

Addendum to Varo Bank Account Agreement

Terms & Conditions for No Fee Overdraft Program

EFFECTIVE JANUARY 23, 2020

PLEASE READ THIS DOCUMENT CAREFULLY.

This Addendum to the Varo Bank Account Agreement sets forth the terms & conditions for Varo's No Fee Overdraft Program ("No Fee Overdraft"). By opting in to the No Fee Overdraft, you are agreeing to the terms and conditions of this Addendum, and that this Addendum shall become part of the Varo Bank Account Agreement and is incorporated therein. You further acknowledge that the Varo Bank Account Agreement provisions shall continue to apply to your Varo Bank Account except as specifically provided for in this Addendum. In the event of a conflict between the Varo Bank Account Agreement and this Addendum, the terms and conditions of this Addendum shall apply.

Once you are eligible, you must opt-in to No Fee Overdraft within the mobile application in order to overdraw your account. For more information on the opt-in process, search for No Fee Overdraft in the Help Center at www.varomoney.com. By opting in to No Fee Overdraft, you are able to overdraw your Varo Bank Account up to the overdraft limit of \$50.00 without incurring any charges. No Fee Overdraft can be used for any transaction made with your Varo Visa® Debit Card, including ATM Withdrawals and Over the Counter (OTC) Withdrawals.

Qualifying Conditions. Your Varo Bank Account must meet both of the listed conditions below (the "**Qualifying Conditions**") to qualify to opt-in to No Fee Overdraft. Once you opt-in to No Fee Overdraft, your Varo Bank Account must continue to meet both of the Qualifying Conditions during each Statement Period (as defined below) to maintain your enrollment in No Fee Overdraft.

1. Receive at least \$1,000.00 in **Qualifying Direct Deposits** (as defined below) into the Varo Bank Account or Varo Savings Account in the current **Statement Period** (as defined below); and make at least five (5) **Qualifying Debit Card Purchases** (as defined below) from the Varo Bank Account in the current Statement Period.
2. A **"Qualifying Direct Deposit"** is defined as a direct deposit by ACH transfer of payroll, pension, or government benefits from your employer or a government agency. The recipient's name associated with such deposits must match the name of the Varo Bank Account or Savings Account holder. Payroll transfers made to the Varo Visa Debit Card via Visa Direct, from Uber, Lyft, DailyPay, Doordash, and Postmates are also considered Qualifying Direct Deposits.
3. Qualifying Direct Deposits do not include the following:
 1. The following types of ACH transfers:
 1. Transfers from an account held in your name at another bank, brokerage firm, or other financial institution whether from the Varo Bank Account holder or a third party; or
 2. Transfers from digital wallets or Peer to Peer (P2P) services, including, but not limited to, PayPal, Venmo, Square, and Apple Pay Cash;
 2. Transfers made to the Varo Visa Debit Card via Visa Direct, from digital wallets or P2P services, including, but not limited to, PayPal, Venmo, Cash App, Zelle, Google Pay, Facebook, or other similar transfers.
 3. Cash deposits made via Third Party Money Transfer Services, including, but not limited to, the Green Dot® Network.
 4. Mobile Deposit of checks via the Varo Mobile App.
 5. Varo to Varo Transfers received in the Varo Bank Account
4. A **"Qualifying Debit Card Purchase"** is defined as an authorization to purchase goods or services made using the Varo Visa Debit Card. Qualifying Debit Card Purchases do not include the following:

1. Transactions at ATMs, including but not limited to cash withdrawals and balance inquiries;
2. Over the Counter ("OTC") cash withdrawals;
3. Transfers from the Varo Visa Debit Card via external Peer to Peer (P2P) transfer services, including, but not limited to, PayPal, Venmo, Cash App, Zelle, and Apple Pay Cash or similar services;
4. ACH Debits from merchants, utility service providers and other financial institutions;
5. ACH Transfers from your Varo Bank Account to another bank account you own made using the Mobile App;
6. Payments made using the bill payment ("Mail a check") feature in the Mobile App; or
7. Transfers or withdrawals from the Varo Savings Account.
8. Varo to Varo Transfers sent from the Varo Bank Account.

No Fee Overdraft Terms and Conditions:

1. You cannot maintain a negative balance for more than 30 consecutive calendar days under the No Fee Overdraft program. Any funds deposited to a Varo Bank Account with an overdraft balance will be immediately used to pay off the overdraft balance. If you fail to pay your overdraft balance within thirty (30) calendar days from the date that you initially incur an overdraft under the No Fee Overdraft program, both of the following shall apply: a) your enrollment in No Fee Overdraft will be cancelled, and you will be unable to overdraft your Varo Bank Account; and b) you will no longer be eligible to opt-in again to No Fee Overdraft, regardless of whether you meet both of the Qualifying Conditions.

