Table of Contents

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

FORM 10-K

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended **December 31, 2019**

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number **001-34819**

(Exact name of Registrant as specified in its charter)

Delaware	**95-4766827**
(State or other jurisdiction of incorporation or organization)	*(IRS Employer Identification No.)*
3465 E. Foothill Blvd. **Pasadena, California 91107**	**(626) 765-2000**
(Address of principal executive offices, including zip code)	*(Registrant's telephone number, including area code)*

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

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☑

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ 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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

The aggregate market value of the common equity held by non-affiliates of the registrant (assuming for these purposes, but without conceding, that all executive officers, directors and 10% or greater stockholders are "affiliates" of the registrant) as of June 30, 2019, the last business day of the registrant's most recently completed second fiscal quarter, was approximately $2.1 billion (based on the closing sale price of the registrant's common stock on that date as reported on the New York Stock Exchange).

There were 52,784,584 shares of Class A common stock, par value $0.001 per share, as of January 31, 2020.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant’s proxy statement relating to the registrant’s 2020 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K where indicated.

GREEN DOT CORPORATION
TABLE OF CONTENTS

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements regarding future events and our future results that are subject to the safe harbors created under the Securities Act of 1933 (the “Securities Act”) and the Securities Exchange Act of 1934 (the “Exchange Act”). All statements other than statements of historical facts are statements that could be deemed to be forward-looking statements. These statements are based on current expectations, estimates, forecasts and projections about the industries in which we operate and the beliefs and assumptions of our management. Words such as “expects,” “anticipates,” “targets,” “goals,” “projects,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “continues,” “endeavors,” “strives,” “may” and “assumes,” variations of such words and similar expressions are intended to identify forward-looking statements. In addition, any statements that refer to projections of our future financial performance, our anticipated growth and trends in our businesses, and other characterizations of future events or circumstances are forward-looking statements. Readers are cautioned that these forward-looking statements are subject to risks, uncertainties, and assumptions that are difficult to predict, including those identified below, under “Part I, Item 1A. Risk Factors,” and elsewhere herein. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. We undertake no obligation to revise or update any forward-looking statements for any reason.

In this report, unless otherwise specified or the context otherwise requires, “Green Dot,” “we,” “us,” and “our” refer to Green Dot Corporation and its consolidated subsidiaries, the term “GPR cards” refers to general purpose reloadable prepaid debit cards, the term “prepaid cards” refers to prepaid debit cards and the term “our cards” refers to our Green Dot-branded and co-branded GPR cards. In addition, “prepaid financial services” refers to GPR cards and associated reload services, a segment of the prepaid card industry.

PART I

ITEM 1. Business

Overview

Green Dot Corporation is a financial technology leader and bank holding company with a mission to reinvent banking for the masses. Our company's long-term strategy is to create a unique, sustainable and highly valuable fintech ecosystem, in part through the continued evolution of Green Dot's innovative Banking as a Service ("BaaS") platform, that's intended to fuel the engine of innovation and growth for Green Dot and its business partners.

Enabled by proprietary technology, our commercial bank charter and our high-scale program management operating capability, our vertically integrated technology and banking platform is used by a growing list of America's most prominent consumer and technology companies to design and deploy their own bespoke financial services solutions to their customers and partners, while we use that same integrated platform for our own leading collection of banking and financial services products marketed directly to consumers through what we believe to be the most broadly distributed, omni-channel branchless banking platforms in the United States.

We earn revenues primarily through fees assessed to merchants for purchase transactions initiated by our cardholders (commonly known as interchange), fees charged to cardholders for certain transactions and usage of our products, interest income earned from deposits held at Green Dot Bank (our wholly-owned subsidiary bank), fees charged to consumers for money movement services, and platform fees we earn from our partners for use of our technology platform and our program management capabilities.

As the regulated entity and issuing bank for the substantial majority of products and services we provide, whether our own or on behalf of a BaaS platform partner, we are directly accountable for all aspects of each program's integrity, inclusive of ensuring the program's compliance with all applicable banking regulations, state and federal law and our various internal governance policies and procedures, in addition to deploying enterprise-class risk management practices and procedures to ensure each program's initial and ongoing safety and soundness.

We are headquartered in Pasadena, California, with additional facilities throughout the United States and in Shanghai, China.

Our Products and Services

Our products and services are divided among our two reportable segments: 1) Account Services and 2) Processing and Settlement Services.

Account Services

We offer several deposit account programs that can be acquired through our omni-channel "branchless" distribution platform. These products include:

- Innovative consumer and small business checking account products that allow customers to acquire and manage their checking account entirely through a mobile application available on smartphone devices;
- Network-branded reloadable prepaid debit cards marketed under several leading consumer brand names, collectively referred to as General Purpose Reloadable or GPR cards;
- Network-branded gift cards (known as open-loop) that are sold at participating retail stores; and
- Secured credit programs designed to help people establish or rehabilitate their national credit bureau score. These programs are backed by the customer's own security deposit held on deposit at Green Dot Bank or other banks in accounts held under our control and therefore, we have no risk of material loss resulting from the customer's non-payment of their obligation.

Processing and Settlement Services

We offer several products and services that all specialize in facilitating the movement of funds on behalf of consumers and businesses, referred to as Money Processing and Tax Processing services.

Money Processing

Our Money Processing products and services include:

- Our "Reload@TheRegister" swipe reload service allows consumers to add funds at the point-of-sale at any participating retailer to accounts we issue or manage and accounts issued by any third-party bank or program

manager, which we refer to as network acceptance members, that has enabled its cards to accept funds through our processing system.

- Our MoneyPak PIN product provides consumers the ability to add funds at the point-of-sale at any participating retailer to accounts we issue or manage and accounts issued by any third party bank or program manager that has enabled its cards to accept funds through our processing system.
- Our e-cash remittance service enables consumers to add funds at the point-of-sale at any participating retailer to accounts we issue or manage and accounts issued by any third party bank or program manager that has enabled its accounts to accept funds through our processing system. Consumers can also cash-out money sent to them by a business through the use of our e-cash remittance service when Green Dot sends a unique barcode to the customer's smartphone, which is then presented to a cashier at a participating retailer who then scans the barcode to fulfill the transfer.

We refer to the services above collectively as our cash transfer products.

We also provide our Simply Paid Disbursement service that enables wages and any type of authorized funds disbursement to be sent to accounts we issue or manage and accounts issued by any third-party bank or program manager that has enabled its cards to accept funds through our processing system.

Tax Processing

We offer several services designed for participants in the tax industry, referred to as Tax Processing services. Those services include:

- Tax refund transfers that provide the processing technology to facilitate receipt of a taxpayers' refund proceeds. When a customer of a third-party tax preparation provider chooses to pay their tax preparation fees using our processing services, we deduct the tax preparation service fee and our processing service fee from the customer's refund and remit the remaining balance to the customer's account;
- Small business lending to independent tax preparation providers that seek small advances in order to help provide working capital prior to generating income during the tax filing season;
- Fast Cash Advance, a consumer-friendly loan that enables tax refund recipients utilizing our tax processing services the opportunity to receive a portion of their expected tax refund amount in advance of receiving their actual tax refund.

Our Market Strategy

In addition to how we organize our two reportable segments, we also consider our product and service offerings based on our market distribution strategies, as follows:

Consumer Business

We offer our branded card programs and the Walmart MoneyCard to a broad group of consumers, ranging from never-banked to fully-banked consumers. We focus our sales and marketing efforts on acquisition of long-term users of our products, enhancing our brands and image, building market adoption and awareness of our products, improving customer retention, and increasing card usage.

Our products can be acquired through our omni-channel "branchless" distribution platform that consists of:

- distribution arrangements with more than 100,000 mostly major chain retail locations, which we refer to as "retail distributors" and thousands of neighborhood Financial Service Center locations;
- several differently branded, Green Dot-owned and operated direct-to-consumer online and direct mail customer acquisition platforms;
- card offerings that are integrated into the tax preparation software that enables a tax preparation provider to offer its customers a Green Dot Bank-issued GPR card for the purpose of receiving tax refunds more rapidly and securely than check disbursements; and
- apps compatible with the iOS and Android operating systems downloaded through the corresponding app store.

Platform Services Business

We partner with enterprises to make our banking products and services available to their consumers, partners and workforce through integration with our technology platform. Our platform service offerings include the following:

- Card programs offered by our BaaS partners through their channels of trade (our "BaaS" account programs);
- Card programs offered by corporate enterprises that provide payroll cards to their employees to receive wage disbursements (our "PayCard" programs);
- Money Processing services offered to consumers through our Consumer Business, our BaaS partners and other third-party bank or program managers;
- Tax Processing services through more than 25,000 small and large tax preparation companies and individual tax preparers, which are sometimes referred to as electronic return originators, or “EROs”, who are able to offer our products and services to their customers through the use of various tax preparation industry software packages with which our products are integrated; and
- Capital and deposit taking services provided by Green Dot Bank.

Through Green Dot Bank, we offer issuing, settlement and capital management services principally to support those applicable products across both reporting segments. Our banking services include:

- Issuing services as the payment network member bank and settlement bank for our GPR card, spend-based P2P programs, gift card and checking account products;
- Credit card issuing and capital lending services for our Green Dot Platinum Visa Secured Credit Card; and
- Settlement bank for our reload and tax refund services within our Processing and Settlement Services segment.

Green Dot Bank also generates interest income through the investment of funds from its capital and the increasing deposits it receives in respect of our products and services, as well as the products and services we enable for our BaaS platform partners.

Products within our Account Services segment are generally issued by Green Dot Bank. As a result of acquisitions over the past few years, we also manage programs issued by third-party issuing banks.

Our Technology Platform

Our vertically integrated technology and banking platform utilizes a combination of proprietary and third-party technologies and services to power a large ecosystem of financial service solutions through numerous distribution channels. This platform, which is used by several of America’s largest retail, consumer, technology and financial services companies, offers many products, services and bespoke capabilities, including the following:

Consumer features	
Early direct deposit	Bill pay
Custom reward programs	Back-up balance
Savings	Mobile P2P services
Free ATM networks	Mobile banking
Retail cash solutions	

Platform capabilities	
Consumer checking accounts	Instant payment and wage disbursements
Small business checking accounts	Mobile app/UX development
Loan disbursement accounts	Product innovation
GPR cards	Card production and fulfillment
Payroll cards	Real-time data and webhooks
Network branded "open loop" gift cards	Fraud management
Money transfer services	Customer support
Tax solutions	Custom settlement procedures

Our Relationship with Walmart

Walmart is our largest retail distributor. Green Dot Corporation has been the provider of Walmart-branded GPR cards sold at Walmart since the initiation of the Walmart MoneyCard pilot program in 2006 and that product's national launch in 2007, and Green Dot Bank has been the issuer of those card accounts since early 2014. Pursuant to our agreement with Walmart, Green Dot designs and delivers the Walmart MoneyCard product and provides all ongoing program support, including network IT, regulatory and legal compliance, website functionality, customer service and loss management. Walmart provides us with shelf space to display and offer the card accounts to consumers. As the issuing bank, Green Dot Bank holds the associated FDIC-insured deposits. All Walmart MoneyCard products are reloadable exclusively on the Green Dot Network. In addition to Walmart MoneyCards, we offer our Green Dot-branded cards and our GoBank checking account product at Walmart, providing consumers the choice to purchase either Green Dot-branded products or Walmart MoneyCard products. Our operating revenues derived from the several products and services we offer through Walmart stores and other Walmart distribution avenues in aggregate represented approximately 34%, 36%, and 40% of our total operating revenues for the years ended December 31, 2019, 2018, and 2017, respectively.

Seasonality

We experience seasonal fluctuations in revenue, with the first half of each year being favorably affected by large numbers of taxpayers electing to receive their tax refunds via direct deposit on our cards. Additionally, our tax refund processing services business is highly seasonal as it generates the majority of its revenue in the first quarter, and substantially all of its revenue in the first half of each calendar year. We expect our revenue in future periods to continue to fluctuate due to the seasonal factors described above.

Competition

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. Furthermore, many of our 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 price competition as a result of new entrants offering free or low-cost alternatives to our products and services.

We compete primarily on the basis of the following:

- breadth of distribution;
- speed and quality of innovation;
- reliability of system performance and security;
- scalability of platform services;
- quality of service;
- compliance and regulatory capabilities;
- brand recognition and reputation; and
- pricing.

We believe our products or platform services compete favorably with respect to these factors.

Intellectual Property

We rely on a combination of patent, trademark and copyright laws and trade secret protections in the United States, as well as confidentiality procedures and contractual provisions, to protect the intellectual property rights related to our products and services.

We own several trademarks, including Green Dot and GoBank. Through agreements with our network acceptance members, retail distributors and customers, we authorize and monitor the use of our trademarks in connection with their activities with us.

Our patent portfolio currently consists of 12 issued patents and 6 patent applications pending. The term of the patents we hold is, on average, 20 years. We feel our patents and applications are important to our business and help to differentiate our products and services from those of our competitors.

The industries in which we compete are characterized by rapidly changing technology, a large number of patents, and frequent claims and related litigation regarding patent and other intellectual property rights. There can be no assurance that our patents and other proprietary rights will not be challenged, invalidated, or circumvented; that others will not assert intellectual property rights to technologies that are relevant to us; or that our rights will give us a competitive advantage. In addition, the laws of some foreign countries may not protect our proprietary rights to the same extent as the laws of the United States. The risks associated with patents and intellectual property are more fully discussed in "Item 1A. Risk Factors," including the risk factors entitled "*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."*

Regulation and Supervision

General

Our business is heavily regulated by both federal and state agencies. We and our subsidiaries are subject to supervision, regulation and examination by various federal and state regulators, including the Board of Governors of the Federal Reserve System (the "Federal Reserve"), the Utah Department of Financial Institutions (the "Utah DFI") and various other state regulatory agencies. The statutory and regulatory framework that governs us is generally intended to protect depositors and customers, the FDIC's Deposit Insurance Fund ("DIF"), the U.S. banking and financial system, and financial markets as a whole.

Banking statutes, regulations and policies are continually under review by Congress, state legislatures and federal and state regulatory agencies. In addition to laws and regulations, federal and state bank regulatory agencies may issue policy statements, interpretive letters and similar written guidance applicable to Green Dot Corporation and its subsidiaries. Any change in the statutes, regulations or regulatory policies applicable to us, including changes in their interpretation or implementation, could have a material effect on our business.

Both the scope of the laws and regulations and the intensity of the supervision to which bank holding companies such as Green Dot Corporation are subject increased in response to the global financial crisis of 2008, as well as other factors such as technological and market changes. Regulatory enforcement and fines have also increased across the banking and financial services sector. Many of these changes occurred as a result of the Dodd-Frank Wall Street Reform and Consumer Protect Act (the "Dodd-Frank Act") and its implementing regulations, most of which are now in place. While the regulatory environment has entered a period of tailoring and rebalancing of the post financial crisis framework, we expect that our business will remain subject to extensive regulation and supervision.

We are also subject to the disclosure and regulatory requirements of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, both as administered by the SEC, as well as the rules of the New York Stock Exchange that apply to companies with securities listed on the New York Stock Exchange.

The following discussion describes certain elements of the comprehensive regulatory framework applicable to us. This discussion is not intended to describe all laws and regulations applicable to Green Dot Corporation, Green Dot Bank and our other subsidiaries. Any changes in applicable laws, regulations or the interpretations thereof could have a material adverse effect on our business.

Regulatory Agencies

In 2011 we completed our acquisition of Bonneville Bancorp and became a bank holding company ("BHC") registered with the Federal Reserve under the Bank Holding Company Act of 1956 ("BHC Act"). As a BHC, Green Dot Corporation is subject to the requirements of the BHC Act as well as supervision, regulation and examination by the Federal Reserve, which serves as the primary federal banking regulator of our consolidated organization.

As an FDIC-insured commercial bank that is chartered under the laws of Utah and a member of the Federal Reserve System, Green Dot Bank and its subsidiaries are subject to regulation, supervision and examination by the Federal Reserve and the Utah DFI.

The Consumer Financial Protection Bureau ("CFPB") has broad rulemaking authority over a wide range of federal consumer protection laws applicable to the business of Green Dot Bank. Because Green Dot Bank currently has less than $10 billion in total consolidated assets, Green Dot Bank is subject to regulations adopted by the CFPB, but the Federal Reserve is primarily responsible for examining Green Dot Bank's compliance with federal consumer financial laws and those CFPB regulations. The Utah DFI is responsible for examining and supervising Green Dot Bank's compliance with state consumer protection laws and regulations.

Permissible Activities for Green Dot Corporation as a Financial Holding Company

In general, the BHC Act limits the business of BHCs to banking, managing or controlling banks and other activities that the Federal Reserve has determined to be so closely related to banking as to be a proper incident thereto. Under the BHC Act, BHCs that have qualified and elected to be treated as a financial holding company ("FHC") generally may engage in a broader range of additional activities that are (i) financial in nature or incidental to such financial activities or (ii) complementary to a financial activity and do not pose a substantial risk to the safety and soundness of depository institutions or the financial system generally. A BHC qualifies to become an FHC if it and its subsidiary depository institutions are "well capitalized" and "well managed" and its subsidiary depository institutions have a rating under the Community Reinvestment Act ("CRA") of at least "Satisfactory" at their most recent examination. We have qualified and elected to be an FHC under the BHC Act, although all the activities we currently conduct are permissible for a BHC.

If at any time we or Green Dot Bank fail to be "well capitalized" or "well managed," the Federal Reserve may impose limitations or conditions on the conduct of our activities and 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."

In connection with our acquisition of Bonneville Bancorp in 2011 and our subsequent acquisition of certain assets and certain deposit liabilities of GE Capital Retail Bank in 2013, we submitted business plans to the Federal Reserve. Under commitments made to the Federal Reserve and the Utah DFI, we must obtain prior approval from the Federal Reserve for any major deviation or material change from the business plan we submitted in 2013. Accordingly, commitments made in connection with our business plan may limit our activities.

Permissible Activities for Banks

The activities of Green Dot Bank are limited to those specifically authorized under Utah banking laws and Utah DFI regulations and permissible under applicable federal law and Federal Reserve regulations.

Supervision, Examination and Enforcement

Bank regulators regularly examine the operations of BHCs and banks. Examination results are confidential and generally may not be disclosed. In addition, BHCs and banks are subject to periodic reporting and filing requirements. The Federal Reserve and Utah DFI have broad supervisory and enforcement authority with regard to BHCs and banks, including the power to conduct examinations and investigations, impose nonpublic supervisory agreements, issue cease and desist orders, impose fines and other civil and criminal penalties, terminate deposit insurance and appoint a conservator or receiver.

Bank regulators have various remedies available if they determine that the financial condition, capital resources, asset quality, earnings prospects, management, liquidity or other aspects of a banking organization's operations are unsatisfactory. The regulators may also take action if they determine that the banking organization or its management is violating or has violated any law or regulation. The regulators have the power to, among other things, prohibit unsafe or unsound practices, require affirmative actions to correct any violation or practice, issue administrative orders that can be judicially enforced, direct increases in capital, direct the sale of subsidiaries or other assets, limit dividends and distributions, restrict growth, assess civil monetary penalties, remove officers and directors, and terminate deposit insurance.

Engaging in unsafe or unsound practices or failing to comply with applicable laws, regulations and supervisory agreements could subject Green Dot Corporation, its subsidiaries, including Green Dot Bank, and their respective officers, directors and institution-affiliated parties to the remedies described above and other sanctions. In addition, the FDIC may terminate a bank's deposit insurance upon a finding that the bank's financial condition is unsafe or unsound or that the bank has engaged in unsafe or unsound practices or has violated an applicable rule, regulation, order or condition enacted or imposed by the bank's regulatory agency.

Bank and BHC Acquisitions and Mergers

The BHC Act, the Bank Merger Act, Utah's Financial Institutions Act and other federal and state statutes regulate acquisitions of banks and other FDIC-insured depository institutions. Green Dot Corporation must obtain the prior approval of the Federal Reserve before (i) acquiring direct or indirect ownership or control of any voting shares of any bank or BHC, if after such acquisition, it will directly or indirectly own or control 5% or more of any class of voting shares of the institution, (ii) acquiring all or substantially all of the assets of any bank (other than directly through Green Dot Bank) or (iii) merging or consolidating with any other BHC. Under the Bank Merger Act, the prior approval of the Federal

Reserve is required for Green Dot Bank to merge with another bank or purchase all or substantially all of the assets or assume any of the deposits of another FDIC-insured depository institution. In reviewing applications seeking approval of merger and acquisition transactions, bank regulators consider, among other things, the competitive effect and public benefits of the transactions, the capital position and managerial resources of the combined organization, the risks to the stability of the U.S. banking or financial system, the applicant's performance record under the CRA, the applicant's compliance with fair housing and other consumer protection laws and the effectiveness of all organizations involved in combating money laundering activities. In addition, failure to implement or maintain adequate compliance programs could cause bank regulators not to approve an acquisition where regulatory approval is required or to prohibit an acquisition even if approval is not required.

Acquisitions of Ownership of Green Dot Corporation

The ability of a third party to acquire our stock is also limited under applicable U.S. banking laws, including regulatory approval requirements.

Federal Banking Law. The BHC Act requires any BHC to obtain the approval of the Federal Reserve before acquiring, directly or indirectly, more than 5% of our outstanding common stock. Any “company,” as defined in the BHC Act, other than a BHC is required to obtain the approval of the Federal Reserve before acquiring "control" of us. "Control" generally means (i) the ownership or control of 25% or more of a class of voting securities, (ii) the ability to elect a majority of the directors or (iii) the ability otherwise to exercise a controlling influence over management and policies. An entity that controls us for purposes of the BHC Act is subject to regulation and supervision as a BHC under the BHC Act. In addition, under the Change in Bank Control Act of 1978, as amended (the “CIBC Act”), and the Federal Reserve’s regulations thereunder, any person, either individually or acting through or in concert with one or more persons, is required to provide notice to the Federal Reserve prior to acquiring control, directly or indirectly, of a BHC such as Green Dot Corporation. For purposes of the CIBC Act, a rebuttable presumption of control applies to acquisitions of more than 10% of any class of a BHC’s voting stock under certain circumstances including if, as is the case with Green Dot Corporation, the issuer has registered securities under Section 12 of the Securities Exchange Act of 1934.

Utah Change in Control Restrictions. Utah’s Financial Institutions Act generally requires prior approval of the Utah DFI before a person or entity may acquire, directly or indirectly, control of a depository institution or a depository institution holding company subject to its jurisdiction. The Utah DFI defines control to include, among other things, the power, directly or indirectly, or through or in concert with one or more persons, to vote more than 10% of any class of voting securities by a person other than an individual or to vote 20% or more of any class of voting securities by an individual.

Capital and Liquidity Requirements

In General. The U.S. banking agencies have adopted regulatory capital rules to implement the Basel III regulatory capital framework developed by the Basel Committee on Banking Supervision and related provisions in the Dodd-Frank Act (“U.S. Basel III Rules”). Under the U.S. Basel III Rules, Green Dot Corporation and Green Dot Bank are required to maintain minimum risk-based and leverage capital ratios. Green Dot Corporation and Green Dot Bank must also maintain a capital conservation buffer of 2.5% to avoid becoming subject to restrictions on capital distributions and certain discretionary bonus payments to management. For a discussion of applicable regulatory minimum and well-capitalized minimum capital ratios, as well as a description of relevant definitions related to capital amounts and ratios, see “Management's Discussion and Analysis of Financial Condition and Results of Operations--Capital Requirements for Bank Holding Companies” and *Note 22 — Regulatory Requirements* to the Consolidated Financial Statements included herein, which are incorporated by reference in this Item 1.

The Federal Reserve may require BHCs, including us, to maintain capital substantially in excess of mandated minimum levels, depending upon general economic conditions and a BHC’s particular condition, risk profile and growth plans. The Federal Reserve may also require BHCs or their subsidiaries to make other capital or liquidity commitments. For example, in addition the above generally applicable requirements, Green Dot Bank is subject to commitments that it and Green Dot Corporation have made to the Federal Reserve and the Utah DFI. These commitments require Green Dot Bank to maintain cash and/or cash equivalents in an amount equal to no less than 100 percent of insured deposits generated by Green Dot Bank related to GPR cards, a subset of its total deposits.

Failure to be well-capitalized, to meet minimum capital requirements or to comply with the other commitments to which we and Green Dot Bank are subject could result in certain mandatory and possible additional discretionary actions by regulators, including restrictions on our and Green Dot Bank’s ability to pay dividends or otherwise distribute capital or to receive regulatory approval of applications, or other restrictions on growth.

As of December 31, 2019, our and Green Dot Bank’s regulatory capital ratios were above the well-capitalized standards and met the then-applicable capital conservation buffer. Based on current estimates, we believe that Green

Dot Corporation and Green Dot Bank will continue to exceed all applicable well-capitalized regulatory capital requirements and the capital conservation buffer, on a fully phased-in basis.

FDICIA and Prompt Corrective Action

The Federal Deposit Insurance Corporation Improvement Act of 1991 (“FDICIA”) requires the federal bank regulatory agencies to take “prompt corrective action” in respect of FDIC-insured depository institutions that do not meet certain capital adequacy standards. FDICIA establishes five capital categories ("well-capitalized", "adequately capitalized", "undercapitalized", "significantly undercapitalized" and "critically undercapitalized"), with a depository institution’s categorization for purposes of the prompt corrective action provisions depending upon its level of capitalization and certain other factors. An institution that fails to remain well-capitalized becomes subject to a series of restrictions that increase in severity as its capital condition weakens. Such restrictions may include a prohibition on capital distributions, restrictions on asset growth or restrictions on the ability to receive regulatory approval of applications. FDICIA also provides for enhanced supervisory authority over undercapitalized institutions, including authority for the appointment of a conservator or receiver for the institution. In certain instances, a BHC may be required to guarantee the performance of an undercapitalized subsidiary bank’s capital restoration plan.

Brokered Deposits

As discussed above under “Part I, Item 1A. Risk Factors,” current FDIC guidance classifies the majority of Green Dot Bank’s deposits as brokered. Under FDIC regulations, only banks that are well-capitalized may accept brokered deposits without restriction. A bank that is adequately capitalized may not accept, renew or roll over any brokered deposit unless it has been granted a waiver by the FDIC. If such waiver is granted, the bank may not pay an interest rate on any deposit in excess of 75 basis points over certain prevailing market rates. Undercapitalized banks may not accept, renew or roll over any brokered deposits. Because a majority of Green Dot Bank’s deposits are brokered deposits, failure by Green Dot Bank to remain well-capitalized could negatively affect our operations or financial condition.

In February 2020, the FDIC released a notice of proposed rulemaking seeking comment on proposed revisions to its regulations relating to the brokered deposits restrictions that apply to less than well capitalized insured depository institutions. The FDIC states in the notice of proposed rulemaking that through the proposed changes, it intends to modernize its brokered deposit regulations to reflect recent technological changes and innovations. The proposed rule would create a new framework for analyzing certain provisions of the “deposit broker” definition, which will affect the classification of deposits as “brokered”. We cannot predict whether or when the proposed rule will be implemented and whether it will result in a change in the way our deposits are classified.

Safety and Soundness Guidelines

The federal banking agencies have adopted guidelines prescribing safety and soundness standards relating to internal controls, risk management, information systems, internal audit systems, loan documentation, credit underwriting, interest rate exposure, asset growth and compensation, fees and benefits. These guidelines in general require appropriate systems and practices to identify and manage specified risks and exposures. The guidelines also prohibit excessive compensation as an unsafe and unsound practice and characterize compensation as excessive when the amounts paid are unreasonable or disproportionate to the services performed by an executive officer or employee, director or principal shareholder. In addition, the agencies have adopted regulations that authorize but do not require an agency to order an institution that has been given notice by the agency that it is not in compliance with any of the safety and soundness standards to submit a compliance plan. If after being so notified, an institution fails to submit an acceptable compliance plan, the agency must issue an order directing action to correct the deficiency and may issue an order directing other actions of the types, including those that may limit growth or capital distributions. If an institution fails to comply with such an order, the bank regulator may seek to enforce such order in judicial proceedings and to impose civil money penalties.

Dividend and Share Repurchase Restrictions

Green Dot Corporation is a legal entity separate and distinct from Green Dot Bank and its other subsidiaries. There are limitations on the payment of dividends by Green Dot Bank to Green Dot Corporation, as well as by Green Dot Corporation to its shareholders, under applicable banking laws and regulations. In addition, under the U.S. Basel III Rules we must obtain prior approval from the Federal Reserve before we may redeem or repurchase our common stock.

Federal banking regulators are authorized to determine, under certain circumstances relating to the financial condition of a BHC or a bank, that the payment of dividends would be an unsafe or unsound practice and to prohibit payment thereof. In particular, federal banking regulators have stated that paying dividends that deplete a banking

organization's capital base to an inadequate level would be an unsafe and unsound banking practice and that banking organizations should generally pay dividends only out of current operating earnings.

Under Utah's Financial Institutions Act, Utah-chartered commercial banks, such as Green Dot Bank, may, subject to certain conditions, declare and pay dividends out of their net profits, after providing for all expenses, losses, interest, and taxes accrued or due from the bank.

Green Dot Corporation and Green Dot Bank must maintain the applicable capital conservation buffer to avoid becoming subject to restrictions on capital distributions, including dividends and share repurchases. The capital conservation buffer is currently at its fully phased-in level of 2.5%.

In addition, Federal Reserve policy provides that BHC, such as Green Dot Corporation, should generally pay dividends to shareholders only if (i) the organization's net income available to common shareholders over the past year has been sufficient to fully fund the dividends; (ii) the prospective rate of earnings retention appears consistent with the organization's capital needs, asset quality and overall financial condition and (iii) the organization will continue to meet minimum capital adequacy ratios. The policy also provides that a BHC should inform the Federal Reserve reasonably in advance of declaring or paying a dividend that exceeds earnings for the period for which the dividend is being paid or that could result in a material adverse change to the BHC's capital structure. BHCs also are required to consult with the Federal Reserve before materially increasing dividends and must receive approval before redeeming or repurchasing capital instruments. In addition, the Federal Reserve could prohibit or limit the payment of dividends by a BHC if it determines that payment of the dividend would constitute an unsafe or unsound practice.

Source of Strength

Green Dot Corporation is required to serve as a source of financial and managerial strength to Green Dot Bank and, under appropriate conditions, to commit resources to support Green Dot Bank. This support may be required by the Federal Reserve at times when we might otherwise determine not to provide it or when doing so is not otherwise in the interests of Green Dot Corporation or our shareholders or creditors. The Federal Reserve may require a BHC to make capital injections into a troubled subsidiary bank and may charge the BHC with engaging in unsafe and unsound practices if the BHC fails to commit resources to such a subsidiary bank or if it undertakes actions that the Federal Reserve believes might jeopardize the BHC's ability to commit resources to such subsidiary bank.

Under these requirements, Green Dot Corporation may in the future be required to provide financial assistance to Green Dot Bank should it experience financial distress. Capital loans by Green Dot Corporation to Green Dot Bank, if any, would be subordinate in right of payment to deposits and certain other debts of Green Dot Bank. In the event of Green Dot Corporation's bankruptcy, any commitment by Green Dot Corporation to a federal banking regulator to maintain the capital of Green Dot Bank would be assumed by the bankruptcy trustee and entitled to a priority of payment.

Receivership or Conservatorship of Green Dot Bank

Upon the insolvency of an insured depository institution, such as Green Dot Bank, the FDIC may be appointed as the conservator or receiver of the institution. Acting as a conservator or receiver, the FDIC would have broad powers to transfer any assets or liabilities of the institution without the approval of the institution's creditors or shareholders.

Separately, the Commissioner of the Utah DFI also has the authority to take possession of or appoint a receiver or liquidator of any Utah state-chartered bank, such as Green Dot Bank, under specified circumstances, including where the bank (i) is not in a safe and sound condition to transact its business, (ii) has failed to maintain an adequate level of capital or (iii) is conducting its business in an unauthorized or unsafe manner.

Depositor Preference

The Federal Deposit Insurance Act provides that, in the event of the liquidation or other resolution of an insured depository institution, including Green Dot Bank, the claims of depositors of the institution (including the claims of the FDIC as subrogee of insured depositors) and certain claims for administrative expenses of the FDIC as a receiver would have priority over other general unsecured claims against the institution. If Green Dot Bank were to fail, insured and uninsured depositors, along with the FDIC, would have priority in payment ahead of unsecured, non-deposit creditors, including Green Dot Bank if it were a creditor at that time, with respect to any extensions of credit they have made to such insured depository institution.

Transactions between a Bank and its Affiliates

Federal banking laws and regulations impose qualitative standards and quantitative limitations upon certain transactions between a bank, such as Green Dot Bank, and its affiliates, including between a bank and its holding company and companies that control the BHC or that the BHC may be deemed to control for these purposes. Transactions covered by these provisions must be on terms that are at least as favorable to the bank as those that it

could obtain in a comparable transaction with a non-affiliate, and cannot exceed certain amounts that are determined with reference to the bank's regulatory capital. Moreover, if the transaction is a loan or other extension of credit, it must be secured by collateral in an amount and quality expressly prescribed by statute, and if the affiliate is unable to pledge sufficient collateral, the BHC may be required to provide it.

Federal banking laws also place similar restrictions on loans and other extensions of credit by FDIC-insured banks, such as Green Dot Bank, and their subsidiaries to their directors, executive officers and principal shareholders, as well as to entities controlled by such persons.

Community Reinvestment Act

Under the CRA, an insured depository institution, such as Green Dot Bank, has a continuing and affirmative obligation to help meet the credit needs of its entire community, including low and moderate-income neighborhoods. The CRA does not establish specific lending requirements or programs for insured depository institutions, nor does it limit an insured depository institution's discretion to develop the types of products and services that it believes are best suited to its particular community, consistent with the CRA. However, insured depository institutions are rated on their performance in meeting the needs of their communities.

The CRA requires the appropriate federal banking agency to take an insured depository institution's CRA record into account when evaluating certain applications by the insured depository institution or its holding company, including applications for charters, branches and other deposit facilities, relocations, mergers, consolidations, acquisitions of assets or assumptions of liabilities, and bank and savings association acquisitions. An unsatisfactory record of performance may be the basis for denying or conditioning approval of an application by an insured depository institution or its holding company. The CRA also requires that all institutions publicly disclose their CRA ratings.

Green Dot Bank's CRA compliance is currently evaluated under a CRA strategic plan. Green Dot Bank's strategic plan for 2018 through 2020 focuses on supporting the credit needs of its defined assessment area primarily through direct community development lending, small business lending, and investments and services in Green Dot Bank's designated Metropolitan Statistical Area of Utah and Juab Counties and the state of Utah.

Leaders of the federal banking agencies recently have indicated their support for revising the CRA regulatory framework, and on December 12, 2019, the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation approved for publication in the Federal Register a joint Notice of Proposed Rulemaking to modernize the regulations that implement the CRA. We cannot predict whether any changes will be made to applicable CRA requirements.

Insurance of Deposit Accounts

The deposits of Green Dot Bank are insured by the DIF up to the standard maximum deposit insurance amount of $250,000 per depositor. Green Dot Bank is subject to deposit insurance assessments based on the risk it poses to the DIF, as determined by the capital category and supervisory category to which it is assigned. Brokered deposits are subject to an assessment rate adjustment of up to 10 basis points, and therefore are generally assessed at a higher rate. The FDIC has authority to raise or lower assessment rates on insured deposits in order to achieve statutorily required reserve ratios in the DIF and to impose special additional assessments. There is a risk that Green Dot Bank's deposit insurance premiums will increase if failures of insured depository institutions deplete the DIF or if the FDIC changes its view of the risk Green Dot Bank poses to the DIF or increases the assessment rate adjustment applicable to Green Dot Bank's brokered deposits.

Relationships with Third-Party Issuing Banks

While Green Dot Bank acts as our banking partner for most of our products and services, we offer some products and services through arrangements with federally- or state-chartered third-party banks. We are subject to contractual requirements with those banks and are indirectly subject to the oversight of our banking partners' regulators with respect to the laws and regulations that apply to each such product or service. These types of third-party relationships are subject to increasingly demanding regulatory requirements and attention by federal banking regulators. Regulatory guidance requires financial institutions to enhance their due diligence, ongoing monitoring and control over their third-party vendors and other ongoing third-party business relationships.

As a result, our relationships with third-party banks may require us to undertake compliance actions similar to those that we or Green Dot Bank must perform for the products and services issued by Green Dot Bank.

Anti-Money Laundering Rules

The Bank Secrecy Act ("BSA"), the USA PATRIOT Act of 2001 and other laws and regulations require financial institutions, among other duties, to institute and maintain an effective anti-money laundering ("AML") program and file suspicious activity and currency transaction reports when appropriate. Among other things, these laws and regulations require Green Dot Corporation and Green Dot Bank to take steps to prevent the use of Green Dot Bank to facilitate the flow of illegal or illicit money, to report large currency transactions and to file suspicious activity reports. We also are required to develop and implement a comprehensive AML compliance program and must also have in place appropriate "know your customer" policies and procedures. We have adopted policies and procedures to comply with these requirements.

The bank regulatory agencies have increased the regulatory scrutiny of the BSA and anti-money laundering programs maintained by financial institutions. Significant penalties and fines, as well as other supervisory orders may be imposed on a financial institution for non-compliance with BSA/AML requirements.

Office of Foreign Assets Control Regulation

OFAC is responsible for administering economic sanctions that affect transactions with designated foreign countries, nationals and others, as defined by various Executive Orders and Acts of Congress. OFAC-administered sanctions take many different forms. OFAC also publishes lists of persons, organizations and countries suspected of aiding, harboring or engaging in terrorist acts, known as Specially Designated Nationals and Blocked Persons. Blocked assets (e.g., property and bank deposits) cannot be paid out, withdrawn, set off or transferred in any manner without a license from OFAC. Failure to comply with these sanctions could have serious legal and reputational consequences.

Privacy and Data Security Laws

Green Dot Bank is subject to a variety of federal and state privacy and data security laws, which govern the collection, safeguarding, sharing and use of customer information, and require that financial institutions have in place policies regarding information privacy and security. For example, the Gramm-Leach-Bliley Act of 1999 ("GLBA") requires all financial institutions offering financial products or services to retail customers to provide such customers with the financial institution's privacy policy and practices for sharing nonpublic information with third parties, provide advance notice of any changes to the policies and provide such customers the opportunity to "opt out" of the sharing of certain personal financial information with unaffiliated third parties. It also requires banks to safeguard personal information of consumer customers.

Some state laws also protect the privacy of information of state residents and require adequate security for such data, and certain state laws may, in some circumstances, require Green Dot Bank to notify affected individuals of security breaches of computer databases that contain their personal information. These laws may also require Green Dot Bank to notify law enforcement, regulators or consumer reporting agencies in the event of a data breach, as well as businesses and governmental agencies that own data.

Data privacy and data security are areas of increasing state legislative focus. For example, in June of 2018, the Governor of California signed into law the California Consumer Privacy Act of 2018 ("CCPA"). The CCPA, which became effective on January 1, 2020, applies to for-profit businesses that conduct business in California and meet certain revenue or data collection thresholds. The CCPA gives consumers the right to request disclosure of information collected about them, and whether that information has been sold or shared with others, the right to request deletion of personal information (subject to certain exceptions), the right to opt out of the sale of the consumer's personal information and the right not to be discriminated against for exercising these rights. The CCPA contains several exemptions, including an exemption applicable to information that is collected, processed, sold or disclosed pursuant to the GLBA. The California Attorney General has not yet proposed or adopted regulations implementing the CCPA, and the California State Legislature has amended the Act since its passage. Because we have a physical footprint in California, we will be required to comply with the CCPA. The full impact of the CCPA on our business is yet to be determined. In addition, laws similar to the CCPA may be adopted by other states where we do business and the federal government may also pass data privacy or data security legislation.

Like other lenders, Green Dot Bank and other of our subsidiaries use credit bureau data in their underwriting activities. Use of such data is regulated under the Fair Credit Reporting Act ("FCRA"), and the FCRA also regulates reporting information to credit bureaus, prescreening individuals for credit offers, sharing of information between affiliates and using affiliate data for marketing purposes. Similar state laws may impose additional requirements on Green Dot Corporation and Green Dot Bank.

Consumer Protection Laws

The CFPB has broad rulemaking authority over a wide range of federal consumer protection laws that apply to banks and other providers of financial products and services, including the authority to prohibit "unfair, deceptive or abusive" acts and practices. For example, our deposit products and operations are subject to the following federal laws, among others:

- the Truth in Savings Act and Regulation DD issued by the CFPB, which require disclosure of deposit terms to consumers;
- Regulation CC issued by the Federal Reserve, which relates to the availability of deposit funds to consumers;
- the Right to Financial Privacy Act, which imposes a duty to maintain the confidentiality of consumer financial records and prescribes procedures for complying with administrative subpoenas of financial records; and
- the Electronic Fund Transfer Act and Regulation E issued by the CFPB, which govern automatic deposits to and withdrawals from deposit accounts and customers' rights and liabilities arising from the use of automated teller machines and other electronic banking services.

The CFPB has also adopted amendments to Regulation E and Regulation Z to add protections for prepaid accounts ("CFPB Prepaid Rule"). The CFPB Prepaid Rule includes requirements related to treatment of funds on lost or stolen cards, error resolution and investigation, upfront fee disclosures, access to account information, and overdraft features if offered in conjunction with prepaid accounts. The CFPB Prepaid Rule became effective April 1, 2019.

Because Green Dot Bank has less than $10 billion in total consolidated assets, the Federal Reserve, and not the CFPB, is responsible for examining and supervising Green Dot Bank's compliance with these and other federal consumer financial laws and regulations. In addition, the Dodd-Frank Act authorizes state attorneys general and state regulators to enforce consumer protection rules issued by the CFPB. State authorities have recently increased their focus on and enforcement of consumer protection rules.

Money Transmission Licensing and Regulation

Most U.S. states require licenses for persons engaged in the business of money transmission. These U.S. state licensing laws may subject money transmitters to periodic examinations and may require them and their agents to comply with federal and/or state anti-money laundering laws and regulations. We have obtained licenses to operate as a money transmitter in all U.S. jurisdictions in which such a license is required for us to conduct our business.

Payment Networks

In order to provide our products and services, we, as well as Green Dot Bank, are contracted members with Visa and MasterCard. Therefore, we and Green Dot Bank are subject to Visa and MasterCard's respective payment network rules and standards. These rules and standards implicate a variety of our activities and services, including by imposing data security obligations, allocating liability for certain acts or omissions (including liability in the event of a data breach) and providing rules governing how consumers and merchants may use their cards. Payment networks may, and routinely do, modify these rules and standards as they determine in their sole discretion and with or without advance notice to us. These modifications may impose additional costs and expenses on, or may otherwise be disadvantageous to, our business. In addition, we are subject to audit by various payment networks. The payment networks may fine or penalize us or suspend our registration if those audits find that we have failed to comply with applicable rules and standards.

Escheatment Laws

Unclaimed property laws of every U.S. jurisdiction require that we track certain information on our card products and services and that, if customer funds are unclaimed at the end of an applicable statutory abandonment period, the proceeds of the unclaimed property be remitted to the appropriate jurisdiction. We manage escheatment law compliance with respect to our card products and services and have an ongoing program to comply with those laws. Statutory abandonment periods applicable to our card products and services typically range from three to seven years.

Employees

As of December 31, 2019, we had approximately 1,200 employees globally. None of our employees is represented by a labor union or is covered by a collective bargaining agreement. We have never experienced any employment-related work stoppages and consider relations with our employees to be good.

Other Information

We were incorporated in Delaware in 1999 and became a bank holding company under the BHC Act and a member bank of the Federal Reserve System in December 2011.

Our principal executive offices are located at 3465 East Foothill Boulevard, Pasadena, California 91107, and our telephone number is (626) 765-2000.

We maintain a website at www.greendot.com. We make available free of charge, on or through our website via the Investor Relations section at ir.greendot.com, our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and all amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after filing such material electronically or otherwise furnishing it to the Securities and Exchange Commission, or the SEC. References to website addresses in this report are intended to be inactive textual references only, and none of the information contained on our website is part of this report or incorporated in this report by reference.

ITEM 1A. Risk Factors

Risks Related to Our Business

Our operating results may fluctuate in the future, which could cause our stock price to decline.

