

# VARO MONEY CARDHOLDER AGREEMENT

(EFFECTIVE OCTOBER 1, 2020)

PLEASE READ THIS DOCUMENT CAREFULLY

**This Cardholder Agreement contains an Arbitration Clause requiring all claims to be resolved by way of binding arbitration.**

## 1. Terms and Conditions

This Varo Money Cardholder Agreement ("**Agreement**") outlines the terms and conditions under which the Varo Visa<sup>®</sup> Debit Card ("Card") has been issued to you by The Bancorp Bank, a Delaware state-chartered bank ("**Issuer**"). By accepting and using the Card, you agree to be bound by the terms and conditions contained in this Agreement. "**Account**" means the balance of funds held at Varo Bank N.A.; Member FDIC, accessible through the Card. "**You**" and "**your**" mean the person who has received the Card and is authorized to use the Card as provided for in this Agreement. "**We**," "**us**," and "**our**" mean the Issuer, our successors, affiliates or assignees, and as applicable, the Program Manager. "**Program Manager**" means Varo Bank N.A., the bank providing certain services for sponsoring and/or managing the Card program on our behalf. This Agreement is in addition to and not meant to supersede or conflict with your Varo Bank Account Agreement held with Varo Bank N.A. (the "**Account Agreement**"). To the extent there is a conflict between those terms and this Agreement, this Agreement controls only with respect to use of your Card. You agree to sign the back of the Card immediately upon receipt. The expiration date of the Card is identified on the front of your Card. The Card is a debit card. The Card is not a credit card. The Card is not for resale. The Card will remain the property of the Issuer and must be surrendered upon demand. The Card is nontransferable, and it may be canceled, repossessed, or revoked at any time without prior notice subject to applicable law. The Card is not designed for business use, and we may close your Card if we determine that it is being used for business purposes. We may refuse to process any transaction that we believe may violate the terms of this Agreement.

Please read this Agreement carefully and keep it for future reference.

## 2. Customer Service

For customer service assistance or additional information regarding the Card, please contact "Customer Service" by emailing us at [help@varomoney.com](mailto:help@varomoney.com) or call us at 1-800-827-6526.

Customer service agents are available to answer your calls:

Monday through Friday, 8 AM to 9 PM Eastern Time (excluding Federal holidays)

Saturday and Sunday, 11 AM to 7 PM Eastern Time (excluding Federal holidays).

A list of holidays observed by the Federal Reserve Board can be found at [www.frb.services.org](http://www.frb.services.org).

Our business days are Monday through Friday, excluding federal holidays, even if we are open. Any references to "days" found in this Agreement are calendar days unless indicated otherwise. From time to time we may monitor and/or record telephone calls between you and us to assure the quality of our customer service or as required by applicable law.

### **3. Activating and Registering your Card**

You must activate your Card before it can be used. You may activate it in the Mobile App or by calling 1-800-827-6526. You will need to provide personal information in order for us to verify your identity. By activating the Card or by retaining, using or authorizing the use of the Card, you represent and warrant to us that: (i) you are at least 18 years of age (or older if you reside in a state where the majority age is older); (ii) you are a U.S. citizen or legal alien residing in the fifty (50) states of the United States ("U.S.") or the District of Columbia; (iii) you have provided us with a verifiable U.S. street address (not a P.O. Box); (iv) the personal information that you provide to us in connection with the Card is true, correct and complete; (v) you received a copy of this Agreement and agree to be bound by and to comply with its terms; and (vi) you accept the Card.

### **4. Personal Identification Number ("PIN")**

You will not receive a PIN with your Card. However, you will be prompted to select a PIN when you activate your Card.

You should not write or keep your PIN with your Card. Never share your PIN with anyone. When entering your PIN, be sure it cannot be observed by others and do not enter your PIN into any terminal that appears to be modified or suspicious. If you believe that anyone has gained unauthorized access to your PIN, you should advise us immediately following the procedures in the paragraph labeled *"Your Liability for Unauthorized Transfers."*

## 5. Authorized Card Users

You are responsible for all authorized transactions initiated and fees incurred by use of your Card. If you permit another person to have access to your Card or Card number(s), we will treat this as if you have authorized such use and you will be liable for all transactions and fees incurred by those persons. You are wholly responsible for the use of each Card according to the terms and conditions of this Agreement.

