

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): May 3, 2021

**Green Dot Corporation**

(Exact Name of the Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

001-34819

(Commission File Number)

95-4766827

(IRS Employer Identification No.)

3465 E. Foothill Blvd.

Pasadena, California 91107

(Address of Principal Executive Offices)

(626) 765-2000

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, If Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2)
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbol(s):	Name of each exchange on which registered:
Class A Common Stock, \$0.001 par value	GDOT	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## Item 2.02. Results of Operations and Financial Condition.

Effective beginning with the first quarter of 2021, Green Dot Corporation ("Green Dot") realigned its segment financial reporting based on how its current Chief Operating Decision Maker ("CODM") manages its businesses, including resource allocation and performance assessment. Its CODM organizes and manages the business primarily on the basis of the channels in which its product and services are offered and uses net revenue and segment profit to assess profitability. Segment profit reflects each segment's net revenue less direct costs, such as sales and marketing expenses, processing expenses, third-party call center support and transaction losses. As a result of this realignment, Green Dot's operations are now aggregated amongst three reportable segments: 1) Consumer Services, 2) Business to Business ("B2B") Services and 3) Money Movement Services.

Green Dot's Consumer Services segment consists of revenues and expenses derived from deposit account programs, such as consumer checking accounts, prepaid cards, secured credit cards, and gift cards that Green Dot offers to consumers (i) through distribution arrangements with more than 90,000 retail locations and thousands of neighborhood Financial Service Center locations (the "Retail" channel), and (ii) directly through various marketing channels, such as online search engine optimization, online displays, direct mail campaigns, mobile advertising, and affiliate referral programs (the "Direct" channel).

Green Dot's B2B Services segment consists of revenues and expenses derived from (i) its partnerships with some of America's most prominent consumer and technology companies that make Green Dot's banking products and services available to their consumers, partners and workforce through integration with Green Dot's banking platform (the "Banking-as-a-Service", or "BaaS" channel), and (ii) a comprehensive payroll platform that Green Dot offers to corporate enterprises (the "Employer" channel) to facilitate payments for today's workforce. Green Dot's products and services in this segment include deposit account programs, such as consumer and small business checking accounts and prepaid cards, as well as its Simply Paid Disbursements services utilized by its partners.

Green Dot's Money Movement Services segment consists of revenues and expenses generated on a per transaction basis from its services that specialize in facilitating the movement of cash on behalf of consumers and businesses, such as money processing services and tax refund processing services. Green Dot's money processing services are marketed to third-party banks, program managers, and other companies seeking cash deposit and disbursement capabilities for their customers. Those customers, including Green Dot's own cardholders, can access Green Dot's cash deposit and disbursement services at any of the locations within its network of retail distributors and neighborhood Financial Service Centers. Green Dot markets its tax-related financial services through a network of tax preparation franchises, independent tax professionals and online tax preparation providers.

Green Dot's Corporate and Other segment primarily consists of net interest income earned by Green Dot's subsidiary bank, eliminations of intersegment revenues and expenses, unallocated corporate expenses, and other costs that are not considered when management evaluates segment performance.

Additionally, beginning with the first quarter of 2021, Green Dot has provided certain key metrics at the realigned segment level and has revised the definition of its direct deposit active accounts metric. Following these changes, the direct deposit active accounts metric only consists of accounts in its Consumer Services segment and no longer includes direct deposit active accounts in its B2B Services segment. Based on the economic structure of its partnerships within its B2B Services segment, Green Dot believes that total active accounts is the most relevant key metric for the B2B Services segment. Green Dot also narrowed the definition of "direct deposit active account" to include only active accounts that have received one or more payroll or government benefit transaction during the period. Prior period metrics have been restated to conform to the current definition. Green Dot's direct deposit active accounts within its Consumer Services segment, on average, have the longest tenure and generate the majority of its gross dollar volume in any period and thus, generate more revenue over their lifetime than other active accounts.

Green Dot reflected these changes to its segment information and key metrics retrospectively to the quarterly and full year December 31, 2019 and 2020 financial results. These changes have no impact on Green Dot's previously reported consolidated financial results. Schedules of the revised segment results and key metrics are attached hereto as Exhibit 99.01. Each segment measure has been reconciled to the most directly comparable GAAP measure therein.

The information furnished in this Current Report, including the exhibit hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

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**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit Number</b>	<b>Description of Exhibits</b>
99.01	<a href="#">Supplemental revised segment financial results for fiscal years ended December 31, 2019 and 2020</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