Our quarterly and annual results of operations may fluctuate in the future as a result of a variety of factors, many of which are outside of our control. If our 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, but not limited to:

- the timing and volume of purchases and use of our products and services;
- the timing and volume of tax refunds processed by us, including the impact of any general delays in tax refund disbursements from the U.S. and State Treasuries;
- the timing and success of new product or service introductions by us or our competitors;
- seasonality in the purchase or use of our products and services;
- changes in the level of interchange rates that can be charged;
- fluctuations in customer retention rates;
- changes in the mix of products and services that we sell;
- changes in the mix of retail distributors through which we sell our products and services;
- the timing of commencement, renegotiation or termination of relationships with significant retail distributors and BaaS platform partners;
- the timing of commencement of new product development and initiatives, the timing of costs of existing product roll-outs and the length of time we must invest in those new products, channels or retail distributors before they generate material operating revenues;
- our ability to effectively sell our products through direct-to-consumer initiatives;
- changes in our or our competitors' pricing policies or sales terms;
- new product offerings from our competitors;
- costs associated with significant changes in our risk policies and controls;
- the amount and timing of costs related to fraud losses;
- the amount and timing of commencement and termination of major advertising campaigns, including sponsorships;
- the amount and timing of costs related to the acquisition of complementary businesses;
- the amount and timing of costs of any major litigation to which we are a party;
- disruptions in the performance of our products and services, including interruptions in the services we provide to other businesses, and the associated financial impact thereof;
- the amount and timing of capital expenditures and operating costs related to the maintenance and expansion of our business, operations and infrastructure;
- interest rate volatility;
- changes in our executive leadership team;
- accounting charges related to impairment of goodwill and other intangible assets;
- our ability to control costs, including third-party service provider costs and sales and marketing expenses in an increasingly competitive market;
- volatility in the trading price of our Class A common stock, which may lead to higher or lower stock-based compensation expenses; and
- changes in the political or regulatory environment affecting the banking, electronic payments or tax refund processing industries.

The loss of operating revenues from Walmart or any of our largest retail distributors would adversely affect our business.

A significant portion of our operating revenues are derived from the products and services sold at our four largest retail distributors. As a percentage of total operating revenues, operating revenues derived from products and services sold at the store locations of Walmart was approximately 34% for the year ended December 31, 2019. We expect that Walmart will continue to have a significant impact on our operating revenues in future periods, particularly in our Account Services segment. It would be difficult to replace Walmart and the operating revenues derived from products and services sold at their stores. Accordingly, the loss of Walmart would 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 could harm our reputation, making it more difficult to attract and retain consumers and other retail distributors, and could lessen our negotiating power with our remaining and prospective retail distributors.

The term of our Walmart Money Card 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 our three other largest retail distributors have terms that expire at various dates between 2020 and 2022, with some subject to automatic renewal provisions. Our contracts with Walmart and our three 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 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 if, among other things, any of our retail distributors 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 Processing and Settlement 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 Processing and Settlement Services segment, results of operations and financial condition would be harmed. 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 any of our current tax preparation partners and our tax preparation partners may elect to not renew their contracts with us with little or no advance notice. As a result, we cannot be assured 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 retail distributors and tax preparation partners, but their interests and operational decisions might not always align with our interests.

Most of our operating revenues are derived from our products and services sold at the stores of our retail distributors. In addition, a large portion of our Processing and Settlement Services revenues is dependent on tax preparation partners as 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 retail distributors and tax preparation partners depend on a number of factors outside our control and may vary from period to period. Because we compete with many other providers of products and services, including competing prepaid cards and tax refund processing 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 our retail distributors and tax preparation partners and their willingness 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 products and services; they could give higher priority to the products and services of other companies for a variety of reasons. Accordingly, losing the support of our retail distributors and tax preparation partners might limit or reduce the sales of our products and services. Our operating revenues and operating expenses may also be negatively affected by operational decisions by our 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 types

for tax refund processing services, including those of our competitors. Even if our retail distributors and tax preparation partners actively and effectively promote our products and services, there can be no assurance that their efforts will maintain or result in growth of our operating revenues.

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. We will continue to make investments in research, development, and marketing for new products and services. Investments in new products and services are speculative. Commercial success depends on many factors, including innovativeness, price, the competitive environment and effective distribution and marketing. 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.

Future revenue growth depends on our ability to retain and attract new long-term users of our products.

Our ability to increase account usage and account holder retention and to attract new 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, account holder retention or attract new long-term users of our products for a number of reasons, including if we are unable to maintain our existing distribution channels, predict accurately 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 account holder behavior through cardholder 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 long-term users of our products. Additionally, while the impact on our total operating revenues from the decline in total number of active accounts in our Account Services segment in recent periods has been limited, if this trend persists over a long period or deteriorates more rapidly in the short term, our financial results would be materially impacted.

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, which could adversely affect our results of operations.

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 who may provide program management and other services though a platform similar to our BaaS platform. These and other competitors in the banking and electronic payments industries are introducing innovative products and services that 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 successfully compete with those of our competitors, our business, results of operations and financial condition will be 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 price competition as a result of new entrants offering free or low-cost alternatives to our products and services. To the extent these new entrants gain market share, we expect that the purchase and use of our products and services would decline. If price competition materially intensifies, we may have to increase the incentives that we offer to our retail distributors and our tax preparation partners and decrease the prices of our products and services, any of which would likely adversely affect our results of operations.

Our long-term success depends on our ability to compete effectively against existing and potential competitors that seek to provide banking and electronic payment products and services or tax refund processing services. If we fail to compete effectively against these competitors, our revenues, results of operations, prospects for future growth and overall business could be materially and adversely affected.

Our business is dependent on the efficient and uninterrupted operation of computer network systems and data centers, including third party systems, and any disruption in the operations of these systems and data centers could materially and adversely affect our business.

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, processing of large numbers of transactions and management of the data necessary to do both. Our success in our account programs, including our BaaS programs, as well as our processing and settlement services, 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 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 due to fire, natural disaster, power loss, telecommunications failures, software or hardware defects, terrorist attacks 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. For example, the data center hosting facilities that we use could be closed without adequate notice or suffer unanticipated problems resulting in lengthy interruptions in our service. Moreover, as we continue to add data centers and add capacity in our existing data centers, we could experience problems transferring customer accounts and data, impairing the delivery of our service.

Any damage to, or failure of, 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 fines or other penalties to them. Sustained or repeated process or system failures could reduce the attractiveness of our products and services, including our BaaS platform, and result in contract terminations, thereby reducing operating revenue and harming our results of operations. Further, negative publicity arising from these types of disruptions could be damaging to our reputation and may adversely impact use of our products and services, including our BaaS platform, and adversely affect 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 potentially to 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.

If we are unable to keep pace with the rapid technological developments in our industry and the larger electronic payments industry necessary to continue providing our BaaS platform partners and cardholders with new and innovative products and services, the use of our cards and other products and services could decline.

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 transition to new services and technologies that we develop may be inhibited by a lack of industry-wide standards, by resistance from our retail distributors, BaaS platform partners, third-party processors or consumers to these changes, or by the intellectual property rights of third parties. Our future success will depend, in part, on our ability to develop new technologies and adapt to technological changes and evolving industry standards. These initiatives are inherently risky, and they may not be successful or may have an adverse effect on our business, financial condition and results of operations.

Fraudulent and other illegal activity involving our products and services could lead to reputational damage to us, reduce the use and acceptance of our cards and reload network, reduce the use of our tax refund processing services, and may adversely affect our financial position and results of operations.

Criminals are using increasingly sophisticated methods to engage in illegal activities using deposit account products (including prepaid cards), reload products, or customer information. Illegal activities involving our products and services often include malicious social engineering schemes. 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 and other products and services, have in the past and could in the future, result in reputational damage to us. Such damage could reduce the use and acceptance of our cards 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 our business, results of operations and financial condition.

In addition, to address the challenges 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 our new card activations for the foreseeable future and that our operating revenues will be negatively impacted as a result.

As a bank holding company, we are subject to extensive and potentially changing regulation and may be required to serve as a source of strength for Green Dot Bank, which may adversely affect our business, financial position and results of operations.

As a bank holding company, we 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 regulations and other commitments we have agreed to, including financial commitments in respect to minimum capital and leverage requirements. If we fail to comply with any of these requirements, we may become subject to formal or informal enforcement actions, proceedings, or investigations, which could result in regulatory orders, restrictions on our business operations or requirements to take corrective actions, which may, individually or in the aggregate, affect our results of operations and restrict our ability to grow. If we fail to comply with the applicable capital and leverage requirements, or if our subsidiary bank fails to comply with its applicable capital and leverage commitments, the Federal Reserve Board may limit our ability to pay dividends or fund stock repurchases, or if we become less than adequately capitalized, require us to raise additional capital. In addition, as a bank holding company and a financial holding company, we are generally prohibited from engaging, directly or indirectly, in any activities other than those permissible for bank holding companies and financial holding companies. This restriction might limit our ability to pursue future business opportunities which we might otherwise consider but which might fall outside the scope of permissible activities.

A substantial portion of Green Dot Bank's deposit liabilities are currently classified as brokered deposits, and the failure by Green Dot Bank to maintain its status as a "well-capitalized" institution could have a serious adverse effect on Green Dot Bank's ability to conduct key portions of its current deposit-taking activity.

A vast majority of Green Dot Bank's deposits are currently classified as brokered. If Green Dot Bank ceases to be categorized as "well capitalized" under banking regulations, it could be prohibited from accepting, renewing or rolling over brokered deposits without the consent of the FDIC. In such a case, the FDIC's refusal to grant consent to our accepting, renewing or rolling over brokered deposits could materially adversely affect the financial condition and operations of Green Dot Bank and the Company and could effectively restrict the ability of Green Dot Bank to operate its business lines as presently conducted.

In February 2020, the FDIC released a notice of proposed rulemaking seeking comment on proposed revisions to its regulations relating to the brokered deposits restrictions that apply to less than well capitalized insured depository institutions. The FDIC states in the notice of proposed rulemaking that through the proposed changes, it intends to modernize its brokered deposit regulations to reflect recent technological changes and innovations. The proposed rule would create a new framework for analyzing certain provisions of the "deposit broker" definition, which will affect the classification of deposits as "brokered". We cannot predict whether or when the proposed rule will be implemented and whether it will result in a change in the way our deposits are classified.

We operate in a highly regulated environment, and failure by us, the banks that issue our cards, the businesses that participate in our reload network, the banks that assist with our tax refund processing services, and our tax preparation partners to comply with applicable laws and regulations could have an adverse effect on our business, financial position and results of operations.

We operate in a highly regulated environment, and failure by us, the banks that issue our cards or the businesses that participate in our reload network or other business partners to comply with the laws and regulations to which we 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 and to help detect and prevent money laundering, terrorist financing and other illicit activities. For example, we are subject to the anti-money laundering reporting and recordkeeping requirements of the Bank Secrecy Act ("BSA"), as amended by the PATRIOT Act. In addition, legal requirements relating to the collection, storage, handling, use, disclosure, transfer, and security of personal data continue to increase, along with enforcement actions and investigations by regulatory authorities related to data security incidents and privacy violations.

Many of these laws and regulations are evolving, can be unclear and inconsistent across various jurisdictions, and ensuring compliance with them is difficult and costly. Failure by us or those businesses to comply with the laws and regulations to which we are or may become subject could result in 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 materially and adversely affect our business, operating results and financial condition.

Changes in laws and regulations to which we are subject, or to which we may become subject, may increase our costs of operation, decrease our operating revenues and disrupt our business.

The banking, financial technology, transaction processing and tax refund processing services industries are highly regulated and, from time to time, the federal and state laws and regulations affecting these industries, and the manner in which they are interpreted, are subject to change and legal action. 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 on our results of operations. For example, we could face more stringent anti-money laundering 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.

If additional regulatory requirements were imposed on the sale of our products and services and our bank, the requirements could lead to a loss of retail distributors, tax preparation partners or other business partners, which, in turn, could materially and adversely impact our operations. Moreover, if our products are adversely 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 any 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 have a material adverse effect on our business, financial position and results of operations.

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 may propose and adopt new legislation that could result in significant adverse changes in the regulatory landscape for financial institutions and financial services companies.

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, such as Visa and MasterCard, or changes in debit network fees or products or interchange rates, could adversely affect 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,

such as MasterCard PTS. 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 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 our business, results of operations and financial condition.

Furthermore, a substantial portion of our operating revenues is derived from interchange fees. For the year ended December 31, 2019, interchange revenues represented 29.8% 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 our subsidiary bank are exempt from the limitations imposed by the Dodd-Frank Act, there can be no assurance that future regulation or changes by the payment networks will not impact our interchange revenues substantially. 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 materially and adversely affected.

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. This guidance, which constitutes forward-looking statements, is based upon a number of management's assumptions and estimates that, while presented with numerical specificity, are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control, and are based upon specific assumptions with respect to future business decisions, some of which will change. While we have stated and we intend to continue to state possible outcomes as high and low ranges that are intended to provide a sensitivity analysis as variables are changed, we can provide no assurances that actual results will not fall outside of the suggested ranges.

The principal reason that we release guidance is to provide a basis for our management to discuss our business outlook with analysts and investors. We do not accept any responsibility for any projections or reports published by any of these persons.

Guidance is necessarily speculative in nature, 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. For example, on a number of occasions over the last several years we adjusted our revenue guidance when actual results varied from our assumptions. Accordingly, our guidance is only an estimate of what management believes is realizable as of the date of release. Actual results will vary from our guidance and the variations may be material.

Any failure to implement our operating strategy successfully or the occurrence of any of the events or circumstances set forth in this Item 1A could result in our actual operating results being different from our guidance, and such differences may be adverse and material.

We receive important services from third-party vendors. Replacing them would be difficult and disruptive to our business.

Some services relating to our business, including fraud management and other customer verification services, transaction processing and settlement, 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 and our business and operations could be adversely affected. In particular, due to the seasonality in our business, any material service interruptions or service delays with key vendors during the tax season could result in losses that have an even greater adverse effect on that business than would be the case with our overall business.

Our business could suffer if there is a decline in the use of prepaid cards as a payment mechanism or there are adverse developments with respect to the prepaid financial services industry in general.

As the prepaid financial services industry evolves, consumers may find prepaid financial services to be less attractive than traditional or other financial services. Consumers might not use prepaid financial services for any number of reasons, including the general perception of our industry, new technologies and a decrease in our distribution partners' willingness to sell these products as a result of a more challenging regulatory environment. If consumers do not continue or increase their usage of prepaid cards, including making changes in the way prepaid cards are loaded, our operating revenues may decline. Any projected growth for the industry may not occur or may occur more slowly than estimated. If consumer acceptance of prepaid financial services does not continue to develop or develops more slowly than expected or 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 material adverse effect on our financial position and results of operations.

A data security breach could expose us to liability and protracted and costly litigation, and could adversely affect 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 in connection with the sale and use of our products and services. Our encryption software and the other technologies we use to provide security for storage, processing and transmission of confidential customer and other information may not be effective to protect against data security breaches by third parties. The risk of unauthorized circumvention of our security measures has been heightened by advances in computer capabilities and the increasing sophistication of 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 security breaches 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 or other customer or end-customer data and account information are stored could lead to fraudulent activity involving our products and services, reputational damage and claims or regulatory actions against us. If we are sued in connection with any data security breach, we could be involved in protracted and costly litigation. If unsuccessful in defending that litigation, we might be forced to pay damages and/or change our business practices, any of which could have a material adverse effect on our operating revenues and profitability. We would also likely have to pay (or indemnify the banks that issue our 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 at one of the third-party banks that issue our cards or at 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 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.

Litigation or investigations could result in significant settlements, fines or penalties.

We are subject to regulatory oversight in the normal course of our business and have been and from time to time may be subject to securities class actions 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 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. The monetary and other impact 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 may be significant. Further, an unfavorable resolution of litigation, proceedings or investigations against us could have a 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, 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. The outcome of any such litigation is difficult to predict and the cost to defend, settle or otherwise resolve these matters may be significant. For the foregoing reasons, if regulatory or judicial proceedings or investigations were to be initiated against us by private or governmental entities, our business, results of operations and financial condition could be adversely affected or our stock price could decline.

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.

The Green Dot, GoBank, MoneyPak, TPG and other brands and marks are important to our business, and we utilize trademark registrations and other means to protect them. Our business would be harmed if we were unable to protect our brand against infringement and its value was to decrease as a result.

We 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 12 issued patents and 6 patent applications 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. These assertions may increase over time as a result of our growth and the general increase in the pace of patent claims assertions, particularly in the United States. 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 our business, results of operations, financial condition and prospects.

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 materially and adversely affected.

Additionally, our cardholders can incur charges in excess of the funds available in their accounts, and we may become liable for these overdrafts. While we decline authorization attempts for amounts that exceed the available balance in a cardholder’s account, the application of card association rules, the timing of the settlement of transactions and the assessment of the card’s monthly maintenance fee, among other things, can result in overdrawn accounts.

Maintenance fee assessment overdrafts occur as a result of our charging a cardholder, pursuant to the card’s terms and conditions, the monthly maintenance fee at a time when he or she does not have sufficient funds in his or her account. Our remaining overdraft exposure arises primarily from late-posting. A late-post occurs when a merchant posts a transaction within a payment network-permitted timeframe 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 amount of the transaction even if the cardholder has made additional purchases in the intervening period and funds are no longer available on the card at the time the transaction is posted.

We consider overdrawn account balances to be our receivables due from cardholders. We maintain reserves to cover the risk that we may not recover these receivables due from our cardholders, 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 materially and adversely affected.

Acquisitions or investments could disrupt our business and harm our financial condition.

We have in the past acquired, and we expect to acquire in the future, other businesses and technologies. 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 accounting, information management, human resource and other administrative systems and operations generally with ours;
- integration of employees from the acquired company into our organization;
- loss or termination of employees, including costs associated with the termination or replacement of those 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 to our business generally. Unanticipated costs, delays or other operational or financial problems related to integrating the acquired company and business with our company may result in the diversion of our management's attention from other business issues and opportunities. To integrate acquired businesses, we must implement our technology systems in the acquired operations and integrate and manage the personnel of the acquired operations. We also must effectively integrate the different cultures of acquired business organizations into our own in a way that aligns various interests and may need to enter new markets in which we have no or limited experience and where competitors in such markets have stronger market positions. Failures or difficulties in integrating the operations of the businesses that we acquire, including their personnel, technology, compliance programs, risk management systems, financial systems, distribution and general business operations and procedures, marketing, promotion and other relationships, may affect our ability to grow and may result in us incurring asset impairment or restructuring charges. 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.

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 our financial condition and negatively impact our stockholders.

An impairment charge of goodwill or other intangible assets could have a material adverse impact on our financial condition and results of operations.

Because we have grown in part through acquisitions, our net goodwill and intangible assets represent a significant portion of our consolidated assets. Our net goodwill and intangible assets were $521.0 million as of December 31, 2019. Under accounting principles generally accepted in the United States, or U.S. GAAP, we are required to test the carrying value of goodwill and intangible assets at least annually or sooner if events occur that indicate impairment could exist. These events or circumstances could include 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.

U.S. GAAP requires us to assign and then test goodwill at the reporting unit level. If over a sustained period of time we experience a decrease in our stock price and market capitalization, which may serve as an estimate of the fair value of our reporting unit, this may be an indication of impairment. If the fair value of our reporting unit is less than its net book value, we may be required to record goodwill impairment charges in the future. In addition, if the

revenue and cash flows generated from any of our other intangible assets is not sufficient to support its net book value, we may be required to record an impairment charge. The amount of any impairment charge could be significant and could have a material adverse impact on our financial condition and results of operations for the period in which the charge is taken.

We face settlement risks from our distributors and banking partners, which may increase during an economic downturn.

The majority of our business is conducted through retail distributors that sell our products and services to consumers at their store locations. Our retail distributors collect funds from the consumers who purchase our products and services and then must remit these funds directly to accounts established for the benefit of these consumers at the banks that issue our cards. The remittance of these funds by the retail distributor takes on average two business days. If a retail distributor 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, 2019, we had assets subject to settlement risk of $239.2 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 may be inadequate, and we may be unable to detect and take steps to mitigate an increased credit risk in a timely manner.

Economic downturns 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 material adverse effect on our business, results of operations and financial condition.

Economic, political and other conditions may adversely affect trends in consumer spending.

The electronic payments industry, including the prepaid financial services segment within that industry, depends heavily upon the overall level of consumer spending. If conditions in the United States become uncertain or deteriorate, we may experience 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 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 impact our business, financial condition and results of operations.

Our future success depends on our ability to attract, integrate, retain and incentivize key personnel.

Our future success 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. Replacing departing key personnel can involve organizational disruption and uncertainty. We have experienced transitions among our executive officers, including the departures of our founder, President and Chief Executive Officer, Steven W. Streit, as well as our Chief Revenue Officer and Chief Financial Officer since December 31, 2019. We are currently searching for a permanent Chief Executive Officer and Chief Financial Officer. 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 materially and adversely harmed. We must retain and motivate existing personnel, and we must also attract, assimilate and motivate additional highly-qualified employees. We may experience difficulty in managing transitions and assimilating our newly-hired personnel, which may adversely affect our business. 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. If we fail to attract, integrate, retain and incentivize key personnel, our ability to manage and grow our business could be harmed. If we fail to manage any future 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 materially and adversely harmed. We must retain and motivate existing personnel, and we must also attract, assimilate and motivate additional highly-qualified employees. We may experience difficulty in managing transitions and assimilating our newly-hired personnel, which may adversely affect our business. Competition for qualified management, sales, marketing and program and

technology development personnel can be intense. 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 our ability to recruit or retain employees. Competitors have in the past and may in the future attempt to recruit our top management and employees. If we fail to attract, integrate, retain and incentivize key personnel, our ability to manage and grow our business could be harmed.

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. We may seek to raise capital by, among other things:

- issuing additional shares of our Class A common stock or other equity securities;
- issuing convertible or other debt securities; and
- borrowing funds under a credit facility.

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 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 our ability to maintain or grow 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, including increased complexity and costs of managing international operations and geopolitical instability.

We have significantly expanded our software development operations in Shanghai, China and we expect to continue to increase headcount and infrastructure as we scale our operations in this region. A prolonged disruption at our China facility for any reason due to natural- or man-made disasters, natural disasters, outbreaks of pandemic 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, which could materially and adversely affect our business. In December 2019, a novel strain of the coronavirus was first identified in Wuhan, China and has resulted in an outbreak of respiratory illness. While our operations in China are not based in Wuhan, it is possible that the spread of the coronavirus in China could adversely impact our business by, among other things, resulting in temporary closures of our facilities. At this point, the extent to which the coronavirus may impact our business is uncertain.

Additionally, as a result of our international operations, we face numerous other challenges and risks, including:

- increased complexity and costs of managing international operations;
- regional economic instability;
- geopolitical instability and military conflicts;
- limited protection of our intellectual property and other assets;
- compliance with local laws and regulations 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.

The occurrence of catastrophic events could damage our facilities or the facilities of third parties on which we depend, which could force us to curtail our operations.

We and some of the third-party service providers on which we depend for various support functions, such as customer service and card processing, are vulnerable to damage from catastrophic events, such as power loss, natural disasters, terrorism, outbreaks of pandemic disease, such as the coronavirus, and similar unforeseen events beyond our control. Our principal offices, for example, are situated in southern California near known earthquake fault zones. If any catastrophic event were to occur, our ability to operate our business could be seriously impaired. In addition, we might not have adequate insurance to cover our losses resulting from catastrophic events or other significant business interruptions. Any significant losses that are not recoverable under our insurance policies, as well as the damage to, or interruption of, our infrastructure and processes, could seriously impair our business and financial condition.

If we fail to maintain proper and effective internal controls, our ability to produce accurate financial statements on a timely basis could be impaired, which could result in a loss of investor confidence in our financial reports and have an adverse effect on our stock price.

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. If we are unable to maintain adequate internal control over financial reporting, we might be unable to report our financial information on a timely basis and might suffer adverse regulatory consequences or violate NYSE listing standards. There could also be a negative reaction in the financial markets due to a loss of investor confidence in us and the reliability of our financial statements. We have in the past and may in the future discover areas of our internal financial and accounting controls and procedures that need improvement. Our internal control over financial reporting will not prevent or detect all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system will be met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company will be detected. 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, which could adversely affect 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.

Changes in accounting standards or inaccurate estimates or assumptions in the application of accounting policies could adversely affect our financial condition and results of operations.

Our accounting policies and methods are fundamental to how we record and report our financial condition and results of operations. Some of these policies require use of estimates and assumptions that may affect the reported value of our assets or liabilities and results of operations and are critical because they require management to make difficult, subjective and complex judgments about matters that are inherently uncertain. If those assumptions, estimates or judgments were incorrectly made, we could be required to correct and restate prior period financial statements. Accounting standard-setters and those who interpret the accounting standards (such as the Financial Accounting Standards Board, the SEC and banking regulators) may also amend or even reverse their previous interpretations or positions on how various standards should be applied. These changes can be difficult to predict and can materially impact how we record and report our financial condition and results of operations. In some cases, we could be required to apply a new or revised standard retroactively, resulting in the need to revise and republish prior period financial statements.

Our debt agreements contain restrictive covenants and financial ratio tests that restrict or prohibit our ability to engage in or enter into a variety of transactions. If we fail to comply with these covenants or tests, our indebtedness under these agreements could become accelerated, which could adversely affect us.

Under our $100 million five-year revolving facility, we are subject to various covenants that may have the effect of limiting, among other 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.

Under the agreement, we have agreed to 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 and tests will be dependent upon our future performance and may be affected by events beyond our control (including factors discussed in this “Risk Factors" section). If we fail to satisfy these requirements, our indebtedness under these agreements could become accelerated and payable at a time when we are unable to pay them. This would adversely affect our ability to implement our operating strategies and would have a material adverse effect on our financial condition.

Changes in the method of determining LIBOR, or the replacement of LIBOR with an alternative reference rate, may adversely affect interest rates on our future indebtedness and may otherwise adversely affect our financial condition and results of operations.

Certain of our indebtedness is made at variable interest rates that use the London Interbank Offered Rate, or LIBOR (or metrics derived from or related to LIBOR), as a benchmark for establishing the interest rate. On July 27, 2017, the United Kingdom’s Financial Conduct Authority announced that it intends to stop persuading or compelling banks to submit LIBOR rates after 2021. These reforms may cause LIBOR to cease to exist, new methods of calculating LIBOR to be established, or alternative reference rates to be established. The potential consequences cannot be fully predicted and could have an adverse impact on the market value for or value of LIBOR-linked securities, loans, and other financial obligations or extensions of credit held by or due to us. Changes in market interest rates may influence our financing costs, returns on financial investments and the valuation of derivative contracts and could reduce our earnings and cash flows. In addition, any transition process may involve, among other things, increased volatility or illiquidity in markets for instruments that rely on LIBOR, reductions in the value of certain instruments or the effectiveness of related transactions such as hedges, increased borrowing costs, uncertainty under applicable documentation, or difficult and costly consent processes. This could materially and adversely effect our results of operations, cash flows, and liquidity. We cannot predict the effect of the potential changes to LIBOR or the establishment and use of alternative rates or benchmarks.

Risks Related to Ownership of Our Class A Common Stock

The price of our Class A common stock may be volatile.

In the recent past, stocks generally, and financial services company stocks in particular, have experienced high levels of volatility. The trading price of our Class A common stock has been highly volatile since our initial public offering and may continue to be subject to wide fluctuations. The trading price of our Class A common stock depends on a number of factors, including those described in this “Risk Factors” section, many of which are beyond our control and may not be related to our operating performance. Factors that could cause fluctuations in the trading price of our Class A common stock include the following:

- price and volume fluctuations in the overall stock market from time to time;
- significant volatility in the market prices and trading volumes of financial services company stocks;
- actual or anticipated changes in our results of operations or fluctuations in our operating results;
- actual or anticipated changes in the expectations of investors or the recommendations of any securities analysts who follow our Class A common stock;
- actual or anticipated developments in our business or our competitors’ businesses or the competitive landscape generally;
- the public’s reaction to our press releases, other public announcements and filings with the SEC;
- business disruptions and costs related to shareholder activism;
- litigation and investigations or proceedings involving us, our industry or both or investigations by regulators into our operations or those of our competitors;
- new laws or regulations or new interpretations of existing laws or regulations applicable to our business;
- changes in accounting standards, policies, guidelines, interpretations or principles;
- general economic conditions;
- changes to the indices in which our Class A common stock is included; and
- sales of shares of our Class A common stock by us or our stockholders.

In the past, many companies that have experienced volatility in the market price of their stock have become subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against

us could result in substantial costs and divert our management's attention from other business concerns, which could seriously harm our business.

Our business could be negatively affected by actions of stockholders.

The actions of stockholders could adversely affect 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 bank holding company could discourage, delay or prevent a takeover that stockholders consider favorable and could also reduce the market price of our stock.

Our certificate of incorporation and bylaws contain provisions that could delay or prevent a change in control of our company. These provisions could also make it more difficult for stockholders to nominate directors for election to our Board of Directors and take other corporate actions. These provisions, among other things:

- provide for non-cumulative voting in the election of directors;
- authorize our Board of Directors, without stockholder approval, to issue preferred stock with terms determined by our Board of Directors and to issue additional shares of our Class A common stock;
- limit the voting power of a holder, or group of affiliated holders, of more than 24.9% of our common stock to 14.9%;
- provide that only our Board of Directors may set the number of directors constituting our Board of Directors or fill vacant directorships;
- prohibit stockholder action by written consent and limit who may call a special meeting of stockholders; and
- require advance notification of stockholder nominations for election to our Board of Directors and of stockholder proposals.

These and other 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.

If securities analysts do not continue to publish research or reports about our business or if they publish negative evaluations of our Class A common stock, the trading price of our Class A common stock could decline.

We expect that the trading price for our Class A common stock will be affected by any research or reports that securities analysts publish about us or our business. If one or more of the analysts who currently cover us or our business downgrade their evaluations of our Class A common stock, the price of our Class A common stock would likely decline. If one or more of these analysts cease coverage of our company, we could lose visibility in the market for our Class A common stock, which in turn could cause our stock price to decline.

ITEM 1B. Unresolved Staff Comments

None.

ITEM 2. Properties

Our headquarters is located in Pasadena, California where we lease approximately 140,000 square feet. We own the real property where our subsidiary bank's only office is located in Provo, Utah. Through our wholly owned subsidiaries, we lease office facilities in San Diego, California; San Ramon, California; Cincinnati, Ohio; Sandy, Utah; and Shanghai, China. We also lease additional technology development and sale and support offices in Tampa, Florida; Rogers, Arkansas; Kingston, New Jersey; West Chester, Pennsylvania and Manila, Philippines. We believe that our existing and planned facilities are adequate to support our existing operations and that, as needed, we will be able to obtain suitable additional facilities on commercially reasonable terms.

ITEM 3. Legal Proceedings

Information with respect to this item may be found under the caption "Litigation and Claims" in *Note 20 — Commitments and Contingencies* to the Consolidated Financial Statements included herein, which information is incorporated into this Item 3 by reference.

ITEM 4. Mine Safety Disclosures

Not applicable.

PART II

ITEM 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Our Class A common stock is listed on the NYSE under the symbol “GDOT.”

Holders of Record

As of January 31, 2020, we had 64 holders of record of our Class A common stock. The actual number of stockholders is greater than this number of record holders, and includes stockholders who are beneficial owners, but whose shares are held in street name by brokers and other nominees. This number of holders of record also does not include stockholders whose shares may be held in trust by other entities.

Dividends

We have never declared or paid any cash dividends on our capital stock, and we do not currently intend to pay any cash dividends on our Class A common stock for the foreseeable future. We expect to retain future earnings, if any, to fund the development and future growth of our business. Any future determination to pay dividends on our Class A common stock, if permissible, will be at the discretion of our board of directors and will depend upon, among other factors, our financial condition, operating results, current and anticipated cash needs, plans for expansion and other factors that our board of directors may deem relevant.

Unregistered Sales of Equity Securities

The information required to be disclosed by paragraph (a) of Item 5 to Form 10-K has been included in a current report on Form 8-K and, therefore, is not furnished herein, pursuant to the last sentence in that paragraph.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (In thousands)
October 1, 2019 to October 31, 2019	—	—	—	$ 50,000
November 1, 2019 to November 30, 2019	—	—	—	50,000
December 1, 2019 to December 31, 2019	—	—	—	50,000
Total	—		—	$ 50,000

In May 2017, our Board of Directors authorized, subject to regulatory approval, expansion of our stock repurchase program by an additional $150 million. We sought and received regulatory approval during the second quarter of 2019, at which point we made an up-front payment of $100 million to enter into an accelerated share repurchase agreement. In August 2019, we completed final settlement of shares purchased under this agreement, receiving in total approximately 2.1 million shares at an average repurchase price of $48.26. We have an authorized $50 million remaining under our current stock repurchase program for any additional repurchases. There was no repurchase activity during the three months ended December 31, 2019.

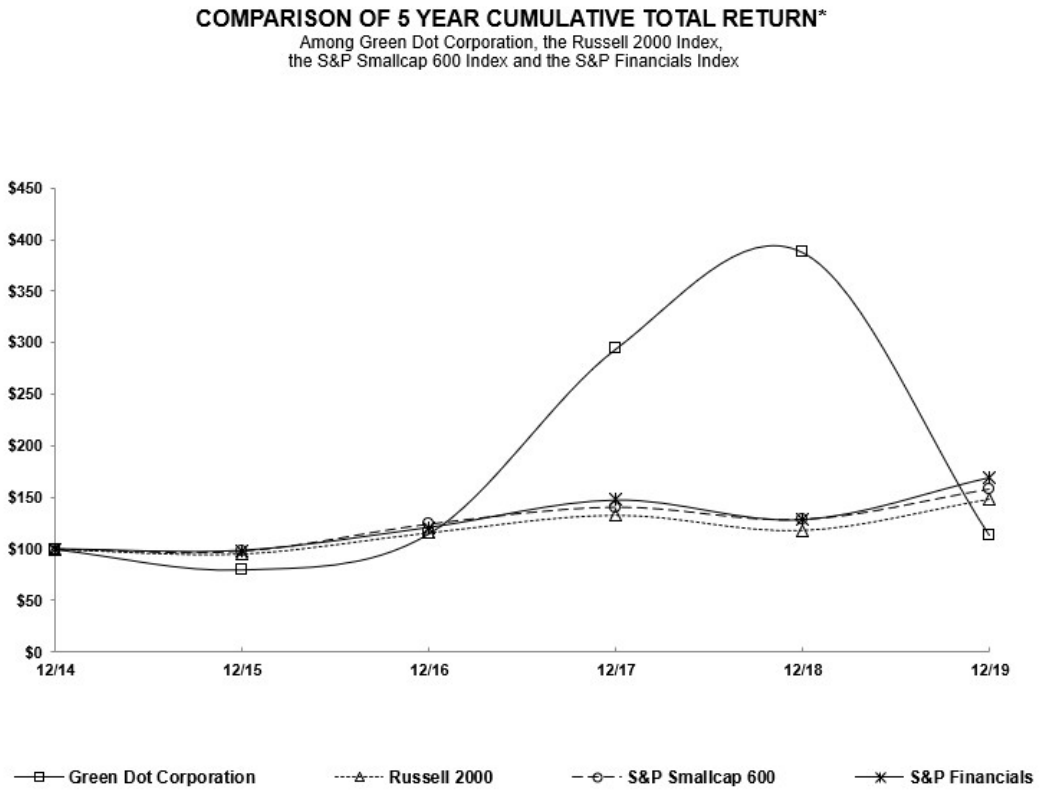
For the majority of restricted stock units (including performance-based restricted stock units) granted, the number of shares issued on the date the restricted stock units vest is net of shares withheld to meet applicable tax withholding requirements. Although these withheld shares are not issued or considered common stock repurchases under our stock repurchase program and therefore are not included in the table above, they are treated as common stock repurchases in our financial statements as they reduce the number of shares that would have been issued upon vesting.

Stock Performance Graph

This performance graph shall not be deemed "filed" for purposes of section 18 of the Exchange Act, or otherwise subject to the liabilities under that section and shall not be deemed to be incorporated by reference into any filing of Green Dot Corporation under the Securities Act or the Exchange Act.

The graph and table below compare the cumulative total stockholder return of Green Dot Corporation Class A common stock, the Russell 2000 Index, the S&P Small Cap 600 Index and the S&P 500 Financials Index for the period beginning on the close of trading on the NYSE on December 31, 2014 and ending on the close of trading on the NYSE on December 31, 2019. The graph assumes a $100 investment in our Class A common stock and each of the indices, and the reinvestment of dividends.

The comparisons in the graph and table below are based on historical data and are not intended to forecast the possible future performance of our Class A common stock.



*$100 invested on 12/31/14 in stock or index, including reinvestment of dividends.
Fiscal year ending December 31.

Total Return to Shareholders (Includes reinvestment of dividends)

Company/ Index	Base Period 12/31/14	2015	2016	2017	2018	2019
Green Dot Corporation	$ 100	$ 80	$ 115	$ 294	$ 388	$ 114
Russell 2000	$ 100	$ 96	$ 116	$ 133	$ 118	$ 148
S&P Smallcap 600	$ 100	$ 98	$ 124	$ 140	$ 129	$ 158
S&P Financials	$ 100	$ 98	$ 121	$ 148	$ 129	$ 170

ITEM 6. Selected Financial Data

The following tables present selected historical financial data for our business. This information should be read in conjunction with Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and Item 8. Financial Statements and Supplementary Data of this report. The selected consolidated financial data in this section is not intended to replace the financial statements and is qualified in its entirety by the consolidated financial statements and related notes.

We derived the statements of operations data for the years ended December 31, 2019, 2018, and 2017, respectively, and the balance sheet data as of December 31, 2019 and 2018 from our audited consolidated financial statements included in Item 8 of this report. We derived the statements of operations data for the years ended December 31, 2016 and 2015, and balance sheet data as of December 31, 2017, 2016 and 2015, from our audited consolidated financial statements not included in this report. Our historical results are not necessarily indicative of our results to be expected in any future period.

	Year Ended December 31,				
	2019	**2018**	**2017**	**2016**	**2015**
	(In thousands, except per share data)				
Consolidated Statements of Operations Data:					
Operating revenues:					
Card revenues and other fees	**$ 459,357**	$ 482,881	$ 414,775	$ 337,821	$ 318,083
Processing and settlement service revenues	**287,064**	247,958	217,454	184,342	182,614
Interchange revenues	**330,233**	310,919	257,922	196,611	196,523
Interest income, net	**31,941**	23,817	10,972	7,280	4,678
Stock-based retailer incentive compensation(1)	**—**	—	—	—	(2,520)
Total operating revenues	**1,108,595**	1,065,575	901,123	726,054	699,378
Operating expenses:					
Sales and marketing expenses	**386,840**	326,333	280,561	249,096	230,441
Compensation and benefits expenses(2)	**198,412**	221,627	194,654	159,456	168,226
Processing expenses	**200,674**	181,160	161,011	107,556	102,144
Other general and administrative expenses	**199,751**	206,040	155,601	139,350	134,560
Total operating expenses	**985,677**	935,160	791,827	655,458	635,371
Operating income	**122,918**	130,415	109,296	70,596	64,007
Interest expense, net	**1,837**	6,598	5,838	9,035	5,885
Income before income taxes	**121,081**	123,817	103,458	61,561	58,122
Income tax expense	**21,184**	5,114	17,571	19,961	19,707
Net income	**99,897**	118,703	85,887	41,600	38,415
Income attributable to preferred stock	**—**	—	—	(802)	(1,102)
Net income allocated to common stockholders	**$ 99,897**	$ 118,703	$ 85,887	$ 40,798	$ 37,313
Basic earnings per common share:					
Class A common stock	**$ 1.91**	$ 2.27	$ 1.70	$ 0.82	$ 0.73
Basic weighted-average common shares issued and outstanding:					
Class A common stock	**52,195**	52,222	50,482	49,535	51,332
Diluted earnings per common share:					
Class A common stock	**$ 1.88**	$ 2.18	$ 1.61	$ 0.80	$ 0.72
Diluted weighted-average common shares issued and outstanding:					
Class A common stock	**53,138**	54,481	53,198	50,797	51,875

	As of December 31,				
	2019	2018	2017	2016	2015
	(In thousands)				
Consolidated Balance Sheet Data:					
Cash, cash equivalents and restricted cash(3)	**$ 1,066,154**	$ 1,095,218	$ 1,010,095	$ 744,761	$ 777,922
Investment securities, available-for-sale	**277,439**	201,183	153,509	208,426	181,539
Settlement assets(4)	**239,222**	153,992	209,399	137,083	69,165
Loans to bank customers	**21,417**	21,363	18,570	6,059	6,279
Total assets	**2,460,590**	2,287,118	2,197,531	1,740,344	1,691,448
Deposits	**1,175,341**	1,005,485	1,022,180	737,414	652,145
Obligations to customers(4)	**69,377**	58,370	95,354	46,043	61,300
Settlement obligations(4)	**13,251**	5,788	6,956	4,877	5,074
Short-term debt	**35,000**	58,705	20,906	20,966	20,966
Long-term debt	**—**	—	58,705	79,720	100,686
Total liabilities	**1,533,234**	1,377,306	1,432,981	1,056,611	1,028,126
Total stockholders' equity	**927,356**	909,812	764,550	683,733	663,322

(1) Represents the recorded fair value of the shares for which our right to repurchase lapsed during the specified period pursuant to the terms of the agreement under which we issued 2,208,552 shares of our Class A common stock to Walmart. Our right to repurchase these shares fully lapsed in May 2015.

(2) Includes stock-based compensation expense of $29.6 million, $50.1 million, $40.7 million, $28.3 million, and $27.0 million for the years ended December 31, 2019, 2018, 2017, 2016 and 2015, respectively.

(3) Includes $2.7 million, $0.5 million, $90.9 million, $12.1 million, and $5.8 million of restricted cash as of December 31, 2019, 2018, 2017, 2016, and 2015, respectively.

(4) Our retail distributors collect customer funds for purchases of new cards and reloads at the point of sale and then remit these funds directly to bank accounts established for the benefit of these customers by the banks that issue our cards. Our retail distributors' remittance of these funds takes an average of two business days. Settlement assets represent the amounts due from our retail distributors and partners for customer funds collected at the point of sale that have not yet been received by our subsidiary bank. Also included in this balance are payroll amounts funded in advance (up to two days early) to certain cardholders who are eligible to participate in our early direct deposit programs. Obligations to customers represent customer funds collected from or to be remitted by our retail distributors for which the underlying products have not been activated. Settlement obligations represent the customer funds received by our subsidiary bank that are due to third-party card issuing banks upon activation.

ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

This Annual Report on Form 10-K, including this Management's Discussion and Analysis of Financial Condition and Results of Operations, contains forward-looking statements regarding future events and our future results that are subject to the safe harbors created under the Securities Act of 1933 and the Securities Exchange Act of 1934 (the "Exchange Act"). All statements other than statements of historical facts are statements that could be deemed to be forward-looking statements. These statements are based on current expectations, estimates, forecasts and projections about the industries in which we operate and the beliefs and assumptions of our management. Words such as "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," "continues," "endeavors," "strives," "may" and "assumes," variations of such words and similar expressions are intended to identify forward-looking statements. In addition, any statements that refer to projections of our future financial performance, our anticipated growth and trends in our businesses, and other characterizations of future events or circumstances are forward-looking statements. Readers are cautioned that these forward-looking statements are subject to risks, uncertainties, and assumptions that are difficult to predict, including those identified below, under "Part I, Item 1A. Risk Factors," and elsewhere herein. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. We undertake no obligation to revise or update any forward-looking statements for any reason.

In this Annual Report, unless otherwise specified or the context otherwise requires, "Green Dot," "we," "us," and "our" refer to Green Dot Corporation and its consolidated subsidiaries.

Overview

Green Dot Corporation is a financial technology leader and bank holding company with a mission to reinvent banking for the masses. Our company's long-term strategy is to create a unique, sustainable and highly valuable fintech ecosystem, in part through the continued evolution of Green Dot's innovative Banking as a Service ("BaaS") platform, that's intended to fuel the engine of innovation and growth for Green Dot and its business partners.

Enabled by proprietary technology, our commercial bank charter and our high-scale program management operating capability, our vertically integrated technology and banking platform is used by a growing list of America's most prominent consumer and technology companies to design and deploy their own bespoke financial services solutions to their customers and partners, while we use that same integrated platform for our own leading collection of banking and financial services products marketed directly to consumers through what we believe to be the most broadly distributed, omni-channel branchless banking platforms in the United States.

Our products and services are divided among our two reportable segments: 1) Account Services and 2) Processing and Settlement Services. We also consider our product and service offerings based on our market distribution strategies, which we refer to as our Consumer Business and Platform Services Business. Refer to "*Part 1, Item 1. Business*" for more detailed information.

Financial Results and Trends

Our results of operations for the years ended December 31, 2019 and 2018 were as follows:

	Year Ended December 31,			
	2019	**2018**	**Change**	**%**
		(In thousands, except percentages)		
Total operating revenues	**$ 1,108,595**	$ 1,065,575	$ 43,020	4.0 %
Total operating expenses	**985,677**	935,160	50,517	5.4 %
Net income	**99,897**	118,703	(18,806)	(15.8)%

Total operating revenues

Our total operating revenues for the year ended December 31, 2019 increased $43.0 million, or 4.0% over the prior year comparable period. The year-over-year increase was driven by revenue growth in certain Platform Services within our Processing and Settlement Services segment, principally from growth in the total number of cash transfers, disbursements through our Simply Paid platform and tax refunds processed.