## 6. Using the Card

With your PIN, you may use your Card to obtain cash from any Automated Teller Machine ("ATM") that bears the Allpoint<sup>®</sup> or Plus<sup>®</sup> Acceptance Mark or at any Point-of-Sale ("POS") device, as permissible by a merchant, that bears the Visa Interlink<sup>®</sup> or Maestro<sup>®</sup> Acceptance Mark(s). All ATM transactions are treated as cash withdrawal transactions. You may use your Card at an ATM and withdraw funds from a participating bank (Over the Counter "OTC" Withdrawals).

These are the itemized cash access and spending limits for the Card, which limits may be modified from time to time based on prior activity:

<b>Transaction Type</b>	<b>Frequency and/or Dollar Limits*</b>
ATM Withdrawal	No limit to the number of times per calendar day  Up to \$750 per calendar day*
Cash Back at POS	No limit to the number of times per calendar day  Up to \$500 per calendar day*
Over the Counter "OTC" Withdrawals	No limit to the number of times per calendar day

	Up to \$1,000 per calendar day*
Card Purchases (Signature and PIN combined)	No limit to the number of times per calendar day  Up to \$2,500 per calendar day
<p>* The aggregated limit for all ATM cash withdrawals, cash back at POS, and OTC cash withdrawals is \$1,000 per calendar day. ATM owner-operators, merchants, and participating banks may impose their own lower limits on cash withdrawals as well as their own fees.</p>	

You may use your Card to purchase or lease goods or services everywhere Visa<sup>®</sup> or Maestro<sup>®</sup> are accepted as long as you do not exceed the available value of your Account and other restrictions (*see examples described below*) do not apply. Some merchants do not allow cardholders to conduct split transactions where you would use the Card as partial payment for goods and services and pay the remainder of the balance with another form of legal tender. If you wish to conduct a split transaction and it is permitted by the merchant, you must tell the merchant to charge only the exact amount of funds available in the Account. You must then arrange to pay the difference using another payment method. Some merchants may require payment for the remaining balance in cash. If you fail to inform the merchant that you would like to complete a split transaction prior to swiping your Card, your Card is likely to be declined.

If you use your Card number without presenting your Card (such as for a mail order, telephone, or Internet purchase), the legal effect will be the same as if you had used the Card itself. **Card restrictions include but are not limited to:** restricted geographic or merchant locations where there is a higher risk of fraud or illegal activity; restrictions to comply with laws or prevent our liability; and other restrictions to prevent fraud and other losses. For security reasons, we may, with or without prior notice, limit the type, amount, or number of transactions you can make on your Card. You may not use your Card for illegal online gambling or any other illegal transaction. **We may increase, reduce, cancel, or suspend any of the restrictions or add new ones at any time.** Your Card cannot be redeemed for cash.

Each time you use your Card, you authorize us to reduce the available value of your Account by the amount of the transaction and any applicable fees. You are not allowed to exceed the available amount in your Account through an individual transaction or a series of transactions. Nevertheless, if a transaction exceeds the available balance of funds in your Account, you shall remain fully liable for the amount of the transaction and any fees, if applicable. You are responsible for keeping track of the available balance of your Account. Merchants generally will not be able to determine your available balance. It's important to know your available balance before making any transaction.

## **7. Preauthorized Transfers**

**Right to Stop Payment and Procedure for Doing So:** If you have arranged in advance to make regular payments out of your Account by use of the Card, you can stop any of these payments. Here's how: you should first contact the applicable merchant or third-party service provider to cancel the recurring payment. If the merchant or service provider with whom you have arranged recurring payments from your Card is unable or unwilling to stop your payment, call or write to Customer Service, in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

**Notice of Varying Amounts:** If these regular payments may vary in amount, the person you are going to pay may tell you, 10 days before each payment, when it will be made and how much it will be. *(You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)*

**Liability for Failure to Stop Payment of Preauthorized Transfer:** If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

If you use your Card at an automated fuel dispenser ("pay at the pump"), the transaction may be preauthorized for an amount up to \$100.00 or more. If your Card is declined, even though you have sufficient funds available, you should pay for your purchase inside with the cashier. If you use your Card at a restaurant, a hotel, for a car rental purchase, or for similar purchases, the transaction may be preauthorized for the purchase amount plus up to 20% or more to ensure there are sufficient funds available to cover tips or incidental expenses incurred. A preauthorization will place a "hold" on those available funds until the merchant sends us the final payment amount of your purchase.