The following are examples of how the program works:

1. If you incur the maximum \$50 overdraft limit amount permitted under the No Fee Overdraft Program on August 10, 2019, then you must fully repay the \$50 negative balance within thirty (30) calendar days of the overdraft (in this example, by September 9, 2019) to remain eligible for the No Fee Overdraft Program.
 2. If you utilize twenty dollars (\$20) of a fifty dollar (\$50) maximum overdraft amount permitted under the No Fee Overdraft Program on August 10, 2019 and then you utilize your remaining thirty dollar (\$30) overdraft amount on September 8, 2019, then you must fully repay the \$50 negative balance within the (30) calendar day period starting from the date that you first incurred a negative balance to remain eligible for the No Fee Overdraft Program (in this example, the full \$50 negative balance must be repaid by September 9, 2019).
 3. If you utilize twenty dollars (\$20) of your fifty dollar (\$50) maximum overdraft amount permitted under the No Fee Overdraft Program on August 10, 2019 and then you utilize an additional twenty dollar (\$20) overdraft amount on August 20, 2019, and you then utilize the remaining ten dollar (\$10) overdraft amount on September 8, 2019, then you must fully repay the \$50 negative balance within (30) calendar days starting from the date that you first incurred a negative balance to remain eligible for the No Fee Overdraft Program (in this example, the full \$50 negative balance must be repaid by September 9, 2019).
 4. If you utilize twenty dollars (\$20) of your fifty dollar (\$50) maximum overdraft amount permitted under the No Fee Overdraft Program on August 10, 2019 and then you repay the \$20 on August 12, 2019, you can then utilize up to the full fifty dollar (\$50) maximum overdraft amount again that month. For example, you can then utilize forty dollars (\$40) of your fifty dollar (\$50) maximum overdraft amount permitted under the No Fee Overdraft Program on August 14, 2019. If you repay the forty dollars (\$40) on August 16, 2019, you can then utilize up to the full fifty dollar (\$50) maximum overdraft amount again during that month. There is no limit on the number of times you can use and repay the full overdraft amount used in a month.
2. Your overdraft balance and Varo Bank Account activity will be assessed at the end of each calendar day to determine whether you have met both of the Qualifying

Conditions for No Fee Overdraft. If you are not currently eligible for No Fee Overdraft and at the end of a calendar day you meet both of the Qualifying Conditions, you will become eligible within two (2) calendar days to opt-in to No Fee Overdraft.

3. If you opt-in to No Fee Overdraft, your Varo Bank Account must continue to meet both of the Qualifying Conditions during each Statement Period (as defined below) to maintain your eligibility for No Fee Overdraft. If you meet both of the Qualifying Conditions during a Statement Period, you will be deemed to be eligible to maintain your enrollment for No Fee Overdraft for both the remainder of such Statement Period, and for the entirety of the immediately following Statement Period (so long as you repay any overdraft balance within thirty (30) days).

1. By way of example, if you meet both of the Qualifying Conditions on July 5, you will be able to opt-in to No Fee Overdraft on July 7 and continue to qualify through the end of the immediately following Statement Period (in this example, August 31), so long as you as you repay any overdraft balance within thirty (30) days.

4. A "**Statement Period**" spans from 12:00:00 AM Mountain Standard Time on the first day of the calendar month through 11:59:59 PM Mountain Standard Time on the last day of the calendar month.

5. Varo reserves the right, in its sole discretion, to determine what transactions are considered Qualifying Direct Deposits or Qualifying Debit Card Purchases in addition to the transactions described above.

6. Varo may change the terms and conditions of this Addendum at any time. Any such change shall be effective as soon as the modified version is posted in the mobile application. We will also provide you notice of any change to the terms and conditions of this Addendum. Your use of No Fee Overdraft following such change constitutes your acceptance of the revised terms and conditions of this Addendum.

7. If, at the time of settlement of a transaction, your Varo Bank Account has an overdraft balance, your Save Your Change or Save Your Pay deposit will not be completed.

8. Varo does not charge any fees or interest for the No Fee Overdraft, and Varo will not report any negative balance to a credit bureau.

Any negative balance due to the use as a No Fee Overdraft is subject to our "Our Right to Set Off" section in the Varo Bank Account Agreement as well as the other provisions of the Varo Bank Account Agreement.

If your Varo Bank Account has a negative balance for sixty (60) calendar days or more, your Varo Bank Account will be closed.