This increase was partially offset by a slight decrease in revenues from our Account Services segment, primarily attributable to an overall decline of 5.6% in our number of total active accounts. Within Account Services, our Consumer business experienced a year-over-year decline in active accounts, partially offset by growth in the number of active accounts from our BaaS and PayCard programs under our Platform Services category. This growth of active accounts from our Platform Services powered year-over-year growth of 4.9% in the number of direct deposit active accounts, which contributed to year-over-year growth of 8.6% in gross dollar volume and 3.9% in purchase volume, and corresponding growth in interchange revenue of 6.2% during the year ended December 31, 2019. Accounts enrolled in direct deposit tend to generate higher levels of gross dollar volume and purchase volume than other active accounts, and consequently have a greater impact on the amount of interchange revenue we earn.

Our Account Services revenue during the year ended December 31, 2019 also benefited from a strong year-over-year increase in net interest income due to higher yields on our cash and investment balances as a result of the full year impact in 2019 of the rate increases by the Federal Reserve over the course of 2018 and higher average balances thereof. In future periods we may experience declines in our net interest income due to an evolving interest rate environment. As a result of uncertainties around global economic growth and trade, the Federal Reserve recently announced a reduction in short-term interest rates, with additional reductions possible in the future. Further reductions in short-term interest rates could result in a decrease in the amount of net interest income we earn for the remainder of the year and in the near term.

The decline in our active accounts in recent periods is in part attributable to changes in our competitive environment within our Consumer business, particularly as new entrants market largely free bank account offerings. While we expect these trends to continue to negatively impact our number of active accounts in the short term, we believe the early adoption rates for our new products, our innovative product roadmap and our strong infrastructural competitive advantages make us well positioned to address these competitive pressures.

Total operating expenses

Our total operating expenses for the year ended December 31, 2019 increased $50.5 million, or 5.4% over the prior year comparable period. This increase was primarily the result of several factors, including higher sales and marketing expenses attributable to the year-over-year increases in operating revenues generated from products that are subject to revenue-sharing arrangements with our distributors and partners, our marketing investment in the recent launch of our Green Dot Unlimited Cash Back Bank Account ("Green Dot Unlimited"), and higher processing expenses as a result of increased transactional usage. These increases were offset by a decrease in compensation and benefits expenses primarily due to lower employee stock-based compensation expense as a result of the modification of certain performance-based equity awards and adjustments for the estimated payouts thereof. We also experienced an overall decrease in other general and administrative expenses principally related to a prior year expense associated with the resolution of an earn-out for our tax refund processing business, which did not recur in the current year.

As previously announced we renewed our Walmart MoneyCard agreement in October 2019. The term of the agreement began on January 1, 2020 and expires on January 31, 2027, with an automatic renewal clause for an additional period of one year, subject to certain terms as discussed in the agreement. Revenues generated under the MoneyCard program have represented a substantial, but declining portion of our total operating revenues. Under this new agreement, the sales commission rate we pay to Walmart for the MoneyCard program increased from the prior agreement. Consequently, we expect our sales and marketing expenses in 2020 to be negatively impacted by the increased commission rate.

Income taxes

Income tax expense for the year ended December 31, 2019 increased $16.1 million from the prior year comparable period. The increase was principally due to a $18.5 million decline in benefit from the recognition of excess tax benefits of stock-based compensation and additional expenses related to state taxes, net of federal benefits.

Key Metrics

We review a number of metrics to help us monitor the performance of, and identify trends affecting, our business. We believe the following measures are the primary indicators of our revenues:

	Year Ended December 31,				Year Ended December 31,			
	2019	**2018**	**Change**	**%**	**2018**	**2017**	**Change**	**%**
				(In millions, except percentages)				
Gross Dollar Volume	**$ 43,459**	$ 40,029	$ 3,430	8.6 %	$ 40,029	$ 31,104	$ 8,925	28.7%
GDV from Direct Deposit Sources	**$ 31,380**	$ 29,755	$ 1,625	5.5 %	$ 29,755	$ 22,934	$ 6,821	29.7%
Number of Active Accounts*	**5.04**	5.34	(0.3)	(5.6)%	5.34	5.30	0.04	0.8%
Direct Deposit Active Accounts*	**2.14**	2.04	0.1	4.9 %	2.04	1.85	0.19	10.3%
Purchase Volume	**$ 27,004**	$ 25,989	$ 1,015	3.9 %	$ 25,989	$ 21,634	$ 4,355	20.1%
Cash Transfers	**46.04**	42.25	3.79	9.0 %	42.25	38.60	3.65	9.5%
Tax Refunds Processed	**12.09**	11.71	0.38	3.2 %	11.71	11.17	0.54	4.8%

* Represents number of active and direct deposit active accounts as of December 31, 2019, 2018, and 2017 respectively.

Gross Dollar Volume — represents the total dollar volume of funds loaded to our account products from direct deposit and non-direct deposit sources. A substantial portion of our gross dollar volume is generated from direct deposit sources. We use both aggregate gross dollar volume and gross dollar volume from direct deposit sources to analyze the total amount of money moving onto our account programs, determine the overall engagement and usage patterns of our account holder base. These metrics also serve as leading indicators of revenue generated through our Account Services segment products, inclusive of interest income generated on deposits held at Green Dot Bank, fees charged to account holders and interchange revenues generated through the spending of account balances. The increases in gross dollar volume in the aggregate and from direct deposit sources during the year ended December 31, 2019 from the comparable prior year period were principally driven by the increase in the number of direct deposit active accounts over the same period.

Number of Active Accounts — represents accounts in our portfolio that had a purchase, deposit or ATM withdrawal transaction during the applicable quarter. Any bank account within our Account Services segment that is subject to United States Patriot Act compliance and, therefore, requires customer identity verification prior to use and is intended to accept ongoing customer cash or ACH deposits (including without limitation general purpose reloadable prepaid card accounts, demand deposit or checking accounts, and credit cards) qualifies as an account for purposes of this metric. We use both aggregate active accounts and direct deposit active accounts to analyze the overall size of our active customer base and to analyze multiple metrics expressed as an average across this active account base. In particular, we monitor the mix of direct deposit accounts and non-direct deposit accounts. Our direct deposit active accounts, on average, have the longest tenure and generate the majority of our gross dollar volume in any period and thus, generate more revenue over their lifetime than other active accounts. Despite our year-over-year decrease in the number of active accounts, resulting principally from lower unit sales of prepaid accounts within our retail and digital Consumer business, we had an increase in direct deposit active accounts of 4.9% as of December 31, 2019 on a year-over-year basis, primarily driven by growth in the number of active accounts from our BaaS and PayCard programs within our Platform Services category, which tend to enroll in direct deposit at a higher rate as compared to accounts generated under other programs.

Purchase Volume — represents the total dollar volume of purchase transactions made by our account holders. This metric excludes the dollar volume of ATM withdrawals. We use this metric to analyze interchange revenue, which is a key component of our results of operations. The increase in purchase volume of 3.9% during the year ended December 31, 2019, from the comparable prior year period was driven by an increase in Gross Dollar Volume, as described above.

Number of Cash Transfers — represents the total number of cash transfer transactions conducted by consumers, such as a point-of-sale swipe reload transaction, the purchase of a MoneyPak or an e-cash mobile remittance transaction marketed under various brand names, that we conducted through our retail distributors in a specified period. This metric excludes disbursements made through our Simply Paid wage disbursement platform. We review this metric as a measure of the size and scale of our retail cash processing network, as an indicator of customer engagement and usage of our products and services, and to analyze cash transfer revenue, which is a key component of our financial performance. Our cash transfers increased 9.0% during the year ended December 31, 2019 over the comparable prior year period primarily due to the number of third-party account programs that utilize the Green Dot Network to accept funds through our cash processing network.

Number of Tax Refunds Processed — represents the total number of tax refunds processed in a specified period. We review this metric as a measure of the size and scale of our tax refund processing platform and as an indicator of consumer engagement and usage of its products and services. The increase in the number of tax refunds processed of 3.2% for the year ended December 31, 2019 from the comparable prior year period was primarily driven by increased volumes from certain online consumer tax filing software platforms.

Key components of our results of operations

Operating Revenues

We classify our operating revenues into the following four categories:

Card Revenues and Other Fees — Card revenues consist of monthly maintenance fees, ATM fees, new card fees and other revenues. We charge maintenance fees on GPR cards, checking accounts and certain cash transfer products, such as MoneyPak, pursuant to the terms and conditions in our customer agreements. We charge ATM fees to cardholders when they withdraw money at certain ATMs in accordance with the terms and conditions in our cardholder agreements. We charge new card fees, if applicable, when a consumer purchases a GPR card, gift card, or a checking account product. Other revenues consist primarily of revenue associated with our gift card program, annual fees associated with our secured credit card portfolio, transaction-based fees, fees associated with optional products or services, and cash-back rewards we offer to cardholders. Our cash-back rewards are recorded as a reduction to card revenues and other fees. Also included in card revenues and other fees are program management fees earned from our BaaS partners for programs we manage on their behalf.

Our aggregate monthly maintenance fee revenues vary primarily based upon the number of active accounts in our portfolio and the average fee assessed per account. Our average monthly maintenance fee per active account depends upon the mix of products in our portfolio at any given point in time and upon the extent to which fees are waived based on various incentives provided to customers in an effort to encourage higher usage and retention. Our aggregate ATM fee revenues vary based upon the number of cardholder ATM transactions and the average fee per ATM transaction. The average fee per ATM transaction depends upon the mix of products in our portfolio at any given point in time and the extent to which cardholders use ATMs within our free network that carry no fee for cash withdrawal transactions. Our aggregate new card fee revenues vary based upon the number of GPR cards and checking accounts activated and the average new card fee. The average new card fee depends primarily upon the mix of products that we sell since there are variations in new account fees based on the product and/or the location or source where our products are purchased. The revenue we earn from each of these fees may also vary depending upon the channel in which the active accounts were acquired. For example, certain BaaS programs may not assess monthly maintenance fees and as a result, these accounts may generate lower fee revenue than other active accounts. Our aggregate other fees vary primarily based upon account sales of all types, gift card sales, purchase transactions and the number of active accounts in our portfolio.

Processing and Settlement Service Revenues — Processing and settlement service revenues consist of cash transfer revenues, tax refund processing service revenues and Simply Paid disbursement revenues. We earn cash transfer revenues when consumers fund their cards through a reload transaction at a Green Dot Network retail location. Our aggregate cash transfer revenues vary based upon the mix of locations where reload transactions occur, since reload fees vary by location. We earn tax refund processing service revenues at the point in time when a customer of a third-party tax preparation company chooses to pay his or her tax preparation fee through the use of our tax refund processing services. We earn Simply Paid disbursement fees from our business partners at the point in time payment disbursements are made.

Interchange Revenues — We earn interchange revenues from fees remitted by the merchant's bank, which are based on rates established by the payment networks, at the point in time when customers make purchase transactions using our products. Our aggregate interchange revenues vary based primarily on the number of active accounts in our portfolio, the average transactional volume of the active accounts in our portfolio and on the mix of cardholder purchases between those using signature identification technologies and those using personal identification numbers and the corresponding rates.

Interest Income, net — Net interest income represents the difference between the interest income earned on our interest-earning assets and the interest expense on our interest-bearing liabilities held at Green Dot Bank. Interest-earning assets include customer deposits, loans, and investment securities. Our interest-bearing liabilities held at Green Dot Bank include interest-bearing deposits. Our net interest income and our net interest margin fluctuate based on changes in the federal funds interest rates and changes in the amount and composition of our interest-bearing assets and liabilities.

Operating Expenses

We classify our operating expenses into the following four categories:

Sales and Marketing Expenses — Sales and marketing expenses consist primarily of the commissions we pay to our retail distributors, brokers and platform partners, advertising and marketing expenses, and the costs of manufacturing and distributing card packages, placards and promotional materials to our retail distributors and personalized GPR and GoBank cards to consumers who have activated their cards. We generally establish commission percentages in long-term distribution agreements with our retail distributors and platform partners. Aggregate commissions with our retail distributors are determined by the number of prepaid cards, checking account products and cash transfers sold at their respective retail stores. Commissions with our platform partners and, in certain cases, our retail distributors are determined by the revenue generated from the ongoing use of the associated card programs. We incur advertising and marketing expenses for television, sponsorships, online and in-store promotions. Advertising and marketing expenses are recognized as incurred and typically deliver a benefit over an extended period of time. For this reason, these expenses do not always track changes in our operating revenues. Our manufacturing and distribution costs vary primarily based on the number of GPR and GoBank accounts activated by consumers.

Compensation and Benefits Expenses — Compensation and benefits expenses represent the compensation and benefits that we provide to our employees and the payments we make to third-party contractors. While we have an in-house customer service function, we employ third-party contractors to conduct call center operations, handle routine customer service inquiries and provide consulting support in the area of IT operations and elsewhere. Compensation and benefits expenses associated with our customer service and loss management functions generally vary in line with the size of our active account portfolio, while the expenses associated with other functions do not.

Processing Expenses — Processing expenses consist primarily of the fees charged to us by the payment networks, which process transactions for us, the third-party card processors that maintain the records of our customers' accounts and process transaction authorizations and postings for us and the third-party banks that issue our accounts. These costs generally vary based on the total number of active accounts in our portfolio and gross dollar volume transacted by those accounts. Also included in processing expenses are bank fees associated with our tax refund processing services and gateway and network fees associated with our Simply Paid disbursement services. Bank fees generally vary based on the total number of tax refund transfers processed and gateway and network fees vary based on the numbers of disbursements made.

Other General and Administrative Expenses — Other general and administrative expenses consist primarily of professional service fees, telephone and communication costs, depreciation and amortization of our property and equipment and intangible assets, changes in contingent consideration, transaction losses (losses from customer disputed transactions, unrecovered customer purchase transaction overdrafts and fraud), rent and utilities, and insurance. We incur telephone and communication costs primarily from customers contacting us through our toll-free telephone numbers. These costs vary with the total number of active accounts in our portfolio, as do losses from customer disputed transactions, unrecovered customer purchase transaction overdrafts and fraud. Costs associated with professional services, depreciation and amortization of our property and equipment, amortization of our acquired intangible assets, rent and utilities vary based upon our investment in infrastructure, business development, risk management and internal controls and are generally not correlated with our operating revenues or other transaction metrics.

Income Tax Expense

Our income tax expense consists of the federal and state corporate income taxes accrued on income resulting from the sale of our products and services.

Critical Accounting Policies and Estimates

We prepare our consolidated financial statements in accordance with GAAP. The preparation of our consolidated financial statements requires our management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, costs and expenses and related disclosures. We base our estimates on historical experience, current circumstances and various other assumptions that our management believes to be reasonable under the circumstances. In many instances, we could reasonably use different accounting estimates, and in some instances changes in the accounting estimates are reasonably likely to occur from period to period. Accordingly, actual results could differ significantly from the estimates made by our management. To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected. We believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving management’s judgments and estimates.

Revenue Recognition

As prescribed under our recent adoption of Accounting Standards Codification 606, *Revenue from Contracts with Customers,* we recognize revenues when control of the promised goods or services is transferred to our customers in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services, as determined under a five-step process.

Our new card fee provides our cardholders a material right and accordingly we defer and recognize new card fee revenues on a straight-line basis over the period commensurate with our performance obligation to our customers. We consider the performance obligation period to be the average card lifetime, which is currently less than one year for our GPR cards and gift cards. For GPR cards, average card lifetime is determined based on recent historical data using the period from sale (or activation) of the card through the date of last positive balance. We reassess average card lifetime quarterly. Average card lifetimes may vary in the future as cardholder behavior changes relative to historical experience because customers are influenced by changes in the pricing of our services, the availability of substitute products, and other factors.

We also defer commissions paid to retail distributors related to new card sales as costs to obtain contracts and expense ratably over the average card lifetime commensurate with our GPR and gift cards.

Transaction prices related to our account services are based on stand-alone fees stated within the terms and conditions and may also include certain elements of variable consideration depending upon the product's features, such as cardholder incentives, cash-back rewards, monthly fee concessions and reserves on accounts that may become overdrawn. We estimate such amounts using historical data and customer behavior patterns to determine these estimates which are recorded as a reduction to the corresponding fee revenue. Additionally, while the number of transactions that a cardholder may perform is unknown, any uncertainty is resolved at the end of each daily service contract.

We report our different types of revenues on a gross or net basis based on our assessment of whether we act as a principal or an agent in the transaction. To the extent we act as a principal in the transaction, we report revenues on a gross basis. In concluding whether or not we act as a principal or an agent, we evaluate whether we obtain control of the good or service prior to the good or service being transferred to the customer. For all our significant revenue-generating arrangements, we record revenues on a gross basis except for our tax refund processing service revenues which are recorded on a net basis.

Stock-Based Compensation

We record employee stock-based compensation expense based on the grant-date fair value. For stock options and stock purchases under our employee stock purchase plan, we base compensation expense on fair values estimated at the grant date using the Black-Scholes option-pricing model. For stock awards, including restricted stock units, we base compensation expense on the fair value of our Class A common stock at the grant date. We recognize compensation expense for awards with only service conditions that have graded vesting schedules on a straight-line basis over the vesting period of the award. Vesting is based upon continued service to our company.

For performance based awards, we recognize compensation cost for the restricted stock units if and when we conclude it is probable that the performance will be satisfied, over the requisite service period based on the grant-date fair value of the stock. We reassess the probability of vesting at each reporting period and adjust compensation expense based on the probability assessment. For market based restricted stock units, we base compensation expense on the fair value estimated at the date of grant using a Monte Carlo simulation or similar lattice model. We recognize compensation expense over the requisite service period regardless of the market condition being satisfied, provided that the requisite service has been provided, since the estimated grant date fair value already incorporates the probability of outcomes that the market condition will be achieved.

Based on our recent adoption of Accounting Standards Update No. 2018-07, *Compensation – Stock Compensation (Topic 718): Improvements to Non-employee Share-Based Payment Accounting,* we measure the fair value of equity instruments issued to non-employees based on the grant-date fair value, and recognize the related expense in the same periods that the goods or services are received.

Reserve for Uncollectible Overdrawn Accounts

Our cardholder accounts may become overdrawn as a result of maintenance fee assessments or from purchase transactions that we honor, in each case in excess of the funds in the cardholder's account. While we decline authorization attempts for amounts that exceed the available balance in a cardholder's account, the application of card association rules, the timing of the settlement of transactions and the assessment of the card's monthly maintenance fee, among other things, can result in overdrawn accounts. Overdrawn account balances are deemed to be our

receivables due from cardholders, and we include them as a component of accounts receivable, net, on our consolidated balance sheets. We generally recover overdrawn account balances from those cardholders that perform a reload transaction. In addition, we recover some overdrawn account balances related to purchase transaction through enforcement of payment network rules, which allow us to recover the amounts from the merchant where the purchase transaction was conducted. However, we are exposed to losses from any unrecovered overdrawn account balances. The probability of recovering these amounts is primarily related to the number of days that have elapsed since an account had activity, such as a purchase, ATM transaction or fee assessment. Generally, we recover 50-60% of overdrawn account balances in accounts that have had activity in the last 30 days, less than 15% in accounts that have had activity in the last 30 to 60 days, and less than 10% when more than 60 days have elapsed.

We establish a reserve for uncollectible overdrawn accounts. We classify overdrawn accounts into age groups based on the number of days since the account last had repayment activity. We then calculate a reserve factor for each age group based on the average recovery rate for the most recent six months. These factors are applied to these age groups to estimate our overall reserve. We rely on these historical rates because they have remained relatively consistent over time. When more than 90 days have passed without any activity in an account, we consider recovery to be remote and charge off the full amount of the overdrawn account balance against the reserve for uncollectible overdrawn accounts. Our actual recovery rates and related estimates thereof may change in the future in response to factors such as customer behavior, product pricing and features that impact the frequency and velocity of reloads and other deposits to such accounts.

We include our provision for uncollectible overdrawn accounts related to maintenance fees and purchase transactions as an offset to card revenues and other fees and in other general and administrative expenses, respectively, in our consolidated statements of operations.

Goodwill and Intangible Assets

We review the recoverability of goodwill at least annually or whenever significant events or changes occur, which might impair the recovery of recorded costs. Factors that may be considered a change in circumstances indicating that the carrying value of our goodwill may not be recoverable include a decline in our stock price and market capitalization, declines in the market conditions of our products, reductions in our future cash flow estimates, and significant adverse industry or economic market trends. We test for impairment of goodwill by assessing various qualitative factors with respect to developments in our business and the overall economy and calculating the fair value of a reporting unit using the discounted cash flow method, as necessary. In the event that the carrying value of assets is determined to be unrecoverable, we would estimate the fair value of the reporting unit and record an impairment charge for the excess of the carrying value over the fair value. The estimate of fair value requires management to make a number of assumptions and projections, which could include, but would not be limited to, future revenues, earnings and the probability of certain outcomes. We completed our annual goodwill impairment test as of September 30, 2019. Based on the results of step one of the annual goodwill impairment test, we determined that step two was not required for each of our reporting units as their fair values exceeded their carrying values indicating there was no impairment.

Intangible and other long lived-assets subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Certain factors which may occur and indicate that an impairment exists include, but are not limited to, the following: significant underperformance relative to expected historical or projected future operating results; significant changes in the manner of use of the underlying assets; and significant adverse industry or market economic trends. In reviewing for impairment, we compare the carrying value of such assets to the estimated undiscounted future net cash flows expected from the use of the assets and their eventual disposition. In the event that the carrying value of assets is determined to be unrecoverable, we would estimate the fair value of the assets and record an impairment charge for the excess of the carrying value over the fair value. The estimate of fair value requires management to make a number of assumptions and projections, which could include, but would not be limited to, future revenues, earnings and the probability of certain outcomes. No impairment charges were recognized related to our intangible assets for the years ended December 31, 2019 and 2018.

Results of Operations

Pursuant to instruction 1 of the instructions to paragraph 303(a) of Regulation S-K, discussion of the results of operations for the fiscal year ended December 31, 2018 to fiscal year ended December 31, 2017 has been omitted. Such omitted discussion can be found under Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, filed with the SEC on February 26, 2019.

Comparison of Consolidated Results for the Years Ended December 31, 2019 and 2018

Operating Revenues

The following table presents a breakdown of our operating revenues among card revenues and other fees, processing and settlement service revenues, interchange revenues and net interest income:

	Year Ended December 31,			
	2019		2018	
	Amount	% of Total Operating Revenues	Amount	% of Total Operating Revenues
	(In thousands, except percentages)			
Operating revenues:				
Card revenues and other fees	**$ 459,357**	**41.4%**	$ 482,881	45.3%
Processing and settlement service revenues	**287,064**	**25.9**	247,958	23.3
Interchange revenues	**330,233**	**29.8**	310,919	29.2
Interest income, net	**31,941**	**2.9**	23,817	2.2
Total operating revenues	**$ 1,108,595**	**100.0%**	$ 1,065,575	100.0%

Card Revenues and Other Fees — Card revenues and other fees totaled $459.4 million for the year ended December 31, 2019, a decrease of $23.5 million, or 5%, from the comparable prior year period. Our card revenues and other fees decreased primarily as a result of a decline in monthly maintenance fees and an increase in estimated cash back rewards that we record as a reduction to card revenues and other fees. The decline in monthly maintenance fees is associated with the decline in the number of active accounts in our Consumer business. Our estimate of cash rewards varies based on multiple factors including the terms and conditions of the cash back program, customer activity and customer redemption rates. Cash rewards have increased steadily year-over-year as our cash-back programs have grown, principally from those launched in 2016 and to a lesser extent, new cash-back programs launched in 2019. These decreases were partially offset by program management fees earned from our BaaS partners.

Processing and Settlement Service Revenues — Processing and settlement service revenues totaled $287.1 million for the year ended December 31, 2019, an increase of $39.1 million, or 16%, from the comparable prior year period. The increase was driven primarily by year-over-year growth in transaction volume associated with cash transfers and disbursement services through our Simply Paid disbursement service.

Interchange Revenues — Interchange revenues totaled $330.2 million for the year ended December 31, 2019, an increase of $19.3 million, or 6%, from the comparable prior year period. The increase was primarily due to an increase in purchase volume during the year ended December 31, 2019.

Interest Income, net — Net interest income totaled $31.9 million for the year ended December 31, 2019, an increase of $8.1 million, or 34%, from the comparable prior year period. The increase was principally the result of higher interest rates earned compared to the prior year period, and to a lesser extent, higher average balances in our investment securities portfolio and customer funds on deposit.

Operating Expenses

The following table presents a breakdown of our operating expenses among sales and marketing, compensation and benefits, processing, and other general and administrative expenses:

	Year Ended December 31,			
	2019		2018	
	Amount	% of Total Operating Revenues	Amount	% of Total Operating Revenues
	(In thousands, except percentages)			
Operating expenses:				
Sales and marketing expenses	**$ 386,840**	**34.9%**	$ 326,333	30.6%
Compensation and benefits expenses	**198,412**	**17.9**	221,627	20.8
Processing expenses	**200,674**	**18.1**	181,160	17.0
Other general and administrative expenses	**199,751**	**18.0**	206,040	19.4
Total operating expenses	**$ 985,677**	**88.9%**	$ 935,160	87.8%

Sales and Marketing Expenses — Sales and marketing expenses totaled $386.8 million for the year ended December 31, 2019, an increase of $60.5 million, or 19% compared to the year ended December 31, 2018. This increase was primarily driven by an increase in advertising expenses in support of our recent Green Dot Unlimited product launch and in sales commissions associated with higher revenues generated from products that are subject to revenue-sharing agreements. Under our new agreement with Walmart, the sales commission rate we pay for the MoneyCard program increased from the prior agreement. We expect our sales and marketing expenses in 2020 to be negatively impacted by the increased commission rate.

Compensation and Benefits Expenses — Compensation and benefits expenses totaled $198.4 million for the year ended December 31, 2019, a decrease of $23.2 million, or 10%, compared to the year ended December 31, 2018. The decrease was primarily the result of a $20.5 million decrease in employee stock-based compensation as a result of the modification of certain performance based equity awards and adjustments for the estimated payouts thereof as of December 31, 2019, as well as lower salaries and wages of $7.7 million due to a decrease in accrued bonus compensation. These decreases were partially offset by an increase of $3.2 million in third-party contractor expenses, primarily related to call center support.

Processing Expenses — Processing expenses totaled $200.7 million for the year ended December 31, 2019, an increase of $19.5 million, or 11%, compared to the year ended December 31, 2018. This increase was principally the result of higher volume of ATM and purchase transactions initiated by our account holders and higher merchant acquiring costs associated with peer-to-peer payment activity on our mobile-only accounts by our account holders within our Account Services segment. The year-over-year increase was also attributable to the growth in disbursement transactions processed by our Simply Paid platform within our Processing and Settlement Services segment.

Other General and Administrative Expenses — Other general and administrative expenses totaled $199.8 million for the year ended December 31, 2019, a decrease of $6.2 million, or 3%, from the comparable prior year period. Other general and administrative expenses decreased principally due to the $13.5 million expense recorded during the prior year period for the resolution of the final earn-out calculation related to the acquisition of our tax refund processing business, which did not recur for the year ended December 31, 2019. Other general and administrative expenses were also impacted favorably by lower dispute and purchase transaction losses compared with the prior year period, offset by higher depreciation and amortization of property and equipment of $10.1 million, higher professional expenses of $4.1 million and higher other administrative expenses.

Income Tax Expense

The following table presents a breakdown of our effective tax rate among federal, state and other:

	Year Ended December 31,	
	2019	2018
U.S. federal statutory tax rate	**21.0 %**	21.0 %
State income taxes, net of federal tax benefit	**0.1**	(0.5)
General business credits	**(2.1)**	(2.2)
Employee stock-based compensation	**(2.2)**	(17.1)
Tax Cuts and Jobs Act remeasurement	**—**	0.2
IRC 162(m) limitation	**0.1**	2.2
Other	**0.6**	0.5
Effective tax rate	**17.5 %**	4.1 %

Our income tax expense amounted to $21.2 million for the year ended December 31, 2019, an increase of $16.1 million from the prior year period due to an increase in our effective tax rate from 4.1% to 17.5%. This increase is primarily due to the decrease in benefit on the recognition of excess tax benefits from stock-based compensation expense and additional expenses related to state taxes, net of federal benefits.

The "Other" category in our effective tax rate consists of a variety of permanent differences, none of which were individually significant.

Results of Operations by Segment

Information with respect to the results of operations for each of our reportable segments may be found under *Note 24 — Segment Information* to the Consolidated Financial Statements included herein, which information is incorporated herein by reference.

Capital Requirements for Bank Holding Companies

Our subsidiary bank, Green Dot Bank, is a member bank of the Federal Reserve System and our primary regulators are the Federal Reserve Board and the Utah Department of Financial Institutions. We and Green Dot Bank are subject to various regulatory capital requirements administered by the banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory actions by regulators that, if undertaken, could have a direct material effect on our financial statements. Under capital adequacy guidelines, we and Green Dot Bank must meet specific capital guidelines that involve quantitative measures of the assets, liabilities and certain off-balance sheet items as calculated under regulatory accounting practices. The capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

In July 2013, the Federal Reserve and other U.S. banking regulators approved final rules regarding new risk-based capital, leverage and liquidity standards, known as “Basel III.” The Basel III rules, which became effective for us and our bank on January 1, 2015, are subject to certain phase-in periods that occur over several years. The U.S. Basel III rules contain new capital standards that change the composition of capital, increase minimum capital ratios and strengthen counter-party credit risk capital requirements. The Basel III rules also include a new definition of common equity Tier 1 capital and require that certain levels of such common equity Tier 1 capital be maintained. The rules also include a new capital conservation buffer, which impose a common equity requirement above the new minimum that can be depleted under stress and could result in restrictions on capital distributions and discretionary bonuses under certain circumstances, as well as a new standardized approach for calculating risk-weighted assets. Under the Basel III rules, we must maintain a ratio of common equity Tier 1 capital to risk-weighted assets of at least 4.5%, a ratio of Tier 1 capital to risk-weighted assets of at least 6%, a ratio of total capital to risk-weighted assets of at least 8% and a minimum Tier 1 leverage ratio of 4.0%.

As of December 31, 2019 and 2018, we and Green Dot Bank were categorized as "well capitalized" under applicable regulatory standards. To be categorized as "well capitalized," we and Green Dot Bank must maintain specific total risk-based, Tier 1 risk-based and Tier 1 leverage ratios as set forth in the table below. There were no conditions or events since December 31, 2019 which management believes would have changed our category as "well capitalized."

The definitions associated with the amounts and ratios below are as follows:

Ratio	Definition
Tier 1 leverage ratio	Tier 1 capital divided by average total assets
Common equity Tier 1 capital ratio	Common equity Tier 1 capital divided by risk-weighted assets
Tier 1 capital ratio	Tier 1 capital divided by risk-weighted assets
Total risk-based capital ratio	Total capital divided by risk-weighted assets

Terms	Definition
Tier 1 capital and Common equity Tier 1 capital	Primarily includes common stock, retained earnings and accumulated OCI, net of deductions and adjustments primarily related to goodwill, deferred tax assets and intangibles. Under the regulatory capital rules, certain deductions and adjustments to these capital figures are phased in through January 1, 2018.
Total capital	Tier 1 capital plus supplemental capital items such as the allowance for loan losses, subject to certain limits
Average total assets	Average total consolidated assets during the period less deductions and adjustments primarily related to goodwill, deferred tax assets and intangibles assets
Risk-weighted assets	Represents the amount of assets or exposure multiplied by the standardized risk weight (%) associated with that type of asset or exposure. The standardized risk weights are prescribed in the bank capital rules and reflect regulatory judgment regarding the riskiness of a type of asset or exposure

The actual amounts and ratios, and required "well capitalized" minimum capital amounts and ratios at December 31, 2019 and 2018, were as follows:

	December 31, 2019			
	Amount	Ratio	Regulatory Minimum	"Well-capitalized" Minimum
	(In thousands, except ratios)			
Green Dot Corporation:				
Tier 1 leverage	**$ 400,445**	**22.2%**	**4.0%**	**n/a**
Common equity Tier 1 capital	**$ 400,445**	**70.5%**	**4.5%**	**n/a**
Tier 1 capital	**$ 400,445**	**70.5%**	**6.0%**	**6.0%**
Total risk-based capital	**$ 404,469**	**71.2%**	**8.0%**	**10.0%**
Green Dot Bank:				
Tier 1 leverage	**$ 204,141**	**13.9%**	**4.0%**	**5.0%**
Common equity Tier 1 capital	**$ 204,141**	**82.8%**	**4.5%**	**6.5%**
Tier 1 capital	**$ 204,141**	**82.8%**	**6.0%**	**8.0%**
Total risk-based capital	**$ 205,548**	**83.4%**	**8.0%**	**10.0%**

	December 31, 2018			
	Amount	Ratio	Regulatory Minimum	"Well-capitalized" Minimum
	(In thousands, except ratios)			
Green Dot Corporation:				
Tier 1 leverage	$ 353,047	20.1%	4.0%	n/a
Common equity Tier 1 capital	$ 353,047	88.8%	4.5%	n/a
Tier 1 capital	$ 353,047	88.8%	6.0%	6.0%
Total risk-based capital	$ 357,092	89.8%	8.0%	10.0%
Green Dot Bank:				
Tier 1 leverage	$ 172,518	11.7%	4.0%	5.0%
Common equity Tier 1 capital	$ 172,518	100.8%	4.5%	6.5%
Tier 1 capital	$ 172,518	100.8%	6.0%	8.0%
Total risk-based capital	$ 173,838	101.5%	8.0%	10.0%

Liquidity and Capital Resources

The following table summarizes our major sources and uses of cash for the periods presented:

	Year Ended December 31,	
	2019	2018
	(In thousands)	
Total cash provided by (used in)		
Operating activities	**$ 189,914**	$ 251,051
Investing activities	**(153,853)**	(114,967)
Financing activities	**(65,125)**	(50,961)
(Decrease) increase in unrestricted cash, cash equivalents and restricted cash	**$ (29,064)**	$ 85,123

During the years ended December 31, 2019 and 2018 we financed our operations primarily through our cash flows provided by operating activities. From time to time, we may also finance short term working capital activities through our borrowings under our credit facility. At December 31, 2019, our primary source of liquidity was unrestricted cash and cash equivalents totaling $1.1 billion. We also consider our $277.4 million of investment securities available-for-sale to be highly-liquid instruments.

We use trend and variance analysis as well as our detailed budgets and forecasts to project future cash needs, making adjustments to the projections when needed. We believe that our current unrestricted cash and cash equivalents, cash flows from operations and borrowing capacity under our credit facility will be sufficient to meet our working capital, capital expenditure, equity method investee capital commitment, and debt service requirements and any other capital needs for at least the next 12 months.

Cash Flows from Operating Activities

Our $189.9 million of net cash provided by operating activities in the year ended December 31, 2019 principally resulted from $99.9 million of net income, adjusted for certain non-cash operating expenses of $118.5 million, and a decrease in working capital assets and liabilities of $28.5 million, driven principally by changes in accounts receivables and prepaid and other assets. Our $251.1 million of net cash provided by operating activities in the year ended December 31, 2018 principally resulted from $118.7 million of net income, adjusted for certain non-cash operating expenses of $128.1 million, and an increase in net changes in working capital assets and liabilities of $4.3 million, driven principally by the timing of payments of our accounts payable and accrued liabilities and the settlement of outstanding accounts receivables.

Cash Flows from Investing Activities

Our $153.9 million of net cash used in investing activities in the year ended December 31, 2019 primarily reflects payments for acquisition of property and equipment of $78.2 million and purchases of available-for-sale investment securities, net of proceeds from sales and maturities of $73.2 million. Our $115.0 million of net cash used in investing activities in the year ended December 31, 2018 primarily reflects payments for acquisition of property and equipment of $61.0 million and purchases of available-for-sale investment securities, net of proceeds from sales and maturities of $48.1 million.

Cash Flows from Financing Activities

Our $65.1 million of net cash used in financing activities for the year ended December 31, 2019 was principally the result of $100.0 million used for stock repurchases under our stock repurchase program, $60.0 million in repayments of our note payable, a net decrease in obligations to customers of $66.8 million and $21.3 million in taxes paid from net settled equity awards, offset by a net increase in customer deposits of $146.1 million and borrowings on our revolving credit facility of $35.0 million. Our $51.0 million of net cash used in financing activities for the year ended December 31, 2018 was primarily the result of $46.0 million in taxes paid from net settled equity awards and $22.5 million in repayments of our note payable, offset by $21.9 million from stock option exercise and employee stock purchase plan proceeds.

Commitments

We anticipate that we will continue to purchase property and equipment as necessary in the normal course of our business. The amount and timing of these purchases and the related cash outflows in future periods is difficult to predict and is dependent on a number of factors including the hiring of employees, the rate of change of computer hardware and software used in our business and our business outlook. We intend to continue to invest in new products and programs, new features for our existing products and IT infrastructure to scale and operate effectively to meet our

strategic objectives. We expect these capital expenditures will be similar to the amount of our capital expenditures in 2019 as we reinvest a portion of the incremental cash flow generated from operations.

We have used cash to acquire businesses and technologies and we anticipate that we may continue to do so in the future. The nature of these transactions makes it difficult to predict the amount and timing of such cash requirements. We may also be required to raise additional financing to complete future acquisitions. On February 28, 2017, we completed our acquisition of all the membership interests of UniRush LLC, which included a minimum $4 million annual earn-out payment for five years following the closing. The earn-out payments will be made each year, with the minimum payment potentially becoming greater if certain revenue growth targets for the RushCard GPR card program are met in a given year, although any potential increase is not expected to be material to the overall purchase price.

Additionally, we may make periodic cash contributions to our subsidiary bank, Green Dot Bank, to maintain its capital, leverage and other financial commitments at levels we have agreed to with our regulators.

Senior Credit Facility

In October 2014, we entered into a $225 million credit agreement with Bank of America, N.A., as administrative agent, Wells Fargo Bank, National Association, and other lenders party thereto. The agreement provided for (i) a $75 million five-year revolving facility (the “Revolving Facility”) and (ii) a five-year $150 million term loan facility (the “Term Facility” and, together with the Revolving Facility, the “Senior Credit Facility”). At our election, loans made under the credit agreement carried interest at (1) a LIBOR rate or (2) a base rate as defined in the agreement, plus an applicable margin. Quarterly principal payments of $5.6 million were payable on the loans under the Term Facility. In March 2019, we elected to make a voluntary prepayment of $60.0 million to retire our Term Facility without penalty or additional premium. The Revolving Facility remained available for use until October 2019, at which point we entered into a new revolving facility.

The Senior Credit Facility subjected us to certain financial covenants, which included maintaining a minimum fixed charge coverage ratio and a maximum consolidated leverage ratio at the end of each fiscal quarter, as defined in the agreement, as amended. We were in compliance with all such covenants for the duration of the agreement.

2019 Revolving Facility

In October 2019, we entered into a new revolving credit agreement with Wells Fargo Bank, National Association, and other lenders party thereto. The new credit agreement provides for a $100 million five-year revolving facility and matures in October 2024. Borrowings available under the 2019 Revolving Facility as of December 31, 2019 amounted to $65.0 million. At our election, loans made under the credit agreement bear interest at 1) a LIBOR rate (the “LIBOR Rate") or 2) a base rate determined by reference to the highest of (a) the United States federal funds rate plus 0.50%, (b) the Wells Fargo prime rate, and (c) one-month LIBOR rate plus 1.0% (the “Base Rate"), plus in either case an applicable margin. The applicable margin for borrowings depends on our total leverage ratio and varies from 1.25% to 2.00% for LIBOR Rate loans and 0.25% to 1.00% for Base Rate loans (3.05% as of December 31, 2019). We remain subject to certain financial covenants, which include maintaining a minimum fixed charge coverage ratio and a maximum consolidated leverage ratio at the end of each fiscal quarter, as defined in the agreement. As of December 31, 2019, we were in compliance with all such covenants.

Share Repurchase Program

In previous years, we have repurchased shares of our Class A Common Stock under an authorized stock repurchase program. In May 2017, our Board of Directors authorized, subject to regulatory approval, expansion of our stock repurchase program by an additional $150 million. We sought and received regulatory approval during the second quarter of 2019, at which point we made an up-front payment of $100 million to enter into an accelerated share repurchase agreement. In August 2019, we completed final settlement of shares purchased under this agreement, receiving in total approximately 2.1 million shares at an average repurchase price of $48.26. We have an authorized $50 million remaining under our current stock repurchase program for any additional repurchases.

Contractual Obligations

Our contractual commitments will have an impact on our future liquidity. The following table summarizes our contractual obligations, including both on and off-balance sheet transactions that represent material expected or contractually committed future obligations, at December 31, 2019. We believe that we will be able to fund these obligations through cash generated from operations and from our existing cash balances.

	Payments Due by Period				
	Total	Less than 1 Year	1-3 Years	3-5 Years	More than 5 Years
	(In thousands)				
Debt obligations	$ 35,000	$ 35,000	$ —	$ —	$ —
Operating lease obligations	36,977	9,846	21,935	5,196	—
Purchase obligations(1)	32,566	17,008	14,733	825	—
Total	$ 104,543	$ 61,854	$ 36,668	$ 6,021	$ —

(1) Primarily future minimum payments under agreements with vendors and our retail distributors. See *Note 20 — Commitments and Contingencies* of the Notes to our Consolidated Financial Statements.

In addition to the above contractual obligations, our definitive agreement to acquire all of the equity interests of UniRush provides for a minimum $4 million annual earn-out payment for five years following the closing, ending in February 2022.

Off-Balance Sheet Arrangements

During the years ended December 31, 2019 and 2018 we did not have any relationships with unconsolidated organizations or financial partnerships, such as structured finance or special purpose entities that would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

On January 2, 2020, we effectuated our agreement with Walmart to jointly establish a new fintech accelerator under the name TailFin Labs, LLC, with a mission to develop innovative products, services and technologies that sit at the intersection of retail shopping and consumer financial services. See *Note 25- Subsequent Events* of the Notes to our Consolidated Financial Statements for additional information.

Statistical Disclosure by Bank Holding Companies

As discussed in Part I, Item 1. Business, we became a bank holding company in December 2011. This section presents information required by the SEC's Industry Guide 3, "*Statistical Disclosure by Bank Holding Companies*." The tables in this section include Green Dot Bank information only.

Distribution of Assets, Liabilities and Stockholders' Equity

The following table presents average balance data and interest income and expense data for our banking operations, as well as the related interest yields and rates for the years ended December 31, 2019 and 2018 and average balance data for the period ended December 31, 2017:

	Year ended December 31,						Period ended December 31,
	2019			2018			2017
	Average balance	Interest income/ interest expense	Yield/ rate	Average balance	Interest income/ interest expense	Yield/ rate	Average balance
	(In thousands, except percentages)						
Assets							
Interest-bearing assets							
Loans (1)	**$ 23,656**	**$ 2,050**	**8.7%**	$ 21,742	$ 1,847	8.5%	$ 11,835
Taxable investment securities	**229,575**	**6,722**	**2.9**	208,359	3,958	1.9	153,276
Non-taxable investment securities	**399**	**10**	**2.5**	423	15	3.5	296
Federal reserve stock	**5,377**	**273**	**5.1**	3,722	199	5.3	3,512
Fee advances	**6,301**	**1,296**	**20.6**	7,641	931	12.2	689
Cash	**1,124,979**	**24,616**	**2.2**	992,138	18,940	1.9	590,203
Total interest-bearing assets	**1,390,287**	**34,967**	**2.5%**	1,234,025	25,890	2.1%	759,811
Non-interest bearing assets	**255,997**			236,254			147,530
Total assets	**$ 1,646,284**			$ 1,470,279			$ 907,341
Liabilities							
Interest-bearing liabilities							
Checking accounts	**$ 80,642**	**$ 1,750**	**2.2%**	$ 75,674	$ 1,346	1.8%	$ 21,645
Savings deposits	**23,598**	**242**	**1.0**	15,244	112	0.7	9,983
Time deposits, denominations greater than or equal to $100	**2,234**	**31**	**1.4**	4,172	32	0.8	4,946
Time deposits, denominations less than $100	**2,105**	**9**	**0.4**	1,297	9	0.7	1,489
Total interest-bearing liabilities	**108,579**	**2,032**	**1.9%**	96,387	1,499	1.6%	38,063
Non-interest bearing liabilities	**1,225,023**			1,214,396			760,922
Total liabilities	**1,333,602**			1,310,783			798,985
Total stockholders' equity	**312,682**			159,496			108,356
Total liabilities and stockholders' equity	**$ 1,646,284**			$ 1,470,279			$ 907,341
Net interest income/yield on earning assets		**$ 32,935**	**0.6%**		$ 24,391	0.5%	

(1) Non-performing loans are included in the respective average loan balances. Income, if any, on such loans is recognized on a cash basis.

The following table presents the rate/volume variance in interest income and expense for the year ended December 31, 2019:

	December 31, 2019		
	Total Change in Interest Income/ Expense	Change Due to Rate (1)	Change Due to Volume (1)
		(In thousands)	
Loans	$ 203	$ 37	$ 166
Taxable investment securities	2,764	2,143	621
Non-taxable investment securities	(5)	(4)	(1)
Federal reserve stock	74	(10)	84
Fee advances	365	640	(275)
Cash	5,676	2,769	2,907
	$ 9,077	$ 5,575	$ 3,502
Checking accounts	$ 404	$ 295	$ 109
Savings deposits	130	44	86
Time deposits, denominations greater than or equal to $100	(1)	26	(27)
Time deposits, denominations less than $100	—	(3)	3
	$ 533	$ 362	$ 171

(1) The change in interest income and expense not solely due to changes in volume or rate has been allocated on a pro-rata basis to the volume and rate columns.

