



Green Dot Corporation Announces Federal Reserve Board Approval of its Application to Acquire Bonneville Bancorp

Nov 23, 2011

Major Stockholders Commit to Reduce Voting Power

MONROVIA, Calif., Nov 23, 2011 (BUSINESS WIRE) --

Green Dot Corporation (NYSE: GDOT), a leading prepaid financial services company ("Green Dot"), today announced that its application to acquire Bonneville Bancorp ("Bonneville") and thereby become a bank holding company under the Bank Holding Company Act of 1956 has been approved by the Board of Governors of the Federal Reserve System. Today the Utah Department of Financial Institutions also approved Green Dot's acquisition of Bonneville. Subject to the terms and conditions of Green Dot's merger agreement with Bonneville, Green Dot expects to close the merger with Bonneville promptly upon expiration of the statutory 15-day waiting period following the Federal Reserve Board's approval.

"We are very appreciative of the regulators for the time they spent reviewing our application and understanding our purpose in acquiring Bonneville Bank," said Steve Streit, Green Dot's Chief Executive Officer. "We are also grateful for the guidance and advice we often relied upon from our attorneys and advisors, including Promontory Financial Group, LLC, Davis Polk & Wardwell LLP and Jones Waldo Holbrook & McDonough, PC. This acquisition will give us the flexibility to better control our own destiny, by allowing us to create products that best suit the needs of our current and future customers. This allows us to become a bank truly dedicated to serving the needs of the large and growing population of consumers who are looking for a better way to bank."

In connection with the application process, entities affiliated with Sequoia Capital (the "Sequoia Funds"), which collectively hold shares of Green Dot's outstanding Class B common stock representing approximately 51% of the voting power of Green Dot's outstanding capital stock, have committed to the Federal Reserve Board that they will reduce their aggregate voting power to less than 10% of Green Dot's outstanding capital stock by exchanging shares of Class B common stock for shares of a newly created series of preferred stock designated as "Series A Convertible Preferred Stock" (the "Series A Preferred Stock") on the basis of 1,000 shares of Class B common stock for each share of Series A Preferred Stock. The Sequoia Funds' actions to fulfill their commitment to the Federal Reserve Board may also include conversion of shares of Class B common stock into shares of Class A common stock. Each share of Series A Preferred Stock will be essentially identical to 1,000 shares of Class A common stock, except that the Series A Preferred Stock will have no voting rights other than as may be required by applicable law, subject to limited exceptions for amendments or other changes to its terms. Shares of Series A Preferred Stock are convertible into Class A common stock at the rate of 1,000 shares of Class A common stock for each share of Series A Preferred Stock, and may be converted only in connection with transfers to unaffiliated third parties of the Sequoia Funds.

Additional details of the exchange and potential conversion described above and the rights, preferences and privileges of the Series A Preferred Stock will be disclosed by Green Dot in a Current Report on Form 8-K promptly following its entry into an agreement relating to the foregoing with the Sequoia Funds.

Forward-Looking Statements

This press release contains forward-looking statements, which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements include, among other things, statements regarding the expected closing date of the merger with Bonneville. Actual results may differ materially from those contained in the forward-looking statements contained in this press release. A wide-variety of potential risks, uncertainties, and other factors could materially affect our ability to achieve the results expressed or implied by the Company's forward-looking statements, including among others: Green Dot's ability to meet other closing conditions to the merger on the expected terms and schedule and delay in closing the merger. Additional risks and uncertainties are detailed in Green Dot's filings with the Securities and Exchange Commission, including its quarterly report on Form 10-Q, which is available on Green Dot's investor relations website at <http://ir.greendot.com> and on the SEC website at <http://www.sec.gov>. All information provided in this release and in the attachments is as of November 23, 2011, and Green Dot assumes no obligation to update this information as a result of future events or developments.

About Green Dot

Green Dot is a leading prepaid financial services company providing simple, low-cost and convenient money management solutions to a broad base of U.S. consumers. Green Dot also owns and operates the Green Dot Network, the nation's leading prepaid card reload network. Green Dot products are available online at www.greendot.com and at more than 55,000 retail stores, including Walmart, Walgreens, CVS, Rite Aid, 7-Eleven, Kroger, Kmart, Meijer, and Radio Shack. Green Dot is headquartered in the greater Los Angeles area. For more details, visit www.greendot.com.



SOURCE: Green Dot Corporation

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