **additional** fines, penalties or limitations on our ability to conduct our business, or federal or state actions, any of which could significantly harm our reputation with consumers, banks that issue our cards and regulators, and could **negatively impact** materially and adversely affect our business, operating results and financial condition. Many of these laws can be unclear and inconsistent across various jurisdictions and ensuring compliance with them could be difficult and costly. If new regulations or laws result in changes in the way we are regulated, these regulations could expose us to increased regulatory oversight, more burdensome regulation of our business, and increased litigation risk, each of which could increase our costs and decrease our operating revenues. Furthermore, limitations placed on the fees we charge or the disclosures that must be provided with respect to our products and services could increase our costs and decrease our operating revenues. Changes in rules or standards set by the payment networks, or changes in debit network fees or products or interchange rates, could ~~adversely affect~~ **negatively impact** our business, financial position and results of operations. We are subject to association rules that could subject us to a variety of fines or penalties that may be levied by the card associations or networks for acts or omissions by us or businesses that work with us, including card processors. The termination of the card association registrations held by us or any changes in card association or other debit network rules or standards, including interpretation and implementation of existing rules or standards, that increase the cost of doing business or limit our ability to provide our products and services could have ~~an adverse effect~~ **a negative impact** on our business, operating results and financial condition. In addition, from time to time, card associations may increase the fees that they charge, which could increase our operating expenses, reduce our profit margin and ~~adversely affect~~ **negatively impact** our business, results of operations and financial condition. Furthermore, a **substantial material** portion of our operating revenues is derived from interchange fees. For the year ended December 31, ~~2023~~ **2024**, interchange revenues represented ~~15~~ **12** % of our total operating revenues, and we expect interchange revenues to continue to represent a significant percentage of our total operating revenues. 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 issuers. While the interchange rates that may be earned by us and Green Dot Bank are exempt from the limitations imposed by the Dodd- Frank Act, federal legislators and regulatory authorities have become increasingly focused on interchange fees, and continue to propose new legislation that could result in significant adverse changes to the rates we are able to charge and there can be no assurance that future regulation or changes by the payment networks will not substantially impact our interchange revenues. 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. However, our ability to make these changes is limited by the terms of our contracts and other commercial

factors, such as price competition. To the extent we increase the pricing of our products and services, we might find it more difficult to acquire consumers and to maintain or grow card usage and customer retention, and we could suffer reputational damage and become subject to greater regulatory scrutiny. We also might have to discontinue certain products or services. As a result, our total operating revenues, operating results, prospects for future growth and overall business could be **negatively impacted** materially and adversely affected. Litigation or investigations could result in significant settlements, sanctions, fines or penalties. We are subject to regulatory oversight in the normal course of our business and have been, currently are and from time to time in the future may be subject to securities class actions, commercial and other litigation or regulatory or judicial proceedings or investigations. The outcome of litigation and regulatory or judicial proceedings or investigations is difficult to predict. Plaintiffs or regulatory agencies or authorities in these matters have sought and may seek recovery of very large or indeterminate amounts, seek to have aspects of our business suspended or modified or seek to impose sanctions, including significant monetary fines. For example, **in July 2024** we and our subsidiary bank ~~received~~ **entered into the Consent Order, including a proposed consent order from civil money penalty of \$ 44 million, with the Federal Reserve Board as further discussed in the"** **As a bank holding company, we are subject to extensive and potentially changing regulation principally and are required to various aspects serve as a source of compliance strength for Green Dot Bank"** risk factor **above** management, including consumer compliance and compliance with AML regulations. The proposed consent order includes proposals for civil money penalties related to these issues and while the amount of any monetary penalty and the nature of any other relief the Federal Reserve Board may seek to obtain from us have not yet been determined, we have accrued an estimated liability of \$ 20 million related to the proposed consent order during the three months ended December 31, 2023 and estimate that the aggregate range of reasonably possible losses is up to \$ 50 million as of December 31, 2023. However, there can be no assurances regarding the timing, terms, and conditions of any final resolution of these matters with the Federal Reserve Board. Additionally, the monetary and other impacts of these actions, litigations, proceedings or investigations may remain unknown for substantial periods of time. The cost to defend, settle or otherwise resolve these matters have been and may be significant. Further, an unfavorable resolution of litigation, proceedings or investigations against us could have a **negative impact** material adverse effect on our business, operating results, or financial condition. In this regard, such costs could make it more difficult to maintain the capital, leverage and other financial commitments at levels we have agreed to with the Federal Reserve Board and the Utah Department of Financial Institutions. If regulatory or judicial proceedings or investigations were to be initiated against us by private or governmental entities, adverse publicity that may be associated with these proceedings or investigations could negatively impact our relationships with retail distributors, tax preparation partners, network acceptance members, **financial institutions and other lending partners**, other