Investment Portfolio

The following table presents the amortized cost and fair value of Green Dot Bank's investment portfolio at December 31, 2019, 2018 and 2017:

	December 31, 2019		December 31, 2018		December 31, 2017	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value
			(In thousands)			
Corporate bonds	**$ 10,000**	**$ 10,012**	$ —	$ —	$ 1,000	$ 999
Negotiable certificate of deposit	**—**	**—**	15,000	15,000	—	—
Agency bond securities	**19,980**	**20,000**	19,723	19,693	—	—
Agency mortgage-backed securities	**208,821**	**211,033**	87,156	86,813	121,036	120,034
Municipal bonds	**4,342**	**4,342**	507	483	742	739
Asset-backed securities	**31,814**	**32,052**	79,274	79,194	20,952	20,861
Total fixed-income securities	**$ 274,957**	**$ 277,439**	$ 201,660	$ 201,183	$ 143,730	$ 142,633

The following table shows the scheduled maturities, by amortized cost, and average yields for Green Dot Bank's investment portfolio at December 31, 2019:

	Due in one year or less	Due after one year through five years	Due after five years through ten years	Due after ten years	Total
			(In thousands, except percentages)		
Corporate bonds	$ —	$ 10,000	$ —	$ —	$ 10,000
Agency bond securities	10,000	—	9,980	—	19,980
Agency mortgage-backed securities	—	—	5,716	203,105	208,821
Municipal bonds	—	—	—	4,342	4,342
Asset-backed securities	—	21,904	9,910	—	31,814
Total fixed-income securities	$ 10,000	$ 31,904	$ 25,606	$ 207,447	$ 274,957
Weighted-average yield	2.36%	2.96%	2.65%	2.75%	2.75%

Deposits

The following table shows Green Dot Bank's average deposits and the annualized average rate paid on those deposits for the years ended December 31, 2019, 2018, and 2017:

	December 31, 2019		December 31, 2018		December 31, 2017	
	Average Balance	Weighted-Average Rate	Average Balance	Weighted-Average Rate	Average Balance	Weighted-Average Rate
	(In thousands, except percentages)					
Interest-bearing deposit accounts						
Checking accounts	**$ 80,642**	**2.2%**	$ 75,674	1.8%	$ 21,645	0.1%
Savings deposits	**23,598**	**1.0**	15,244	0.7	9,983	0.2
Time deposits, denominations greater than or equal to $100	**2,234**	**1.4**	4,172	0.8	4,946	0.7
Time deposits, denominations less than $100	**2,105**	**0.4**	1,297	0.7	1,489	0.6
Total interest-bearing deposit accounts	**108,579**	**1.9%**	96,387	1.6%	38,063	0.2%
Non-interest bearing deposit accounts	**839,657**		943,464		527,202	
Total deposits	**$ 948,236**		$ 1,039,851		$ 565,265	

The following table shows the scheduled maturities for Green Dot Bank's time deposits portfolio greater than $100,000 at December 31, 2019:

	December 31, 2019
	(In thousands)
Less than 3 months	$ 1,279
3 through 6 months	489
6 through 12 months	210
Greater than 12 months	1,876
	$ 3,854

Key Financial Ratios

The following table shows certain of Green Dot Bank's key financial ratios for the years ended December 31, 2019, 2018, and 2017:

	December 31, 2019	December 31, 2018	December 31, 2017
Net return on assets	**3.4%**	2.3%	1.7%
Net return on equity	**17.7**	21.0	14.0
Equity to assets ratio	**19.0**	10.9	11.9

ITEM 7A. Quantitative and Qualitative Disclosures about Market Risk

Market risk is the potential for economic losses from changes in market factors such as foreign currency exchange rates, credit, interest rates and equity prices. We believe that we have limited exposure to risks associated with changes in foreign currency exchange rates, interest rates and equity prices. We have no significant foreign operations. We do not hold or enter into derivatives or other financial instruments for trading or speculative purposes.

Interest rates

While operating net interest income has become a more meaningful component to our consolidated operating results, we do not consider our cash and cash equivalents or our investment securities to be subject to material interest rate risk due to their short duration. However, the Federal Open Market Committee (FOMC) decreased the federal funds target rate multiple times in 2019 to end the year, with additional reductions possible in the future. Further reductions in short-term interest rates could result in a decrease in the amount of net interest income we earn.

As of December 31, 2019, we had $35.0 million outstanding under our $100.0 million line of credit agreement. Refer to *Note 10 — Debt* to the Consolidated Financial Statements included herein for additional information. Our revolving credit facility is, and is expected to be, at variable rates of interest and expose us to interest rate risk. Although any short-term borrowings under our revolving credit facility would likely be insensitive to interest rate changes, interest expense on short-term borrowings will increase and decrease with changes in the underlying short-term interest rates. For example, assuming our credit agreement is drawn up to its maximum borrowing capacity of $100.0 million, based

on the applicable LIBOR and margin in effect as of December 31, 2019, each quarter point of change in interest rates would result in a $0.3 million change in our annual interest expense.

We actively monitor our interest rate exposure and our objective is to reduce, where we deem appropriate to do so, fluctuations in earnings and cash flows associated with changes in interest rates. In order to accomplish this objective, we may enter into derivative financial instruments, such as forward contracts and interest rate hedge contracts only to the extent necessary to manage our exposure. We do not hold or enter into derivatives or other financial instruments for trading or speculative purposes.

Credit and liquidity risk

We do have exposure to credit and liquidity risk associated with the financial institutions that hold our cash and cash equivalents, restricted cash, available-for-sale investment securities, settlement assets due from our Simply Paid distribution partners and retail distributors that collect funds and fees from our customers, and amounts due from our issuing banks for fees collected on our behalf.

We manage the credit and liquidity risk associated with our cash and cash equivalents, available-for-sale investment securities, loans and amounts due from issuing banks by maintaining an investment policy that restricts our correspondent banking relationships to approved, well capitalized institutions and restricts investments to highly liquid, low credit risk assets. Our policy has limits related to liquidity ratios, the concentration that we may have with a single institution or issuer and effective maturity dates as well as restrictions on the type of assets that we may invest in. The management Asset Liability Committee is responsible for monitoring compliance with our Capital Asset Liability Management policy and related limits on an ongoing basis, and reports regularly to the risk committee of our Board of Directors.

Our exposure to credit risk associated with our retail distributors and Simply Paid distribution partners is mitigated due to the short time period, currently an average of two days that retailer settlement assets are outstanding. We perform an initial credit review and assign a credit limit to each new retail distributor and Simply Paid distribution partner. We monitor each retail distributor’s and Simply Paid distribution partner's settlement asset exposure and its compliance with its specified contractual settlement terms on a daily basis and assess their credit limit and financial condition on a periodic basis. Our management's Enterprise Risk Management Committee is responsible for monitoring our retail distributor and Simply Paid distribution partner exposure and assigning credit limits and reports regularly to the risk committee of our Board of Directors.

ITEM 8. Financial Statements and Supplementary Data

Index to Consolidated Financial Statements

All financial statement schedules have been omitted, since the required information is not applicable or is not present in amounts sufficient to require submission of the schedule, or because the information required is included in the consolidated financial statements and notes thereto.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Green Dot Corporation

Opinion on Internal Control over Financial Reporting

We have audited Green Dot Corporation's internal control over financial reporting as of December 31, 2019, based on criteria established in Internal Control- Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the "COSO criteria"). In our opinion, Green Dot Corporation (the "Company") maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the 2019 consolidated financial statements of the Company and our report dated February 28, 2020 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying report of management on internal control over financial reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Los Angeles, California

February 28, 2020

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Green Dot Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Green Dot Corporation (the "Company") as of December 31, 2019 and 2018, the related consolidated statements of operations, comprehensive income, changes in stockholders' equity and cash flows for each of the three years in the period ended December 31, 2019, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Company's internal control over financial reporting as of December 31, 2019, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 28, 2020 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue Recognition

Description of the Matter	As discussed in Note 2 and Note 3 of the consolidated financial statements, the Company recorded card revenues and other fees of $459.4 million, interchange revenues of $330.2 million, and processing and settlement services revenues of $287.1 million in operating revenues for the year ended December 31, 2019. Card revenues and other fees consist of monthly maintenance fees, new card fees, ATM fees, and other card revenues, which include revenue associated with the Company's gift card program. Processing and settlement services revenues include cash transfer revenues, Simply Paid disbursement revenues and tax refund processing service revenues. The Company's revenue recognition differs between each of these discrete revenue streams. The Company recognizes revenue when control of the promised goods or services is transferred to customers in an amount that reflects the consideration the Company expects to be entitled to in exchange for the goods or services.

Auditing card revenues and other fees, interchange revenues, and cash transfer revenues was complex due to the high aggregate dollar value and large volume of revenue-generating transactions, the number of contracts involved with each revenue stream, the number of systems and processes involved in the processing of such transactions, including third-party service organizations, and the judgment required by management in estimating the average card lifetime used to recognize new card fees.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of the Company's processes, systems and controls related to the recognition of card revenues and other fees, interchange revenues, and cash transfer revenues, including, among others, controls related to management's assessment of when control of goods and services is transferred to customers, the Company's use of relevant third-party service organizations, and management's review of significant assumptions and underlying data used to estimate the average card lifetime.

Our audit procedures included, among others, assessing a sample of contracts to determine whether terms that may impact revenue recognition were identified and properly considered in the Company's evaluation of the accounting for the contracts, calculating revenue per transaction based upon the card revenues and other fees, interchange revenues, and cash transfer revenues recognized and relevant non-financial metrics for each revenue stream (e.g., purchase volumes and number of card activations) and comparing the revenue per transaction for each revenue stream to historical trends and expectations based on contractual rates and historical data. We tested revenue transaction details on a sample basis for certain card revenues and other fees by agreeing such revenues and fees to third party supporting documentation. In addition, we tested the methodology and significant assumptions and underlying data used in management's estimate of the average card lifetime by comparing the assumptions and data to the Company's historical data involving the period from activation of the card through the date of last positive balance.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2005.

Los Angeles, California
February 28, 2020

GREEN DOT CORPORATION
CONSOLIDATED BALANCE SHEETS

	December 31,	
	2019	2018
Assets	(In thousands, except par value)	
Current assets:		
Unrestricted cash and cash equivalents	**$ 1,063,426**	$ 1,094,728
Restricted cash	**2,728**	490
Investment securities available-for-sale, at fair value	**10,020**	19,960
Settlement assets	**239,222**	153,992
Accounts receivable, net	**59,543**	40,942
Prepaid expenses and other assets	**66,183**	57,070
Income tax receivable	**870**	8,772
Total current assets	**1,441,992**	1,375,954
Investment securities available-for-sale, at fair value	**267,419**	181,223
Loans to bank customers, net of allowance for loan losses of $1,166 and $1,144 as of December 31, 2019 and 2018, respectively	**21,417**	21,363
Prepaid expenses and other assets	**10,991**	8,125
Property and equipment, net	**145,476**	120,269
Operating lease right-of-use assets	**26,373**	—
Deferred expenses	**16,891**	21,201
Net deferred tax assets	**9,037**	7,867
Goodwill and intangible assets	**520,994**	551,116
Total assets	**$ 2,460,590**	$ 2,287,118
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	**$ 37,876**	$ 38,631
Deposits	**1,175,341**	1,005,485
Obligations to customers	**69,377**	58,370
Settlement obligations	**13,251**	5,788
Amounts due to card issuing banks for overdrawn accounts	**380**	1,681
Other accrued liabilities	**107,842**	134,000
Operating lease liabilities	**8,764**	—
Deferred revenue	**28,355**	34,607
Debt	**35,000**	58,705
Income tax payable	**3,948**	67
Total current liabilities	**1,480,134**	1,337,334
Other accrued liabilities	**10,883**	30,927
Operating lease liabilities	**24,445**	—
Net deferred tax liabilities	**17,772**	9,045
Total liabilities	**1,533,234**	1,377,306
Commitments and contingencies (Note 20)		
Stockholders' equity:		
Class A common stock, $0.001 par value; 100,000 shares authorized as of December 31, 2019 and 2018; 51,807 and 52,917 shares issued and outstanding as of December 31, 2019 and 2018, respectively	**52**	53
Additional paid-in capital	**296,224**	380,753
Retained earnings	**629,040**	529,143
Accumulated other comprehensive income (loss)	**2,040**	(137)
Total stockholders' equity	**927,356**	909,812
Total liabilities and stockholders' equity	**$ 2,460,590**	$ 2,287,118

See notes to consolidated financial statements

GREEN DOT CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2019	2018	2017
	(In thousands, except per share data)		
Operating revenues:			
Card revenues and other fees	**$ 459,357**	$ 482,881	$ 414,775
Processing and settlement service revenues	**287,064**	247,958	217,454
Interchange revenues	**330,233**	310,919	257,922
Interest income, net	**31,941**	23,817	10,972
Total operating revenues	**1,108,595**	1,065,575	901,123
Operating expenses:			
Sales and marketing expenses	**386,840**	326,333	280,561
Compensation and benefits expenses	**198,412**	221,627	194,654
Processing expenses	**200,674**	181,160	161,011
Other general and administrative expenses	**199,751**	206,040	155,601
Total operating expenses	**985,677**	935,160	791,827
Operating income	**122,918**	130,415	109,296
Interest expense, net	**1,837**	6,598	5,838
Income before income taxes	**121,081**	123,817	103,458
Income tax expense	**21,184**	5,114	17,571
Net income	**$ 99,897**	$ 118,703	$ 85,887
Basic earnings per common share:	**$ 1.91**	$ 2.27	$ 1.70
Diluted earnings per common share:	**$ 1.88**	$ 2.18	$ 1.61
Basic weighted-average common shares issued and outstanding:	**52,195**	52,222	50,482
Diluted weighted-average common shares issued and outstanding:	**53,138**	54,481	53,198

See notes to consolidated financial statements

GREEN DOT CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year Ended December 31,		
	2019	**2018**	**2017**
	(In thousands)		
Net income	**$ 99,897**	$ 118,703	$ 85,887
Other comprehensive income (loss)			
Unrealized holding gain (loss), net of tax	**2,177**	593	(549)
Comprehensive income	**$ 102,074**	$ 119,296	$ 85,338

See notes to consolidated financial statements

GREEN DOT CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Class A Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
	Shares	Amount				
			(In thousands)			
Balance at December 31, 2016	**50,513**	**$ 51**	**$ 358,155**	**$ 325,708**	**$ (181)**	**$ 683,733**
Common stock issued under stock plans, net of withholdings and related tax effects	1,949	1	6,083	—	—	6,084
Stock-based compensation	—	—	40,734	—	—	40,734
Repurchases of Class A common stock	(1,326)	(1)	(51,968)	—	—	(51,969)
Net income	—	—	—	85,887	—	85,887
Other comprehensive loss	—	—	—	—	(549)	(549)
Cumulative effect of accounting change and tax reform	—	—	1,785	(1,155)	—	630
Balance at December 31, 2017	**51,136**	**$ 51**	**$ 354,789**	**$ 410,440**	**$ (730)**	**$ 764,550**
Common stock issued under stock plans, net of withholdings and related tax effects	1,781	2	(24,129)	—	—	(24,127)
Stock-based compensation	—	—	50,093	—	—	50,093
Net income	—	—	—	118,703	—	118,703
Other comprehensive income	—	—	—	—	593	593
Balance at December 31, 2018	**52,917**	**$ 53**	**$ 380,753**	**$ 529,143**	**$ (137)**	**$ 909,812**
Common stock issued under stock plans, net of withholdings and related tax effects	**962**	**1**	**(14,114)**	**—**	**—**	**(14,113)**
Stock-based compensation	**—**	**—**	**29,583**	**—**	**—**	**29,583**
Repurchases of Class A common stock	**(2,072)**	**(2)**	**(99,998)**	**—**	**—**	**(100,000)**
Net income	**—**	**—**	**—**	**99,897**	**—**	**99,897**
Other comprehensive income	**—**	**—**	**—**	**—**	**2,177**	**2,177**
Balance at December 31, 2019	**51,807**	**$ 52**	**$ 296,224**	**$ 629,040**	**$ 2,040**	**$ 927,356**

See notes to consolidated financial statements

GREEN DOT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2019	2018	2017
	(In thousands)		
Operating activities			
Net income	**$ 99,897**	$ 118,703	$ 85,887
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization of property, equipment and internal-use software	**49,489**	38,581	33,470
Amortization of intangible assets	**32,616**	32,761	31,110
Provision for uncollectible overdrawn accounts	**86,451**	79,790	77,145
Employee stock-based compensation	**29,583**	50,093	40,734
Amortization of (discount) premium on available-for-sale investment securities	**(117)**	1,042	1,510
Change in fair value of contingent consideration	**(1,866)**	3,298	(9,672)
Amortization of deferred financing costs	**1,334**	1,594	1,589
Impairment of capitalized software	**578**	922	1,326
Deferred income tax expense (benefit)	**6,876**	(234)	2,780
Changes in operating assets and liabilities:			
Accounts receivable, net	**(105,052)**	(85,455)	(68,368)
Prepaid expenses and other assets	**(12,032)**	(9,930)	(16,841)
Deferred expenses	**4,310**	590	(2,098)
Accounts payable and other accrued liabilities	**(8,145)**	12,471	27,982
Deferred revenue	**(6,711)**	4,675	4,689
Income tax receivable/payable	**11,682**	(1,253)	5,067
Other, net	**1,021**	3,403	2,000
Net cash provided by operating activities	**189,914**	251,051	218,310
Investing activities			
Purchases of available-for-sale investment securities	**(189,066)**	(186,884)	(58,665)
Proceeds from maturities of available-for-sale securities	**110,971**	60,449	71,338
Proceeds from sales of available-for-sale securities	**4,915**	78,385	40,310
Payments for acquisition of property and equipment	**(78,214)**	(61,030)	(44,142)
Net increase in loans	**(2,459)**	(5,887)	(12,511)
Business acquisition, net of cash acquired	**—**	—	(141,493)
Net cash used in investing activities	**(153,853)**	(114,967)	(145,163)
Financing activities			
Borrowings from notes payable	**—**	—	20,000
Repayments of borrowings from notes payable	**(60,000)**	(22,500)	(42,500)
Borrowings on revolving line of credit	**35,000**	—	335,000
Repayments on revolving line of credit	**—**	—	(335,000)
Proceeds from exercise of options	**7,226**	21,880	24,161
Taxes paid related to net share settlement of equity awards	**(21,338)**	(46,007)	(18,077)
Net increase (decrease) in deposits	**146,100**	(16,733)	284,766
Net (decrease) increase in obligations to customers	**(66,760)**	17,255	(20,926)
Contingent consideration payments	**(4,634)**	(4,856)	(3,104)
Repurchase of Class A common stock	**(100,000)**	—	(51,969)
Deferred financing costs	**(719)**	—	(164)
Net cash used in financing activities	**(65,125)**	(50,961)	192,187
Net (decrease) increase in unrestricted cash, cash equivalents and restricted cash	**(29,064)**	85,123	265,334
Unrestricted cash, cash equivalents and restricted cash, beginning of period	**1,095,218**	1,010,095	744,761
Unrestricted cash, cash equivalents and restricted cash, end of period	**$ 1,066,154**	$ 1,095,218	$ 1,010,095
Cash paid for interest	**$ 2,452**	$ 4,888	$ 4,520
Cash paid for income taxes	**$ 1,921**	$ 6,233	$ 9,603
Reconciliation of unrestricted cash, cash equivalents and restricted cash at end of period:			
Unrestricted cash and cash equivalents	**$ 1,063,426**	$ 1,094,728	$ 919,243
Restricted cash	**2,728**	490	90,852

Total unrestricted cash, cash equivalents and restricted cash, end of period	**$ 1,066,154**	$ 1,095,218	$ 1,010,095

See notes to consolidated financial statements

GREEN DOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1—Organization

Green Dot Corporation (“we,” “our,” or “us” refer to Green Dot Corporation and its consolidated subsidiaries) is a financial technology leader and bank holding company with a mission to reinvent banking for the masses. Our company’s long-term strategy is to create a unique, sustainable and highly valuable fintech ecosystem, in part through the continued evolution of our innovative Banking as a Service (“BaaS”) platform, that’s intended to fuel the engine of innovation and growth for us and our business partners.

Enabled by proprietary technology, our commercial bank charter and our high-scale program management operating capability, our vertically integrated technology and banking platform is used by a growing list of America’s most prominent consumer and technology companies to design and deploy their own bespoke financial services solutions to their customers and partners, while we use that same integrated platform for our own leading collection of banking and financial services products marketed directly to consumers through what we believe to be the most broadly distributed, omni-channel branchless banking platforms in the United States.

We were incorporated in Delaware in 1999 and became a bank holding company under the Bank Holding Company Act and a member bank of the Federal Reserve System in December 2011. We are headquartered in Pasadena, California, with additional facilities throughout the United States and in Shanghai, China.

Note 2—Summary of Significant Accounting Policies

Principles of Consolidation and Basis of Presentation

Our consolidated financial statements include the results of Green Dot Corporation and our wholly-owned subsidiaries. We prepared the accompanying consolidated financial statements in accordance with generally accepted accounting principles in the United States of America, or GAAP. We eliminate all significant intercompany balances and transactions on consolidation. We include the results of operations of acquired companies from the date of acquisition.

Reclassifications

Beginning with the first quarter of 2019, we present net interest income generated from operations at Green Dot Bank, our subsidiary bank, as a component of our total operating revenues. Prior year amounts, formerly reported below operating income on our consolidated statements of operations, have been reclassified to conform to our current year presentation on our consolidated statements of operations. This reclassification changed our previously reported total operating revenues, but had no impact on our previously reported consolidated net income or cash flows for any comparative periods presented.

Net interest income at Green Dot Bank has become an increasingly important revenue component as Green Dot Bank's ability to invest its growing customer balances and generate interest income is one of several unique advantages we have as both a leading financial technology company and a federally regulated bank. Net interest income or expense generated outside of Green Dot Bank continues to be reported below operating income on our consolidated statements of operations.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the amounts reported in the consolidated financial statements, including the accompanying notes. We base our estimates and assumptions on historical factors, current circumstances, and the experience and judgment of management. We evaluate our estimates and assumptions on an ongoing basis. Actual results could differ from those estimates.

Unrestricted Cash and Cash Equivalents

We consider all unrestricted highly liquid investments with an original maturity of three months or less to be unrestricted cash and cash equivalents.

Investment Securities

Our investment portfolio is primarily comprised of fixed income securities. We classify these securities as available-for-sale and report them at fair value with the related unrealized gains and losses, net of tax, included in accumulated other comprehensive income, a component of stockholders’ equity. We classify investment securities with maturities less than or equal to 365 days as current assets.

Note 2—Summary of Significant Accounting Policies (continued)

We regularly evaluate each fixed income security where the value has declined below amortized cost to assess whether the decline in fair value is other-than-temporary. In determining whether an impairment is other-than-temporary, we consider the severity and duration of the decline in fair value, the length of time expected for recovery, the financial condition of the issuer, and other qualitative factors, as well as whether we either plan to sell the security or it is more likely-than-not that we will be required to sell the security before recovery of its amortized cost. If the impairment of the investment security is credit-related, an other-than-temporary impairment is recorded in earnings. We recognize non-credit-related impairment in accumulated other comprehensive income. If we intend to sell an investment security or believe we will more-likely-than-not be required to sell a security, we record the full amount of the impairment as an other-than-temporary impairment.

Interest on fixed income securities, including amortization of premiums and accretion of discounts, is included in interest income.

Obligations to Customers and Settlement Assets and Obligations

At the point of sale, our retail distributors collect customer funds for purchases of new cards and balance reloads and then remit these funds directly to the banks that issue our cards. Our retail distributors' remittance of these funds takes an average of two business days.

Settlement assets represent the amounts due from our retail distributors and other partners for customer funds collected at the point of sale that have not yet been received by our subsidiary bank. Also included in this balance are payroll amounts funded in advance (up to two days early) to certain cardholders who are eligible to participate in our early direct deposit programs. Obligations to customers represent customer funds collected from (or to be remitted by) our retail distributors for which the underlying products have not been activated. Once the underlying products have been activated, the customer funds are reclassified as deposits in a bank account established for the benefit of the customer. Settlement obligations represent the customer funds received by our subsidiary bank that are due to third-party card issuing banks upon activation.

Accounts Receivable, net

Accounts receivable is comprised principally of receivables due from card issuing banks, overdrawn account balances due from cardholders, trade accounts receivable, fee advances and other receivables. We record accounts receivable net of reserves for estimated uncollectible accounts. Receivables due from card issuing banks primarily represent revenue-related funds held at the third-party card issuing banks related to our network branded programs that have yet to be remitted to us. These receivables are generally collected within a short period of time based on the remittance terms in our agreements with the third-party card issuing banks. Fee advances represent short-term advances to in-person tax return preparation companies made prior to and during tax season. These advances are collateralized by their clients' tax preparation fees and are generally collected within a short period of time as the in-person tax preparation companies begin preparing and processing their clients' tax refunds.

Overdrawn Account Balances Due from Cardholders and Reserve for Uncollectible Overdrawn Accounts

Our cardholder accounts may become overdrawn as a result of maintenance fee assessments or from purchase transactions that we honor, in excess of the funds in a cardholder's account. We are exposed to losses from any unrecovered overdrawn account balances. We establish a reserve for uncollectible overdrawn accounts. We classify overdrawn accounts into age groups based on the number of days that have elapsed since an account last had activity, such as a purchase, ATM transaction or maintenance fee assessment. We calculate a reserve factor for each age group based on the average recovery rate for the most recent six months. These factors are applied to these age groups to estimate our overall reserve. When more than 90 days have passed without activity in an account, we write off the full amount of the overdrawn account balance. We include our provision for uncollectible overdrawn accounts related to maintenance fees and purchase transactions as an offset to card revenues and other fees and in other general and administrative expenses, respectively, in the accompanying consolidated statements of operations.

Restricted Cash

As of December 31, 2019 and 2018, restricted cash amounted to $2.7 million and $0.5 million, respectively. Restricted cash principally relates to pre-funding obligations for cardholder accounts at third-party issuing banks.

Note 2—Summary of Significant Accounting Policies (continued)

Loans to Bank Customers

We report loans measured at historical cost at their outstanding principal balances, net of any charge-offs, and for purchased loans, net of any unaccreted discounts. We recognize interest income as it is earned.

Nonperforming Loans

Nonperforming loans generally include loans that have been placed on nonaccrual status. We generally place loans on nonaccrual status when they are past due 90 days or more. We reverse the related accrued interest receivable and apply interest collections on nonaccrual loans as principal reductions; otherwise, we credit such collections to interest income when received. These loans may be restored to accrual status when all principal and interest is current and full repayment of the remaining contractual principal and interest is expected. For our secured credit card portfolio, when an account is past due 90 days, collateral deposits are applied against outstanding credit card balances. Any balance in excess of the collateral balance is charged off at 180 days.

We consider a loan to be impaired when it is probable that we will be unable to collect all amounts due according to the contractual terms of the loan agreement. Once we determine a loan to be impaired, we measure the impairment based on the present value of the expected future cash flows discounted at the loan's effective interest rate. We may also measure impairment based on observable market prices, or for loans that are solely dependent on the collateral for repayment, the estimated fair value of the collateral less estimated costs to sell. If the recorded investment in impaired loans exceeds this amount, we establish a specific allowance as a component of the allowance for loan losses or by adjusting an existing valuation allowance for the impaired loan.

Allowance for Loan Losses

We establish an allowance for loan losses to account for estimated credit losses inherent in our loan portfolio, including our secured credit cards. For each portfolio of loans, our estimate of inherent losses is separately calculated on an aggregate basis for groups of loans and are considered to have similar credit characteristics and risk of loss. We analyze historical loss rates for these groups to determine a loss rate for each group of loans. We then adjust the rates for qualitative factors which in our judgment affect the expected inherent losses. Qualitative considerations include, but are not limited to, prevailing economic or market conditions, changes in the loan grading and underwriting process, changes in the estimated value of the underlying collateral for collateral dependent loans, delinquency and nonaccrual status, problem loan trends, and geographic concentrations. We separately establish specific allowances for impaired loans based on the present value of changes in cash flows expected to be collected, or for impaired loans that are considered collateral dependent, the estimated fair value of the collateral.

Property and Equipment

We carry our property and equipment at cost less accumulated depreciation and amortization. We generally compute depreciation on property and equipment using the straight-line method over the estimated useful lives of the assets, except for land, which is not depreciated. We generally compute amortization on tenant improvements using the straight-line method over the shorter of the related lease term or estimated useful lives of the improvements. We expense expenditures for maintenance and repairs as incurred.

We capitalize certain internal and external costs incurred to develop internal-use software during the application development stage. We also capitalize the cost of specified upgrades and enhancements to internal-use software that result in additional functionality. Once a development project is substantially complete and the software is ready for its intended use, we begin depreciating these costs on a straight-line basis over the internal-use software's estimated useful life.

The estimated useful lives of the respective classes of assets are as follows:

Land	N/A
Building	30 years
Computer equipment, furniture and office equipment	3-10 years
Computer software purchased	3 years
Capitalized internal-use software	3-7 years
Tenant improvements	Shorter of the useful life or the lease term

Note 2—Summary of Significant Accounting Policies (continued)

Impairment of Long-Lived Assets

We evaluate long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the sum of expected undiscounted future cash flows from an asset is less than the carrying amount of the asset, we estimate the fair value of the assets. We measure the loss as the amount by which the carrying amount exceeds its fair value calculated using the present value of estimated net future cash flows. We recorded impairment charges of $0.6 million, $0.9 million and $1.3 million for the years ended December 31, 2019, 2018 and 2017, respectively, associated with capitalized internal-use software we determined to no longer be utilized and any remaining carrying value was written off. These impairment charges are included in other general and administrative expenses in our consolidated statements of operations.

Goodwill and Intangible Assets

Goodwill is the purchase premium after adjusting for the fair value of net assets acquired. Goodwill is not amortized but is reviewed for potential impairment on an annual basis, or when events or circumstances indicate a potential impairment, at the reporting unit level. A reporting unit, as defined under applicable accounting guidance, is an operating segment or one level below an operating segment, referred to as a component. We may in any given period bypass the qualitative assessment and proceed directly to a two-step method to assess and measure impairment of the reporting unit's goodwill. We first assess qualitative factors to determine whether it is more likely-than-not (i.e., a likelihood of more than 50 percent) that the fair value of a reporting unit is less than its carrying value. This step serves as the basis for determining whether it is necessary to perform the two-step quantitative impairment test. The first step of the quantitative impairment test involves a comparison of the estimated fair value of each reporting unit to its carrying amount, including goodwill. If the estimated fair value of the reporting unit exceeds its carrying amount, goodwill of the reporting unit is not impaired; however, if the carrying amount of the reporting unit exceeds its estimated fair value, then the second step of the quantitative impairment test must be performed. The second step compares the implied fair value of the reporting unit’s goodwill with its carrying amount to measure the amount of impairment loss, if any.

The implied fair value of goodwill is determined in the same manner as the amount of goodwill recognized in a business combination. If the carrying amount of the reporting unit’s goodwill exceeds the implied fair value of that goodwill, an impairment loss is recognized in an amount equal to that excess.

For intangible assets subject to amortization, we recognize an impairment loss if the carrying amount of the intangible asset is not recoverable and exceeds its estimated fair value. The carrying amount of the intangible asset is considered not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use of the asset.

No impairment charges were recognized related to goodwill or intangible assets for the years ended December 31, 2019, 2018 and 2017.

Intangible assets with finite lives are amortized on a straight-line basis over their estimated useful lives, which is our best estimate of the pattern of economic benefit, based on legal, contractual, and other provisions. The estimated useful lives of the intangible assets, which consist primarily of customer relationships and trade names, range from 3-15 years.

Amounts Due to Card Issuing Banks for Overdrawn Accounts

Third-party card issuing banks fund overdrawn cardholder account balances on our behalf. Amounts funded are due from us to the card issuing banks based on terms specified in the agreements with the card issuing banks. Generally, we expect to settle these obligations within two months.

Note 2—Summary of Significant Accounting Policies (continued)

Fair Value

Under applicable accounting guidance, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability. As such, fair value reflects an exit price in an orderly transaction between market participants on the measurement date.

We determine the fair values of our financial instruments based on the fair value hierarchy established under applicable accounting guidance, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The following describes the three-level hierarchy:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities and derivative contracts that are traded in an active exchange market, as well as certain U.S. Treasury securities that are highly liquid and are actively traded in over-the-counter markets.

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets and liabilities include fixed income securities with quoted prices that are traded less frequently than exchange-traded instruments. This category generally includes U.S. government and agency mortgage-backed fixed income securities and corporate fixed income securities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the overall fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments for which the determination of fair value requires significant management judgment or estimation. The fair value for such assets and liabilities is generally determined using pricing models, market comparables, discounted cash flow methodologies or similar techniques that incorporate the assumptions a market participant would use in pricing the asset or liability. This category generally includes certain private equity investments and certain asset-backed securities.

Revenue Recognition

Our operating revenues consist of card revenues and other fees, processing and settlement service revenues and interchange revenues. The core principle of the recent revenue standard is that these revenues will be recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services, as determined under a five-step process.

A description of our principal revenue generating activities is as follows:

Card Revenues and Other Fees

Card revenues and other fees consist of monthly maintenance fees, new card fees, ATM fees, and other card revenues. We earn these fees based upon the underlying terms and conditions with each of our cardholders that obligate us to stand ready to provide account services to each of our cardholders over the contract term. Agreements with our cardholders are considered daily service contracts as they are not fixed in duration. Also included in card revenues and other fees are program management service fees earned from our BaaS partners for cardholder programs we manage on their behalf.

We charge maintenance fees on a monthly basis pursuant to the terms and conditions in the applicable cardholder agreements. We recognize monthly maintenance fees ratably over each day in the monthly bill cycle in which the fee is assessed, which represents the period our cardholders receive the benefits of our services and our performance obligation is satisfied.

We charge new card fees when a consumer purchases a new card in a retail store. The new card fee provides our cardholders a material right and accordingly, we defer and recognize new card fee revenues on a straight-line basis over our average card lifetime, which is currently less than one year for our GPR cards and gift cards. For GPR cards, average card lifetime is determined based on recent historical data using the period from sale (or activation) of the card through the date of last positive balance. We reassess average card lifetime quarterly. We report the unearned portion of new card fees as a component of deferred revenue in our consolidated balance sheets. See Contract Balances discussed in *Note 3 — Revenues*, for further information.

Note 2—Summary of Significant Accounting Policies (continued)

We charge ATM fees to cardholders when they withdraw money at certain ATMs in accordance with the terms and conditions in our cardholder agreements. We recognize ATM fees when the withdrawal is made by the cardholder, which is the point in time our performance obligation is satisfied and service is performed. Since our cardholder agreements are considered daily service contracts, our performance obligations for these types of transactional based fees are satisfied on a daily basis, or as each transaction occurs.

Other revenues consist primarily of revenue associated with our gift card program, transaction-based fees and fees associated with optional products or services, which we offer our cardholders at their election. Since our performance obligations are settled daily, we recognize most of these fees at the point in time the transactions occur which is when the underlying performance obligation is satisfied. In the case of our gift card program, we record the related revenues using the redemption method.

Substantially all our fees are collected from our cardholders at the time the fees are assessed and debited from their account balance.

Program management fees from our BaaS partners are earned on a monthly basis, pursuant to the terms of each program management agreement. Our agreements are generally multi-year arrangements of varying lengths. We recognize these fees as our program management services are rendered each month.

Processing and Settlement Service Revenues

Our processing and settlement services consist of cash transfer revenues, Simply Paid disbursement revenues, and tax refund processing service revenues.

We generate cash transfer revenues when consumers purchase our cash transfer products (reload services) in a retail store. Our reload services are subject to the same terms and conditions in each of the applicable cardholder agreements as discussed above. We recognize these revenues at the point in time the reload services are completed. Similarly, we earn Simply Paid disbursement fees from our business partners as payment disbursements are made.

We earn tax refund processing service revenues when a customer of a third-party tax preparation company chooses to pay their tax preparation fee through the use of our tax refund processing services. Revenues we earn from these services are generated from our contractual relationships with the tax software transmitters. These contracts may be multi-year agreements and vary in length, however, our underlying promise obligates us to process each refund transfer on a transaction by transaction basis as elected by the taxpayer. Accordingly, we recognize tax refund processing service revenues at the point in time we satisfy our performance obligation by remitting each taxpayer's proceeds from his or her tax return.

Interchange

We earn interchange revenues from fees remitted by the merchant's bank, which are based on rates established by the payment networks, such as Visa and MasterCard, when account holders make purchase transactions using our card products and services. We recognize interchange revenues at the point in time the transactions occur, as our performance obligation is satisfied.

Principal vs Agent

For all our significant revenue-generating arrangements, we record revenues on a gross basis except for our tax refund processing service revenues which are recorded on a net basis.

Sales and Marketing Expenses

Sales and marketing expenses primarily consist of sales commissions, advertising and marketing expenses, and the costs of manufacturing and distributing card packages, placards, promotional materials to our retail distributors' locations and personalized GPR cards to consumers who have activated their cards.

We pay our retail distributors, and brokers commissions based on sales of our prepaid debit cards and cash transfer products in their stores. We defer and expense commissions related to new cards sales ratably over the average card lifetime, which is currently less than one year for our GPR and gift cards. Absent a new card fee, we recognize the cost of the related commissions immediately. We recognize the cost of commissions related to cash transfer products when the cash transfer transactions are completed. We recognize costs for the production of advertising as incurred. The cost of media advertising is recorded when the advertising first takes place. We record the costs associated with

Note 2—Summary of Significant Accounting Policies (continued)

card packages and placards as prepaid expenses, and we record the costs associated with personalized GPR cards as deferred expenses. We recognize the prepaid cost of card packages and placards over the related sales period, and we amortize the deferred cost of personalized GPR cards, when activated, over the average card lifetime.

Included in sales and marketing expenses are advertising and marketing expenses of $51.1 million, $23.2 million and $25.1 million and shipping and handling costs of $1.5 million, $2.0 million and $3.0 million for the years ended December 31, 2019, 2018 and 2017, respectively. Also included in sales and marketing expenses are use taxes to various states related to purchases of materials since we do not charge sales tax to customers when new cards or cash transfer transactions are purchased.

Employee Stock-Based Compensation

We record employee stock-based compensation expense based on the grant-date fair value of the award. For stock options and stock purchases under our employee stock purchase plan, or ESPP, we base compensation expense on fair values estimated at the grant date using the Black-Scholes option-pricing model. For stock awards, including restricted stock units, we base compensation expense on the fair value of our common stock at the grant date. We recognize compensation expense for awards with only service conditions that have graded vesting schedules on a straight-line basis over the vesting period of the award. Vesting is based upon continued service to our company and we account for any forfeitures as they occur.

We have issued performance based and market based restricted stock units to our executive officers and employees. For performance-based awards, we recognize compensation cost for the restricted stock units if and when we conclude it is probable that the performance metrics will be satisfied, over the requisite service period based on the grant-date fair value of the stock. We reassess the probability of vesting at each reporting period and adjust compensation expense based on the probability assessment. For market based restricted stock units, we base compensation expense on the fair value estimated at the date of grant using a Monte Carlo simulation or similar lattice model. We recognize compensation expense over the requisite service period regardless of the market condition being satisfied, provided that the requisite service has been rendered, since the estimated grant date fair value incorporates the probability of outcomes that the market condition will be achieved.

Under our retirement policy adopted in April 2018, following a qualified retirement, any service-based requirement for unvested stock awards held by the eligible employee is eliminated. Accordingly, the related compensation expense is recognized immediately for qualifying awards granted to eligible employees, or in the case of ineligible employees who later become eligible under the retirement policy, over the period from the grant date to the date a qualifying retirement is achieved, if earlier than the standard vesting dates. Performance-based restricted stock units issued to retirement eligible employees remain subject to the stock awards' annual performance targets and the expense will be adjusted accordingly based expected achievement.

Income Taxes

Our income tax expense is comprised of current and deferred income tax expense. Current income tax expense approximates taxes to be paid or refunded for the current period. Deferred income tax expense results from the changes in deferred tax assets and liabilities during the periods. These gross deferred tax assets and liabilities represent decreases or increases in taxes expected to be paid in the future because of future reversals of temporary differences between the basis of assets and liabilities as measured by tax laws and their basis as reported in our consolidated financial statements. We also recognize deferred tax assets for tax attributes such as net operating loss carryforwards and tax credit carryforwards. We record valuation allowances to reduce deferred tax assets to the amounts we conclude are more likely-than-not to be realized in the foreseeable future.

We recognize and measure income tax benefits based upon a two-step model: 1) a tax position must be more likely-than-not to be sustained based solely on its technical merits in order to be recognized, and 2) the benefit is measured as the largest dollar amount of that position that is more likely-than-not to be sustained upon settlement. The difference between the benefit recognized for a position and the tax benefit claimed on a tax return is referred to as an unrecognized tax benefit. We accrue income tax related interest and penalties, if applicable, within income tax expense.

Note 2—Summary of Significant Accounting Policies (continued)

Earnings Per Common Share

We currently have only one class of common stock outstanding. Basic EPS is calculated by dividing net income by the weighted-average common shares issued and outstanding.

Diluted EPS is calculated dividing net income by the weighted-average number of the common shares issued and outstanding for each period plus amounts representing the dilutive effect of outstanding stock options, restricted stock units (including performance based restricted stock units), and shares to be purchased under our employee stock purchase plan. We calculate dilutive potential common shares using the treasury stock method. We exclude the effects of restricted stock units and stock options from the computation of diluted EPS in periods in which the effect would be anti-dilutive. Additionally, we exclude any performance based restricted stock units for which the performance contingency has not been met as of the end of the period.

Regulatory Matters and Capital Adequacy

As a bank holding company, we are subject to comprehensive supervision and examination by the Federal Reserve Board and must comply with applicable regulations, including minimum capital and leverage requirements. If we fail to comply with any of these requirements, we may become subject to formal or informal enforcement actions, proceedings, or investigations, which could result in regulatory orders, restrictions on our business operations or requirements to take corrective actions, which may, individually or in the aggregate, affect our results of operations and restrict our ability to grow. If we fail to comply with the applicable capital and leverage requirements, or if our subsidiary 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. In addition, as a bank holding company and a financial holding company, we are generally prohibited from engaging, directly or indirectly, in any activities other than those permissible for bank holding companies and financial holding companies. This restriction might limit our ability to pursue future business opportunities which we might otherwise consider but which might fall outside the scope of permissible activities. We may also be required to serve as a “source of strength” to Green Dot Bank if it becomes less than adequately capitalized.

Recent Accounting Pronouncements

Recently issued accounting pronouncements not yet adopted

In January 2017, the FASB issued ASU No. 2017-04, *Intangibles - Goodwill and Other* ("ASU 2017-04")*: Simplifying the Test for Goodwill Impairment*, which simplifies the existing two-step guidance for goodwill impairment testing by eliminating the second step resulting in a write-down to goodwill equal to the initial amount of impairment determined in step one. The ASU is to be applied prospectively for reporting periods beginning after December 15, 2019. We adopted the new accounting pronouncement upon its effective date on January 1, 2020, the effect of which did not have any impact to our financial statements upon initial adoption.

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13") that requires financial assets measured at amortized cost be presented at the net amount expected to be collected. Credit losses on available-for-sale debt securities should be recorded through an allowance for credit losses limited by the amount that the fair value is less than amortized cost. The amendments of ASU 2016-13 eliminate the probable incurred loss recognition model under current GAAP and introduces a forward-looking approach, based on expected losses, to estimate credit losses on certain types of financial instruments. The estimate of expected credit losses will require entities to incorporate considerations of historical information, current information, and reasonable and supportable forecasts. The new ASU also expands the disclosure requirements to enable users of financial statements to understand the entity’s assumptions, models, and methods for estimating expected credit losses. ASU 2016-13 is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. We adopted the new accounting pronouncement upon its effective date on January 1, 2020 on a prospective basis and have substantially completed our assessment of the impact on our consolidated financial statements. While we do not expect a material quantitative effect, if any, to our consolidated financial statements upon adoption, we will provide expanded credit loss disclosures and any final quantitative impact as required beginning in the first quarter of 2020.

Note 2—Summary of Significant Accounting Policies (continued)

Recently adopted accounting pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)* ("ASU 2016-02") in order to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet for those leases classified as operating leases under previous GAAP. The guidance has been modified through additional technical corrections since its original issuance, including optional transition relief as provided for under ASU No. 2018-11, *Leases (Topic 842): Targeted Improvements*. ASU 2016-02 requires that a lessee should recognize a liability to make lease payments and a right-of-use ("ROU") asset representing its right to use the underlying asset for leases with a term greater than 12 months.