Once the final payment amount is received, the preauthorized amount on hold will be removed. It may take up to seven (7) days for the hold to be removed. During the hold period, you will not have access to the preauthorized amount.

You do not have the right to stop payment on a single purchase or payment transaction originated by use of your Card. If you authorize a transaction and then fail to make the purchase of that item as planned, the approval may result in a hold for that amount of funds for up to thirty (30) days. All transactions relating to car rentals may result in a hold for that amount of funds for up to sixty (60) days.

## **8. Non-Visa Debit Transactions**

Certain protections and rights applicable only to Visa debit transactions as described in this Agreement will not apply to transactions processed on Maestro<sup>®</sup> or Interlink<sup>®</sup>. If you do not enter a PIN, transactions may be processed as either a Visa debit transaction or on Maestro<sup>®</sup> or Interlink<sup>®</sup> transaction. Should you choose to use a non-Visa network when making a transaction without a PIN, different terms may apply.

To initiate a Visa debit transaction at the POS, insert or swipe the Card at a POS terminal, sign the receipt, or provide the 16-digit Card number for a mail order, telephone, or Internet purchase. To initiate a non-Visa debit transaction at the POS, enter the PIN at the POS terminal or provide the 16-digit Card number after clearly indicating a preference to route the transaction as a non-Visa debit transaction for certain bill payment, mail order, telephone, or Internet purchases.

## **9. Returns and Refunds**

If you are entitled to a refund for any reason for goods or services obtained with your Card, you agree to accept credits to your Card for such refunds and agree to the refund policy of that merchant. We are not responsible for the delivery, quality, safety, legality or any other aspects of goods or services you purchase from others with a Card. All such disputes must be addressed and handled directly with the merchant from whom those goods or services were provided.

## **10. Card Expiration and Replacement**

Your Card will expire no sooner than the date printed on the back of it. You will not be able to use your Card after the expiration date. A replacement Card will automatically be mailed to you prior to the expiration of the soon-to-expire Card.

If you need to replace your Card for any reason, please call Customer Service to request a replacement Card. You will be required to provide personal information which may include your 16-digit Card number, full name, transaction history, copies of accepted identification, etc. There is a \$25 fee for express shipping of a replacement Card; for more information about the delivery options and applicable fees, see the section 14, labeled "*Fee Schedule.*"

## **11. Foreign Transactions**

If you make a purchase in a currency other than the currency in which the Card was issued, the amount deducted from the funds will be converted by Visa into an amount in the currency of the Card. The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable central processing date.

## **12. Receipts**

You should get a receipt at the time you make a transaction using your Card. You may need to retain receipts in order to verify or reconcile your transactions.

## **13. Periodic Statements**

You will get a record of Card transactions through your Account periodic statement. See your Account Agreement for more information.

## **14. Fee Schedule**

We charge a fee for each non-Allpoint ATM cash withdrawal, i.e., out of network ATM cash withdrawal. The fee will be withdrawn from your Varo Bank Account and will be assessed as long as there is a remaining balance in your Varo Bank Account, except where prohibited by law. If the Varo Bank Account balance is less than the sum of the amount of the ATM cash withdrawal plus fees, the transaction will be declined. Alternatively, you can make Over the Counter Withdrawals from your Varo Bank Account without incurring a fee.

We also charge a fee for express shipping of replacement debit cards. Cards sent via express shipping will arrive in two (2) business days. The fee will be withdrawn from your Varo Bank Account and will be assessed as long as there is a remaining balance in your Varo Bank Account, except where prohibited by law. Alternatively, you can replace a debit card with shipping by the

U.S. Postal Service without incurring a fee. Cards shipped via the U.S. Postal service will generally arrive within six to nine (6 to 9) business days.