business partners and card processors and decrease acceptance and use of, and loyalty to, our products and related services, and could impact the price of our Class A common stock. In addition, such proceedings or investigations could increase the risk that we will be involved in litigation. For the foregoing reasons, any regulatory or judicial proceedings or investigations that are initiated against us by private or governmental entities, could ~~adversely affect~~ **negatively impact** our business, results of operations and financial condition or could cause our stock price to decline. Refer to Note 21 — Commitments and Contingencies to the Consolidated Financial Statements included herein for further information regarding certain of our legal and other proceedings. We may be unable to adequately protect our brand and our intellectual property rights related to our products and services or third parties may allege that we are infringing their intellectual property rights. Our brands and marks are important to our business, and we utilize trademark registrations and other means to protect them. Our business would be ~~harmed~~ **negatively impacted** if we were unable to protect our brand against infringement. We also rely on a combination of patent, trademark and copyright laws, trade secret protection and confidentiality and license agreements to protect the intellectual property rights related to our products and services. We currently have 17 issued patents and 1 patent application pending. Although we generally seek patent protection for inventions and improvements that we anticipate will be incorporated into our products and services, there is always a chance that our patents or patent applications could be challenged, invalidated or circumvented, or that an issued patent will not adequately cover the scope of our inventions or improvements incorporated into our products or services. Additionally, our patents could be circumvented by third parties. We may unknowingly violate the intellectual property or other proprietary rights of others and, thus, may be subject to claims by third parties. Because of the existence of a large number of patents in the mobile technology field, the secrecy of some pending patents, and the rapid rate of issuance of new patents, it is not economically practical or even possible to determine in advance whether a product or any of its elements infringes or will infringe on the patent rights of others. Regardless of the merit of these claims, we may be required to devote significant time and resources to defending against these claims or to protecting and enforcing our own rights. We might also be required to develop a non-infringing technology or enter into license agreements and there can be no assurance that licenses will be available on acceptable terms and conditions, if at all. Some of our intellectual property rights may not be protected by intellectual property laws, particularly in foreign jurisdictions. The loss of our intellectual property or the inability to secure or enforce our intellectual property rights or to defend successfully against an infringement action could ~~harm~~ **negatively impact** our business, results of operations, financial condition and prospects.

RISKS RELATED TO OUR CAPITAL NEEDS AND INDEBTEDNESS We might require additional capital to support our business in the future, and this capital might not be available on acceptable terms, or at all. If our unrestricted cash and cash equivalents balances and any cash generated from operations are not sufficient to meet our future cash requirements, we will need to access additional capital to fund our operations. We may also need to raise additional capital to take advantage of new business or acquisition opportunities. However, we may not be able to raise needed cash in a timely basis on terms acceptable to us or at all. Financings, if available, may be on terms that are dilutive or potentially dilutive to our stockholders. The holders of new securities may also receive rights, preferences or privileges that are senior to those of existing holders of our Class A common stock. In addition, if we were to raise cash through a debt financing, the terms of the financing might impose additional conditions or restrictions on our operations that could ~~adversely affect~~ **negatively impact** our business. If we require

new sources of financing but they are insufficient or unavailable, we would be required to modify our operating plans to take into account the limitations of available funding, which would ~~harm~~ **negatively impact** our ability to maintain or grow our business. Should we require additional credit at levels we are unable to access, the cost of credit is greater than expected, or our cost-savings measures are ineffective or result in us incurring greater costs, our operating results could be ~~adversely affected~~ **negatively impacted. We have increased debt service obligations as a result of the issuance of our senior unsecured notes. In September and October 2024, we issued and sold senior unsecured notes in an aggregate principal amount of \$ 50.0 million, and in February 2025, an additional aggregate principal amount of \$ 15 million, all of which mature in September 2029. As a result of these transactions, we have incurred additional debt service obligations in addition to normal operating expenses and planned capital expenditures.** Our ~~increased level~~ debt agreements contain restrictive covenants and financial ratio tests that restrict or prohibit our ability to engage in or enter into a variety of ~~indebtedness~~ transactions. Under our \$ 100 million five-year revolving facility, we are subject to various covenants that may have the ~~several important effect effects on our future operations, including, without limitation, a portion of our cash flow must be dedicated to the payment of interest and principal on the senior unsecured notes, reducing funds available for distribution to stockholders and limiting our ability to obtain additional financing for working capital,~~ among ~~capital expenditures, acquisitions and general corporate and other purposes~~ things, our ability and the ability of certain of our subsidiaries to: merge with other entities, enter into a transaction resulting in a change in control, create new liens, incur additional indebtedness, sell assets outside of the ordinary course of business, enter into transactions with affiliates (other than subsidiaries) or substantially change the general nature of our and our subsidiaries' business, taken as a whole, make certain investments, enter into restrictive agreements, or make certain dividends or other distributions. These restrictions could limit our ability to take advantage of financing, merger, acquisition or other opportunities, to fund our business operations or to fully implement our current and future operating strategies. We must also maintain compliance with a maximum consolidated leverage ratio and a minimum consolidated fixed charge coverage ratio of 2.50 and 1.25, respectively, at the end of any fiscal quarter. Our ability to meet these financial ratios ~~our debt service obligations~~ and tests ~~to reduce our total indebtedness~~ will be dependent upon our future performance, ~~as well as Green Dot Bank and may~~ **its ability to pay dividends to us, which will be affected by events subject to regulatory restrictions, general economic, industry and competitive conditions and to financial, business and other factors affecting us and Green Dot Bank, many of which are beyond our control (including factors discussed in this "Risk Factors" section).