We adopted the new lease standard effective January 1, 2019, electing the optional transition method that permits the new standard to be applied prospectively, as of the effective date, without restating comparative periods presented. As a result, prior periods continue to be reported in accordance with our historical lease accounting policies. We elected the package of practical expedients under the new standard, which allows us to not reassess 1) whether any expired or existing contracts as of the adoption date are or contain a lease, 2) lease classification for any expired or existing leases as of the adoption date and 3) initial direct costs for any existing leases as of the adoption date. We did not elect to use the hindsight practical expedient under the new standard when determining the lease term and assessing any impairment of ROU assets.

The adoption of ASU 2016-02 resulted in the recognition of operating ROU assets of approximately $17.9 million on our consolidated balance sheet and a corresponding lease liability of approximately $25.1 million. The difference between the lease assets and liabilities recognized on our consolidated balance sheets primarily relates to accrued rent on existing leases that were offset against the ROU assets upon adoption. The adoption of the standard did not have any impact on our consolidated statements of operations, comprehensive income, changes in stockholders' equity and cash flows. See *Note 19 — Leases*, for discussion on updates to our lease accounting policies and additional disclosures.

In August 2018, the FASB issued ASU No. 2018-15, *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract* ("ASU 2018-15"), which amends ASC 350-40 to address implementation costs incurred in a cloud computing arrangement (CCA) that is a service contract. ASU 2018-15 aligns the accounting for costs incurred to implement a CCA that is a service arrangement with the guidance on capitalizing costs associated with developing or obtaining internal-use software. As a result, certain implementation costs incurred by companies under hosting arrangements will be deferred and amortized. We adopted the standard effective January 1, 2019 on a prospective basis, the effect of which did not have a material impact on our consolidated financial statements.

In June 2018, the FASB issued ASU No. 2018-07, *Compensation – Stock Compensation (Topic 718): Improvements to Non-employee Share-Based Payment Accounting* ("ASU 2018-07"), to align the accounting for share-based payment awards issued to employees and non-employees, particularly with regard to the measurement date and the impact of performance conditions. The guidance requires equity-classified share-based payment awards issued to non-employees to be measured on the grant date, instead of being remeasured through the performance completion date under the previous guidance. We adopted the standard effective January 1, 2019, the effect of which did not have any impact on our consolidated financial statements upon adoption.

Note 3—Revenues

Adoption of ASC 606

On January 1, 2018, we adopted ASC 606 using the modified retrospective method applied to contracts which were not completed upon adoption, the impact of which did not result in any cumulative adjustment to our retained earnings. Results for reporting periods beginning after January 1, 2018 are presented under ASC 606, while prior period amounts have not been adjusted and continue to be reported in accordance with our historical accounting policies.

The impact of our adoption of ASC 606 was limited to a change in presentation of certain incentive agreements. Prior to the adoption of ASC 606, incentive payments with our retail distributors and other partners had generally been recorded as a reduction to revenues over the related period of benefit the incentive payment related. Upon the adoption of ASC 606, such payments are classified as sales and marketing expenses since these contractual arrangements have been determined to be outside the scope of contracts with our customers under the new accounting standard.

Note 3—Revenues (continued)

The total amount of incentive payments recognized was $6.4 million, $7.1 million and $4.8 million for the years ended December 31, 2019, 2018, and 2017, respectively.

Disaggregation of Revenues

Our products and services are offered only to customers within the United States. We determine our operating segments based on how our chief operating decision maker manages our operations, makes operating decisions and evaluates operating performance. Within our segments, we believe that the nature, amount, timing and uncertainty of our revenue and cash flows and how they are affected by economic factors can be further illustrated based on the timing in which revenue for each of our products and services is recognized.

The following table disaggregates our revenues by the timing in which the revenue is recognized:

	Year Ended December 31, 2019		Year Ended December 31, 2018	
	Account Services	Processing and Settlement Services	Account Services	Processing and Settlement Services
Timing of revenue recognition		(In thousands)		
Transferred at a point in time	**$ 489,696**	**$ 287,052**	$ 500,629	$ 247,942
Transferred over time	**293,500**	**6,406**	289,714	3,473
Operating revenues [1]	**$ 783,196**	**$ 293,458**	$ 790,343	$ 251,415

(1) Excludes net interest income, a component of total operating revenues, as it remains outside the scope of *ASC 606, Revenues*

Within our Account Services segment, revenues recognized at a point in time are comprised of ATM fees, interchange, and other similar transaction-based fees. Revenues recognized over time consists of new card fees, monthly maintenance fees, revenue earned from gift cards and substantially all BaaS partner program management fees. Substantially all of our processing and settlement services are recognized at a point in time.

Refer to *Note 24 — Segment Information* for our revenues disaggregated by our products and services and the components to our total operating revenues on our consolidated statements of operations for additional information.

Significant Judgments and Estimates

Transaction prices related to our account cardholder services are based on stand-alone fees stated within the terms and conditions and may also include certain elements of variable consideration depending upon the product's features, such as cardholder incentives, cash-back rewards, monthly fee concessions and reserves on accounts that may become overdrawn. We estimate such amounts using historical data and customer behavior patterns to determine these estimates which are recorded as a reduction to the corresponding fee revenue. Additionally, while the number of transactions that a cardholder may perform is unknown, any uncertainty is resolved at the end of each daily service contract.

Contract Balances

As disclosed on our consolidated balance sheets, we record deferred revenue for any upfront payments received in advance of our performance obligations being satisfied. These contract liabilities consist principally of unearned new card fees and monthly maintenance fees. We recognized approximately $31.8 million and $28.7 million for the years ended December 31, 2019 and 2018, or substantially all of the amount of contract liabilities included in deferred revenue at the beginning of the respective periods and did not recognize any revenue during these periods from performance obligations satisfied in previous periods. Changes in the deferred revenue balance are driven primarily by the amount of new card fees recognized during the period, and the degree to which these reductions to the deferred revenue balance are offset by the deferral of new card fees associated with cards sold during the period.

Costs to Obtain or Fulfill a Contract

Our incremental direct costs of obtaining a contract consist primarily of revenue share payments we make to our retail partners associated with new card sales. These commissions are generally capitalized upon payment and expensed over the period the corresponding revenue is recognized. These deferred commissions are not material and are included in deferred expenses on our consolidated balance sheets.

Note 3—Revenues (continued)

Practical Expedients and Exemptions

Any unsatisfied performance obligations at the end of the period relate to contracts with customers that either have an original expected length of one year or less or are contracts for which we recognize revenue at the amount to which we have the right to invoice for services performed. Therefore, no additional disclosure is provided for these performance obligations.

Note 4—Investment Securities

Our available-for-sale investment securities were as follows:

	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
		(In thousands)		
December 31, 2019				
Corporate bonds	**$ 10,000**	**$ 12**	**$ —**	**$ 10,012**
Agency bond securities	**19,980**	**20**	**—**	**20,000**
Agency mortgage-backed securities	**208,821**	**2,453**	**(241)**	**211,033**
Municipal bonds	**4,342**	**2**	**(2)**	**4,342**
Asset-backed securities	**31,814**	**238**	**—**	**32,052**
Total investment securities	**$ 274,957**	**$ 2,725**	**$ (243)**	**$ 277,439**
December 31, 2018				
Negotiable certificate of deposit	$ 15,000	$ —	$ —	$ 15,000
Agency bond securities	19,723	6	(36)	19,693
Agency mortgage-backed securities	87,156	53	(396)	86,813
Municipal bonds	507	—	(24)	483
Asset-backed securities	79,274	14	(94)	79,194
Total investment securities	$ 201,660	$ 73	$ (550)	$ 201,183

As of December 31, 2019 and 2018, the gross unrealized losses and fair values of available-for-sale investment securities that were in unrealized loss positions were as follows:

	Less than 12 months		12 months or more		Total fair value	Total unrealized loss
	Fair value	Unrealized loss	Fair value	Unrealized loss		
			(In thousands)			
December 31, 2019						
Agency mortgage-backed securities	**$ 43,337**	**$ (153)**	**$ 8,735**	**$ (88)**	**$ 52,072**	**$ (241)**
Municipal bonds	**—**	**—**	**113**	**(2)**	**113**	**(2)**
Total investment securities	**$ 43,337**	**$ (153)**	**$ 8,848**	**$ (90)**	**$ 52,185**	**$ (243)**
December 31, 2018						
Agency bond securities	$ 14,937	$ (36)	$ —	$ —	$ 14,937	$ (36)
Agency mortgage-backed securities	28,939	(103)	8,743	(293)	37,682	(396)
Municipal bonds	353	(14)	130	(10)	483	(24)
Asset-backed securities	50,980	(70)	7,333	(24)	58,313	(94)
Total investment securities	$ 95,209	$ (223)	$ 16,206	$ (327)	$ 111,415	$ (550)

We did not record any other-than-temporary impairment losses during the years ended December 31, 2019 and 2018 on our available-for-sale investment securities. We do not intend to sell these investments and we have determined that it is more likely than not that we will not be required to sell these investments before recovery of their amortized cost bases, which may be at maturity.

Note 4—Investment Securities (continued)

As of December 31, 2019, the contractual maturities of our available-for-sale investment securities were as follows:

	Amortized cost	Fair value
	(In thousands)	
Due in one year or less	$ 10,000	$ 10,020
Due after one year through five years	10,000	10,012
Due after five years through ten years	9,980	9,980
Due after ten years	4,342	4,342
Mortgage and asset-backed securities	240,635	243,085
Total investment securities	$ 274,957	$ 277,439

The expected payments on mortgage-backed and asset-backed securities may not coincide with their contractual maturities because the issuers have the right to call or prepay certain obligations.

Note 5—Accounts Receivable

Accounts receivable, net consisted of the following:

	December 31, 2019	December 31, 2018
	(In thousands)	
Overdrawn account balances due from cardholders	**$ 20,048**	$ 17,848
Reserve for uncollectible overdrawn accounts	**(16,884)**	(13,888)
Net overdrawn account balances due from cardholders	**3,164**	3,960
Trade receivables	**14,512**	6,505
Reserve for uncollectible trade receivables	**(202)**	(59)
Net trade receivables	**14,310**	6,446
Receivables due from card issuing banks	**5,758**	6,688
Fee advances	**26,268**	19,576
Other receivables	**10,043**	4,272
Accounts receivable, net	**$ 59,543**	$ 40,942

Activity in the reserve for uncollectible overdrawn accounts consisted of the following:

	Year Ended December 31,		
	2019	2018	2017
		(In thousands)	
Balance, beginning of period	**$ 13,888**	$ 14,471	$ 11,932
Provision for uncollectible overdrawn accounts:			
Fees	**79,810**	67,348	69,912
Purchase transactions	**6,641**	12,442	7,233
Charge-offs	**(83,455)**	(80,373)	(74,606)
Balance, end of period	**$ 16,884**	$ 13,888	$ 14,471

Note 6—Loans to Bank Customers

The following table presents total outstanding loans, gross of the related allowance for loan losses, and a summary of the related payment status:

	30-59 Days Past Due	60-89 Days Past Due	90 Days or More Past Due	Total Past Due	Total Current or Less Than 30 Days Past Due	Total Outstanding
			(In thousands)			
December 31, 2019						
Residential	**$ 1**	**$ —**	**$ —**	**$ 1**	**$ 4,530**	**$ 4,531**
Commercial	**—**	**—**	**—**	**—**	**158**	**158**
Installment	**1**	**—**	**—**	**1**	**1,246**	**1,247**
Secured credit card	**1,080**	**939**	**2,183**	**4,202**	**12,445**	**16,647**
Total loans	**$ 1,082**	**$ 939**	**$ 2,183**	**$ 4,204**	**$ 18,379**	**$ 22,583**
Percentage of outstanding	**4.8%**	**4.2%**	**9.7%**	**18.6%**	**81.4%**	**100.0%**
December 31, 2018						
Residential	$ 2	$ —	$ 7	$ 9	$ 3,329	$ 3,338
Commercial	—	—	—	—	193	193
Installment	—	2	—	2	905	907
Secured credit card	1,383	1,315	1,114	3,812	14,257	18,069
Total loans	$ 1,385	$ 1,317	$ 1,121	$ 3,823	$ 18,684	$ 22,507
Percentage of outstanding	6.2%	5.9%	5.0%	17.0%	83.0%	100.0%

Nonperforming Loans

The following table presents the carrying value, gross of the related allowance for loan losses, of our nonperforming loans. See *Note 2 — Summary of Significant Accounting Policies* for further information on the criteria for classification as nonperforming.

	December 31, 2019	December 31, 2018
	(In thousands)	
Residential	**$ 290**	$ 403
Installment	**147**	169
Secured credit card	**2,183**	1,114
Total loans	**$ 2,620**	$ 1,686

Credit Quality Indicators

We closely monitor and assess the credit quality and credit risk of our loan portfolio on an ongoing basis. We continuously review and update loan risk classifications. We evaluate our loans using non-classified or classified as the primary credit quality indicator. Classified loans are those loans that have demonstrated credit weakness where we believe there is a heightened risk of principal loss, including all impaired loans. Classified loans are generally internally categorized as substandard, doubtful, or loss, consistent with regulatory guidelines.

The table below presents the carrying value, gross of the related allowance for loan losses, of our loans within the primary credit quality indicators related to our loan portfolio:

	December 31, 2019		December 31, 2018	
	Non-Classified	Classified	Non-Classified	Classified
		(In thousands)		
Residential	**$ 4,241**	**$ 290**	$ 2,935	$ 403
Commercial	**158**	**—**	193	—
Installment	**1,058**	**189**	632	275
Secured credit card	**14,464**	**2,183**	16,955	1,114
Total loans	**$ 19,921**	**$ 2,662**	$ 20,715	$ 1,792

Note 6—Loans to Bank Customers (continued)

Impaired Loans and Troubled Debt Restructurings

When, for economic or legal reasons related to a borrower's financial difficulties, we grant a concession for other than an insignificant period of time to a borrower that we would not otherwise consider, the related loan is classified as a Troubled Debt Restructuring, or TDR. Our TDR modifications related to extensions of the maturity dates at a stated interest rate lower than the current market rate for new debt with similar risk. The following table presents our impaired loans and loans that we modified as TDRs as of December 31, 2019 and 2018:

	December 31, 2019		December 31, 2018	
	Unpaid Principal Balance	Carrying Value	Unpaid Principal Balance	Carrying Value
	(In thousands)			
Residential	**$ 290**	**$ 221**	$ 403	$ 329
Installment	**160**	**48**	190	53

Allowance for Loan Losses

Activity in the allowance for loan losses consisted of the following:

	Year Ended December 31,		
	2019	2018	2017
	(In thousands)		
Balance, beginning of period	**$ 1,144**	$ 291	$ 277
Provision for loans	**2,405**	3,094	430
Loans charged off	**(2,674)**	(2,657)	(472)
Recoveries of loans previously charged off	**291**	416	56
Balance, end of period	**$ 1,166**	$ 1,144	$ 291

Note 7—Property and Equipment

Property and equipment consisted of the following:

	December 31,	
	2019	2018
	(In thousands)	
Land	**$ 205**	$ 205
Building	**605**	1,105
Computer equipment, furniture, and office equipment	**61,193**	60,110
Computer software purchased	**31,218**	27,276
Capitalized internal-use software	**227,137**	187,723
Tenant improvements	**14,435**	12,533
	334,793	288,952
Less accumulated depreciation and amortization	**(189,317)**	(168,683)
Property and equipment, net	**$ 145,476**	$ 120,269

Depreciation and amortization expense was $49.5 million, $38.6 million and $33.5 million for the years ended December 31, 2019, 2018 and 2017, respectively. Included in those amounts are depreciation expense related to internal-use software of $35.1 million, $25.5 million and $20.0 million for the years ended December 31, 2019, 2018 and 2017, respectively.

We recorded impairment charges of $0.6 million, $0.9 million and $1.3 million for the years ended December 31, 2019, 2018 and 2017, respectively, associated with capitalized internal-use software we determined to no longer be utilized and any remaining carrying value was written off. The net carrying value of capitalized internal-use software was $119.9 million and $93.8 million at December 31, 2019 and 2018, respectively.

Note 8—Goodwill and Intangible Assets

Goodwill and intangible assets on our consolidated balance sheets consisted of the following:

	December 31,	
	2019	2018
	(In thousands)	
Goodwill	**$ 301,790**	$ 301,790
Intangible assets, net	**219,204**	249,326
Goodwill and intangible assets	**$ 520,994**	$ 551,116

Goodwill

There were no changes in the composition of goodwill from the previous year. We completed our annual goodwill impairment test as of September 30, 2019. Based on the results of step one of the annual goodwill impairment test, we determined that step two was not required for each of our reporting units as their fair values exceeded their carrying values indicating there was no impairment.

Intangible Assets

The gross carrying amounts and accumulated amortization related to intangibles assets were as follows:

	December 31, 2019			December 31, 2018			
	Gross Carrying Value	Accumulated Amortization	Net Book Value	Gross Carrying Value	Accumulated Amortization	Net Book Value	Weighted Average Useful Lives
	(In thousands)			(In thousands)			(Years)
Customer relationships	**$ 309,773**	**$ (126,167)**	**$ 183,606**	$ 309,773	$ (98,305)	$ 211,468	12.8
Trade names	**44,086**	**(15,689)**	**28,397**	44,086	(12,517)	31,569	14.6
Patents	**3,000**	**(1,364)**	**1,636**	3,000	(1,091)	1,909	11.0
Software licenses	**4,832**	**(837)**	**3,995**	—	—	—	3.0
Other	**5,964**	**(4,394)**	**1,570**	7,464	(3,084)	4,380	5.0
Total intangible assets	**$ 367,655**	**$ (148,451)**	**$ 219,204**	$ 364,323	$ (114,997)	$ 249,326	

Amortization expense on finite-lived intangibles, a component of other general and administrative expenses, was $32.6 million, $32.8 million, and $31.1 million for the years ended December 31, 2019, 2018, and 2017, respectively. None of our intangible assets were considered impaired as of December 31, 2019 or 2018.

The following table shows our estimated amortization expense for intangible assets for each of the next five succeeding years and thereafter:

	December 31,
	(In thousands)
2020	$ 28,954
2021	28,608
2022	27,288
2023	26,418
2024	24,235
Thereafter	83,701
Total	$ 219,204

Note 9—Deposits

Deposits are categorized as non-interest or interest-bearing deposits as follows:

	December 31,	
	2019	2018
Non-interest bearing deposit accounts	(In thousands)	
Account programs	$ 927,432	$ 817,124
Other demand deposits	128,386	97,442
Total non-interest bearing deposit accounts	1,055,818	914,566
Interest-bearing deposit accounts		
Checking accounts	95,995	67,758
Savings	6,619	8,894
Secured card deposits	11,892	9,224
Time deposits, denominations greater than or equal to $100	3,854	3,796
Time deposits, denominations less than $100	1,163	1,247
Total interest-bearing deposit accounts	119,523	90,919
Total deposits	$ 1,175,341	$ 1,005,485

The scheduled contractual maturities for total time deposits are presented in the table below:

	December 31,
	(In thousands)
Due in 2020	$ 2,608
Due in 2021	813
Due in 2022	811
Due in 2023	335
Due in 2024	450
Total time deposits	$ 5,017

As of December 31, 2019, we had aggregate time deposits of $2.3 million in denominations that met or exceeded the Federal Deposit Insurance Corporation (FDIC) insurance limit.

Note 10—Debt

As of December 31, 2019 and 2018, our outstanding debt consisted of the following:

	December 31, 2019	December 31, 2018
	(In thousands)	
Term facility	$ —	$ 58,705
Revolving facility	35,000	—
Total debt outstanding	$ 35,000	$ 58,705

2019 Revolving Facility

In October 2019, we entered into a secured credit agreement with Wells Fargo Bank, National Association, and other lenders party thereto. The new credit facility provides for a $100.0 million five-year revolving line of credit (the "2019 Revolving Facility"), maturing in October 2024. We use the proceeds of any borrowings under the revolving facility for working capital and other general corporate purposes, subject to the terms and conditions set forth in the credit agreement. We may make voluntary repayments at any time or from time to time until maturity. Borrowings available under the 2019 Revolving Facility as of December 31, 2019 amounted to $65.0 million.

Note 10—Debt (continued)

At our election, loans made under the credit agreement bear interest at 1) a LIBOR rate (the “LIBOR Rate") or 2) a base rate determined by reference to the highest of (a) the United States federal funds rate plus .50%, (a) the Wells Fargo prime rate and (c) a daily rate equal to one-month LIBOR rate plus 1.0% (the “Base Rate"), plus in either case an applicable margin. The margin is dependent upon on our total leverage ratio and varies from 1.25% to 2.00% for LIBOR Rate loans and .25% to 1.00% for Base Rate loans. The interest rate on our outstanding balance as of December 31, 2019 was 3.05%.

We also pay a commitment fee, which varies from .20% to .35% per annum on the actual daily unused portions of the 2019 Revolving Facility. Letter of credit fees are payable in respect of outstanding letters of credit at a rate per annum equal to the applicable margin for LIBOR Rate loans.

The 2019 Revolving Facility contains customary representations and warranties relating to us and our subsidiaries. The facility also contains certain affirmative and negative covenants including negative covenants that limit or restrict, among other things, liens, indebtedness, investments and acquisitions, mergers and fundamental changes, asset sales, restricted payments, changes in the nature of the business, transactions with affiliates and other matters customarily restricted in such agreements. We must also maintain a minimum fixed charge coverage ratio and a maximum consolidated leverage ratio at the end of each fiscal quarter, as set forth in the credit agreement. At December 31, 2019, we were in compliance with all such covenants.

If an event of default shall occur and be continuing under the facility, the commitments may be terminated and the principal amounts outstanding under the 2019 Revolving Facility, together with all accrued unpaid interest and other amounts owing in respect thereof, may be declared immediately due and payable.

Senior Credit Facility

In October 2014, we entered into a $225.0 million credit agreement with Bank of America, N.A., as an administrative agent, Wells Fargo Bank, National Association, and the other lenders party thereto. The credit agreement provided for 1) a $75.0 million five-year revolving facility (the "Revolving Facility") and 2) a five-year $150.0 million term loan facility ("Term Facility" and, together with the Revolving Facility, the "Senior Credit Facility").

Quarterly principal payments of $5.6 million were payable under the Term Facility, with any remaining balance outstanding due upon maturity on October 23, 2019. In March 2019, we elected to make a voluntary prepayment of $60.0 million to retire the Term Facility without penalty or additional premium. The Revolving Facility remained available for use until the Senior Credit Facility matured in October 2019, at which point we entered into the 2019 Revolving Facility discussed above.

Cash interest expense related to our debt was $0.6 million, $3.5 million, and $4.1 million for the years ended December 31, 2019, 2018 and 2017, respectively.

Note 11—Stockholders’ Equity

Common Stock

Our Certificate of Incorporation specifies the following rights, preferences, and privileges for our common stockholders.

Voting

Holders of our Class A common stock are entitled to one vote per share.

We have not provided for cumulative voting for the election of directors in our restated Certificate of Incorporation. In addition, our Certificate of Incorporation provides that a holder, or group of affiliated holders, of more than 24.9% of our common stock may not vote shares representing more than 14.9% of the voting power represented by the outstanding shares of our Class A common stock.

Dividends

Subject to preferences that may apply to any shares of preferred stock outstanding at the time, the holders of outstanding shares of our Class A common stock are entitled to receive dividends out of funds legally available at the times and in the amounts that our board of directors may determine. In the event a dividend is paid in the form of shares of common stock or rights to acquire shares of common stock, the holders of Class A common stock will receive Class A common stock, or rights to acquire Class A common stock, as the case may be.

Note 11—Stockholders' Equity (continued)

Liquidation

Upon our liquidation, dissolution or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our Class A common stock and any participating preferred stock outstanding at that time after payment of liquidation preferences, if any, on any outstanding shares of our preferred stock and payment of other claims of creditors.

Preemptive or Similar Rights

Our Class A common stock is not entitled to preemptive rights or subject to redemption.

Comprehensive Income

The tax impact on unrealized losses on investment securities available-for-sale for the years ended December 31, 2019, 2018 and 2017 was approximately $0.8 million, $0.1 million and $0.1 million, respectively.

Stock Repurchase Program

In June 2015, our Board of Directors authorized, subject to regulatory approval, a repurchase of shares of our Class A Common Stock in an amount up to $150 million under a stock repurchase program ("Repurchase Program") with no expiration date. We completed our repurchase of all Class A Common Stock under the initial authorization in 2017. In May 2017, our Board of Directors authorized, subject to regulatory approval, expansion of our stock Repurchase Program by an additional $150 million. We sought and received regulatory approval during the second quarter of 2019, at which point we entered into an accelerated share repurchase agreement, as further discussed below. As of December 31, 2019, we have an authorized $50 million remaining under our current stock repurchase program for any additional repurchases.

Accelerated Share Repurchases

We have entered into accelerated share repurchase arrangements ("ASRs") with a financial institution from time to time under the Repurchase Program. The following table summarizes our ASR activity for the years presented in these consolidated financial statements:

	Purchase Period End Date	Number of Shares (In thousands)	Average repurchase price per share	ASR Amount (In thousands)	
May 2019 ASR	August 2019	2,072	$ 48.26	$ 100,000	
March 2017 ASR	November 2017	1,326	$ 38.64	$ 50,000	(1)

(1) We elected to cash settle approximately $2.0 million worth of shares owed back to the counterparty under our March 2017 accelerated share repurchase agreement.

In exchange for an up-front payment, the financial institution delivers shares of our Class A Common Stock during the purchase periods of each ASR. Upon settlement, we either receive additional shares from the financial institution or we may be required to deliver additional shares or cash to the financial institution, at our election. The final number of shares received upon settlement for the ASR is determined based on the volume-weighted average price of our common stock over the term of the agreement less an agreed upon discount and subject to adjustments pursuant to the terms and conditions of the ASR.

The up-front payments are accounted for as a reduction to shareholders' equity on our consolidated balance sheets in the periods the payments are made. The ASRs are accounted for in two separate transactions: 1) a treasury stock repurchase for the initial shares received and 2) a forward stock purchase contract indexed to our own stock for the unsettled portion of the ASR. The par value of the shares received are recorded as a reduction to common stock with the remainder recorded as a reduction to additional paid-in capital and retained earnings. The ASRs meet all of the applicable criteria for equity classification, and therefore are not accounted for as derivative instruments. The initial repurchase of shares resulted in an immediate reduction of the outstanding shares used to calculate the weighted-average common shares outstanding for basic and diluted earnings per share. The shares are retired upon repurchase, but remain authorized for registration and issuance in the future.

Note 12—Employee Stock-Based Compensation

In June 2010, our board of directors adopted, and in July 2010 our stockholders approved, the 2010 Equity Incentive Plan, which replaced our 2001 Stock Plan, and the 2010 Employee Stock Purchase Plan. The 2010 Equity Incentive Plan authorizes the award of stock options, restricted stock awards, stock appreciation rights, restricted stock units, performance shares and stock bonuses. Options granted under the 2010 Equity Incentive Plan generally vest over four years and expire five years or ten years from the date of grant. The 2010 Employee Stock Purchase Plan enables eligible employees to purchase shares of our Class A common stock periodically at a discount. Our 2010 Employee Stock Purchase Plan is intended to qualify as an employee stock purchase plan under Section 423 of the Internal Revenue Code. Approximately 2.1 million shares are available for grant under the 2010 Equity Incentive Plan as of December 31, 2019.

Stock-based compensation for the years ended December 31, 2019, 2018, and 2017 includes expense related to awards of stock options, performance and service based restricted stock units and purchases under the 2010 Employee Stock Purchase Plan. Total stock-based compensation expense and the related income tax benefit were as follows:

	Year Ended December 31,		
	2019	**2018**	**2017**
	(In thousands)		
Total stock-based compensation expense	**$ 29,583**	$ 50,093	$ 40,734
Related income tax benefit	**5,143**	3,783	9,440

Restricted Stock Units

The following table summarizes restricted stock units with only service conditions granted under our 2010 Equity Incentive Plan:

	Year Ended December 31,		
	2019	**2018**	**2017**
	(In thousands, except per share data)		
Restricted stock units granted	**238**	452	656
Weighted-average grant-date fair value	**$ 38.93**	$ 74.33	$ 48.72

Restricted stock unit activity for the year ended December 31, 2019 was as follows:

	Shares	**Weighted-Average Grant-Date Fair Value**
	(In thousands, except per share data)	
Outstanding at December 31, 2018	1,554	$ 44.38
Restricted stock units granted	238	38.93
Restricted stock units vested	(654)	34.60
Restricted stock units canceled	(250)	53.85
Outstanding at December 31, 2019	888	$ 47.20

The total fair value of restricted stock vested for the years ended December 31, 2019, 2018 and 2017 was $30.9 million, $67.5 million and $41.5 million, respectively, based on the price of our Class A common stock on the vesting date.

Performance Based Restricted Stock Units

We grant performance-based restricted stock units to certain employees which are subject to the attainment of pre-established annual performance targets for, among other things, non-GAAP earnings per share for the grant year. The actual number of shares subject to the award is determined at the end of the annual performance period and may range from zero to 150% of the target shares granted. These awards contain an additional service component after each annual performance period is concluded and the unvested balance of the shares determined at the end of the annual performance period will vest over the remaining requisite service period. Compensation expense related to these awards is recognized using the accelerated attribution method over the vesting period (generally, a period of four years) based on the fair value of the closing market price of our Class A common stock on the date of the grant

Note 12—Employee Stock-Based Compensation (continued)

and the estimated performance that is expected to be achieved. In the case of our former Chief Executive Officer, vesting of his awards was based on our achievement of total shareholder return ("TSR") relative to the S&P 600 index over a three-year performance period, with awards eligible for a maximum payout up to 150% of the target shares for awards granted prior to 2019 or 200% of the target shares for awards granted in 2019, respectively. Compensation expense related to these awards is recognized over the performance period based on the grant date fair value through the use of a Monte Carlo simulation and are not subsequently re-measured. Any unvested awards of our former Chief Executive Officer were forfeited as of December 31, 2019 as a result of his retirement.

The following table summarizes the performance-based restricted stock units granted under our 2010 Equity Incentive Plan:

	Year Ended December 31,		
	2019	2018	2017
	(In thousands, except per share data)		
Performance based restricted stock units granted	**722**	276	616
Weighted-average grant-date fair value	**$ 48.45**	$ 71.70	$ 36.13

Performance based restricted stock unit activity for the year ended December 31, 2019 was as follows:

	Shares	Weighted-Average Grant-Date Fair Value
	(In thousands, except per share data)	
Outstanding at December 31, 2018	837	$ 45.41
Performance restricted stock units granted (at target)	722	$ 48.45
Performance restricted stock units vested	(463)	$ 45.44
Performance restricted stock units canceled	(398)	$ 54.10
Actual adjustment for certified performance periods	156	$ 57.38
Outstanding at December 31, 2019	854	$ 54.63

In June 2019, we modified the performance targets for certain performance-based restricted stock units issued at the beginning of 2019. The modification for these awards was classified as improbable to probable, and resulted in a lower grant date fair value at the time of modification compared to the original grant date and an overall decrease in stock-based compensation expense recognized for the year ended December 31, 2019 compared to the prior year period. Stock-based compensation for these modified awards, as well as other performance-based restricted stock units issued during the year, have further been adjusted to reflect our estimated achievement under the modified targets.

The total fair value of performance based restricted stock vested for the years ended December 31, 2019, 2018 and 2017 was $22.7 million, $45.1 million and $4.4 million, respectively, based on the price of our Class A common stock on the vesting date.

Stock Options

Stock option activity for the year ended December 31, 2019 was as follows:

	Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (in Years)	Aggregate Intrinsic Value
	(In thousands, except per share data and years)			
Outstanding at December 31, 2018	251	$ 20.63		
Options exercised	(70)	22.01		
Outstanding at December 31, 2019	181	$ 20.09	2.38	$ 814
Exercisable at December 31, 2019	181	20.09	2.38	$ 814

Note 12—Employee Stock-Based Compensation (continued)

The total intrinsic value of options exercised was $2.4 million, $36.2 million and $24.1 million for the years ended December 31, 2019, 2018, and 2017, respectively.

We have not issued any new stock option awards from our equity plan for the periods presented in these consolidated financial statements. Accordingly, any additional required disclosures with respect to fair value assumptions of our stock options have been omitted.

As of December 31, 2019, there was $40.9 million of aggregate unrecognized compensation cost related to unvested restricted stock units (including performance based awards) expected to be recognized in compensation expense in future periods, with a weighted-average period of 2.26 years. As of December 31, 2019, we had no unvested stock options and thus, no remaining unrecognized compensation cost.

Note 13—Income Taxes

The components of income tax expense included in our consolidated statements of operations were as follows:

	Year Ended December 31,		
	2019	**2018**	**2017**
	(In thousands)		
Current:			
Federal	**$ 11,914**	$ 4,011	$ 15,545
State	**1,790**	894	(1,122)
Foreign	**604**	443	368
Current income tax expense	**14,308**	5,348	14,791
Deferred:			
Federal	**8,102**	1,136	4,596
State	**(1,226)**	(1,370)	(1,816)
Deferred income tax expense (benefit)	**6,876**	(234)	2,780
Income tax expense	**$ 21,184**	$ 5,114	$ 17,571

Income tax expense differs from the amount computed by applying the statutory federal income tax rate to income before income taxes. The sources and tax effects of the differences are as follows:

	Year Ended December 31,		
	2019	**2018**	**2017**
U.S. federal statutory tax rate	**21.0 %**	21.0 %	35.0 %
State income taxes, net of federal tax benefit	**0.1**	(0.5)	(2.3)
General business credits	**(2.1)**	(2.2)	(2.8)
Employee stock-based compensation	**(2.2)**	(17.1)	(12.4)
Tax Cuts and Jobs Act remeasurement	**—**	0.2	(5.0)
IRC 162(m) limitation	**0.1**	2.2	1.5
Other	**0.6**	0.5	3.0
Effective tax rate	**17.5 %**	4.1 %	17.0 %

Due to the passage of the Tax Cuts and Jobs Act in 2017, we are now subject to an additional tax on the 'Global Intangible Low-Taxed Income' (GILTI) earned by our foreign subsidiary. Under FASB Staff Q&A, Topic 740, No. 5, *Accounting for Global Intangible Low-Taxed Income*, an entity can make an accounting policy election to either recognize deferred taxes for temporary basis differences expected to reverse as GILTI in future years or provide for the tax expense related to GILTI in the year the tax is incurred. We have made a policy election to account for GILTI in the year the tax is incurred. For the year ended December 31, 2019, the provision for GILTI expense was not material to our financial statements.

Note 13—Income Taxes (continued)

The increase in the effective tax rate for the year ended December 31, 2019 as compared to the year ended December 31, 2018 is primarily due to the decrease in benefit on the recognition of excess tax benefits from stock-based compensation and additional expenses related to state taxes, net of federal benefits.

The tax effects of temporary difference that give rise to significant portions of our deferred tax assets and liabilities were as follows:

	December 31,	
	2019	2018
	(In thousands)	
Deferred tax assets:		
Net operating loss carryforwards	**$ 8,002**	$ 7,379
Stock-based compensation	**5,820**	8,007
Reserve for overdrawn accounts	**4,456**	3,838
Accrued liabilities	**7,965**	11,206
Lease liabilities	**8,195**	—
Tax credit carryforwards	**8,723**	7,014
Capital loss carryforwards	**341**	—
Gross deferred tax assets	**43,502**	37,444
Valuation allowance	**(341)**	—
Total deferred tax assets	**$ 43,161**	$ 37,444
Deferred tax liabilities:		
Internal-use software costs	**$ 29,382**	$ 22,351
Property and equipment, net	**2,240**	2,803
Deferred expenses	**4,114**	4,909
Intangible assets	**7,826**	6,246
Gift card revenue	**1,422**	1,413
Lease right-of-use assets	**6,524**	—
Other	**388**	900
Total deferred tax liabilities	**51,896**	38,622
Net deferred tax liabilities	**$ (8,735)**	$ (1,178)

We establish a valuation allowance when we consider it more-likely-than-not that some portion or all of the deferred tax assets will not be realized. As of December 31, 2019, we provided a valuation allowance against our capital loss carryforwards as we believe it is more-likely-than-not that the tax benefits related to the capital loss carryforwards will not be realized.

We are subject to examination by the Internal Revenue Service, or IRS, and various state tax authorities. We remain subject to examination of our federal income tax returns for the years ended December 31, 2016 through 2018. We generally remain subject to examination of our various state income tax returns for a period of four to five years from the respective dates the returns were filed.

As of December 31, 2019, we have federal net operating loss carryforwards of approximately $31.9 million, state net operating loss carryforwards of approximately $57.9 million, and capital loss carryforwards of approximately $1.5 million, which will be available to offset future income. If not used, the federal net operating losses will expire between 2021 and 2035. In regards to the state net operating loss carryforwards, approximately $31.7 million will expire between 2021 and 2039, while the remaining balance of approximately $26.2 million, does not expire and carries forward indefinitely. The capital loss carryforwards will expire between 2020 and 2023. The net operating losses are subject to an annual IRC Section 382 limitation which restricts their utilization against taxable income in future periods. In addition, we have state business tax credits of approximately $14.8 million that can be carried forward indefinitely and other state business tax credits of approximately $1.1 million that will expire between 2023 and 2027.

Note 13—Income Taxes (continued)

As of December 31, 2019 and 2018, we had a liability of $8.3 million and $6.9 million, respectively, for unrecognized tax benefits related to various federal and state income tax matters excluding interest, penalties and related tax benefits. The reconciliation of the beginning unrecognized tax benefits balance to the ending balance is as follows:

	Year Ended December 31,		
	2019	**2018**	**2017**
	(In thousands)		
Beginning balance	**$ 6,965**	$ 5,560	$ 7,314
Increases related to positions taken during prior years	**313**	462	404
Increases related to positions taken during the current year	**1,576**	1,607	1,099
Decreases related to positions settled with tax authorities	**—**	—	(1,865)
Decreases due to a lapse of applicable statute of limitations	**(456)**	(664)	(1,392)
Ending balance	**$ 8,398**	$ 6,965	$ 5,560
The total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate	**$ 8,341**	$ 6,918	$ 5,560

We recognized accrued interest and penalties related to unrecognized tax benefits for the years ended December 31, 2019, 2018 and 2017, of approximately $0.5 million, $0.3 million and $0.2 million, respectively.

Note 14—Earnings per Common Share

The calculation of basic and diluted EPS was as follows:

	Year Ended December 31,		
	2019	**2018**	**2017**
	(In thousands, except per share data)		
Basic earnings per Class A common share			
Numerator:			
Net income	**$ 99,897**	$ 118,703	$ 85,887
Denominator:			
Weighted-average Class A shares issued and outstanding	**52,195**	52,222	50,482
Basic earnings per Class A common share	**$ 1.91**	$ 2.27	$ 1.70
Diluted earnings per Class A common share			
Numerator:			
Net income	**$ 99,897**	$ 118,703	$ 85,887
Denominator:			
Weighted-average Class A shares issued and outstanding	**52,195**	52,222	50,482
Dilutive potential common shares:			
Stock options	**114**	327	809
Service based restricted stock units	**361**	1,135	1,445
Performance-based restricted stock units	**440**	796	462
Employee stock purchase plan	**28**	1	—
Diluted weighted-average Class A shares issued and outstanding	**53,138**	54,481	53,198
Diluted earnings per Class A common share	**$ 1.88**	$ 2.18	$ 1.61

For the periods presented, we excluded certain restricted stock units and stock options outstanding, which could potentially dilute basic EPS in the future, from the computation of diluted EPS as their effect was anti-dilutive. Additionally, we have excluded any performance based restricted stock units for which the performance contingency has not been met as of the end of the period, or whereby the result of including such awards was anti-dilutive. The following table shows the weighted-average number of anti-dilutive shares excluded from the diluted EPS calculation:

Note 14—Earnings per Common Share (continued)

	Year Ended December 31,		
	2019	2018	2017
	(In thousands)		
Class A common stock			
Options to purchase Class A common stock	—	—	56
Service based restricted stock units	**354**	20	20
Performance-based restricted stock units	**459**	143	199
Total options, restricted and performance-based stock units	**813**	163	275

Note 15—Fair Value Measurements

We determine the fair values of our financial instruments based on the fair value hierarchy established under applicable accounting guidance which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs used to measure fair value.

For more information regarding the fair value hierarchy and how we measure fair value, see *Note 2 — Summary of Significant Accounting Policies*.

As of December 31, 2019 and 2018, our assets and liabilities carried at fair value on a recurring basis were as follows:

	Level 1	Level 2	Level 3	Total Fair Value
December 31, 2019		(In thousands)		
Assets				
Corporate bonds	**$ —**	**$ 10,012**	**$ —**	**$ 10,012**
Agency bond securities	**—**	**20,000**	**—**	**20,000**
Agency mortgage-backed securities	**—**	**211,033**	**—**	**211,033**
Municipal bonds	**—**	**4,342**	**—**	**4,342**
Asset-backed securities	**—**	**32,052**	**—**	**32,052**
Total assets	**$ —**	**$ 277,439**	**$ —**	**$ 277,439**
Liabilities				
Contingent consideration	**$ —**	**$ —**	**$ 9,300**	**$ 9,300**
December 31, 2018				
Assets				
Negotiable certificate of deposit	$ —	$ 15,000	$ —	$ 15,000
Agency bond securities	—	19,693	—	19,693
Agency mortgage-backed securities	—	86,813	—	86,813
Municipal bonds	—	483	—	483
Asset-backed securities	—	79,194	—	79,194
Total assets	$ —	$ 201,183	$ —	$ 201,183
Liabilities				
Contingent consideration	$ —	$ —	$ 15,800	$ 15,800

We based the fair value of our fixed income securities held as of December 31, 2019 and 2018 on quoted prices in active markets for similar assets. We had no transfers between Level 1, Level 2 or Level 3 assets or liabilities during the years ended December 31, 2019 and 2018.

Note 15—Fair Value Measurements (continued)

The following table presents changes in our contingent consideration payable for the years ended December 31, 2019, 2018 and 2017, which is categorized in Level 3 of the fair value hierarchy:

	Year Ended December 31,		
	2019	**2018**	**2017**
	(In thousands)		
Balance, beginning of period	**$ 15,800**	$ 17,358	$ 8,634
Issuance	**—**	—	21,500
Payments of contingent consideration	**(4,634)**	(4,856)	(3,104)
Change in fair value of contingent consideration	**(1,866)**	3,298	(9,672)
Balance, end of period	**$ 9,300**	$ 15,800	$ 17,358

Note 16—Fair Value of Financial Instruments

The following describes the valuation technique for determining the fair value of financial instruments, whether or not such instruments are carried at fair value on our consolidated balance sheets.

Short-term Financial Instruments

Our short-term financial instruments consist principally of unrestricted and restricted cash and cash equivalents, settlement assets and obligations, and obligations to customers. These financial instruments are short-term in nature, and, accordingly, we believe their carrying amounts approximate their fair values. Under the fair value hierarchy, these instruments are classified as Level 1.

Investment Securities

The fair values of investment securities have been derived using methodologies referenced in *Note 2 — Summary of Significant Accounting Policies.* Under the fair value hierarchy, our investment securities are classified as Level 2.

Loans

We determined the fair values of loans by discounting both principal and interest cash flows expected to be collected using a discount rate commensurate with the risk that we believe a market participant would consider in determining fair value. Under the fair value hierarchy, our loans are classified as Level 3.

Deposits

The fair value of demand and interest checking deposits and savings deposits is the amount payable on demand at the reporting date. We determined the fair value of time deposits by discounting expected future cash flows using market-derived rates based on our market yields on certificates of deposit, by maturity, at the measurement date. Under the fair value hierarchy, our deposits are classified as Level 2.

Contingent Consideration

The fair value of contingent consideration obligations are estimated through valuation models designed to estimate the probability of such contingent payments based on various assumptions. Estimated payments are discounted using present value techniques to arrive at an estimated fair value. Our contingent consideration payable is classified as Level 3 because we use unobservable inputs to estimate fair value, including the probability of achieving certain earnings thresholds and appropriate discount rates. Our contingent consideration payable is included as a component of other accrued liabilities on our consolidated balance sheets and changes in fair value are recorded through operating expenses.

Debt

The fair value of our debt is based on borrowing rates currently required of loans with similar terms, maturity and credit risk. The carrying amount of our debt approximates fair value because the base interest rate charged varies with market conditions and the credit spread is commensurate with current market spreads for issuers of similar risk. The fair value of our debt is classified as a Level 2 liability in the fair value hierarchy.

Note 16—Fair Value of Financial Instruments (continued)

Fair Value of Financial Instruments

The carrying values and fair values of certain financial instruments that were not carried at fair value, excluding short-term financial instruments for which the carrying value approximates fair value, at December 31, 2019 and 2018 are presented in the table below.