<b>Fee Description</b>	<b>Fee Amount and Frequency</b>
ATM Withdrawal Fee (out of network)*	\$2.50 (per transaction). Cash withdrawal transactions at Allpoint ATMs are fee free.
Over the Counter "OTC" Cash Withdrawal Fee	No fee (per transaction)
Express Shipping Fee	\$25.00 (per shipment)
Card replacement fee (shipment by U.S. Postal Service)	No fee (per shipment)
<p>*If you use a non-Allpoint network ATM, including a balance inquiry, you may be charged an additional fee by the ATM operator even if you do not complete a withdrawal: such a fee is a third-party fee assessed by the individual ATM operator only and is not assessed by us. The ATM fee will be charged to your Varo Bank Account.</p>	

## **15. Confidentiality**

We may disclose information to third parties about your Card or the transactions you make:

- (1) Where it is necessary for completing transactions;
- (2) In order to verify the existence and condition of your Card for a third party, such as a merchant;

- (3) In order to comply with government agency, court order, or other legal or administrative reporting requirements;
- (4) If you consent by giving us your written permission;
- (5) To our employees, auditors, affiliates, service providers, or attorneys as needed; or
- (6) As otherwise necessary to fulfill our obligations under this Agreement.

## **16. Our Liability for Failure To Complete Transactions;**

If we do not properly complete a transaction from your Card on time or in the correct amount according to the Agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- (1) If through no fault of ours, you do not have enough funds available to your Card to complete the transaction;
- (2) If a merchant refuses to accept your Card;
- (3) If an ATM where you are making a cash withdrawal does not have enough cash;
- (4) If an electronic terminal where you are making a transaction does not operate properly, and you knew about the problem when you initiated the transaction;
- (5) If access to your Card has been blocked after you reported your Card lost or stolen;
- (6) If there is a hold or your funds are subject to legal or administrative process or other encumbrance restricting their use;
- (7) If we have reason to believe the requested transaction is unauthorized;
- (8) If circumstances beyond our control (such as fire, flood, or computer communication failure) prevent the completion of the transaction, despite reasonable precautions that we have taken; or
- (9) Any other exception stated in our Agreement with you.

## **17. Your Liability for Unauthorized Transfers**

Contact us AT ONCE if you believe the Card number or PIN has been stolen or compromised. Telephoning is the best way to minimize your possible losses. If the Card number or PIN has been

lost, stolen or compromised, or you suspect that someone has used or may use the Card without your permission, call us at 1-800-827-6526. If you tell us within two (2) business days after you learn of the loss or theft of your Card, you can lose no more than \$50 if someone used your Card without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your Card, and we can prove we could have stopped someone from using your Card without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, including those made by card or other means, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods. If the Card number or PIN has been lost, stolen or compromised, we will deactivate the Card to keep losses down and mail you a replacement Card.

Under Visa Core Rules, your liability for unauthorized Visa debit transactions on your Account is \$0.00 if you are not negligent or fraudulent in the handling of your Card. This reduced liability does not apply to certain commercial card transactions or transactions not processed by Visa. You must notify us immediately of any unauthorized use.

## **18. Information About Your Right to Dispute Errors**

In case of errors or questions about your electronic transactions, call **1-800-827-6526**, write to **PO Box 71337, Salt Lake City, UT 84171** or email us at [help@varomoney.com](mailto:help@varomoney.com) as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

(1) Tell us your name and Card number.

(2) Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.

(3) Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days. We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take

up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit the Varo Bank Account within ten (10) business days for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and you do not provide it within ten (10) business days, we may not credit the Varo Bank Account.

For errors involving new Accounts, point-of-sale, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For a new Accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error.

We will tell you the results within three (3) business days after completing the investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

## **19. Other Miscellaneous Terms**

Your Card and your obligations under this Agreement may not be assigned. We may transfer our rights under this Agreement. Use of your Card is subject to all applicable rules and customs of any clearinghouse or other association involved in transactions. We do not waive our rights by delaying or failing to exercise them at any time. If any provision of this Agreement shall be determined to be invalid or unenforceable under any rule, law, or regulation of any governmental agency, local, state, or federal, the validity or enforceability of any other provision of this Agreement shall not be affected. This Agreement will be governed by the law of the State of Delaware except to the extent governed by federal law.