### **GREEN DOT CORPORATION**

By: /s/ Jess Unruh  
Jess Unruh  
Interim Chief Financial Officer

Date: May 3, 2021

**GREEN DOT CORPORATION**  
**REPORTABLE SEGMENT INFORMATION (REVISED) <sup>(1)</sup>**  
**(Unaudited)**

	2019				
	Q1	Q2	Q3	Q4	FY
	(In thousands)				
<b>Segment Revenue</b>					
Consumer Services	\$ 185,293	\$ 169,160	\$ 149,132	\$ 150,548	\$ 654,133
B2B Services	34,320	34,034	36,147	42,044	146,545
Money Movement Services	103,391	61,338	45,164	47,172	257,065
Corporate and Other <sup>(2)</sup>	2,713	443	(1,209)	(1,366)	581
Total segment revenues	325,717	264,975	229,234	238,398	1,058,324
Net revenue adjustment <sup>(3)</sup>	14,797	13,351	11,214	10,909	50,271
Total operating revenues	\$ 340,514	\$ 278,326	\$ 240,448	\$ 249,307	\$ 1,108,595
<b>Segment Profit <sup>(4)</sup></b>					
Consumer Services	\$ 86,286	\$ 76,285	\$ 47,406	\$ 46,941	\$ 256,918
B2B Services	9,323	8,996	8,553	9,981	36,853
Money Movement Services	61,966	28,034	11,736	12,555	114,291
Corporate and Other <sup>(2)</sup>	(38,595)	(38,688)	(42,560)	(47,653)	(167,496)
Total segment profit <sup>(5)</sup>	118,980	74,627	25,135	21,824	240,566
<b>Reconciliation to income (loss) before income taxes <sup>(6)</sup></b>					
Depreciation and amortization of property, equipment and internal-use software	10,882	12,121	12,926	13,560	49,489
Stock-based compensation and related employer payroll taxes	15,583	8,830	6,956	(382)	30,987
Amortization of acquired intangible assets	8,174	8,175	8,174	8,093	32,616
Contingent consideration gain	—	—	(1,866)	—	(1,866)
Impairment charges	100	4	17	457	578
Other expense	2,856	1,534	1,115	339	5,844
Operating income (loss)	81,385	43,963	(2,187)	(243)	122,918
Interest expense, net	1,604	66	120	74	1,864
Other income (expense), net	133	(99)	8	(15)	27
Income (loss) before income taxes	\$ 79,914	\$ 43,798	\$ (2,299)	\$ (332)	\$ 121,081

	2019				
	Q1	Q2	Q3	Q4	FY <sup>(8)</sup>
	(In millions)				
<b>Key Metrics <sup>(7)</sup></b>					
<b>Consolidated <sup>(9)</sup></b>					
Gross dollar volume	\$ 12,977	\$ 10,019	\$ 9,827	\$ 10,636	\$ 43,459
Number of active accounts	6.05	5.66	5.18	5.04	5.48
Purchase volume	\$ 8,200	\$ 6,470	\$ 6,047	\$ 6,287	\$ 27,004
<b>Consumer Services</b>					
Gross dollar volume	\$ 8,397	\$ 6,714	\$ 6,391	\$ 6,747	\$ 28,249
Number of active accounts	4.40	4.10	3.86	3.73	4.02
Direct deposit active accounts <sup>(10)</sup>	0.83	0.82	0.84	0.86	0.84
Purchase volume	\$ 6,074	\$ 4,950	\$ 4,664	\$ 4,822	\$ 20,510
<b>B2B Services</b>					
Gross dollar volume	\$ 4,580	\$ 3,305	\$ 3,436	\$ 3,889	\$ 15,210
Number of active accounts	1.65	1.56	1.32	1.31	1.46
Purchase volume	\$ 2,126	\$ 1,520	\$ 1,383	\$ 1,465	\$ 6,494
<b>Money Movement</b>					
Number of cash transfers	10.98	11.25	11.73	12.08	46.04
Number of tax refunds processed	9.39	2.52	0.11	0.07	12.09

**GREEN DOT CORPORATION**  
**REPORTABLE SEGMENT INFORMATION (REVISED) <sup>(1)</sup>**  
**(Unaudited)**

	2020				
	Q1	Q2	Q3	Q4	FY
	(In thousands)				
<b>Segment Revenue</b>					
Consumer Services	\$ 152,922	\$ 162,639	\$ 150,554	\$ 154,299	\$ 620,414
B2B Services	73,840	76,619	77,064	77,128	304,651
Money Movement Services	120,052	65,667	56,536	45,754	288,009
Corporate and Other <sup>(2)</sup>	(273)	(4,906)	(4,710)	(2,665)	(12,554)
Total segment revenues	346,541	300,019	279,444	274,516	1,200,520
Net revenue adjustment <sup>(3)</sup>	15,628	16,221	11,626	9,765	53,240
Total operating revenues	<u>\$ 362,169</u>	<u>\$ 316,240</u>	<u>\$ 291,070</u>	<u>\$ 284,281</u>	<u>\$ 1,253,760</u>
<b>Segment Profit <sup>(4)</sup></b>					
Consumer Services	\$ 50,385	\$ 58,412	\$ 51,494	\$ 51,879	\$ 212,170
B2B Services	19,827	16,327	16,372	13,366	65,892
Money Movement Services	66,719	27,842	17,974	11,346	123,881
Corporate and Other <sup>(2)</sup>	(44,813)	(57,331)	(52,151)	(41,836)	(196,131)
Total segment profit <sup>(5)</sup>	92,118	45,250	33,689	34,755	205,812
<b>Reconciliation to income (loss) before income taxes <sup>(6)</sup></b>					
Depreciation and amortization of property, equipment and internal-use software	13,697	14,479	14,839	14,991	58,006
Stock-based compensation and related employer payroll taxes	11,578	13,758	12,018	18,635	55,989
Amortization of acquired intangible assets	7,279	6,952	6,944	6,944	28,119
Impairment charges	—	1,088	31	20,669	21,788
Other expense	715	3,583	2,507	5,032	11,837
Operating income (loss)	58,849	5,390	(2,650)	(31,516)	30,073
Interest expense, net	241	443	39	38	761
Other income (expense), net	192	2,154	(1,650)	(1,913)	(1,217)
Income (loss) before income taxes	<u>\$ 58,800</u>	<u>\$ 7,101</u>	<u>\$ (4,339)</u>	<u>\$ (33,467)</u>	<u>\$ 28,095</u>