	December 31, 2019		December 31, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	(In thousands)			
Financial Assets				
Loans to bank customers, net of allowance	**$ 21,417**	**$ 19,563**	$ 21,363	$ 21,088
Financial Liabilities				
Deposits	**$ 1,175,341**	**$ 1,175,298**	$ 1,005,485	$ 1,005,435
Debt	**$ 35,000**	**$ 35,000**	$ 58,705	$ 58,705

Note 17—Concentrations of Credit Risk

Financial instruments that subject us to concentration of credit risk consist primarily of unrestricted cash and cash equivalents, restricted cash, investment securities, accounts receivable, loans and settlement assets. We deposit our unrestricted cash and cash equivalents and our restricted cash with regional and national banking institutions that we periodically monitor and evaluate for creditworthiness. Credit risk for our investment securities is mitigated by the types of investment securities in our portfolio, which must comply with strict investment guidelines that we believe appropriately ensures the preservation of invested capital. Credit risk for our accounts receivable is concentrated with card issuing banks and our customers, and this risk is mitigated by the relatively short collection period and our large customer base. We do not require or maintain collateral for accounts receivable. We maintain reserves for uncollectible overdrawn accounts and uncollectible trade receivables. With respect to our loan portfolio (excluding secured credit cards), approximately 92.3% of our borrowers reside in the state of Utah and approximately 42.3% in the city of Provo. Consequently, this loan portfolio is susceptible to any adverse market or environmental conditions that may impact this specific geographic region. Credit risk associated with our secured credit card portfolio is mitigated by collateral provided by the borrower in the amount of their credit limit. Credit risk for our settlement assets is concentrated with our retail distributors and other business partners, which we frequently monitor.

Note 18—Defined Contribution Plan

On January 1, 2004, we established a defined contribution savings plan under Section 401(k) of the Internal Revenue Code. Employees who have attained at least 21 years of age are generally eligible to participate in the plan on the first day of the calendar month following the month in which they commence service with us. Participants may make pre-tax or after-tax contributions to the plan from their eligible earnings up to the statutorily prescribed annual limit on contributions under the code. We may contribute to the plan at the discretion of our board of directors. Currently, employer contributions amount to 50% of the first 5% of a participant's eligible compensation. Our contributions are allocated in the same manner as that of the participant’s elective contributions. We made contributions to the plan of $2.2 million, $1.7 million, and $1.1 million for the years ended December 31, 2019, 2018 and 2017, respectively.

Note 19—Leases

We enter into operating lease agreements principally related to our corporate office locations. Currently, we do not enter into any financing lease agreements. Our leases have remaining lease terms of less than 1 year to approximately 6 years, most of which include renewal options of varying terms. We made a policy election to adopt the short term lease exemption for all leases with an initial term of 12 months or less.

Significant Assumptions, Judgments and Policies

Under Topic 842, we determine if an arrangement is or contains a lease at inception. ROU assets and liabilities are recognized at the lease commencement date based on the present value of remaining lease payments over the lease term. For this purpose, we consider only fixed payments stated in the leases at the time of commencement. Variable lease payments that are not based on a specified rate or index are expensed when incurred. Since an implicit interest rate for our leases cannot be determined under our contracts, we use an incremental borrowing rate based on the information available to us at the commencement date in determining the present value of our lease payments.

Note 19—Leases (continued)

Our incremental borrowing rate is based on a variety of considerations, including borrowing rates currently available to us for loans with similar terms and market participant information based on credit spreads for issuers of similar risk and credit rating.

The ROU asset also reflects any lease payments made prior to commencement and is recorded net of any lease incentives received. Our ROU asset and liability reflects, as applicable, options to extend or terminate a lease when it is reasonably certain that we will exercise such options. We also made a policy election to combine our lease and non-lease components for each of our existing classes of leased assets. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants. Lease expense is recognized on a straight-line basis over the lease term.

Our total lease expense amounted to approximately $11.3 million, $7.6 million, and $7.2 million for the years ended December 31, 2019, 2018 and 2017, respectively. Our lease expense is generally based on fixed payments stated within the agreements. Any variable payments for non-lease components and other short term lease expenses are not considered material.

Supplemental Information

Supplemental information related to our ROU assets and related lease liabilities is as follows:

	December 31, 2019
Cash paid for operating lease liabilities (in thousands)	**$ 8,850**
Weighted average remaining lease term (years)	**4.1**
Weighted average discount rate	**4.7%**

Maturities of our operating lease liabilities as of December 31, 2019 is as follows:

	Operating Leases (In thousands)
2020	$ 9,846
2021	9,737
2022	8,734
2023	3,464
2024	3,464
Thereafter	1,732
	36,977
Less: imputed interest	(3,768)
Total lease liabilities	$ 33,209

Note 20—Commitments and Contingencies

At December 31, 2019, the future minimum annual payments through various agreements with vendors and retail distributors was as follows:

Year ending December 31,	Vendor/Retail Distributor Commitments (In thousands)
2020	$ 17,008
2021	11,308
2022	3,425
2023	825
Total of future commitments	$ 32,566

Note 20—Commitments and Contingencies (continued)

In the event we terminate our processing services agreement for convenience, we are required to pay a single lump sum equal to any minimum payments remaining on the date of termination. These future minimum obligations are included in our vendor and retail distributor commitments.

In addition to the above contractual obligations, our definitive agreement to acquire all of the equity interests of UniRush provides for a minimum $4 million annual earn-out payment for five years following the closing, ending in February 2022. As of December 31, 2019, the estimated fair value of our remaining earn-out payments amounted to $9.3 million.

Litigation and Claims

In the ordinary course of business, we are a party to various legal proceedings, including, from time to time, actions which are asserted to be maintainable as class action suits. We review these actions on an ongoing basis to determine whether it is probable and estimable that a loss has occurred and use that information when making accrual and disclosure decisions. We have provided reserves where necessary for all claims and, based on current knowledge and in part upon the advice of legal counsel, all matters are believed to be adequately covered by insurance, or, if not covered, we do not expect the outcome in any legal proceedings, individually or collectively, to have a material adverse impact on our financial condition or results of operations.

On December 18, 2019, an alleged class action entitled Koffsmon v. Green Dot Corp., et al., No. 19-cv-10701-DDP-E, was filed in the United States District Court for the Central District of California, against us and two of our officers. The suit asserts purported claims under Sections 10(b) and 20(a) of the Exchange Act for allegedly misleading statements regarding our business strategy. Plaintiff alleges that defendants made statements that were misleading because they allegedly failed to disclose details regarding our customer acquisition strategy and its impact on our financial performance. The suit is purportedly brought on behalf of purchasers of our securities between May 9, 2018 and November 7, 2019, and seeks compensatory damages, fees and costs. On February 18, 2020, a shareholder derivative suit and securities class action entitled Hellman v. Streit, et al, No. 20-cv-01572-SVW-PVC was filed in United States District Court for the Central District of California, against us and certain of our officers and directors. The suit avers purported breach of fiduciary duty and unjust enrichment claims, as well as claims under Sections 10(b), 14(a) and 20(a) of the Exchange Act, on the basis of the same wrongdoing alleged in the first lawsuit described above. The suit does not define the purported class allegedly damaged. These cases have been related. The defendants have not yet responded to the complaints in these matters.

Due to the inherent uncertainties of litigation, we cannot accurately predict the ultimate outcome of this matter. We are unable at this time to determine whether the outcome of the litigation would have a material impact on our results of operations, financial condition or cash flows.

The third and final performance period under an earn-out provision for the acquisition of our tax refund processing business ended on June 30, 2017. We believed that our tax refund processing business did not achieve its earn-out performance target for the fiscal year performance period based on the provisions of the contract and therefore, the total potential payout of $26 million had not been accrued in any period subsequent to June 30, 2017. We were in the process of resolving the final earn-out calculation with the selling shareholders with the assistance of a neutral third party pursuant to the terms of the contract. Prior to the final outcome of that process, we and the sellers mutually agreed to a payment of $13.5 million. This payment was made in October of 2018 and is reflected as a component of other general and administrative expenses on our consolidated income statement for the year ended December 31, 2018.

Other Matters

We monitor the laws of all 50 states to identify state laws or regulations that apply (or may apply) to our products and services. We have obtained money transmitter licenses (or similar such licenses) where applicable, based on advice of counsel or when we have been requested to do so. If we were found to be in violation of any laws and regulations governing banking, money transmitters, electronic fund transfers, or money laundering in the United States or abroad, we could be subject to penalties or could be forced to change our business practices.

From time to time we enter into contracts containing provisions that contingently require us to indemnify various parties against claims from third parties. These contracts primarily relate to: (i) contracts with our card issuing banks, under which we are responsible to them for any unrecovered overdrafts on cardholders' accounts; (ii) certain real estate leases, under which we may be required to indemnify property owners for environmental and other liabilities, and other claims arising from our use of the premises; (iii) certain agreements with our officers, directors, and employees, under

Note 20—Commitments and Contingencies (continued)

which we may be required to indemnify these persons for liabilities arising out of their relationship with us; and (iv) contracts under which we may be required to indemnify our retail distributors, suppliers, vendors and other parties with whom we have contracts against claims arising from certain of our actions, omissions, violations of law and/or infringement of patents, trademarks, copyrights and/or other intellectual property rights.

Generally, a maximum obligation under these contracts is not explicitly stated. Because the obligated amounts associated with these types of agreements are not explicitly stated, the overall maximum amount of the obligation cannot be reasonably estimated. With the exception of overdrafts on cardholders' accounts, historically, we have not been required to make payments under these and similar contingent obligations, and no liabilities have been recorded for these obligations in our consolidated balance sheets.

For additional information regarding overdrafts on cardholders' accounts, refer to *Note 5 — Accounts Receivable*.

Note 21—Significant Retailer Concentration

A credit concentration may exist if customers are involved in similar industries, economic sectors, and geographic regions. Our retail distributors operate in similar economic sectors but diverse domestic geographic regions. The loss of a significant retail distributor could have a material adverse effect upon our card sales, profitability, and revenue growth.

Revenue Concentrations

Revenues derived from our products sold at retail distributors constituting greater than 10% of our total operating revenues were as follows:

	Year Ended December 31,		
	2019	**2018**	**2017**
Walmart	**34%**	36%	40%

No other retail distributor or partner made up greater than 10% of our total operating revenues for the years ended December 31, 2019, 2018, and 2017.

Settlement Asset Concentrations

Settlement assets derived from our products sold at retail distributors constituting greater than 10% of the settlement assets outstanding on our consolidated balance sheets were as follows:

	December 31, 2019	**December 31, 2018**
Walmart	**13%**	18%

Note 22—Regulatory Requirements

Our subsidiary bank, Green Dot Bank, is a member bank of the Federal Reserve System and our primary regulator is the Federal Reserve Board. We and Green Dot Bank are subject to commitments that we have made to the Federal Reserve Board and the Utah Department of Financial Institutions. These commitments require Green Dot Bank to maintain cash and/or cash equivalents in an amount equal to no less than 100% of insured deposits generated by Green Dot Bank related to GPR cards, a subset of its total deposits. In addition, we and Green Dot Bank are subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory actions by regulators that, if undertaken, could have a direct material effect on our financial statements. Under capital adequacy guidelines, we and Green Dot Bank must meet specific capital guidelines that involve quantitative measures of the assets, liabilities and certain off-balance sheet items as calculated under regulatory accounting practices. The capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

Note 22—Regulatory Requirements (continued)

As of December 31, 2019 and 2018, we and Green Dot Bank were categorized as "well capitalized" under applicable regulatory standards. There were no conditions or events since December 31, 2019 which management believes would have caused us or Green Dot Bank not to be considered "well capitalized." Our capital ratios and related regulatory requirements were as follows:

	December 31, 2019			
	Amount	Ratio	Regulatory Minimum	"Well-capitalized" Minimum
	(In thousands, except ratios)			
Green Dot Corporation:				
Tier 1 leverage	**$ 400,445**	**22.2%**	**4.0%**	**n/a**
Common equity Tier 1 capital	**$ 400,445**	**70.5%**	**4.5%**	**n/a**
Tier 1 capital	**$ 400,445**	**70.5%**	**6.0%**	**6.0%**
Total risk-based capital	**$ 404,469**	**71.2%**	**8.0%**	**10.0%**
Green Dot Bank:				
Tier 1 leverage	**$ 204,141**	**13.9%**	**4.0%**	**5.0%**
Common equity Tier 1 capital	**$ 204,141**	**82.8%**	**4.5%**	**6.5%**
Tier 1 capital	**$ 204,141**	**82.8%**	**6.0%**	**8.0%**
Total risk-based capital	**$ 205,548**	**83.4%**	**8.0%**	**10.0%**

	December 31, 2018			
	Amount	Ratio	Regulatory Minimum	"Well-capitalized" Minimum
	(In thousands, except ratios)			
Green Dot Corporation:				
Tier 1 leverage	$ 353,047	20.1%	4.0%	n/a
Common equity Tier 1 capital	$ 353,047	88.8%	4.5%	n/a
Tier 1 capital	$ 353,047	88.8%	6.0%	6.0%
Total risk-based capital	$ 357,092	89.8%	8.0%	10.0%
Green Dot Bank:				
Tier 1 leverage	$ 172,518	11.7%	4.0%	5.0%
Common equity Tier 1 capital	$ 172,518	100.8%	4.5%	6.5%
Tier 1 capital	$ 172,518	100.8%	6.0%	8.0%
Total risk-based capital	$ 173,838	101.5%	8.0%	10.0%

Note 23—Selected Unaudited Quarterly Financial Information

The following tables set forth a summary of our quarterly financial information for each of the four quarters in 2019 and 2018:

	2019			
	Q4	Q3	Q2	Q1
	(In thousands, except per share data)			
Total operating revenues	$ 249,307	$ 240,448	$ 278,326	$ 340,514
Total operating expenses	249,550	242,635	234,363	259,129
Operating (loss) income	(243)	(2,187)	43,963	81,385
Interest expense, net	89	112	165	1,471
(Loss) income before income taxes	(332)	(2,299)	43,798	79,914
Income tax (benefit) expense	(2,025)	(1,768)	9,106	15,871
Net income (loss)	$ 1,693	$ (531)	$ 34,692	$ 64,043
Earnings (loss) per common share				
Basic				
Class A common stock	$ 0.03	$ (0.01)	$ 0.66	$ 1.21
Diluted				
Class A common stock	$ 0.03	$ (0.01)	$ 0.64	$ 1.17

	2018			
	Q4	Q3	Q2	Q1
	(In thousands, except per share data)			
Total operating revenues	$ 245,108	$ 236,333	$ 263,792	$ 320,342
Total operating expenses	229,712	235,662	231,168	238,618
Operating income	15,396	671	32,624	81,724
Interest expense, net	3,067	991	1,280	1,260
Income before income taxes	12,329	(320)	31,344	80,464
Income tax (benefit) expense	(1,943)	(4,893)	1,517	10,433
Net income	$ 14,272	$ 4,573	$ 29,827	$ 70,031
Earnings per common share				
Basic				
Class A common stock	$ 0.27	$ 0.09	$ 0.57	$ 1.36
Diluted				
Class A common stock	$ 0.26	$ 0.08	$ 0.55	$ 1.29

Note 24—Segment Information

Our operations are comprised of two reportable segments: 1) Account Services and 2) Processing and Settlement Services. We identified our reportable segments based on factors such as how we manage our operations and how our chief operating decision maker views results. Our chief operating decision maker organizes and manages our business primarily on the basis of product and service offerings and uses operating income to assess profitability.

The Account Services segment consists of revenues and expenses derived from our deposit account programs, such as prepaid cards, debit cards, consumer and small business checking accounts, secured credit cards, payroll debit cards and gift cards. These deposit account programs are marketed under several of our leading consumer brand names and under the brand names of our Banking as a Service, or "BaaS," partners. The Processing and Settlement Services segment consists of revenues and expenses derived from our products and services that specialize in facilitating the movement of cash on behalf of consumers and businesses, such as consumer cash processing services, wage disbursements and tax refund processing services. The Corporate and Other segment primarily consists of eliminations of intersegment revenues and expenses, unallocated corporate expenses, depreciation and amortization, and other costs that are not considered when management evaluates segment performance. We do not evaluate performance or allocate resources based on segment asset data, and therefore such information is not presented.

Note 24—Segment Information (continued)

The following tables present certain financial information for each of our reportable segments for the periods then ended:

	Year Ended December 31, 2019			
	Account Services	Processing and Settlement Services	Corporate and Other	Total
	(In thousands)			
Operating revenues	**$ 842,967**	**$ 296,721**	**$ (31,093)**	**$ 1,108,595**
Operating expenses	**696,409**	**202,713**	**86,555**	**985,677**
Operating income	**$ 146,558**	**$ 94,008**	**$ (117,648)**	**$ 122,918**

	Year Ended December 31, 2018			
	Account Services	Processing and Settlement Services	Corporate and Other	Total
	(In thousands)			
Operating revenues	$ 843,905	$ 253,360	$ (31,690)	$ 1,065,575
Operating expenses	643,714	179,037	112,409	935,160
Operating income	$ 200,191	$ 74,323	$ (144,099)	$ 130,415

	Year Ended December 31, 2017			
	Account Services	Processing and Settlement Services	Corporate and Other	Total
	(In thousands)			
Operating revenues	$ 703,386	$ 229,133	$ (31,396)	$ 901,123
Operating expenses	549,858	165,961	76,008	791,827
Operating income	$ 153,528	$ 63,172	$ (107,404)	$ 109,296

Note 25—Subsequent Events

On October 29, 2019, we entered into the 2020 Amended and Restated Walmart MoneyCard Program Agreement (the "Program Agreement") with Walmart Inc. and certain of Walmart's subsidiaries, which provides for us to continue to serve as the issuing bank and program manager for the Walmart MoneyCard suite of reloadable debit card products. The term of the Program Agreement began on January 1, 2020 and expires on January 31, 2027, with an automatic renewal clause for an additional period of one year, subject to certain terms as discussed in the Program Agreement.

On January 2, 2020, we effectuated our agreement with Walmart to jointly establish a new fintech accelerator under the name TailFin Labs, LLC ("TailFin Labs"), with a mission to develop innovative products, services and technologies that sit at the intersection of retail shopping and consumer financial services. The entity is majority-owned by Walmart and is expected to focus on developing tech-enabled solutions to integrate omni-channel retail shopping and financial services. We own a 20% equity interest in the newly formed entity, in exchange for capital contributions of $35.0 million per year over the next 5 years. We will account for our investment in TailFin Labs under the equity method of accounting. Any economic benefits derived from products or services developed by TailFin Labs will be negotiated on a case-by-case basis between the parties.

As an incentive for Walmart and us to work together to achieve growth across all current and future mutual lines of business that we are engaged, on January 2, 2020, we issued Walmart, in a private placement, 975,000 restricted shares of our Class A Common Stock. The shares will vest in equal monthly increments through December 1, 2022. Walmart will be entitled to vote and receive any dividends paid from the issuance date.

ITEM 9. Changes in and Disagreement With Accountants on Accounting and Financial Disclosure

None.

ITEM 9A. Controls and Procedures

Disclosure controls and procedures — Our management, with the participation of our Interim Chief Executive Officer and Interim Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 13d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) at the end of the period covered by this report. Based on such evaluation of our disclosure controls and procedures, our Interim Chief Executive Officer and Interim Chief Financial Officer have concluded that, at the end of such period, our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and is accumulated and communicated to our management, including our Interim Chief Executive Officer and Interim Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Report of management on internal control over financial reporting — Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for Green Dot Corporation. Our management, with the participation of our Interim Chief Executive Officer and Interim Chief Financial Officer, has conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework* by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework).

Our management concluded that, as of December 31, 2019, our internal control over financial reporting was effective based on these criteria.

Ernst & Young LLP, an independent registered public accounting firm, has issued an unqualified opinion on the effectiveness of our internal control over financial reporting as of December 31, 2019, which is included in Part II, Item 8 of this Annual Report on Form 10-K.

Change in internal control over financial reporting — There was no material change in our internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) during the three months ended December 31, 2019 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls — Our management, including our Interim Chief Executive Officer and Interim Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected.

ITEM 9B. Other Information

None.

PART III

ITEM 10. Directors, Executive Officers and Corporate Governance

The information required by this Item is incorporated by reference from our proxy statement for our 2020 Annual Meeting of Stockholders under the captions “Proposal No. 1 Election of Directors,” “Our Executive Officers,” “Corporate Governance and Director Independence -- Code of Business Conduct and Ethics,” “Corporate Governance and Director Independence - Committees of Our Board of Directors - Audit Committee,” “Additional Information -- Delinquent Section 16(a) Reports.”

ITEM 11. Executive Compensation

The information required by this Item is incorporated by reference from our proxy statement for our 2020 Annual Meeting of Stockholders under the caption “Executive Compensation” excluding the sub-caption “Equity Compensation Plan Information.”

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this Item is incorporated by reference from our proxy statement for our 2020 Annual Meeting of Stockholders under the captions “Security Ownership of Certain Beneficial Owners and Management” and “Executive Compensation - Equity Compensation Plan Information”.

ITEM 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this Item is incorporated by reference from our proxy statement for our 2020 Annual Meeting of Stockholders under the captions “Corporate Governance and Director Independence of Directors” and “Transactions with Related Parties, Founders and Control Persons.”

ITEM 14. Principal Accounting Fees and Services

The information required by this Item is incorporated by reference from our proxy statement for our 2020 Annual Meeting of Stockholders under the caption “Proposal No. 2 Ratification of Appointment of Independent Registered Public Accounting Firm - Principal Accountant Fees and Services.”

PART IV

ITEM 15. Exhibits, Financial Statement Schedules

(a) The following documents are filed as exhibits to this report:

1. Financial Statements

The Index to Consolidated Financial Statements in Item 8 of this report is incorporated herein by reference as the list of financial statements required as part of this report.

2. Financial Statement Schedules

All financial statement schedules have been omitted, since the required information is not applicable or is not present in amounts sufficient to require submission of the schedule, or because the information required is included in the consolidated financial statements and notes thereto.

3. Exhibits: The following exhibits are filed as part of or furnished with this annual report on Form 10-K as applicable:

		Incorporated by Reference			
Exhibit Number	**Exhibit Title**	**Form**	**Date**	**Number**	**Filed Herewith**
3.1	Tenth Amended and Restated Certificate of Incorporation of the Registrant.	S-1(A2)	April 26, 2010	3.02	
3.2	Certificate of Amendment to Tenth Amended and Restated Certificate of Incorporation of Green Dot Corporation.	8-K	May 31, 2017	3.1	
3.3	Amended and Restated Bylaws of the Registrant.	8-K	December 19, 2016	3.1	
3.4	Certificate of Designations of Series A Convertible Junior Participating Non-Cumulative Perpetual Preferred Stock of Green Dot Corporation dated as of December 8, 2011.	8-K	December 14, 2011	3.01	
4.1	Description of Securities				X
10.1*	Form of Indemnity Agreement.	S-1(A4)	June 29, 2010	10.01	
10.2*	Second Amended and Restated 2001 Stock Plan and forms of notice of stock option grant, stock option agreement and stock option exercise letter.	S-1(A3)	June 2, 2010	10.02	
10.3*	Green Dot Corporation 2010 Equity Incentive Plan, as amended (including related form agreements and related policies).				X
10.4	2010 Employee Stock Purchase Plan.	S-1(A4)	June 29, 2010	10.19	
10.5	Lease Agreement between the Registrant and Wells REIT II - Pasadena Corporate Park L.P., dated December 5, 2011	10-K	February 29, 2012	10.8	
10.6+	2020 Amended and Restated Walmart MoneyCard Program Agreement dated as of May 1, 2015 by and among the Registrant, Green Dot Bank, Wal-Mart Stores, Inc., Walmart Stores Texas L.P., Wal-Mart Louisiana, LLC, Wal-Mart Stores Arkansas, LLC, Wal-Mart Stores East, L.P. and Wal-Mart Puerto Rico, Inc. and Walmart Apollo, LLC.				X
10.7†	Processing Services Agreement dated as of December 19, 2013 by and among the Registrant and MasterCard International Incorporated.	10-Q/A	June 7, 2017	10.1	
10.8†	Amendment to the Processing Services Agreement dated as of September 10, 2018 by and among the Registrant and MasterCard International Incorporated.	10-Q	November 9, 2018	10.1	
10.9*	Employment letter agreement, dated September 16, 2016, between the Registrant and Steven W. Streit.	8-K	September 22, 2016	10.01	

Exhibit Number	Exhibit Title	Incorporated by Reference			Filed Herewith
		Form	Date	Number	
10.10	Transitional Advisory Agreement and Release of Claims, dated December 13, 2019, between the Registrant and Steven W. Streit, and amendment thereto, dated December 16, 2019.				X
10.11*	Amended and restated employment letter agreement, dated July 15, 2019, between the Registrant and Mark L. Shifke	8-K	July 16, 2019	10.01	
10.12*	Form of Executive Severance Agreement.	S-1(A2)	April 26, 2010	10.12	
10.13*	2019 Executive Officer Incentive Bonus Plan	8-K	April 9, 2019	10.01	
21.1	Subsidiaries of Green Dot Corporation.				X
23.1	Consent of Ernst & Young LLP, independent registered public accounting firm.				X
24.1	Power of Attorney (included on the signature page of this Annual Report on Form 10-K).				X
31.1	Certification of William I Jacobs, Interim Chief Executive Officer, pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
31.2	Certification of Jess Unruh, Interim Chief Financial Officer, pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
32.1**	Certification of William I Jacobs, Interim Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
32.2**	Certification of Jess Unruh, Interim Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
101	The following financial statements from the Company's Annual Report on Form 10-K for the year ended December 31, 2019, formatted in Inline XBRL: (i) Consolidated Balance Sheets as of December 31, 2019 and 2018, (ii) Consolidated Statements of Operations for the Years Ended December 31, 2019, 2018 and 2017, (iii) Consolidated Statements of Comprehensive Income and Loss for the Years Ended December 31, 2019, 2018 and 2017, (iv) Consolidated Statements of Changes in Stockholders' Equity for the Years Ended December 31, 2019, 2018 and 2017, (v) Consolidated Statements of Cash Flows for the Years Ended December 31, 2019, 2018 and 2017 and (vi) Notes to Consolidated Financial Statements, tagged as blocks of text and including detailed tags.				X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)				X

* Indicates management contract or compensatory plan or arrangement.

** Furnished, not filed.

\+ Certain portions of this document that constitute confidential information have been redacted in accordance with Regulation S-K, Item 601(b)(10).

† Registrant has omitted portions of the referenced exhibit and filed such exhibit separately with the Securities and Exchange Commission pursuant to a grant of confidential treatment under Rule 406 or Rule 24b-2 promulgated under the Securities Act or Rule 24b-2 promulgated under the Exchange Act.

ITEM 16. Form 10-K Summary

None.

SIGNATURE

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

Date:	February 28, 2020	By:	/s/ William I Jacobs
		Name:	William I Jacobs
		Title:	Chairman and Interim Chief Executive Officer

KNOW ALL PERSONS BY THESE PRESENTS that each individual whose signature appears below constitutes and appoints William I Jacobs, John C. Ricci, and Jess Unruh, and each of them, his or her true and lawful attorneys-in-fact and agents with full power of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any amendments to this Annual Report on Form 10-K and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or his, her or their substitute or substitutes, may lawfully do or cause to be done or by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated.

	Signature	**Title**	**Date**
By:	/s/ William I Jacobs	Chairman and Interim Chief Executive Officer (Principal Executive Officer)	February 28, 2020
Name:	William I Jacobs		
By:	/s/ J. Chris Brewster	Director and Interim President	February 28, 2020
Name:	J. Chris Brewster		
By:	/s/ Jess Unruh	Interim Chief Financial Officer and Chief Accounting Officer (Principal Financial Officer and Accounting Officer)	February 28, 2020
Name:	Jess Unruh		
By:	/s/ Kenneth C. Aldrich	Director	February 28, 2020
Name:	Kenneth C. Aldrich		
By:	/s/ Glinda Bridgforth Hodges	Director	February 28, 2020
Name:	Glinda Bridgforth Hodges		
By:	/s/ Rajeev V. Date	Director	February 28, 2020
Name:	Rajeev V. Date		
By:	/s/ Saturnino Fanlo	Director	February 28, 2020
Name:	Saturnino Fanlo		
By:	/s/ George T. Shaheen	Director	February 28, 2020
Name:	George T. Shaheen		

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

Green Dot Corporation ("we," "our," "us," or the "Company") has one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended: our Class A common stock. The following summary of the terms of our Class A common stock is based upon our Tenth Amended and Restated Certificate of Incorporation ("Restated Certificate of Incorporation") and our Amended and Restated Bylaws ("Restated Bylaws"). This summary does not purport to be complete and is subject to, and is qualified in its entirety by express reference to, the applicable provisions of our Restated Certificate of Incorporation and our Restated Bylaws, which are filed as exhibits to our Annual Report on Form 10-K and are incorporated by reference herein. We encourage you to read our Restated Certificate of Incorporation, our Restated Bylaws and the applicable provisions of the Delaware General Corporation Law for more information.

DESCRIPTION OF CLASS A COMMON STOCK

Authorized Capital Shares

Our authorized capital stock consists of 100,000,000 shares of Class A common stock, $0.001 par value per share, and 5,000,000 shares of undesignated preferred stock, $0.001 par value per share, of which 10,085 shares have been designated as Series A Convertible Junior Participating Non-Cumulative Perpetual Preferred Stock ("Series A Preferred Stock"). As of February 28, 2020, only 3,226 shares of Series A Preferred Stock remain authorized and unissued, and there are no shares of Series A Preferred Stock outstanding.

Common Stock

Dividend Rights

Subject to preferences that may apply to any shares of preferred stock outstanding at the time, the holders of outstanding shares of our Class A common stock are entitled to receive dividends out of funds legally available at the times and in the amounts that our board of directors may determine. In the event a dividend is paid in the form of shares of common stock or rights to acquire shares of common stock, the holders of Class A common stock will receive Class A common stock, or rights to acquire Class A common stock, as the case may be.

Voting Rights

Holders of our Class A common stock are entitled to one vote per share. We have not provided for cumulative voting for the election of directors in our Restated Certificate of Incorporation, which means that the holders of a majority of our shares of Class A common stock can elect all of the directors then standing for election. In addition, our Restated Certificate of Incorporation provides that, so long as we are a bank holding company, a holder, or group of affiliated holders, of more than 24.9% of our common stock may not vote shares representing more than 14.9% of the voting power represented by the outstanding shares of our Class A common stock.

No Preemptive or Similar Rights

Our Class A common stock is neither entitled to preemptive rights nor is it subject to redemption.

Conversion

Our Class A common stock is not convertible into any other shares of our capital stock.

Right to Receive Liquidation Distributions

Upon our liquidation, dissolution or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our Class A common stock and any participating preferred stock outstanding at that time after payment of liquidation preferences, if any, on any outstanding shares of preferred stock and payment of other claims of creditors.

Impact of Preferred Stock

Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of our Class A common stock. Our Restated Certificate of Incorporation specifies the following rights, preferences, and privileges for our Series A preferred stockholders:

- *Dividend Rights*. Holders of shares of our Series A preferred stock are entitled to receive ratable dividends (on an as-converted basis, taking into account the conversion rate applicable to the Series A preferred stock at the time) only as, if and when any dividends are paid in respect of our Class A common stock.

- *Voting Rights*. Series A preferred stock is non-voting, subject to limited exceptions.

- *Conversion*. Our Series A preferred stock is not convertible into any other security except that it converts into Class A common stock if it is transferred by a holder (i) in a widespread public distribution, (ii) in a private sale or transfer in which the transferee acquires no more than 2% of any class of voting shares of our company, (iii) to a transferee that owns or controls more than 50% of the voting shares of our company without regard to any transfer from the transferring stockholder or (iv) to our company. Each share of Series A preferred stock so transferred will automatically convert into 1,000 shares (subject to appropriate adjustment for any stock split, reverse stock split, stock dividend, recapitalization or other similar event) of our Class A common stock.

- *Right to Receive Liquidation Distributions*. In the event of any liquidation, dissolution or winding-up of the affairs of the Company (excluding a Reorganization Event (as defined below)), the assets of the Company or the proceeds thereof legally available for distribution to our stockholders are distributable ratably among the holders of our Class A common stock and any Series A preferred stock outstanding at that time after payment to the holders of shares of our Series A preferred stock of an amount per share equal to (i) $0.01 plus (ii) any dividends on our Series A Preferred Stock that have been declared but not paid prior to the date of payment of such distribution. In connection with any merger, sale of all or substantially all of the assets or

other reorganization involving our company (a “Reorganization Event”) and in which our Class A common stock is converted into or exchanged for cash, securities or other consideration, holders of shares of our Series A preferred stock will be entitled to receive ratable amounts (on an as-converted basis, taking into account the conversion rate applicable to Series A preferred stock at the time) of the same consideration as is payable to holders of our Class A common stock pursuant to a Reorganization Event.

Fully Paid and Non-Assessable

All of the outstanding shares of our Class A common stock are fully paid and non-assessable.

Listing

Our Class A common stock is listed on the New York Stock Exchange under the symbol “GDOT.”

Transfer Agent and Registrar

The transfer agent and registrar for our Class A common stock is Computershare Trust Company, N.A.

Anti-takeover Provisions

The provisions of Delaware law and the provisions of our Restated Certificate of Incorporation and our Restated Bylaws may have the effect of delaying, deferring or preventing a change in our control.

Delaware Law. We are governed by the provisions of Section 203 of the Delaware General Corporation Law (“Section 203”). In general, Section 203 prohibits a public Delaware corporation from engaging in a “business combination” with an “interested stockholder” for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. A “business combination” includes mergers, asset sales or other transactions resulting in a financial benefit to the stockholder. An “interested stockholder” is a person who, together with affiliates and associates, owns, or within the prior three years did own, 15% or more of the corporation’s outstanding voting stock. These provisions may have the effect of delaying, deferring or preventing a change in our control.

Restated Certificate of Incorporation and Restated Bylaw Provisions. Our Restated Certificate of Incorporation and our Restated Bylaws include a number of other provisions that could deter hostile takeovers or delay or prevent a change in our control, including the following:

- *Board of Directors Vacancies*. Our Restated Certificate of Incorporation and Restated Bylaws authorize only our board of directors to fill vacant directorships. In addition, the number of directors constituting our board of directors is permitted to be set only by a resolution adopted by a majority vote of our entire board of directors. These provisions would prevent a stockholder from increasing the size of our board of directors and then gaining control of our board of directors by filling the resulting vacancies with its own nominees

- *Stockholder Action; Special Meeting of Stockholders*. Our Restated Certificate of Incorporation provides that our stockholders may not take action by written consent, but may only take action at annual or special meetings of our stockholders. Our Restated Bylaws further provide that special meetings of our stockholders may be called only by a majority of our board of directors, the chairman of our board of directors, our chief executive officer or our president.

- *Advance Notice Requirements for Stockholder Proposals and Director Nominations*. Our Restated Bylaws provide advance notice procedures for stockholders seeking to bring business before our annual meeting of stockholders, or to nominate candidates for election as directors at our annual meeting of stockholders. Our Restated Bylaws also specify certain requirements regarding the form and content of a stockholder's notice. These provisions might preclude our stockholders from bringing matters before our annual meeting of stockholders or from making nominations for directors at our annual meeting of stockholders.

- *Limits on Voting Power*. Our Restated Certificate of Incorporation provides that a holder, or group of affiliated holders, of more than 24.9% of our common stock may not vote shares representing more than 14.9% of the voting power represented by the outstanding shares of our Class A common stock. These provisions might make it more difficult for, or discourage an attempt by, such a stockholder to obtain control of us by means of a merger, tender offer, proxy contest or other means.

- *Issuance of Undesignated Preferred Stock*. Our board of directors has the authority, without further action by the stockholders, to issue up to 5,000,000 shares of undesignated preferred stock with rights and preferences, including voting rights, designated from time to time by our board of directors. The existence of authorized but unissued shares of preferred stock would enable our board of directors to render more difficult, or to discourage an attempt to obtain control of us by means of, a merger, tender offer, proxy contest or similar transaction.

  These provisions may deter a hostile takeover or delay a change in control or management of the Company.

GREEN DOT CORPORATION

2010 EQUITY INCENTIVE PLAN

As Adopted June 4, 2010
And as Thereafter Amended

1. PURPOSE. The purpose of this Plan is to provide incentives to attract, retain and motivate eligible persons whose present and potential contributions are important to the success of the Company, and any Parents and Subsidiaries that exist now or in the future, by offering them an opportunity to participate in the Company's future performance through the grant of Awards. Capitalized terms not defined elsewhere in the text are defined in Section 28.

2. SHARES SUBJECT TO THE PLAN.

2.1 Number of Shares Available. Subject to Sections 2.6 and 21 and any other applicable provisions hereof 12,720,417 Shares are available for grant and issuance under the Plan.

2.2 Lapsed, Returned Awards. Except as otherwise may be provided for herein, Shares subject to Awards, and Shares issued under the Plan under any Award, will again be available for grant and issuance in connection with subsequent Awards under this Plan to the extent such Shares: (a) are subject to issuance upon exercise of an Option or SAR granted under this Plan but which cease to be subject to the Option or SAR for any reason other than exercise of the Option or SAR; (b) are subject to Awards granted under this Plan that are forfeited or are repurchased by the Company at the original issue price; (c) are subject to Awards granted under this Plan that otherwise terminate without such Shares being issued; or (d) are surrendered pursuant to an Exchange Program. To the extent an Award under the Plan is paid out in cash rather than Shares, such cash payment will not result in reducing the number of Shares available for issuance under the Plan. The full number of Shares subject to a SAR granted under the Plan that are to be settled by the issuance of Shares shall be counted against the number of Shares available for award under the Plan, regardless of the number of Shares actually issued upon settlement of such SAR. Shares used to pay the exercise price of an Award, to satisfy the tax withholding obligations related to an Award and Shares repurchased on the open market with the proceeds of an Option exercise will not become available for future grant or sale under the Plan. The Shares available for issuance under the Plan may be authorized and issued Shares or treasury Shares. For the avoidance of doubt, Shares that otherwise become available for grant and issuance because of the provisions of this Section 2.2 shall not include Shares subject to Awards that initially became available because of the substitution clause in Section 21.2 hereof.

2.3 Minimum Share Reserve. At all times the Company shall reserve and keep available a sufficient number of Shares as shall be required to satisfy the requirements of all outstanding Awards granted under this Plan.

2.4 Limitations. No more than 25,000,000 Shares shall be issued pursuant to the exercise of ISOs.

2.5 Adjustment of Shares. If the number of outstanding Shares is changed by a stock dividend, recapitalization, stock split, reverse stock split, subdivision, combination, reclassification or similar change in the capital structure of the Company, without consideration, then (a) the number of Shares reserved for issuance and future grant under the Plan set forth in Section 2.1, (b) the Exercise Prices of and number of Shares subject to outstanding Options and SARs, (c) the number of Shares subject to other outstanding Awards, (d) the maximum number of shares that may be issued as ISOs set forth in Section 2.4, (e) the maximum number of Shares that may be issued to an individual or to a new Employee in any one calendar year set forth in Section 3 and (f) the number of Shares that are granted as Awards to Non-Employee Directors pursuant to Section 12, shall be proportionately adjusted, subject to any required action by the Board or the

stockholders of the Company and in compliance with applicable securities laws; provided that fractions of a Share will not be issued.

3. ELIGIBILITY AND MINIMUM VESTING. ISOs may be granted only to Employees. All other Awards may be granted to Employees, Consultants, Directors and Non-Employee Directors of the Company or any Parent or Subsidiary of the Company; provided such Consultants, Directors and Non-Employee Directors render bona fide services not in connection with the offer and sale of securities in a capital-raising transaction. No Participant will be eligible to receive more than two million (2,000,000) Shares in any calendar year under this Plan pursuant to the grant of Awards except that new Employees of the Company or of a Parent or Subsidiary of the Company (including new Employees who are also officers and directors of the Company or any Parent or Subsidiary of the Company) are eligible to receive up to a maximum of four million (4,000,000) Shares in the calendar year in which they commence their employment. All Awards granted under the Plan after the Company's 2017 Annual Meeting of Stockholders must be subject to a minimum one year vesting period; provided, however, that such requirement shall not prevent the acceleration of vesting pursuant to Sections 4 and 21 hereof or under policies or contracts that provide for acceleration of vesting in connection with a Corporate Transaction or termination of employment or services.

4. ADMINISTRATION.

4.1 Committee Composition; Authority. This Plan will be administered by the Committee or by the Board acting as the Committee. Subject to the general purposes, terms and conditions of this Plan, and to the direction of the Board, the Committee will have full power to implement and carry out this Plan, except, however, the Board shall establish the terms for the grant of an Award to Non-Employee Directors. The Committee will have the authority to:

(a) construe and interpret this Plan, any Award Agreement and any other agreement or document executed pursuant to this Plan;

(b) prescribe, amend and rescind rules and regulations relating to this Plan or any Award;

(c) select persons to receive Awards;

(d) determine the form and terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder. Such terms and conditions include, but are not limited to, the exercise price, the time or times when Awards may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Award or the Shares relating thereto, based in each case on such factors as the Committee will determine;

(e) determine the number of Shares or other consideration subject to Awards;

(f) determine the Fair Market Value in good faith, if necessary;

(g) determine whether Awards will be granted singly, in combination with, in tandem with, in replacement of, or as alternatives to, other Awards under this Plan or any other incentive or compensation plan of the Company or any Parent or Subsidiary of the Company;

(h) grant waivers of Plan or Award conditions;

(i) determine the vesting, exercisability and payment of Awards;

(j) correct any defect, supply any omission or reconcile any inconsistency in this Plan, any Award or any Award Agreement;

(k) determine whether an Award has been earned;

(l) determine the terms and conditions of any, and to institute any Exchange Program;

(m) reduce or waive any criteria with respect to Performance Factors;

(n) adjust Performance Factors to take into account changes in law and accounting or tax rules as the Committee deems necessary or appropriate to reflect the impact of extraordinary or unusual items, events or circumstances to avoid windfalls or hardships provided that such adjustments are consistent with the regulations promulgated under Section 162(m) of the Code with respect to persons whose compensation is subject to Section 162(m) of the Code; and

(o) make all other determinations necessary or advisable for the administration of this Plan.

4.2 Committee Interpretation and Discretion. Any determination made by the Committee with respect to any Award shall be made in its sole discretion at the time of grant of the Award or, unless in contravention of any express term of the Plan or Award, at any later time, and such determination shall be final and binding on the Company and all persons having an interest in any Award under the Plan. Any dispute regarding the interpretation of the Plan or any Award Agreement shall be submitted by the Participant or Company to the Committee for review. The resolution of such a dispute by the Committee shall be final and binding on the Company and the Participant. The Committee may delegate to one or more executive officers the authority to review and resolve disputes with respect to Awards held by Participants who are not Insiders, and such resolution shall be final and binding on the Company and the Participant.

4.3 Section 162(m) of the Code and Section 16 of the Exchange Act. When necessary or desirable for an Award to qualify as "performance-based compensation" under Section 162(m) of the Code the Committee shall include at least two persons who are "outside directors" (as defined under Section 162(m) of the Code) and at least two (or a majority if more than two then serve on the Committee) such "outside directors" shall approve the grant of such Award and timely determine (as applicable) the Performance Period and any Performance Factors upon which vesting or settlement of any portion of such Award is to be subject. When required by Section 162(m) of the Code, prior to settlement of any such Award at least two (or a majority if more than two then serve on the Committee) such "outside directors" then serving on the Committee shall determine and certify in writing the extent to which such Performance Factors have been timely achieved and the extent to which the Shares subject to such Award have thereby been earned. Awards granted to Participants who are subject to Section 16 of the Exchange Act must be approved by two or more "non-employee directors" (as defined in the regulations promulgated under Section 16 of the Exchange Act). With respect to Participants whose compensation is subject to Section 162(m) of the Code, and provided that such adjustments are consistent with the regulations promulgated under Section 162(m) of the Code, the Committee may adjust the performance goals to account for changes in law and accounting and to make such adjustments as the Committee deems necessary or appropriate to reflect the impact of extraordinary or unusual items, events or circumstances to avoid windfalls or hardships, including without limitation (i) restructurings, discontinued operations, extraordinary items, and other unusual or non-recurring charges, (ii) an event either not directly related to the operations of the Company or not within the reasonable control of the Company's management, or (iii) a change in accounting standards required by generally accepted accounting principles.

4.4 Documentation. The Award Agreement for a given Award, the Plan and any other documents may be delivered to, and accepted by, a Participant or any other person in any manner (including electronic distribution or posting) that meets applicable legal requirements.

5. OPTIONS. The Committee may grant Options to Participants and will determine whether such Options will be Incentive Stock Options within the meaning of the Code ("***ISOs***") or Nonqualified Stock Options ("***NQSOs***"), the number of Shares subject to the Option, the Exercise Price of the Option, the period during which the Option may be exercised, and all other terms and conditions of the Option, subject to the following:

5.1 Option Grant. Each Option granted under this Plan will identify the Option as an ISO or an NQSO. An Option may be, but need not be, awarded upon satisfaction of such Performance Factors during any Performance Period as are set out in advance in the Participant's individual Award Agreement. If the Option is being earned upon the satisfaction of Performance Factors, then the Committee will: (x) determine the nature, length and starting date of any Performance Period for each Option; and (y) select from among the Performance Factors to be used to measure the performance, if any. Performance Periods may overlap and Participants may participate simultaneously with respect to Options that are subject to different performance goals and other criteria.