## **20. Amendment and Cancellation**

We may amend or change the terms and conditions of this Agreement at any time. You will be notified of any change in the manner provided by applicable law prior to the effective date of the change. However, if the change is made for security purposes, we can implement such change without prior notice. We may cancel or suspend your Card or this Agreement at any time. You may cancel your Card by contacting Customer Service. Your termination your Card or this Agreement will not affect any of our rights or your obligations arising under this Agreement prior to termination.

In the event this Card program is cancelled, closed, or terminated, we will send you prior notice in accordance with applicable law

## 21. Arbitration

This Arbitration Clause sets forth the procedures for resolving a Claim under this Agreement. As used in this Arbitration Clause, a "Claim" is any preexisting, present or future claim, dispute, or controversy between you and us arising out of or relating directly or indirectly in any way to this Agreement. The term "Claim" has a very broad meaning and includes, by way of example and not limitation, disputes concerning: (i) the acquisition or use of your Card; (ii) advertisements, promotions or oral or written statements related to the Card (iii) a dispute based on a federal or state statute or local ordinance; (iv) data breach or privacy claims arising from or relating directly or indirectly to the disclosure by us of any non-public personal information about you; and (v) the relationships between you and us arising from this Agreement or any of the foregoing.

Notwithstanding the foregoing, a "Claim" does not include (i) the exercising of any self-help or non-judicial remedies by you or us, meaning actions you or we can take that do not involve court action. Examples of this include setoff rights or enforcement of our security interest in your Account, (ii) disputes regarding a person's authority to act on your Card and disputes regarding ownership of funds and other legal matters dealing with "legal process" or "legal proceedings and disputes"; and (iii) obtaining provisional or ancillary remedies including, but not limited to, attachment, garnishment, interpleader or the appointment of a receiver by a court of appropriate jurisdiction.

Any claim, dispute, or controversy ("Claim") arising out of or relating in any way to: i) this Agreement; ii) your Card; iii) the Cards of additional cardholders designated by you, if any; iv) your acquisition of the Card; v) your use of the Card; vi) advertisements, promotions or oral or written statements related to the Card, as well as goods or services purchased with the Card; vii) the benefits and services related to the Card; or ix) transactions on the Card, no matter how described, pleaded or styled, shall be **FINALLY** and **EXCLUSIVELY** resolved by binding individual arbitration conducted by the American Arbitration Association("AAA") under its Consumer Arbitration Rules. This arbitration agreement is made pursuant to a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act (9 U.S.C. 1-16).

We will pay the initial filing fee to commence arbitration and any arbitration hearing that you attend shall take place in the federal judicial district of your residence.

**ARBITRATION OF YOUR CLAIM IS MANDATORY AND BINDING. NEITHER PARTY WILL HAVE THE RIGHT TO LITIGATE THAT CLAIM THROUGH A COURT. IN ARBITRATION, NEITHER PARTY WILL HAVE THE RIGHT TO A JURY TRIAL OR TO**

ENGAGE IN DISCOVERY, EXCEPT AS PROVIDED FOR IN THE AAA CODE OF PROCEDURE.

For a copy of the procedures, to file a Claim or for other information about this organization, contact it at: AAA, 335 Madison Avenue, New York, NY 10017, or at [www.adr.org](http://www.adr.org).

All determinations as to the scope, interpretation, enforceability and validity of this Agreement shall be made final exclusively by the arbitrator, which award shall be binding and final. Judgment on the arbitration award may be entered in any court having jurisdiction.

NO CLASS ACTION, OR OTHER REPRESENTATIVE ACTION OR PRIVATE ATTORNEY GENERAL ACTION OR JOINDER OR CONSOLIDATION OF ANY CLAIM WITH A CLAIM OF ANOTHER PERSON OR CLASS OF CLAIMANTS SHALL BE ALLOWABLE. This arbitration provision shall survive: i) the termination of the Agreement; ii) the bankruptcy of any party; iii) any transfer, sale or assignment of your Card, or any amounts owed on your Card, to any other person or entity; or iv) expiration of the Card. If any portion of this arbitration provision is deemed invalid or unenforceable, the remaining portions shall remain in force.

IF YOU DO NOT AGREE TO THE TERMS OF THIS ARBITRATION AGREEMENT, DO NOT ACTIVATE OR USE THE CARD. CALL **1-800-827-6526** TO CANCEL THE CARD.