	2020				
	Q1	Q2	Q3	Q4	FY <sup>(8)</sup>
	(In millions)				
<b>Key Metrics <sup>(7)</sup></b>					
<b>Consolidated <sup>(9)</sup></b>					
Gross dollar volume	\$ 14,294	\$ 15,107	\$ 14,453	\$ 14,349	\$ 58,203
Number of active accounts	5.74	6.25	5.72	5.45	5.79
Purchase volume	\$ 8,282	\$ 8,477	\$ 7,600	\$ 6,861	\$ 31,220
<b>Consumer Services</b>					
Gross dollar volume	\$ 7,561	\$ 8,683	\$ 8,333	\$ 7,562	\$ 32,139
Number of active accounts	3.70	4.10	3.98	3.73	3.88
Direct deposit active accounts <sup>(10)</sup>	0.89	0.90	0.91	0.88	0.90
Purchase volume	\$ 5,555	\$ 6,123	\$ 5,840	\$ 5,176	\$ 22,694
<b>B2B Services</b>					
Gross dollar volume	\$ 6,733	\$ 6,424	\$ 6,120	\$ 6,787	\$ 26,064
Number of active accounts	2.04	2.15	1.74	1.72	1.91
Purchase volume	\$ 2,727	\$ 2,354	\$ 1,760	\$ 1,685	\$ 8,526
<b>Money Movement</b>					
Number of cash transfers	12.13	12.48	12.81	11.29	48.71
Number of tax refunds processed	9.70	1.90	0.75	0.11	12.46

- (1) Effective beginning with the first quarter of 2021, Green Dot Corporation ("Green Dot") realigned its segment financial reporting based on how its current Chief Operating Decision Maker ("CODM") manages its businesses, including resource allocation and performance assessment. Its CODM (who is the Chief Executive Officer) organizes and manages the business primarily on the basis of the channels in which its product and services are offered and uses net revenue and segment profit to assess profitability. As a result of this realignment, Green Dot's operations are now aggregated amongst three reportable segments: 1) Consumer Services, 2) Business to Business ("B2B") Services and 3) Money Movement Services. Green Dot has restated segment information for the historical periods presented to conform to the current presentation. These changes have no impact on Green Dot's previously reported consolidated financial results. Green Dot does not evaluate performance or allocate resources based on segment asset data, and therefore such information is not presented.
- (2) The Corporate and Other segment primarily consists of net interest income earned by our bank, eliminations of intersegment revenues and expenses, unallocated corporate expenses, and other costs that are not considered when management evaluates segment performance.
- (3) Represents commissions and certain processing-related costs associated with Banking as a Service ("BaaS") products and services where Green Dot does not control customer acquisition. This adjustment is netted against Green Dot's B2B Services revenues when evaluating segment performance.
- (4) Segment profit reflects each segment's net revenue less direct costs, such as sales and marketing expenses, processing expenses, third-party call center support and transaction losses.
- (5) Green Dot has previously referred to total segment profit as adjusted EBITDA in prior press releases announcing its financial results.
- (6) To supplement Green Dot's consolidated financial statements presented in accordance with GAAP, Green Dot uses measures of operating results that are adjusted to exclude various, primarily non-cash, expenses and charges. Adjusted EBITDA is widely used to measure a company's operating performance without regard to items, such as non-operating net interest income and expense, income tax benefit and expense, depreciation and amortization, stock-based compensation and related employer payroll taxes, changes in the fair value of contingent consideration, impairment charges, and certain other income and expenses that are not reflective of ongoing operating results. Green Dot excludes this income and expenses as they are not considered when management evaluates segment performance.
- (7) Please refer to Green Dot's latest Annual Report on Form 10-K for a description of the key business metrics other than direct deposit active accounts.
- (8) Number of active accounts and direct deposit active accounts represent the average for the fiscal year.
- (9) Represents the sum of Consumer Services and B2B Services segments.
- (10) Represents a sub-set of the number of active accounts within Consumer Services that are enrolled in direct deposit. Direct deposit active accounts represent accounts that have received one or more payroll or government benefit transaction during the period.