5.2 Date of Grant. The date of grant of an Option will be the date on which the Committee makes the determination to grant such Option, or a specified future date. The Award Agreement and a copy of this Plan will be delivered to the Participant within a reasonable time after the granting of the Option.

5.3 Exercise Period. Options may be exercisable within the times or upon the conditions as set forth in the Award Agreement governing such Option; provided, however, that no Option will be exercisable after the expiration of ten (10) years from the date the Option is granted; and provided further that no ISO granted to a person who, at the time the ISO is granted, directly or by attribution owns more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or of any Parent or Subsidiary of the Company ("***Ten Percent Stockholder***") will be exercisable after the expiration of five (5) years from the date the ISO is granted. The Committee also may provide for Options to become exercisable at one time or from time to time, periodically or otherwise, in such number of Shares or percentage of Shares as the Committee determines.

5.4 Exercise Price. The Exercise Price of an Option will be determined by the Committee when the Option is granted; provided that: (i) the Exercise Price of an ISO will be not less than one hundred percent (100%) of the Fair Market Value of the Shares on the date of grant and (ii) the Exercise Price of any ISO granted to a Ten Percent Stockholder will not be less than one hundred ten percent (110%) of the Fair Market Value of the Shares on the date of grant. Payment for the Shares purchased may be made in accordance with Section 11. Payment for the Shares purchased must be made in accordance with Section 11 and the Award Agreement and in accordance with any procedures established by the Company. The Exercise Price of a NQSO may not be less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant.

5.5 Method of Exercise. Any Option granted hereunder will be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Committee and set forth in the Award Agreement. An Option may not be exercised for a fraction of a Share. An Option will be deemed exercised when the Company receives: (i) notice of exercise (in such form as the Committee may specify from time to time) from the person entitled to exercise the Option, and (ii) full payment for the Shares with respect to which the Option is exercised (together with applicable withholding taxes). Full payment may consist of any consideration and method of payment authorized by the Committee and permitted by the Award Agreement and the Plan. Shares issued upon exercise of an Option will be issued in the name of the Participant. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or

any other rights as a stockholder will exist with respect to the Shares, notwithstanding the exercise of the Option. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 2.6 of the Plan. Exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

5.6 Termination. The exercise of an Option will be subject to the following (except as may be otherwise provided in an Award Agreement):

(a) If the Participant is Terminated for any reason except for the Participant's death or Disability, then the Participant may exercise such Participant's Options only to the extent that such Options would have been exercisable by the Participant on the Termination Date no later than three (3) months after the Termination Date (or such shorter time period or longer time period not exceeding five (5) years as may be determined by the Committee, with any exercise beyond three (3) months after the Termination Date deemed to be the exercise of an NQSO), but in any event no later than the expiration date of the Options.

(b) If the Participant is Terminated because of the Participant's death (or the Participant dies within three (3) months after the Participant's Disability), then the Participant's Options may be exercised only to the extent that such Options would have been exercisable by the Participant on the Termination Date and must be exercised by the Participant's legal representative, or authorized assignee, no later than twelve (12) months after the Termination Date (or such shorter time period not less than six (6) months or longer time period not exceeding five (5) years as may be determined by the Committee), but in any event no later than the expiration date of the Options.

(c) If the Participant is Terminated because of the Participant's Disability, then the Participant's Options may be exercised only to the extent that such Options would have been exercisable by the Participant on the Termination Date and must be exercised by the Participant (or the Participant's legal representative or authorized assignee) no later than twelve (12) months after the Termination Date (with any exercise beyond (a) three (3) months after the Termination Date when the Termination is for a Disability that is not a "permanent and total disability" as defined in Section 22(e)(3) of the Code, or (b) twelve (12) months after the Termination Date when the Termination is for a Disability that is a "permanent and total disability" as defined in Section 22(e)(3) of the Code, deemed to be exercise of an NQSO), but in any event no later than the expiration date of the Options.

5.7 Limitations on Exercise. The Committee may specify a minimum number of Shares that may be purchased on any exercise of an Option, provided that such minimum number will not prevent any Participant from exercising the Option for the full number of Shares for which it is then exercisable.

5.8 Limitations on ISOs. With respect to Awards granted as ISOs, to the extent that the aggregate Fair Market Value of the Shares with respect to which such ISOs are exercisable for the first time by the Participant during any calendar year (under all plans of the Company and any Parent or Subsidiary) exceeds one hundred thousand dollars ($100,000), such Options will be treated as NQSOs. For purposes of this Section 5.8, ISOs will be taken into account in the order in which they were granted. The Fair Market Value of the Shares will be determined as of the time the Option with respect to such Shares is granted. In the event that the Code or the regulations promulgated thereunder are amended after the Effective Date to provide for a different limit on the Fair Market Value of Shares permitted to be subject to ISOs, such different limit will be automatically incorporated herein and will apply to any Options granted after the effective date of such amendment.

5.9 Modification, Extension or Renewal. The Committee may modify, extend or renew outstanding Options and authorize the grant of new Options in substitution therefor, provided that any such

action may not, without the written consent of a Participant, impair any of such Participant's rights under any Option previously granted. Any outstanding ISO that is modified, extended, renewed or otherwise altered will be treated in accordance with Section 424(h) of the Code. Subject to Section 18 of this Plan, by written notice to affected Participants, the Committee may reduce the Exercise Price of outstanding Options without the consent of such Participants; provided, however, that the Exercise Price may not be reduced below the Fair Market Value on the date the action is taken to reduce the Exercise Price.

5.10 No Disqualification. Notwithstanding any other provision in this Plan, no term of this Plan relating to ISOs will be interpreted, amended or altered, nor will any discretion or authority granted under this Plan be exercised, so as to disqualify this Plan under Section 422 of the Code or, without the consent of the Participant affected, to disqualify any ISO under Section 422 of the Code.

6. RESTRICTED STOCK AWARDS.

6.1 Awards of Restricted Stock. A Restricted Stock Award is an offer by the Company to sell to a Participant Shares that are subject to restrictions ("***Restricted Stock***"). The Committee will determine to whom an offer will be made, the number of Shares the Participant may purchase, the Purchase Price, the restrictions under which the Shares will be subject and all other terms and conditions of the Restricted Stock Award, subject to the Plan.

6.2 Restricted Stock Purchase Agreement. All purchases under a Restricted Stock Award will be evidenced by an Award Agreement. Except as may otherwise be provided in an Award Agreement, a Participant accepts a Restricted Stock Award by signing and delivering to the Company an Award Agreement with full payment of the Purchase Price, within thirty (30) days from the date the Award Agreement was delivered to the Participant. If the Participant does not accept such Award within thirty (30) days, then the offer of such Restricted Stock Award will terminate, unless the Committee determines otherwise.

6.3 Purchase Price. The Purchase Price for a Restricted Stock Award will be determined by the Committee and may be less than Fair Market Value on the date the Restricted Stock Award is granted. Payment of the Purchase Price must be made in accordance with Section 11 of the Plan, the Award Agreement and in accordance with any procedures established by the Company.

6.4 Terms of Restricted Stock Awards. Restricted Stock Awards will be subject to such restrictions as the Committee may impose or are required by law. These restrictions may be based on completion of a specified number of years of service with the Company or upon completion of Performance Factors, if any, during any Performance Period as set out in advance in the Participant's Award Agreement. Prior to the grant of a Restricted Stock Award, the Committee shall: (a) determine the nature, length and starting date of any Performance Period for the Restricted Stock Award; (b) select from among the Performance Factors to be used to measure performance goals, if any; and (c) determine the number of Shares that may be awarded to the Participant. Performance Periods may overlap and a Participant may participate simultaneously with respect to Restricted Stock Awards that are subject to different Performance Periods and having different performance goals and other criteria.

6.5 Termination of Participant. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Committee).

7. STOCK BONUS AWARDS.

7.1 Awards of Stock Bonuses. A Stock Bonus Award is an award to an eligible person of Shares for services to be rendered or for past services already rendered to the Company or any Parent

or Subsidiary. All Stock Bonus Awards shall be made pursuant to an Award Agreement. No payment from the Participant will be required for Shares awarded pursuant to a Stock Bonus Award.

7.2 Terms of Stock Bonus Awards. The Committee will determine the number of Shares to be awarded to the Participant under a Stock Bonus Award and any restrictions thereon. These restrictions may be based upon completion of a specified number of years of service with the Company or upon satisfaction of performance goals based on Performance Factors during any Performance Period as set out in advance in the Participant's Stock Bonus Agreement. Prior to the grant of any Stock Bonus Award the Committee shall: (a) determine the nature, length and starting date of any Performance Period for the Stock Bonus Award; (b) select from among the Performance Factors to be used to measure performance goals; and (c) determine the number of Shares that may be awarded to the Participant. Performance Periods may overlap and a Participant may participate simultaneously with respect to Stock Bonus Awards that are subject to different Performance Periods and different performance goals and other criteria.

7.3 Form of Payment to Participant. Payment may be made in the form of cash, whole Shares, or a combination thereof, based on the Fair Market Value of the Shares earned under a Stock Bonus Award on the date of payment, as determined in the sole discretion of the Committee.

7.4 Termination of Participation. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Committee).

8. STOCK APPRECIATION RIGHTS.

8.1 Awards of SARs. A Stock Appreciation Right ("***SAR***") is an award to a Participant that may be settled in cash, or Shares (which may consist of Restricted Stock), having a value equal to (a) the difference between the Fair Market Value on the date of exercise over the Exercise Price multiplied by (b) the number of Shares with respect to which the SAR is being settled (subject to any maximum number of Shares that may be issuable as specified in an Award Agreement). All SARs shall be made pursuant to an Award Agreement.

8.2 Terms of SARs. The Committee will determine the terms of each SAR including, without limitation: (a) the number of Shares subject to the SAR; (b) the Exercise Price and the time or times during which the SAR may be settled; (c) the consideration to be distributed on settlement of the SAR; and (d) the effect of the Participant's Termination on each SAR. The Exercise Price of the SAR will be determined by the Committee when the SAR is granted, and may not be less than Fair Market Value. A SAR may be awarded upon satisfaction of Performance Factors, if any, during any Performance Period as are set out in advance in the Participant's individual Award Agreement. If the SAR is being earned upon the satisfaction of Performance Factors, then the Committee will: (x) determine the nature, length and starting date of any Performance Period for each SAR; and (y) select from among the Performance Factors to be used to measure the performance, if any. Performance Periods may overlap and Participants may participate simultaneously with respect to SARs that are subject to different Performance Factors and other criteria.

8.3 Exercise Period and Expiration Date. A SAR will be exercisable within the times or upon the occurrence of events determined by the Committee and set forth in the Award Agreement governing such SAR. The SAR Agreement shall set forth the expiration date; provided that no SAR will be exercisable after the expiration of ten (10) years from the date the SAR is granted. The Committee may also provide for SARs to become exercisable at one time or from time to time, periodically or otherwise (including, without limitation, upon the attainment during a Performance Period of performance goals based on Performance Factors), in such number of Shares or percentage of the Shares subject to the SAR as the Committee determines. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Committee). Notwithstanding the foregoing, the rules of Section 5.6 also will apply to SARs.

8.4 Form of Settlement. Upon exercise of a SAR, a Participant will be entitled to receive payment from the Company in an amount determined by multiplying (i) the difference between the Fair Market Value of a Share on the date of exercise over the Exercise Price; times (ii) the number of Shares with respect to which the SAR is exercised. At the discretion of the Committee, the payment from the Company for the SAR exercise may be in cash, in Shares of equivalent value, or in some combination thereof. The portion of a SAR being settled may be paid currently or on a deferred basis with such interest or dividend equivalent, if any, as the Committee determines, provided that the terms of the SAR and any deferral satisfy the requirements of Section 409A of the Code.

8.5 Termination of Participation. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Committee).

9. RESTRICTED STOCK UNITS.

9.1 Awards of Restricted Stock Units. A Restricted Stock Unit ("***RSU***") is an award to a Participant covering a number of Shares that may be settled in cash, or by issuance of those Shares (which may consist of Restricted Stock). All RSUs shall be made pursuant to an Award Agreement.

9.2 Terms of RSUs. The Committee will determine the terms of an RSU including, without limitation: (a) the number of Shares subject to the RSU; (b) the time or times during which the RSU may be settled; and (c) the consideration to be distributed on settlement, and the effect of the Participant's Termination on each RSU. An RSU may be awarded upon satisfaction of such performance goals based on Performance Factors during any Performance Period as are set out in advance in the Participant's Award Agreement. If the RSU is being earned upon satisfaction of Performance Factors, then the Committee will: (x) determine the nature, length and starting date of any Performance Period for the RSU; (y) select from among the Performance Factors to be used to measure the performance, if any; and (z) determine the number of Shares deemed subject to the RSU. Performance Periods may overlap and participants may participate simultaneously with respect to RSUs that are subject to different Performance Periods and different performance goals and other criteria.

9.3 Form and Timing of Settlement. Payment of earned RSUs shall be made as soon as practicable after the date(s) determined by the Committee and set forth in the Award Agreement. The Committee, in its sole discretion, may settle earned RSUs in cash, Shares, or a combination of both. The Committee may also permit a Participant to defer payment under a RSU to a date or dates after the RSU is earned provided that the terms of the RSU and any deferral satisfy the requirements of Section 409A of the Code.

9.4 Termination of Participant. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Committee).

10. PERFORMANCE SHARES.

10.1 Awards of Performance Shares. A Performance Share Award is an award to a Participant denominated in Shares that may be settled in cash, or by issuance of those Shares (which may consist of Restricted Stock). Grants of Performance Shares shall be made pursuant to an Award Agreement.

10.2 Terms of Performance Shares. The Committee will determine, and each Award Agreement shall set forth, the terms of each award of Performance Shares including, without limitation: (a) the number of Shares deemed subject to such Award; (b) the Performance Factors and Performance Period that shall determine the time and extent to which each award of Performance Shares shall be settled; (c) the consideration to be distributed on settlement, and the effect of the Participant's Termination on each

award of Performance Shares. In establishing Performance Factors and the Performance Period the Committee will: (x) determine the nature, length and starting date of any Performance Period; (y) select from among the Performance Factors to be used; and (z) determine the number of Shares deemed subject to the award of Performance Shares. Prior to settlement the Committee shall determine the extent to which Performance Shares have been earned. Performance Periods may overlap and Participants may participate simultaneously with respect to Performance Shares that are subject to different Performance Periods and different performance goals and other criteria.

10.3 Value, Earning and Timing of Performance Shares. Each Performance Share will have an initial value equal to the Fair Market Value of a Share on the date of grant. After the applicable Performance Period has ended, the holder of Performance Shares will be entitled to receive a payout of the number of Performance Shares earned by the Participant over the Performance Period, to be determined as a function of the extent to which the corresponding Performance Factors or other vesting provisions have been achieved. The Committee, in its sole discretion, may pay earned Performance Shares in the form of cash, in Shares (which have an aggregate Fair Market Value equal to the value of the earned Performance Shares at the close of the applicable Performance Period) or in a combination thereof.

10.4 Termination of Participant. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Committee).

11. PAYMENT FOR SHARE PURCHASES.

Payment from a Participant for Shares purchased pursuant to this Plan may be made in cash or by check or, where expressly approved for the Participant by the Committee and where permitted by law (and to the extent not otherwise set forth in the applicable Award Agreement):

(a) by cancellation of indebtedness of the Company to the Participant;

(b) by surrender of shares of the Company held by the Participant that have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which said Award will be exercised or settled;

(c) by waiver of compensation due or accrued to the Participant for services rendered or to be rendered to the Company or a Parent or Subsidiary of the Company;

(d) by consideration received by the Company pursuant to a broker-assisted or other form of cashless exercise program implemented by the Company in connection with the Plan;

(e) by any combination of the foregoing; or

(f) by any other method of payment as is permitted by applicable law.

12. GRANTS TO NON-EMPLOYEE DIRECTORS.

12.1 Types of Awards. Non-Employee Directors are eligible to receive any type of Award offered under this Plan except ISOs. Awards pursuant to this Section 12 may be automatically made pursuant to policy adopted by the Board, or made from time to time as determined in the discretion of the Board. The aggregate dollar value subject to Awards granted to a Non-Employee Director pursuant to this Section 12 in any calendar year shall not exceed $300,000; provided however, that this maximum value can later be increased by the Board effective for the calendar year next commencing thereafter without further stockholder approval.

12.2 Eligibility. Awards pursuant to this Section 12 shall be granted only to Non-Employee Directors. A Non-Employee Director who is elected or re-elected as a member of the Board will be eligible to receive an Award under this Section 12.

12.3 Vesting, Exercisability and Settlement. Except as set forth in Section 21, Awards shall vest, become exercisable and be settled as determined by the Board. With respect to Options and SARs, the exercise price granted to Non-Employee Directors shall not be less than the Fair Market Value of the Shares at the time that such Option or SAR is granted.

13. WITHHOLDING TAXES.

13.1 Withholding Generally. Whenever Shares are to be issued in satisfaction of Awards granted under this Plan, the Company may require the Participant to remit to the Company an amount sufficient to satisfy applicable federal, state, local and international withholding tax requirements prior to the delivery of Shares pursuant to exercise or settlement of any Award. Whenever payments in satisfaction of Awards granted under this Plan are to be made in cash, such payment will be net of an amount sufficient to satisfy applicable federal, state, local and international withholding tax requirements.

13.2 Stock Withholding. The Committee, in its sole discretion and pursuant to such procedures as it may specify from time to time, may require or permit a Participant to satisfy such tax withholding obligation, in whole or in part by (without limitation) (i) paying cash, (ii) electing to have the Company withhold otherwise deliverable cash or Shares having a Fair Market Value equal to the minimum statutory amount required to be withheld, or (iii) delivering to the Company already-owned Shares having a Fair Market Value equal to the minimum amount required to be withheld. The Fair Market Value of the Shares to be withheld or delivered will be determined as of the date that the taxes are required to be withheld.

14. TRANSFERABILITY. Unless determined otherwise by the Committee, an Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution. If the Committee makes an Award transferable, including, without limitation, by instrument to an inter vivos or testamentary trust in which the Awards are to be passed to beneficiaries upon the death of the trustor (settlor) or by gift to a Permitted Transferee, such Award will contain such additional terms and conditions as the Administrator deems appropriate.

15. PRIVILEGES OF STOCK OWNERSHIP; RESTRICTIONS ON SHARES.

15.1 Voting and Dividends. No Participant will have any of the rights of a stockholder with respect to any Shares until the Shares are issued to the Participant. After Shares are issued to the Participant, the Participant will be a stockholder and have all the rights of a stockholder with respect to such Shares, including the right to vote and receive all dividends or other distributions made or paid with respect to such Shares; provided, that if such Shares are Restricted Stock, then any new, additional or different securities the Participant may become entitled to receive with respect to such Shares by virtue of a stock dividend, stock split or any other change in the corporate or capital structure of the Company will be subject to the same restrictions as the Restricted Stock; provided, further, that the Participant will have no right to retain such stock dividends or stock distributions with respect to Shares that are repurchased at the Participant's Purchase Price or Exercise Price, as the case may be, pursuant to Section 15.2.

15.2 Restrictions on Shares. At the discretion of the Committee, the Company may reserve to itself and/or its assignee(s) a right to repurchase (a "***Right of Repurchase***") a portion of any or all Unvested Shares held by a Participant following such Participant's Termination at any time within ninety (90) days after the later of the Participant's Termination Date and the date the Participant purchases Shares under this Plan, for cash and/or cancellation of purchase money indebtedness, at the Participant's Purchase Price or Exercise Price, as the case may be.

16. **CERTIFICATES AND BOOK ENTRIES**. All certificates or book entries for Shares or other securities delivered under this Plan will be subject to such stop transfer orders, legends and other restrictions as the Committee may deem necessary or advisable, including restrictions under any applicable federal, state or foreign securities law, or any rules, regulations and other requirements of the SEC or any stock exchange or automated quotation system upon which the Shares may be listed or quoted.

17. **ESCROW; PLEDGE OF SHARES**. To enforce any restrictions on a Participant's Shares, the Committee may require the Participant to deposit with the Company or an agent designated by the Company (or place under the control of the Company or its designated agent) all certificates or book entries representing Shares, together with stock powers or other instruments of transfer approved by the Committee, appropriately endorsed in blank, for the purpose of holding in escrow (or controlling) such certificates or book entries until such restrictions have lapsed or terminated, and the Committee may cause a legend or legends referencing such restrictions to be placed on the certificates or note in the Company's direct registration system for stock issuance and transfer such restrictions and accompanying legends with respect to the book entries. Any Participant who is permitted to execute a promissory note as partial or full consideration for the purchase of Shares under this Plan will be required to pledge and deposit with the Company all or part of the Shares so purchased as collateral to secure the payment of the Participant's obligation to the Company under the promissory note; provided, however, that the Committee may require or accept other or additional forms of collateral to secure the payment of such obligation and, in any event, the Company will have full recourse against the Participant under the promissory note notwithstanding any pledge of the Participant's Shares or other collateral. In connection with any pledge of the Shares, the Participant will be required to execute and deliver a written pledge agreement in such form as the Committee will from time to time approve. The Shares purchased with the promissory note may be released from the pledge on a pro rata basis as the promissory note is paid.

18. **STOCKHOLDER APPROVAL OF EXCHANGE PROGRAM**. Only with prior stockholder approval may the Committee implement an Exchange Program. For the avoidance of doubt, the Committee may not authorize the Company without prior stockholder approval to reprice Options or SARs or pay cash or issue new Awards in exchange for the surrender and cancellation of outstanding Awards.

19. **SECURITIES LAW AND OTHER REGULATORY COMPLIANCE**. An Award will not be effective unless such Award is in compliance with all applicable federal and state securities laws, rules and regulations of any governmental body, and the requirements of any stock exchange or automated quotation system upon which the Shares may then be listed or quoted, as they are in effect on the date of grant of the Award and also on the date of exercise or other issuance. Notwithstanding any other provision in this Plan, the Company will have no obligation to issue or deliver certificates or establish book entries for Shares under this Plan prior to: (a) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and/or (b) completion of any registration or other qualification of such Shares under any state or federal law or ruling of any governmental body that the Company determines to be necessary or advisable. The Company will be under no obligation to register the Shares with the SEC or to effect compliance with the registration, qualification or listing requirements of any state securities laws, stock exchange or automated quotation system, and the Company will have no liability for any inability or failure to do so.

20. **NO OBLIGATION TO EMPLOY**. Nothing in this Plan or any Award granted under this Plan will confer or be deemed to confer on any Participant any right to continue in the employ of, or to continue any other relationship with, the Company or any Parent or Subsidiary of the Company or limit in any way the right of the Company or any Parent or Subsidiary of the Company to terminate Participant's employment or other relationship at any time.

21. CORPORATE TRANSACTIONS.

21.1 Assumption or Replacement of Awards by Successor. In the event of a Corporate Transaction any or all outstanding Awards may be assumed or replaced by the successor corporation, which assumption or replacement shall be binding on all Participants. In the alternative, the successor corporation may substitute equivalent Awards or provide substantially similar consideration to Participants as was provided to stockholders (after taking into account the existing provisions of the Awards). The successor corporation may also issue, in place of outstanding Shares of the Company held by the Participant, substantially similar shares or other property subject to repurchase restrictions no less favorable to the Participant. In the event such successor or acquiring corporation (if any) refuses to assume, convert, replace or substitute Awards, as provided above, pursuant to a Corporate Transaction, then notwithstanding any other provision in this Plan to the contrary, such Awards will expire on such transaction at such time and on such conditions as the Board will determine; the Board (or, the Committee, if so designated by the Board) may, in its sole discretion, accelerate the vesting of such Awards in connection with a Corporate Transaction. In addition, in the event such successor or acquiring corporation (if any) refuses to assume, convert, replace or substitute Awards, as provided above, pursuant to a Corporate Transaction, the Committee will notify the Participant in writing or electronically that such Award will be exercisable for a period of time determined by the Committee in its sole discretion, and such Award will terminate upon the expiration of such period. Awards need not be treated similarly in a Corporate Transaction.

21.2 Assumption of Awards by the Company. The Company, from time to time, also may substitute or assume outstanding awards granted by another company, whether in connection with an acquisition of such other company or otherwise, by either; (a) granting an Award under this Plan in substitution of such other company's award; or (b) assuming such award as if it had been granted under this Plan if the terms of such assumed award could be applied to an Award granted under this Plan. Such substitution or assumption will be permissible if the holder of the substituted or assumed award would have been eligible to be granted an Award under this Plan if the other company had applied the rules of this Plan to such grant. In the event the Company assumes an award granted by another company, the terms and conditions of such award will remain unchanged (except that the Purchase Price or the Exercise Price, as the case may be, and the number and nature of Shares issuable upon exercise or settlement of any such Award will be adjusted appropriately pursuant to Section 424(a) of the Code). In the event the Company elects to grant a new Option in substitution rather than assuming an existing option, such new Option may be granted with a similarly adjusted Exercise Price. Substitute Awards shall not reduce the number of Shares authorized for grant under the Plan or authorized for grant to a Participant in any calendar year.

21.3 Non-Employee Directors' Awards. Notwithstanding any provision to the contrary herein, in the event of a Corporate Transaction, the vesting of all Awards granted to Non-Employee Directors shall accelerate and such Awards shall become exercisable (as applicable) in full prior to the consummation of such event at such times and on such conditions as the Committee determines.

22. ADOPTION AND STOCKHOLDER APPROVAL. The Plan was adopted by the Board in June 2010 and was thereafter approved by the Company's stockholders in July 2010.

23. TERM OF PLAN/GOVERNING LAW. Unless earlier terminated as provided herein, this Plan will become effective on the Effective Date and will terminate ten (10) years from the date this Plan is adopted by the Board. This Plan and all Awards granted hereunder shall be governed by and construed in accordance with the laws of the State of Delaware.

24. AMENDMENT OR TERMINATION OF PLAN. The Board may at any time terminate or amend this Plan in any respect, including, without limitation, amendment of any form of Award Agreement or instrument to be executed pursuant to this Plan; provided, however, that the Board will not, without the approval of the stockholders of the Company, amend this Plan in any manner that requires such stockholder

approval; provided further, that a Participant's Award shall be governed by the version of this Plan then in effect at the time such Award was granted.

25. NONEXCLUSIVITY OF THE PLAN. Neither the adoption of this Plan by the Board, the submission of this Plan to the stockholders of the Company for approval, nor any provision of this Plan will be construed as creating any limitations on the power of the Board to adopt such additional compensation arrangements as it may deem desirable, including, without limitation, the granting of stock awards and bonuses otherwise than under this Plan, and such arrangements may be either generally applicable or applicable only in specific cases.

26. INSIDER TRADING POLICY. Each Participant who receives an Award shall comply with any policy adopted by the Company from time to time covering transactions in the Company's securities by Employees, officers and/or directors of the Company.

27. ALL AWARDS SUBJECT TO COMPANY CLAWBACK OR RECOUPMENT POLICY. All Awards granted after adoption of the Company's Compensation Recovery Policy (the "***Policy***") and subject to applicable law, shall be subject to clawback or recoupment pursuant to the Policy or any other compensation clawback or recoupment policy that may be adopted by the Board (or its Compensation Committee) from time to time thereafter or required by law during the term of Participant's employment or other service with the Company that is applicable to executive officers, employees, directors or other service providers of the Company, and in addition to any other remedies available under such policy and applicable law, may require the cancellation of outstanding Awards and the recoupment of any gains realized with respect to Awards.

28. DEFINITIONS. As used in this Plan, and except as elsewhere defined herein, the following terms will have the following meanings:

"***Award***" means any award under the Plan, including any Option, Restricted Stock, Stock Bonus, Stock Appreciation Right, Restricted Stock Unit or award of Performance Shares.

"***Award Agreement***" means, with respect to each Award, the written or electronic agreement between the Company and the Participant setting forth the terms and conditions of the Award, which shall be in substantially a form (which need not be the same for each Participant) that the Committee has from time to time approved, and will comply with and be subject to the terms and conditions of this Plan.

"***Board***" means the Board of Directors of the Company.

"***Code***" means the United States Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

"***Committee***" means the Compensation Committee of the Board or those persons to whom administration of the Plan, or part of the Plan, has been delegated as permitted by law.

"***Company***" means Green Dot Corporation, or any successor corporation.

"***Common Stock***" means the Class A common stock of the Company.

"***Consultant***" means any person, including an advisor or independent contractor, engaged by the Company or a Parent or Subsidiary to render services to such entity.

"***Corporate Transaction***" means the occurrence of any of the following events: (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then-outstanding voting

securities; (ii) the consummation of the sale or disposition by the Company of all or substantially all of the Company's assets; (iii) the consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation or (iv) any other transaction which qualifies as a "corporate transaction" under Section 424(a) of the Code wherein the stockholders of the Company give up all of their equity interest in the Company (except for the acquisition, sale or transfer of all or substantially all of the outstanding shares of the Company).

"***Director***" means a member of the Board.

"***Disability***" means total and permanent disability as defined in Section 22(e)(3) of the Code.

"***Effective Date***" means the date of the underwritten initial public offering of the Company's Common Stock pursuant to a registration statement that is declared effective by the SEC.

"***Employee***" means any person, including Officers and Directors, employed by the Company or any Parent or Subsidiary of the Company. Neither service as a Director nor payment of a director's fee by the Company will be sufficient to constitute "employment" by the Company.

"***Exchange Act***" means the United States Securities Exchange Act of 1934, as amended.

"***Exchange Program***" means a program pursuant to which outstanding Awards are surrendered, cancelled or exchanged for cash, the same type of Award or a different Award (or combination thereof).

"***Exercise Price***" means, with respect to an Option, the price at which a holder may purchase the Shares issuable upon exercise of an Option and with respect to a SAR, the price at which the SAR is granted to the holder thereof.

"***Fair Market Value***" means, as of any date, the value of a share of the Company's Common Stock determined as follows:

(a) if such Common Stock is publicly traded and is then listed on a national securities exchange, its closing price on the date of determination on the principal national securities exchange on which the Common Stock is listed or admitted to trading as reported in *The Wall Street Journal*;

(b) if such Common Stock is publicly traded but is neither listed nor admitted to trading on a national securities exchange, the average of the closing bid and asked prices on the date of determination as reported in *The Wall Street Journal*;

(c) in the case of an Option or SAR grant made on the Effective Date, the price per share at which shares of the Company's Common Stock are initially offered for sale to the public by the Company's underwriters in the initial public offering of the Company's Common Stock pursuant to a registration statement filed with the SEC under the Securities Act; or

(d) if none of the foregoing is applicable, by the Board or the Committee in good faith.

"***Insider***" means an officer or director of the Company or any other person whose transactions in the Company's Common Stock are subject to Section 16 of the Exchange Act.

"***Non-Employee Director***" means a Director who is not an Employee of the Company or any Parent or Subsidiary.

"***Option***" means an award of an option to purchase Shares pursuant to Section 5.

"***Parent***" means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of such corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

"***Participant***" means a person who holds an Award under this Plan.

"***Performance Factors***" means the factors selected by the Committee, which may include, but are not limited to the, the following measures (whether or not in comparison to other peer companies and whether or not computed in accordance with generally accepted accounting principles) to determine whether the performance goals established by the Committee and applicable to Awards have been satisfied:

- Net revenue and/or net revenue growth;
- Earnings per share and/or earnings per share growth;
- Earnings before income taxes and amortization and/or earnings before income taxes and amortization growth;
- Operating income and/or operating income growth;
- Net income and/or net income growth;
- Total stockholder return and/or total stockholder return growth;
- Return on equity;
- Operating cash flow return on income;
- Adjusted operating cash flow return on income;
- Economic value added;
- Control of expenses;
- Cost of goods sold;
- Profit margin;
- Stock price;
- Debt or debt-to-equity;
- Liquidity;
- Intellectual property (e.g., patents)/product development;
- Mergers and acquisitions or divestitures;

- Individual business objectives;
- Company specific operational metrics; and
- Any other factor (such as individual business objectives or unit-specific operational metrics) the Committee so designates.

"***Performance Period***" means the period of service determined by the Committee, not to exceed five (5) years, during which years of service or performance is to be measured for the Award.

"***Performance Share***" means an Award granted pursuant to Section 10 or Section 12 of the Plan.

"***Permitted Transferee***" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law (including adoptive relationships) of the Employee, any person sharing the Employee's household (other than a tenant or employee), a trust in which these persons (or the Employee) have more than 50% of the beneficial interest, a foundation in which these persons (or the Employee) control the management of assets, and any other entity in which these persons (or the Employee) own more than 50% of the voting interests.

"***Plan***" means this Green Dot Corporation 2010 Equity Incentive Plan.

"***Purchase Price***" means the price to be paid for Shares acquired under the Plan, other than Shares acquired upon exercise of an Option or SAR.

"***Restricted Stock Award***" means an award of Shares pursuant to Section 6 or Section 12 of the Plan, or issued pursuant to the early exercise of an Option.

"***Restricted Stock Unit***" means an Award granted pursuant to Section 9 or Section 12 of the Plan.

"***SEC***" means the United States Securities and Exchange Commission.

"***Securities Act***" means the United States Securities Act of 1933, as amended.

"***Shares***" means shares of the Company's Common Stock and any successor security.

"***Stock Appreciation Right***" means an Award granted pursuant to Section 8 or Section 12 of the Plan.

"***Stock Bonus***" means an Award granted pursuant to Section 7 or Section 12 of the Plan.

"***Subsidiary***" means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company if each of the corporations other than the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

"***Termination***" or "***Terminated***" means, for purposes of this Plan with respect to a Participant, that the Participant has for any reason ceased to provide services as an employee, officer, director, consultant, independent contractor or advisor to the Company or a Parent or Subsidiary of the Company. An employee will not be deemed to have ceased to provide services in the case of (i) sick leave, (ii) military leave, or (iii) any other leave of absence approved by the Committee; provided, that such leave is for a period of not more than 90 days, unless reemployment upon the expiration of such leave is guaranteed by contract or statute or unless provided otherwise pursuant to formal policy adopted from time to time by the Company and issued and promulgated to employees in writing. In the case of any employee on an approved leave of absence,

the Committee may make such provisions respecting suspension of vesting of the Award while on leave from the employ of the Company or a Parent or Subsidiary of the Company as it may deem appropriate, except that in no event may an Award be exercised after the expiration of the term set forth in the applicable Award Agreement. The Committee will have sole discretion to determine whether a Participant has ceased to provide services and the effective date on which the Participant ceased to provide services (the "***Termination Date***").

"***Unvested Shares***" means Shares that have not yet vested or are subject to a right of repurchase in favor of the Company (or any successor thereto).

GREEN DOT CORPORATION
2010 EQUITY INCENTIVE PLAN
NOTICE OF PERFORMANCE- BASED RESTRICTED STOCK UNIT AWARD
GRANT NUMBER: _____

Unless otherwise defined herein, the terms defined in the Green Dot Corporation (the "***Company***") 2010 Equity Incentive Plan (the "***Plan***") shall have the same meanings in this Notice of Restricted Stock Unit Award (the "***Notice***").

Name: _____

Address: _____

You ("***Participant***") have been granted an award of Restricted Stock Units ("***RSUs***") under the Plan subject to the terms and conditions of the Plan, this Notice and the attached Award Agreement (Restricted Stock Units) (hereinafter "***RSU Agreement***"), which includes any RSU Addendum provided to employees in your country ("***RSU Addendum***").

Number of RSUs: [[Max Shares for Performance Awards: [_____]]; [Granted: _____ at target]]

Date of Grant: _____

Vesting Commencement Date: N/A

Expiration Date: The date on which settlement of all RSUs granted hereunder occurs, with earlier expiration upon the Termination Date

Vesting Schedule: Subject to the limitations set forth in this Notice, the Plan and the RSU agreement, the RSUs will vest in accordance with the schedule set forth on Exhibit A based on performance during the period beginning _____ and ending _____.

You understand that your employment or consulting relationship or service with the Company or any Parent or Subsidiary, as applicable, is for an unspecified duration, can be terminated at any time (i.e., is "at-will") subject to applicable law, and that nothing in this Notice, the RSU Agreement or the Plan changes the at-will nature of that relationship, subject to applicable law. You acknowledge that the vesting of the RSUs pursuant to this Notice occurs only by continuing service as an Employee, Director or Consultant of the Company or any Parent or Subsidiary, as applicable. You also understand that this Notice is subject to the terms and conditions of both the RSU Agreement (including any RSU Addendum) and the Plan, both of which are incorporated herein by reference. Participant has read both the RSU Agreement (including any applicable RSU Addendum) and the Plan.

PARTICIPANTGREEN DOT CORPORATION

Signature: __ By:__

Print Name: __ Its: __

GREEN DOT CORPORATION

AWARD AGREEMENT (RESTRICTED STOCK UNITS) TO THE

2010 EQUITY INCENTIVE PLAN

Unless otherwise defined herein, the terms defined in the Green Dot Corporation (the "***Company***") 2010 Equity Incentive Plan (the "***Plan***") shall have the same defined meanings in this Award Agreement (Restricted Stock Units) (the "***Agreement***").

You have been granted Restricted Stock Units ("***RSUs***") subject to the terms, restrictions and conditions of the Plan, the Notice of Restricted Stock Unit Award (the "***Notice***") and this Agreement.

1. Settlement.

FOR U.S. EMPLOYEES ONLY:

To the extent RSUs vest in accordance with this RSU Agreement (or under any policy, agreement or arrangement maintained by the Company), settlement of the first installment of RSUs shall be by March 15th of the year following the calendar year of grant (or later date in the same calendar year required to satisfy any vesting provisions applicable under any policy, agreement or arrangement maintained by the Company) and settlement of the remaining installments shall be made upon the earliest to occur of: (i) the applicable date of vesting under the vesting schedule set forth in Exhibit A hereto (within 60 days thereafter), (ii) Participant's separation from service (within the meaning of Code Section 409A) that is by the Company without cause or by the Participant for good reason (on the 61st day thereafter), (iii) a change in control event within the meaning of Treasury Regulation Section 1.409-3(i)(5) (on the 60th day thereafter) or (iv) the Participant's death (on the 60th day thereafter). For the avoidance of doubt, no settlement shall occur in the case of (ii), (iii) or (iv) above to extent that the then applicable policy, agreement or arrangement does not provide for vesting of the RSUs and nothing in this Agreement shall preclude the Company from being able to amend or terminate such policy, agreement or arrangement in accordance with its terms. Settlement of RSUs shall be in Shares.

To the extent the RSUs constitute non-exempt deferred compensation subject to Section 409A of the Code and are settled upon the Participant's separation from service, if Participant is deemed at the time of such separation to be a "specified employee" under Section 409A of the Code, then such settlement shall instead be made on the earlier of (i) the date that is six (6)-months and one day after such separation; or (ii) the date of Participant's death following such separation; provided, however, that such deferral shall only be effected to the extent required to avoid adverse tax treatment to the Participant under Section 409A of the Code. It is intended that each RSU vesting installment hereunder constitute a separate "payment" for purposes of Treasury Regulation Section 1.409A-2(b)(2)(i).

FOR NON-U.S. EMPLOYEES ONLY:

Settlement of RSUs shall be made within 30 days following the applicable date of vesting under the vesting schedule set forth in the Notice. Settlement of RSUs shall be in Shares. You are not entitled to participate in the Retirement Policy for Equity Awards.

2. No Stockholder Rights. Unless and until such time as Shares are issued in settlement of vested RSUs, Participant shall have no ownership of the Shares allocated to the RSUs and shall have no right dividends or to vote such Shares.

3. Dividend Equivalents. Dividends, if any (whether in cash or Shares), shall not be credited to Participant.

4. No Transfer. The RSUs and any interest therein shall not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of.

5. Termination. Subject to any applicable policy, agreement or arrangement then maintained by the Company, if Participant's service Terminates for any reason, all unvested RSUs shall be forfeited to the Company forthwith, and all rights of Participant to such RSUs shall immediately terminate. In case of any

dispute as to whether forfeiture has occurred, the Committee shall have sole discretion to determine whether such forfeiture has occurred.

6. **U.S. Tax Consequences.** Participant acknowledges that there will be tax consequences upon settlement of the RSUs or disposition of the Shares, if any, received in connection therewith, and Participant should consult a tax adviser regarding Participant's tax obligations prior to such settlement or disposition. Upon vesting of the RSU, Participant will include in income the fair market value of the Shares subject to the RSU. The included amount will be treated as ordinary income by Participant and will be subject to withholding by the Company when required by applicable law. Upon disposition of the Shares, any subsequent increase or decrease in value will be treated as short-term or long-term capital gain or loss, depending on whether the Shares are held for more than one year from the date of settlement. Further, an RSU may be considered a deferral of compensation that may be subject to Section 409A of the Code. Section 409A of the Code imposes special rules to the timing of making and effecting certain amendments of this RSU with respect to distribution of any deferred compensation. You should consult your personal tax advisor for more information on the actual and potential tax consequences of this RSU.

7. **Acknowledgement.** The Company and Participant agree that the RSUs are granted under and governed by the Notice, this Agreement (including any RSU Addendum provided to employees in Participant's country (the "RSU Addendum") and the provisions of the Plan. Participant: (i) acknowledges receipt of a copy of the RSU Addendum (if any), the Plan and the Plan prospectus, which is available at http://www.ubs.com/onesource/GDOT, or a successor site, , (ii) represents that Participant has carefully read and is familiar with their provisions, and (iii) hereby accepts the RSUs subject to all of the terms and conditions set forth herein (including in any RSU Addendum) and those set forth in the Plan and the Notice.

8. **Entire Agreement; Enforcement of Rights.** This Agreement (including any applicable aRSU Addendum), the Plan and the Notice constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing and signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

9. **Compliance with Laws and Regulations.** The issuance of Shares will be subject to and conditioned upon compliance by the Company and Participant with all applicable state and federal laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Company's Common Stock may be listed or quoted at the time of such issuance or transfer.

10. **Governing Law; Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of California, without giving effect to principles of conflicts of law.

11. **Recoupment.** This Policy is subject to the terms and conditions of the Compensation Recovery Policy adopted by the Committee in April 2017 and any of the Company's other applicable recoupment or clawback policies (as previously adopted, and as may be amended or restated from time to time). Notwithstanding the foregoing, the Company may, in its sole discretion, implement any recoupment or clawback policies or make any changes to any of the Company's existing recoupment or clawback policies, as the Company deems necessary or advisable in order to comply with applicable law or regulatory guidance (including, without limitation, the Dodd-Frank Wall Street Reform and Consumer Protection Act).

12. **No Rights as Employee, Director or Consultant**. Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent or Subsidiary of the Company, to terminate Participant's service, for any reason, with or without cause.

By your signature and the signature of the Company's representative on the Notice, or by otherwise accepting this RSU, Participant and the Company agree that this RSU is granted under and governed by the terms and conditions of the Plan, the Notice and this Agreement (including any applicable RSU Addendum). Participant has reviewed the Plan, the Notice and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement, and fully understands all provisions of the Plan, the Notice and this Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan, the Notice and this Agreement. Participant further agrees to notify the Company upon any change in Participant's residence address.

GREEN DOT CORPORATION
2010 EQUITY INCENTIVE PLAN
NOTICE OF RESTRICTED STOCK UNIT AWARD
GRANT NUMBER: _____

Unless otherwise defined herein, the terms defined in the Green Dot Corporation (the "***Company***") 2010 Equity Incentive Plan (the "***Plan***") shall have the same meanings in this Notice of Restricted Stock Unit Award (the "***Notice***").

Name: __

Address: __

You ("***Participant***") have been granted an award of Restricted Stock Units ("***RSUs***") under the Plan subject to the terms and conditions of the Plan, this Notice and the attached Award Agreement (Restricted Stock Units) (hereinafter "***RSU Agreement***"), which includes any RSU Addendum provided to employees in your country ("***RSU Addendum***").

Number of RSUs: _____

Date of Grant: _____

Vesting Commencement Date: _____

Expiration Date: The date on which settlement of all RSUs granted hereunder occurs, with earlier expiration upon the Termination Date.

Vesting Schedule: Subject to the limitations set forth in this Notice, the Plan and the RSU Agreement, the RSUs will vest in accordance with the following schedule: _____

You understand that your employment or consulting relationship or service with the Company or any Parent or Subsidiary, as applicable, is for an unspecified duration, can be terminated at any time (i.e., is "at-will") subject to applicable law, and that nothing in this Notice, the RSU Agreement or the Plan changes the at-will nature of that relationship, subject to applicable law. You acknowledge that the vesting of the RSUs pursuant to this Notice occurs only by continuing service as an Employee, Director or Consultant of the Company or any Parent or Subsidiary, as applicable. You also understand that this Notice is subject to the terms and conditions of both the RSU Agreement (including any RSU Addendum) and the Plan, both of which are incorporated herein by reference. Participant has read both the RSU Agreement (including any applicable RSU Addendum) and the Plan.