** In addition, ~~If we fail to satisfy these -- the requirements, our indebtedness under these agreements~~ **senior unsecured notes contain certain affirmative and negative non-financial covenants applicable to us and Green Dot Bank that could limit** become accelerated and payable at a time when we are unable to pay them. This would adversely affect our ability to **take advantage of financing, merger, acquisition or other opportunities, to fund our business operations or to fully implement our current and future operating strategies.** **We cannot assure you that we will be able to continue to generate cash flow at or above its current level and would have a material adverse effect that we will be able to pay principal and interest on the senior unsecured notes as they become due. Further, we cannot assure you that our maintenance of our indebtedness or occurrence of future indebtedness will not negatively impact our operating results or** financial condition. GENERAL RISKS Our operating results may fluctuate in the future, which could cause our stock price to decline. If our quarterly and annual results of operations fall below the expectations of investors or any securities analysts who follow our Class A common stock, the trading price of our Class A common stock could decline substantially. Fluctuations in our quarterly or annual results of operations might result from a number of factors including the occurrence of one or more of the events or circumstances described in these risk factors, many of which are outside of our control, including, but not limited to: • the timing and volume of purchases and use of our products and services; • the timing and volume of tax refunds or other government payments processed by us; • the timing and success of new product or service introductions by us or our competitors; • fluctuations in customer retention rates; **• outages and interruptions in our systems, those of our partners or third-party service providers**; • changes in the mix of products and services that we sell or changes in the mix of our client retail distributors; • the timing of commencement of new and existing product roll outs, developments and initiatives and the lag before those new products, channels or retail distributors generate material operating revenues; • our ability to effectively sell our products through direct-to-consumer initiatives; • costs associated with significant changes in our risk policies and controls; • the amount and timing of major advertising campaigns, including sponsorships; • the amount and timing of capital expenditures and operating costs; • interest rate volatility; • our ability to control costs, including third-party service provider costs and sales and marketing expenses; • volatility in the trading price of our Class A common stock; • changes in the political or regulatory environment affecting the industries in which we operate; • economic recessions or uncertainty in financial markets, and the uncertainty regarding the impact of ~~inflation~~ **macroeconomic trends or conditions**; and • other factors beyond our control, such as terrorism, war, natural disasters and pandemics as well as the other items included in these risk factors. Our actual operating results may differ significantly from our guidance. From time to time, we issue guidance in our quarterly earnings conference calls, or otherwise, regarding our future performance that represents our management's estimates as of the date of release. Guidance is necessarily speculative in nature, and is only an estimate of what management believes is realizable as of the date of release, and it can be expected that some or all of the assumptions underlying the guidance furnished by us will prove to be incorrect or will vary significantly from actual results. Actual results will vary from our guidance and the variations may be material, especially in times of economic uncertainty. Our future success depends on our ability to attract, integrate, retain and incentivize key personnel. Our ability to manage and grow our business will depend, to a significant extent, on our ability to attract, integrate, retain and recognize key personnel, namely our management team and experienced sales, marketing and program and technology development personnel. We may experience difficulty in managing transitions and assimilating newly-hired personnel, and if we fail to manage these transitions successfully, we could experience significant delays or difficulty in the achievement of our development and strategic objectives and our business,

financial condition and results of operations could be **negatively impacted** materially and adversely harmed. Competition for qualified management, sales, marketing and program and technology development personnel can be intense. Competitors have in the past and may in the future attempt to recruit our top management and employees. In order to attract and retain personnel in a competitive marketplace, we must provide competitive pay packages, including cash and equity- based compensation and the volatility in our stock price may from time to time **adversely affect negatively impact** our ability to recruit or retain employees. Additionally, our U. S.- based employees, including our senior management team, work for us on an at- will basis and there is no assurance that any such employee will remain with us. Acquisitions or investments, or the failure to consummate such transactions, could disrupt our business and **harm negatively impact** our financial condition. We have in the past acquired, and we may acquire in the future, other businesses and technologies. Identifying suitable acquisition candidates can be difficult, time- consuming and costly, and we may not be able to identify suitable candidates or successfully complete identified acquisitions. Failure to complete an acquisition could **adversely affect negatively impact** our business as we could be required to pay a termination fee under certain circumstances or be subject to litigation, and our stock price may also **suffer be negatively impacted** as the failure to consummate such an acquisition may result in negative perception in the investment community. Further, the process of integrating an acquired business, product, service or technology can involve a number of special risks and challenges, including: • increased regulatory and compliance requirements; • implementation or remediation of controls, procedures and policies at the acquired company; • diversion of management time and focus from operation of our then-existing business; • integration and coordination of product, sales, marketing, program and systems management functions; • transition of the acquired company' s users and customers onto our systems; • integration of the acquired company' s systems and operations generally with ours; • integration of employees from the acquired company into our organization; • loss or termination, including costs associated with the termination or replacement of employees; • liability for activities of the acquired company prior to the acquisition, including violations of law, commercial disputes, and tax and other known and unknown liabilities; and • increased litigation or other claims in connection with the acquired company, including claims brought by terminated employees, customers, former stockholders or other third parties. If we are unable to successfully integrate an acquired business or technology or otherwise address these special risks and challenges or other problems encountered in connection with an acquisition, we might not realize the anticipated benefits of that acquisition, we might incur unanticipated liabilities, or we might otherwise **suffer harm experience negative impacts** to our business generally. Furthermore, acquisitions and investments are often speculative in nature and the actual benefits we derive from them could be lower or take longer to materialize than we expect. In addition, to the extent we pay the consideration for any future acquisitions or investments in cash, it would reduce the amount of cash available to us for other purposes. Future acquisitions or investments could also result in dilutive issuances of our equity securities or the incurrence of debt, contingent liabilities, amortization expenses, or goodwill impairment charges, any of which could **harm negatively impact** our financial condition and negatively impact our stockholders. An impairment charge of goodwill or other intangible assets could have a **negative material adverse** impact on our financial condition and results of operations. Our net goodwill and intangible assets represent a significant portion of our consolidated assets. Our net goodwill and intangible assets were \$ **420,397.59** million as of December 31, **2023-2024**. Under generally accepted accounting principles in the United States, or (" U. S. GAAP"), we are required to test the carrying value of goodwill at least annually or sooner if events occur that indicate impairment could exist, such as a significant change in the business climate, including a significant sustained decline in a reporting unit' s fair value, legal and regulatory factors, operating performance indicators, competition and other factors. The amount of any impairment charge could be significant and could have a **negative material adverse** impact on our financial condition and results of operations for the period in which the charge is taken. If we fail to maintain proper and effective internal controls, our ability to produce accurate financial statements on a timely basis could be impaired. Our management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with U. S. GAAP. We have in the past and may in the future discover areas of our internal financial and accounting controls and procedures that need improvement. If we are unable to maintain proper and effective internal controls, we may not be able to produce accurate financial statements on a timely basis and might **suffer experience** adverse regulatory consequences or violate NYSE listing standards, which could **adversely affect negatively impact** our ability to operate our business and could result in regulatory action, and could require us to restate our financial statements. Any such restatement could result in a loss of public confidence in the reliability of our financial statements and sanctions imposed on us by the SEC. Our business could be negatively **affected impacted** by actions of stockholders. The actions of stockholders could **adversely affect negatively impact** our business. Specifically, certain actions of certain types of stockholders, including without limitation public proposals, requests to pursue a strategic combination or other transaction or special demands or requests, could disrupt our operations, be costly and time- consuming or divert the attention of our management and employees and increase the volatility of our stock. In addition, perceived uncertainties as to our future direction in relation to the actions of our stockholders may result in the loss of potential business opportunities or the perception that we are unstable and need to make changes, which may be exploited by our competitors and make it more difficult to attract and retain personnel as well as customers, service providers and partners. Actions by our stockholders may also cause fluctuations in our stock price based on speculative market perceptions or other factors that do not necessarily reflect the underlying fundamentals and prospects of our business. Our charter documents, Delaware law and our status as a bank holding company could discourage, delay or prevent a takeover that stockholders consider favorable. Provisions in our certificate of incorporation and bylaws, as well as provisions under Delaware law, could discourage potential takeover attempts, reduce the price that investors might be willing to pay in the future for shares of our Class A common stock, and result in the trading price of our Class A common stock being lower than it otherwise would be. In addition to the foregoing, under the BHC Act and the Change in Bank Control Act, and their respective implementing regulations, Federal Reserve Board approval is necessary prior to any

person or company acquiring control of a bank or bank holding company, subject to certain exceptions. Control, among other considerations, exists if an individual or company acquires 25 % or more of any class of voting securities, and may be presumed to exist if a person acquires 10 % or more of any class of voting securities. These restrictions could affect the willingness or ability of a third party to acquire control of us for so long as we are a bank holding company.