PARTICIPANTGREEN DOT CORPORATION

Signature: __ By:__

Print Name: __ Its: __

GREEN DOT CORPORATION
AWARD AGREEMENT (RESTRICTED STOCK UNITS) TO THE
2010 EQUITY INCENTIVE PLAN

Unless otherwise defined herein, the terms defined in the Green Dot Corporation (the "***Company***") 2010 Equity Incentive Plan (the "***Plan***") shall have the same defined meanings in this Award Agreement (Restricted Stock Units) (the "***Agreement***").

You have been granted Restricted Stock Units ("***RSUs***") subject to the terms, restrictions and conditions of the Plan, the Notice of Restricted Stock Unit Award (the "***Notice***") and this Agreement.

1. Settlement.

FOR U.S. EMPLOYEES ONLY:

To the extent RSUs vest in accordance with the vesting schedule set forth in the Notice (or in the case of (ii), (iii) and (iv) below vest under any policy, agreement or arrangement maintained by the Company), settlement of RSUs shall be made upon the earliest to occur of: (i) the applicable date of vesting under the vesting schedule set forth in the Notice (within 60 days thereafter), (ii) Participant's separation from service (within the meaning of Code Section 409A) that is by the Company without cause or by the Participant for good reason (on the 61st day thereafter), (iii) a change in control event within the meaning of Treasury Regulation Section 1.409-3(i)(5) (on the 60th day thereafter) or (iv) the Participant's death (on the 60th day thereafter). For the avoidance of doubt, no settlement shall occur in the case of (ii), (iii) or (iv) above to extent that the then applicable policy, agreement or arrangement does not provide for vesting of the RSUs and nothing in this Agreement shall preclude the Company from being able to amend or terminate such policy, agreement or arrangement in accordance with its terms. Settlement of RSUs shall be in Shares.

To the extent the RSUs constitute non-exempt deferred compensation subject to Section 409A of the Code and are settled upon the Participant's separation from service, if Participant is deemed at the time of such separation to be a "specified employee" under Section 409A of the Code, then such settlement shall instead be made on the earlier of (i) the date that is six (6)-months and one day after such separation; or (ii) the date of Participant's death following such separation; provided, however, that such deferral shall only be effected to the extent required to avoid adverse tax treatment to the Participant under Section 409A of the Code. It is intended that each RSU vesting installment hereunder constitute a separate "payment" for purposes of Treasury Regulation Section 1.409A-2(b)(2)(i).

FOR NON-U.S. EMPLOYEES ONLY:

Settlement of RSUs shall be made within 30 days following the applicable date of vesting under the vesting schedule set forth in the Notice. Settlement of RSUs shall be in Shares. You are not entitled to participate in the Retirement Policy for Equity Awards.

2. No Stockholder Rights. Unless and until such time as Shares are issued in settlement of vested RSUs, Participant shall have no ownership of the Shares allocated to the RSUs and shall have no right dividends or to vote such Shares.

3. Dividend Equivalents. Dividends, if any (whether in cash or Shares), shall not be credited to Participant.

4. No Transfer. The RSUs and any interest therein shall not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of.

5. Termination. Subject to any applicable policy, agreement or arrangement then maintained by the Company, if Participant's service Terminates for any reason, all unvested RSUs shall be forfeited to the Company forthwith, and all rights of Participant to such RSUs shall immediately terminate. In case of any dispute as to whether forfeiture has occurred, the Committee shall have sole discretion to determine whether such forfeiture has occurred.

6. U.S. Tax Consequences. Participant acknowledges that there will be tax consequences upon settlement of the RSUs or disposition of the Shares, if any, received in connection therewith, and Participant should consult a tax adviser regarding Participant's tax obligations prior to such settlement or disposition. Upon vesting of the RSU, Participant will include in income the fair market value of the Shares subject to the RSU. The included amount will be treated as ordinary income by Participant and will be subject to withholding by the Company when required by applicable law. Upon disposition of the Shares, any subsequent increase or decrease in value will be treated as short-term or long-term capital gain or loss, depending on whether the Shares are held for more than one year from the date of settlement. Further, an RSU may be considered a deferral of compensation that may be subject to Section 409A of the Code. Section 409A of the Code imposes special rules to the timing of making and effecting certain amendments of this RSU with respect to distribution of any deferred compensation. You should consult your personal tax advisor for more information on the actual and potential tax consequences of this RSU.

7. Acknowledgement. The Company and Participant agree that the RSUs are granted under and governed by the Notice, this Agreement (including any RSU Addendum provided to employees in Participant's country (the "RSU Addendum") and the provisions of the Plan. Participant: (i) acknowledges receipt of a copy of the RSU Addendum (if any), the Plan and the Plan prospectus, which is available at http://www.ubs.com/onesource/GDOT, or a successor site, (ii) represents that Participant has carefully read and is familiar with their provisions, and (iii) hereby accepts the RSUs subject to all of the terms and conditions set forth herein (including in any RSU Addendum) and those set forth in the Plan and the Notice.

8. Entire Agreement; Enforcement of Rights. This Agreement (including any applicable RSU Addendum), the Plan and the Notice constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing and signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

9. Compliance with Laws and Regulations. The issuance of Shares will be subject to and conditioned upon compliance by the Company and Participant with all applicable state and federal laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Company's Common Stock may be listed or quoted at the time of such issuance or transfer.

10. Governing Law; Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of California, without giving effect to principles of conflicts of law.

11. No Rights as Employee, Director or Consultant. Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent or Subsidiary of the Company, to terminate Participant's service, for any reason, with or without cause.

By your signature and the signature of the Company's representative on the Notice, or by otherwise accepting this RSU, Participant and the Company agree that this RSU is granted under and governed by the terms and conditions of the Plan, the Notice and this Agreement (including any applicable RSU Addendum). Participant has reviewed the Plan, the Notice and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement, and fully understands all provisions of the Plan, the Notice and this Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan, the Notice and this Agreement. Participant further agrees to notify the Company upon any change in Participant's residence address.

GREEN DOT CORPORATION CORPORATE TRANSACTION POLICY

The Board of Green Dot Corporation (the "**Company**") has determined that it is appropriate to reinforce the continued attention and dedication of the Company's employees to their assigned duties without distraction in circumstances arising from the possibility of a Corporate Transaction of the Company. The Company desires to adopt this Corporate Transaction Policy ("**Policy**") to provide certain benefits as set forth below in connection with a Corporate Transaction of the Company. Where applicable in this Policy, the Company is intended to include any Parent of the Company, subsidiary of the Company and any successor of the Company. This Policy is effective as of the Effective Date and will remain in effect until terminated or modified by the Board.

1. Eligibility. Each employee of the Company who (i) is employed by the Company immediately prior to the consummation of a Corporate Transaction and (ii) holds equity awards granted by the Company that are unvested as of immediately prior to the consummation of a Corporate Transaction ("**Employee**").

2. Benefits upon Termination of Employment following a Corporate Transaction.

(a) Benefits upon a Qualifying Termination. If Employee is subject to a Qualifying Termination at any time during the twelve month period following the consummation of a Corporate Transaction, then, at such time as the termination of Employee's employment (and for employees subject to taxation by the United States the termination of which constitutes a "separation from service" as defined in the regulations promulgated under Section 409A of the Code (a "**Separation from Service**")), all outstanding and unvested equity awards then held by the Employee that were granted prior to the consummation of the Corporate Transaction ("**Pre-Corporate Transaction Equity Awards**") shall have their vesting fully accelerate such that all Pre-Corporate Transaction Equity Awards become 100% vested. For purposes of this Policy any outstanding and unvested performance-based Pre-Corporate Transaction Equity Awards shall have their vesting accelerate at "target." With respect to Pre-Corporate Transaction Equity Awards that do not contain a "target" level of achievement with respect to their applicable performance metrics, then such awards shall have their vesting accelerate in full with respect to any outstanding shares still subject to such award.

(b) Definitions. For all purposes hereunder, the following terms shall be defined as specified below:

(i) "**Board**" means the Board of Directors of Green Dot Corporation.

(ii) "**Cause**" means any of the following: (i) Employee's conviction of or plea of nolo contendere to a felony; (ii) an act by Employee which constitutes gross misconduct in the performance of Employee's employment obligations and duties; (iii) Employee's act of fraud against the Company or any of its affiliates; (iv) Employee's theft or misappropriation of property (including without limitation intellectual property) of the Company or its affiliates; (v) material breach by Employee of any confidentiality agreement with, or duties of confidentiality to, the Company or any of its affiliates that involves Employee's wrongful disclosure of material confidential or proprietary information (including without limitation trade secrets or other intellectual property) of the Company or of any of its affiliates; (vi) Employee's public disparagement of the Company, its business, its employees or board members; (vii) Employee's continued material violation of Employee's employment obligations and duties to the Company (other than due to Employee's death or Disability) after the Company has delivered to Employee a written notice of such violation that describes the basis for the Company's belief that such violation has occurred and Employee has not substantially cured such violation within thirty (30) calendar days after such written notice is given by the Company

(iii) "**Corporate Transaction**" means a Corporate Transaction as such term is defined in the Company's 2010 Equity Incentive Plan.

(iv) "**Code**" means the United States Internal Revenue Code of 1986, as amended.

(v) "**Disability**" means total and permanent disability as defined in Section 22(e)(3) of the Code.

(vi) "**Effective Date**" means the date this Policy is adopted by the Board.

(vii) "**Good Reason**" means a material reduction in an Employee's annual base salary (excluding any reduction affecting substantially all similarly situated employees); provided that any material reduction shall constitute Good Reason only if the Company fails to cure such event within thirty (30) days after receipt from Employee of written notice of the event which constitutes Good Reason; provided, further, that Good Reason shall cease to exist for an event on the 90th day following its initial occurrence, and Employee terminates employment within ten (10) days of expiration of the cure period (or earlier if the Company notifies Employee that it will not cure such material reduction).

(viii) "**Qualifying Termination**" means (A) an involuntary termination of employment of Employee by the Company without "Cause" at any time following a Corporate Transaction or (B) a termination of employment by Employee with the Company for Good Reason. For the avoidance of doubt, a Qualifying Termination shall not include death, Disability or voluntary resignation of employment by Employee with the Company.

3. Preconditions to the Receipt of Benefits.

(a) Release of Claims. The receipt of benefits pursuant to this Policy will be subject to Employee signing, not revoking and returning to the Company within sixty (60) days of his or her termination of employment (the **"Release Deadline**") a release of claims in favor of the Company (the **"Release**"). In the event Employee does not execute the Release before the Release Deadline or revokes the Release, no benefits shall be payable under this Policy to such Employee, and this Policy shall be null and void with respect to such Employee**.** The Release shall specifically relate to all of Employee's rights and claims in existence at the time of such execution relating to Employee's employment with the Company, but shall not include (i) Employee's rights under this Policy; (ii) Employee's rights under any employee benefit plan sponsored by the Company; or (iii) Employee's rights to indemnification (if any of such rights exist in favor of the Employee) under the Company's bylaws or other governing instruments or under any agreement addressing such subject matter between Employee and the Company or under any merger or acquisition agreement addressing such subject matter; (iv) Employee's rights of insurance under any liability policy covering the Company's officers or (v) claims which Employee may not release as a matter of law.

4. Noncumulation of Benefits. Employee may not cumulate, stock option vesting and exercisability and restricted stock unit vesting of Company equity awards under this Policy and any other written agreement with the Company and/or another plan or policy of the Company.

5. Clawback. This Policy is subject to the terms and conditions of any of the Company's applicable recoupment or clawback policies (as previously adopted, and as may be amended or restated from time to time). Notwithstanding the foregoing, the Company may, in its sole discretion, implement any recoupment or clawback policies or make any changes to any of the Company's existing recoupment or clawback policies, as the Company deems necessary or advisable in order to comply with applicable law or regulatory guidance (including, without limitation, the Dodd-Frank Wall Street Reform and Consumer Protection Act).

6. Amendment or Termination of this Policy. The Board may amend or terminate this Policy at any time and for any reason. After the consummation of a Corporate Transaction, the Company may not amend or terminate this Policy with respect to an Employee except with the consent of such Employee.

7. Miscellaneous.

(a) Employment Status. This Policy does not constitute a contract of employment or impose on Employee's any obligation to remain as an employee, or impose on the Company any obligation (i) to retain Employee as an employee, (ii) to change the status of Employee as an at-will employee, or (iii) to change the Company's policies regarding termination or alteration of employment.

(b) Binding Effect; Successors. In the event of a Corporate Transaction, this Policy shall, to the extent the Board prior to consummation of such transaction determines that the assumption or assignment of the Policy is appropriate, be binding upon the successor or the entity surviving such transaction or the purchaser of all or substantially all of the Company's assets.

GREEN DOT CORPORATION

RETIREMENT POLICY FOR EQUITY AWARDS

Green Dot Corporation (the "**Company**") has determined that it is appropriate to attract, retain and incentivize the Company's employees with certain retirement benefits with respect to equity awards granted by the Company and in furtherance thereof desires to adopt this Retirement Policy for Equity Awards ("**Policy**"). Where applicable in this Policy, the Company is intended to include any Parent of the Company, subsidiary of the Company and any successor of the Company. This Policy is effective as of the Effective Date and will remain in effect until terminated or modified by the Committee. This Policy applies to RSU or PSU awards granted on or after January 1, 2018. Terms not otherwise defined in the body of this Policy are defined in Section 8.

1. Eligibility. Each employee ("**Retiree**") of the Company who undergoes a Qualifying Retirement and holds RSU or PSU awards granted by the Company that are unvested as of immediately prior to the Qualifying Retirement.

2. Benefits upon Qualifying Retirement.

(a) Benefits upon a Qualifying Retirement. If Retiree undergoes a Qualifying Retirement, then, at such time of the Qualifying Retirement, the unvested RSU or PSU awards then held by the Retiree that were granted after January 1, 2018 and prior to Qualifying Retirement shall have their vesting accelerated and become vested as follows:

(i) RSUs Subject to Time-Based Vesting. All RSUs subject to time-based vesting based on providing continued service to the Company that are unvested as of the Qualifying Retirement will become 100% vested, and, except as otherwise set forth herein, will thereafter settle and be paid out in accordance with the time-based vesting schedule pertaining to such RSU. For the avoidance of doubt, RSUs (or PSUs) that were subject to both performance-based vesting and time-based vesting and that have satisfied the performance-based vesting conditions shall be treated as time-based RSUs subject to this subsection.

Example: On June 1, 2018 a Retiree is granted an award for 1,000 RSUs subject to time-based vesting, which award vests and is settled in 4 annual installments on June 1 of each year thereafter. On March 1, 2020, the Retiree undergoes a Qualifying Retirement and there are 750 RSUs that remain unvested at such time. The 750 RSUs will fully vest on March 1, 2020 and 250 will settle and be paid on June 1, 2020, 250 will settle and be paid on June 1, 2021 and the remaining 250 will settle and be paid on June 1, 2022.

(ii) PSUs or RSUs subject to Performance Vesting. All PSUs or RSUs subject to performance-based vesting based on the achievement of certain performance criteria that are unvested as of the Qualifying Retirement will remain outstanding until the Company determines in the normal course (as if no Qualifying Retirement occurred) whether, and to the extent, the performance criteria is achieved, and will become 100% vested to the extent the Board or the Committee determines such PSUs or performance-based RSUs are earned, and, except as otherwise set forth herein, will thereafter settle and be paid out in accordance with any time-based vesting schedule that would have otherwise pertained to such PSU or RSU.

(iii) Withholding. If the holder of the RSU or PSU is eligible for a Qualifying Retirement under the Policy (regardless of whether or not the individual actually retires under this Policy), the employment taxes (and applicable withholding) for any RSU or PSU will be due once the RSU or PSU is no longer subject to a substantial risk of forfeiture (as determined under Section 409A), and income taxes will generally be due upon settlement of such RSU or PSU. All withholding for employment and income taxes will be done

through Net Settlement; provided that the Company shall accept a cash payment from the Retiree to the extent of any remaining balance of the tax withholding not satisfied by such reduction in the number of whole Shares to be issued.

(b) Acceleration upon Death and a Corporate Transaction. The time for settlement of the RSUs or PSUs shall be accelerated as follows:

(i) Death. In the event of the death of a holder of RSUs or PSUs at a time that such employee is either eligible for a Qualifying Retirement or has actually had a Qualifying Retirement, the timing of the settlement of the time-based RSUs shall be accelerated to the date that is 60 days after such employee's death, subject to his or her executor or representative satisfying the Release requirement in Section 3(a) prior to such date; and the PSUs will be settled on the later of the date that is 60 days after such employee's death or the date the applicable performance criteria is determined to have been achieved, subject to the Release requirement in Section 3(a).

(ii) Corporate Transaction. In the event of a Corporate Transaction at the time the Retiree holder of the RSUs or PSUs has actually had a Qualifying Retirement, the vesting of time-based RSUs shall be accelerated to immediately prior to the Corporate Transaction, and will be settled and paid on the date that is 60 days after such Corporate Transaction, subject to the Release requirement in Section 3(a); and the PSUs will vest and be settled based upon the Board's or the Committee's determination with respect to the achievement of the applicable performance criteria and/or metrics applicable to such PSU based on the most recently completed fiscal quarter or other relevant measurement period or criteria) and will settle and be paid on the date that is 60 days after such Corporate Transaction, subject to the Release requirement in Section 3(a).

3. <u>Preconditions to the Receipt of Benefits</u>.

(a) Release of Claims. The receipt of benefits pursuant to this Policy will be subject to Retiree signing, not revoking and returning to the Company within sixty (60) days of his or her Qualifying Retirement (the **"Release Deadline**") a release of claims in favor of the Company (the **"Release**"). In the event the Retiree does not execute the Release before the Release Deadline or revokes the Release, no benefits shall accrue under this Policy to such Retiree, and this Policy shall be null and void with respect to such Retiree**.** The Release shall specifically relate to all of Retiree's rights and claims in existence at the time of such execution relating to Retiree's employment with the Company, but shall not include (i) Retiree's rights under this Policy; (ii) Retiree's rights under any employee benefit plan sponsored by the Company; or (iii) Retiree's rights to indemnification (if any of such rights exist in favor of the Retiree) under the Company's bylaws or other governing instruments or under any agreement addressing such subject matter between Retiree and the Company; (iv) Retiree's rights of insurance under any liability policy covering the Company's officers or (v) claims which Retiree may not release as a matter of law.

(b) Required Six-Month Delay for Specified Employees. In the event Retiree is a Specified Employee upon settlement of an RSU or PSU, then such initial settlement applicable to such RSU or PSU shall be delayed by the applicable six month waiting period provided for under Section 409A and the regulations thereunder; provided, however, that such deferral will be effected only to the extent required to avoid adverse tax treatment to the Specified Employee.

(c) Timing. Delivery of Shares under this Policy will be made on the 60th day following the date upon which the event giving rise to the Release occurs, subject to the Release becoming effective. Settlements of PSUs or RSUs will occur on the date the PSUs or RSUs would have been delivered pursuant to the applicable vesting schedule or, if earlier, upon the date of the occurrence of a Corporate Transaction or Participant's Death, as set forth in Section 2(b).

(d) Violations of Applicable Law. Any settlement or delivery of Shares scheduled to be made under the Policy will be delayed if the Company reasonably anticipates that such delivery will violate federal

securities laws or other applicable law. Delivery of Shares will be made at the earliest date at which the Company reasonably believes will not cause such violation.

(e) Delivery Date. Notwithstanding any contrary Policy or RSU or PSU agreement provision, the delivery or settlement of Shares that is scheduled to be made to a Retiree under this Policy on a delivery date or scheduled date (i.e., vesting date pursuant to the vesting schedule attributable to such RSU or PSU) (the "**Designated Payment Date**") will be treated as made on the Designated Payment Date if such delivery or settlement is deemed to be made on the Designated Payment Date under Section 409A. In no event will the Retiree be permitted, directly or indirectly, to designate the taxable year of such delivery.

4. Noncumulation of Benefits. Retiree may not cumulate RSU or PSU vesting of Company RSU or PSU awards under this Policy and any other written agreement with the Company and/or another plan or policy of the Company.

5. Clawback. This Policy is subject to the terms and conditions of any of the Company's applicable recoupment or clawback policies (as previously adopted, and as may be amended or restated from time to time). Notwithstanding the foregoing, the Company may, in its sole discretion, implement any recoupment or clawback policies or make any changes to any of the Company's existing recoupment or clawback policies, as the Company deems necessary or advisable in order to comply with applicable law or regulatory guidance (including, without limitation, the Dodd-Frank Wall Street Reform and Consumer Protection Act).

6. Amendment or Termination of this Policy. The Committee may amend or terminate this Policy at any time and for any reason, provided that any such amendment or termination complies with Section 409A of the Code. This Policy applies to RSUs or PSUs granted on or after January 1, 2018 provided, however, that the Board or the Company may provide in any award that this Policy does not apply to such award, and may discontinue this Policy prospectively.

7. Tax Issues.

(a) Tax Withholding. Notwithstanding any contrary provision in the RSU or PSU award agreement or related plans or agreements, the Company will have the right to deduct from a Retiree's RSU and PSU any and all taxes and other required withholdings determined by the Company to be applicable. All withholding for employment and income taxes will be done through Net Settlement; provided that the Company shall accept a cash payment from the Retiree to the extent of any remaining balance of the tax withholding not satisfied by such reduction in the number of whole Shares to be issued. In the discretion of the Company, the Company may accept a cash payment by the Retiree of the amount of any applicable taxes in lieu of Net Settlement.

(b) Section 409A. To the extent that any provision of this Policy is ambiguous as to its exemption or compliance with Section 409A, the provision will be read in such a manner so that the benefits provided under this Policy are exempt from Section 409A to the maximum permissible extent, and where such interpretation is untenable, then the provision of such benefits will comply with Section 409A to the maximum permissible extent. To the extent the delivery of Shares under this Policy may be classified as a "short-term deferral" within the meaning of Section 409A, such delivery will be deemed a short-term deferral, even if it may also qualify for an exemption from Section 409A under another provision of Section 409A. The delivery of Shares pursuant to this Policy (or referenced in this Policy) are intended to constitute separate "payments" for purposes of Section 1.409A-2(b)(2) of the regulations under Section 409A.

(c) No Guarantees Regarding Tax Treatment. Retirees will be responsible for all taxes with respect to any benefits under the Policy. Neither the Board, the Company, nor any officer or director of the Company, make any guarantees regarding the tax treatment, specifically including with respect to Section 409A, and the Retiree should consult with his or her tax advisor regarding the tax treatment of under this Policy or under the RSU or PSU awards.

8. **Definitions**. For purposes of this Policy, the following terms are defined as follows:

(i) **"Board**" means the Board of Directors of Green Dot Corporation.

(ii) "**Cause**" means any of the following: (i) Retiree's conviction of or plea of nolo contendere to a felony; (ii) an act by Retiree which constitutes gross misconduct in the performance of Retiree's employment obligations and duties; (iii) Retiree's act of fraud against the Company or any of its affiliates; (iv) Retiree's theft or misappropriation of property (including without limitation intellectual property) of the Company or its affiliates; (v) material breach by Retiree of any confidentiality agreement with, or duties of confidentiality to, the Company or any of its affiliates that involves Retiree's wrongful disclosure of material confidential or proprietary information (including without limitation trade secrets or other intellectual property) of the Company or of any of its affiliates; (vi) Retiree's continued material violation of Retiree's employment obligations and duties to the Company (other than due to Retiree's death or Disability) after the Company has delivered to Retiree a written notice of such violation that describes the basis for the Company's belief that such violation has occurred and Retiree has not substantially cured such violation within thirty (30) calendar days after such written notice is given by the Company.

(iii) "**Committee**" means the Compensation Committee of the Board.

(iv) "**Competing**" means being or becoming employed by or providing consulting services to a company that competes directly or indirectly with the Company's Business. For purpose of this Policy, "**Business**" means the banking and/or payments business.

(v) "**Corporate Transaction**" has the meaning set forth in the Company's 2010 Equity Incentive Plan, provided that such Corporate Transaction is also either a change in the ownership of the Company, a change in the effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company (as determined in accordance with Section 409A(a)(2)(A)(v) of the Code and Treasury regulation section 1.409A-3(i)(5)).

(vi) "**Code**" means the United States Internal Revenue Code of 1986, as amended.

(vii) "**Disability**" means total and permanent disability as defined in Section 22(e)(3) of the Code.

(viii) "**Effective Date**" means the date this Policy is adopted by the Compensation Committee.

(ix) "**Net Settlement**" means a cashless "net settlement" arrangement pursuant to which the Company will reduce the number of Shares issued upon settlement of the RSU or PSU by the largest whole number of shares having an aggregate fair market value equal to the amount of the tax to be withheld.

(x) "**PSUs**" means performance stock units of the Company that are subject to performance metrics.

(xi) "**Qualifying Retirement**" means a voluntary resignation of employment with the Company, constituting a Separation from Service, by an Retiree that: (i) has attained the age of 55 years, (ii) has been continuously employed by the Company for at least 10 years prior to the date of the Qualifying Retirement (including time spent employed by a subsidiary of the Company for the period of time that such subsidiary was owned by the Company), (iii) is not terminable by the Company for Cause at the time of the Qualifying Retirement or is in violation of prongs (iii)-(v) of the definition of Cause at any time, and (iv) is not Competing with the Company at any time.

(xii) "**RSUs**" means all restricted stock units of the Company.

(xiii) "**Section 409A**" means Section 409A of the Code and the Treasury Regulations thereunder, and other official guidance provided by the Internal Revenue Service or the Department of the Treasury with respect to Section 409A of the Code.

(xiv) "**Shares**" means shares of Company common stock.

(xv) "**Separation from Service**" means a resignation or termination of employment that constitutes a "separation from service" as defined in the regulations promulgated under Section 409A of the Code.

(xvi) "**Specified Employee**" means a Retiree who, as of the date of his or her Separation from Service, is a "specified" employee under Section 409A.

9. Miscellaneous.

(a) Employment Status. This Policy does not constitute a contract of employment or impose on Retiree's any obligation to remain as an employee, or impose on the Company any obligation (i) to retain Retiree as an employee, (ii) to change the status of Retiree as an at-will employee, or (iii) to change the Company's policies regarding termination or alteration of employment.

(b) Severability. If any provision of the Policy is held invalid or unenforceable, its invalidity or unenforceability will not affect any other provisions of the Policy, and in lieu of each provision which is held invalid or unenforceable, there will be added as part of the Policy a provision that will be as similar in terms to such invalid or unenforceable provision as may be possible and be valid, legal, and enforceable.

(c) Choice of Law. This Policy will be governed by and construed in accordance with the laws of the state of California, without regard to laws relating to conflicts or choice of law.

EXHIBIT 10.6

*****CERTAIN MATERIAL (INDICATED BY THREE ASTERISKS IN BRACKETS) HAS BEEN OMITTED FROM THIS DOCUMENT BECAUSE IT IS BOTH (1) NOT MATERIAL AND (2) WOULD BE COMPETITIVELY HARMFUL IF PUBLICLY DISCLOSED.**

2020 AMENDED AND RESTATED WALMART MONEYCARD PROGRAM AGREEMENT

This 2020 AMENDED AND RESTATED WALMART MONEYCARD AGREEMENT, including any Schedules and Exhibits hereto (collectively, this "**Agreement**") is entered into as of the Effective Date, by and among (1) **Walmart Inc.,** a Delaware corporation, **Wal-Mart Stores Texas, LLC,** a Delaware limited liability company, **WalMart Louisiana, LLC,** a Delaware limited liability company, **Wal-Mart Stores Arkansas, LLC,** an Arkansas limited liability company, **Wal-Mart Stores East, LP**, a Delaware limited partnership, **Wal-Mart Puerto Rico, Inc.**, a Puerto Rico corporation, and **Walmart Apollo, LLC**, a Delaware limited liability company (for limited purposes described in Section 2.5) (each of the foregoing entities, individually and collectively, "**Retailer**")**,** (2) **Green Dot Corporation** ("**GDC**" or "**Green Dot**"), a Delaware corporation, and (3) **Green Dot Bank,** a Utah chartered Fed member bank and wholly owned subsidiary of GDC ("**Bank**"). GDC, Bank and Retailer may be referred to herein individually as "Party" and collectively as the "Parties."

WHEREAS, Retailer, GDC and Bank are parties to that certain Amended and Restated Walmart MoneyCard Program Agreement, with an effective date of May 1, 2015 and from time to time amended (as amended, the "**2015 Agreement**"), pursuant to which Bank issues, Green Dot services, and Retailer markets and sells MoneyCards and certain other financial products and services, which agreement is scheduled to expire on May 1, 2020;

WHEREAS, the Parties wish to enter into this Agreement to replace the 2015 Agreement as of the Effective Date as it relates to MoneyCards and to continue, as modified by this Agreement, the Program for the sale, marketing, load and reload of MoneyCards, as well as the potential sale of such other Retailer- branded financial products and services as may be mutually agreed by the Parties from time to time.

NOW, THEREFORE, based on the foregoing and the mutual and dependent promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. DEFINITIONS; RULES OF INTERPRETATION.

1.1 For the purpose of this Agreement, the following terms have the meaning set forth below in this Section 1:

"Affiliate" means with respect to any Person, any Person that directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with such Person. For the purposes of this definition, the term "control" (including the terms "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of the Person in question.

"Applicable Law" means all laws (including common law), codes, statutes, ordinances, rules, regulations, regulatory bulletins or guidance, regulatory examinations or orders, decrees and orders of any Governmental Authority as may be amended and in effect from time to time during the Term and that apply to a Party, including: (i) the Electronic Fund Transfer Act and Regulation E; (ii) the Bank Secrecy Act; (iii) the Gramm-Leach Bliley Act; (iv) the CARD Act; (v) the USA PATRIOT Act; (vi) any and all statutes, rules, regulations, orders or directives enforced by OFAC; and (vii) any statutes, rules, regulations, orders or directives of any Governmental Authority relating to money transmission or unclaimed property.

"Billing Period" means each Business Day and any non-Business Day immediately following such Business Day (e.g., Friday, Saturday and Sunday constitute a single Billing Period if Monday is a Business Day).

"Business Day" means any day, except Saturday, Sunday, or a day on which banks are required or permitted to be closed in the State of Delaware.

"CARD Act" means the Credit Card Accountability Responsibility and Disclosure Act of 2009, Pub. L. No. 111-24, 123 Stat. 1734, together with the rules, regulations, orders or directives promulgated under such statute.

"Card Network" means VISA, MasterCard or such other payment card network or association as designated by Retailer.

"Cardholder" means an individual to which Bank has issued a Product or who is or may become obligated under or with respect to use of the Product.

"Cardholder Funds" means funds received from a consumer or Cardholder for the purchase of, a POS Load, or a POS Reload, to a Product.

"Cardholder Website" means the website operated by Bank under the domain name www.walmartmoneycard.com through which Cardholders may acquire or activate MoneyCards, pay bills online, and view balance, purchase history and such other information agreed to by the Parties and that provides such other and further functionalities and features mutually agreed upon by the Parties .

“Cash-Off Services” means services whereby a Cardholder, upon presentation and swipe of a MoneyCard at a point-of-sale terminal at a Store and Retailer’s receipt of an authorization for such transaction from GDC or Bank, may receive at a point-of-sale terminal at such Store cash from available funds from the balance of the Cardholder’s MoneyCard in an amount requested by the Cardholder but not exceeding **[***]** per transaction.

"CEOs" has the meaning set forth in Section 4.8(b).

"Confidential Information" means any and all proprietary, non-public material, documents and information supplied by or on behalf of one Party to another Party in connection with the Program or the performance of this Agreement, including (i) information concerning a Party's marketing plans, objectives, or financial results and (ii) the terms of this Agreement. Confidential Information does not include any information that is sourced from information which: (a) at the time of disclosure by one Party hereto or thereafter is generally available or known to the public (other than as a result of an unauthorized disclosure by the other Party hereto); (b) was available to the receiving Party on a non-confidential basis from a source other than the disclosing Party (provided that such source, to the best of the receiving Party's knowledge, was not obligated to the disclosing Party to keep such information confidential); (c) was in the receiving Party's possession prior to disclosure by the disclosing Party to it; or (d) Servicing Data or GDC Data. Confidential Information disclosed or referenced under the 2015 Agreement will be deemed Confidential Information under this Agreement.

"Control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and material policies of an entity, whether through the ownership of voting securities, by contract, or otherwise. Control is presumed to exist if a single person or entity, or a group of affiliated persons or entities, owns more than 50% of the voting securities or membership interests of an entity.

"Daily Report" means a written report from GDC to Retailer identifying (i) the Gross Settlement Amount due Bank for each Billing Period; (ii) the amount of cash disbursements from completed Cash-Off Services transactions due Retailer for each Billing Period; and (iii) the service fee payable to Walmart for Cash-Off Services transactions.

“Direct Settlement Process” means the direct authorization and settlement by Bank (that is, not through a Card Network) of purchases of goods and services with the MoneyCard at Retailer Locations **[***]**.

"Disputed Matter" has the meaning set forth in Section 4.8.

"Effective Date" means January 1, 2020.

"Expedited Review" has the meaning set forth in Section 4.9.

"GDC Change of Control" means (i) any sale of all or substantially all of the assets of GDC (whether in one or a series of transactions); (ii) the merger or consolidation of GDC (whether as the survivor or otherwise) into another corporation (by operation of law or otherwise); or (iii) the purchase of more than 50% of the capital stock of GDC by a single person or entity, or a group of affiliated persons or entities.

"GDC Matters" has the meaning set forth in Section 4.10(b).

"GDC Prohibited Change of Control" means a GDC Change of Control where (i) the acquirer of GDC or its assets or capital stock (a) is not at least as financially sound as GDC or not at least as financially or operationally capable of meeting the obligations of GDC under this Agreement as GDC as reasonably determined by Retailer, (b) is the debtor under any proceeding under any bankruptcy, insolvency, reorganization, liquidation or similar law, or has made any assignment or general arrangement for the benefit of creditors (and such assignment or arrangement is in effect on the date of the acquisition), or has had a liquidator, receiver or similar official appointed with respect to it or any substantial portion of its assets, or is insolvent (however evidenced) or will become insolvent as a result of such acquisition, or is generally unable to pay its debts as they fall due; (c) would, in the

commercially reasonable judgment of Retailer, cause harm to the goodwill or reputation of Retailer or the Retailer name or brand; (d) is, or one or more of its Affiliates, successors or assigns are, in the business of operating general merchandise or grocery retail sales or warehouse outlets; or (e) has been engaged in material litigation with Retailer in the past ten (10) years or there has been the threat of such material litigation; or (ii) for a period of **[***]** after such GDC Change of Control, for reasons resulting from the GDC Change of Control, **[***]** is not employed by GDC and playing a substantial and active role in the management of GDC.

"Governmental Authority" means any government, any state or any political subdivision or branch thereof and any entity exercising executive, legislative, judicial, regulatory, or administrative functions of or pertaining to government, whether federal, state, local or territorial.

"Green Dot Technology" means any and all technology owned by Green Dot or Bank at the time such technology is provided for use in establishing, developing or administering the Program, along with any and all changes or modifications to such technology made by or on behalf of Green Dot or Bank.

"Green Dot Created Technology" means any and all technology created by or on behalf of Green Dot or Bank in connection with establishing, developing or administering the Program.

"Gross Settlement Amount" means the Cardholder Funds collected by Retailer and all Product fees assessed by Bank and collected by Retailer in connection with the sale of a Product at a Store or a POS Load or a POS Reload at a Store.

"Indemnified Claim" means a claim, demand, allegation, complaint, proceeding, investigation or discovery asserted by a third party (including any Governmental Authority) against a Party to this Agreement or such Party's directors, officers, employees or agents.

"Indemnified Party" means a Party and such Party's officers, directors, employees and agents against whom an Indemnified Claim is asserted.

"Indemnifying Party" means a Party from which indemnity against an Indemnified Claim is requested pursuant to this Agreement.

"Initial Term" means the period commencing on the Effective Date and ending on January 31, 2027.

"Intellectual Property" means trade names, logos, trademarks, service marks, trade dress, Internet domain names, copyrights, patents, trade secrets, know how, and proprietary technology.

"Marketing Plan" has the meaning set forth in Section 2.9(a).

“Merchant Assessment” means any fee or cost, including **[***]**.

"MoneyCard" means the Walmart MoneyCard, a general purpose reloadable prepaid card branded with Retailer Marks and those of the applicable Card Network.

"Object Code" means the computer software code generated by a compiler or assembler that has been translated from the source code of a program.

"OFAC" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"Party" has the meaning set forth in the Preamble.

"PCI Standards" means the Payment Card Industry Data Security Standards.

"Person" means and includes any individual, partnership, joint venture, corporation, trust, unincorporated organization or government or any department or agency thereof.

"POS Load(s)" means point of sale loading of funds to a Product in connection with the sale of a Product.

"POS Reload(s)" means the point of sale reloading of funds to a Product at Stores.

"Prepaid Access Rule" means the "Final Rule - Definitions and Other Regulations Relating to Prepaid Access" promulgated by the Financial Crimes Enforcement Network of the United States Department of the Treasury and published July 29, 2011 in the Federal Register, 76 FR 45403, as such rule is from time to time amended.

“Prize Linked Rewards Program” means a rewards program pursuant to which periodic drawings will be held in which prizes will be awarded and pursuant to which eligible Cardholders in the United States and Puerto Rico will receive automatic entries into such drawings tied to specific Cardholder behaviors linked to the MoneyCard’s online vault feature.

"Product(s)" means MoneyCards and such other Retailer-branded financial products or services as the Parties mutually agree to include in the Program through a written amendment to this Agreement.

"Program" means the program established by this Agreement pursuant to which Products are issued by Bank, distributed, sold and marketed by the Parties and pursuant to which POS Loads and POS Reloads for the Products are accepted and processed through the GDC network.

"Program Management Committee" has the meaning set forth in Section 4.5(a).

"Principal" means GDC and/or Bank, as applicable.

"Renewal Term" means one period of one year commencing on the expiration of the Initial Term.

"Repeated SLA Failure" means that GDC fails to achieve the default percentage set forth in Exhibit 2.12(a) with respect to the same Service Level either during **[***]** or **[***]** during **[***]** period during the Term.

"Repeated SuperSLA Failure" means that GDC fails to achieve the default percentage set forth in Exhibit 2.12(b) with respect to the same Super Service Level either during **[***]** or **[***]** during **[***]** period during the Term.

"Retailer BINS" means a series of bank identification numbers solely dedicated for use by MoneyCards or Products issued pursuant to the Program.

"Retailer Dashboard" means the Walmart MoneyCenter website hosted by or on behalf of Retailer at which customers who obtain financial services that are offered by Retailer or third parties under a branding or contractual relationship with Retailer are able to access information about such financial services and through which Cardholders will access the Cardholder Website.

"Retailer Dashboard Provider" means a third-party service provider, vendor, or contractor engaged by Retailer in the operation or hosting of the Retailer Dashboard.

“Retailer Location” means any Store and any other physical retail location, website, or ecommerce location operated by Retailer or any Affiliate of Retailer in the Territory that accepts MoneyCards for the purchase of goods or services.

"Retailer Marks" means the names, trade names, logos, service marks and trademarks of Retailer identified on Schedule 2.5(a).

"Retailer Matters" has the meaning set forth in Section 4.10(a).

"Retailer Technology" means any and all technology owned by Retailer or any of its Affiliates at the time such technology is provided for use in establishing, developing or administering the Program, along with any and all changes or modifications to such technology made by or on behalf of Retailer or any of its Affiliates.

"Retailer Created Technology" means any and all technology created by or on behalf of Retailer or its Affiliates in connection with establishing, developing or administering the Program.

"Sales Data" means data identifying Product sales, POS Loads and POS Reloads at Stores.

"SEC" means the United States Securities and Exchange Commission.

"Senior Officers" has the meaning set forth in Section 4.8(a).

"Service Levels" means the service level targets set forth in Exhibit 2.12(a).

"Service Level Credits" means the liquidated damages identified in Schedule 2.12 and payable by GDC to Retailer for GDC's failure to meet the Super Service Levels.

"Service Provider" means a third-party service provider, vendor or contractor engaged by GDC or Bank in the operation of the Program.

"Services" means the POS Loads, POS Reloads, Cash-Off Services, and other related services in connection with the offering of the Products under this Agreement.

"Servicing Data" means such data identified on Schedule 7.5, requested by Retailer and reasonably necessary for Retailer to operate the Retailer Dashboard.

"Super Service Levels" means the service level targets set forth in Exhibit 2.12(b).

"Specialty Marks" means the names, trade names, logos, services marks or trademarks owned by a third party and licensed to Retailer for display and use on Products.

"Store(s)" means a Walmart Discount Store, Walmart Supercenter, Walmart Neighborhood Market, Walmart.com, or retail store operating under the "Walmart" brand in the Territory that is owned or operated by a Retailer and in which Retailer in its sole discretion elects to market, distribute, and offer Products, POS Loads or POS Reloads.

"Term" means the Initial Term and the Renewal Term, if any.

"Territory" means the states of the United States of America (except Vermont), the District of Columbia and the Commonwealth of Puerto Rico.

"Total Program Revenue" means, for a period, the **[***]**, and **[***]**, and **[***]** derived **[***]**, in each case, **[***]**, but excluding **[***]**; and **[***]**.

“Value Proposition” means the feature of the Program whereby MoneyCard Cardholders are rewarded for MoneyCard usage in a manner determined by the Program Management Committee from time-to-time.

"2015 Agreement" has the meaning set forth in the recitals.

1.2 Rules of Interpretation. In this Agreement, the following rules of interpretation apply:

(a) all references to a plural form shall include the singular form (and vice versa);

(b) the terms "include" and "including" are meant to be illustrative and not exclusive, and shall be deemed to mean "include without limitation" or "including without limitation;"

(c) the word "or" is disjunctive, but not necessarily exclusive, except where clearly indicated by the context;

(d) the word "and" is conjunctive only, except where clearly indicated by the context;

(e) the words "herein," "hereof," "hereunder" and words of like import shall refer to this Agreement as a whole (including its Schedules and Exhibits), unless the context clearly indicates to the contrary (for example, where a particular Section, Schedule or Exhibit is the intended reference);

(f) where specific language is used to clarify or illustrate by example a general statement contained herein, such specific language shall not be deemed to modify, limit or restrict the construction of the general statement which is being clarified or illustrated;

(g) text enclosed in parentheses has the same effect as text that is not enclosed in parentheses;

(h) all references made in this Agreement to a statute or statutory provision shall mean such statute or statutory provision as it has been amended through the date as of which the particular portion of this Agreement is to take effect, or to any successor statute or statutory provision relating to the same subject as the statutory provision so referred to in this Agreement, and to any then applicable rules, regulations, guidances, orders or directives promulgated thereunder, unless otherwise provided;

(i) all references in this Agreement to an Article, Section or Schedule are to the Article of, Section of, or Schedule to this Agreement unless otherwise expressly provided;

(j) all references to an Article or Section in this Agreement shall, unless the context clearly indicates to the contrary, refer to all sub-parts or sub-components of any said article or section;

(k) all references to "notice," "notification," "approval" or "consent" shall be deemed to include the words "in writing" unless otherwise specifically noted;

(l) except as otherwise set forth in Section 9.4, all references to a "writing" shall include an electronic transfer of information by e-mail, over the Internet or otherwise;

(m) all references to "days" mean calendar days unless otherwise indicated through the use of the phrase "Business Day;"

(n) the construction of this Agreement shall not take into consideration the Party who drafted or whose representative drafted any portion of this Agreement, and no canon of construction shall be applied against a Party on the basis that such Party was the drafter;

(o) any Article, Section, Subsection, Paragraph or Subparagraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement;

(p) unless the context otherwise requires or unless otherwise provided herein, all references in this Agreement to a particular agreement, instrument, or document also shall refer to all schedules or exhibits, renewals, extensions, modifications, amendments and restatements of such agreement, instrument, or document;

(q) references to any amount as on deposit or outstanding on any particular date means such amount at the close of business on such day; and

(r) "dollars" and"$" mean United States dollars.

2. ISSUANCE, SALE AND MARKETING OF PRODUCTS; APPOINTMENT OF RETAILER AS AGENT OR DELEGATE; MONEYCARD FEATURES; USE OF RETAILER MARKS; MARKETING PLAN; SERVICE LEVELS AND SUPERSERVICE LEVELS; NON EXCLUSIVE

2.1. Bank Issuance of MoneyCards. Subject to and in accordance with this Agreement and Applicable Law, Bank shall issue MoneyCards to individuals residing in the Territory. Bank will issue all MoneyCards under the Retailer BINS. Subject to point of sale technology, Cardholders will be prompted to enter a PIN for purchases using a MoneyCard. All personalized MoneyCards sold pursuant to this Agreement will have EMV chip functionality.

2.2. Card Network(s) Selection. As of the Effective Date, the Card Networks for MoneyCards will be Visa and MasterCard. Retailer may from time to time designate the Card Network or Card Networks on which new MoneyCards will be issued, with reasonable advance notice to GDC and Bank of any changes to such designation.

2.3. Limited Agency. Retailer and each Principal agree to the agency terms set forth in Schedule 2.3 provided by GDC and Bank. GDC and Bank shall monitor changes in Applicable Law, update the provisions of Appendix 1 to Schedule 2.3 as needed, and promptly provide notice to Retailer of any such changes in Applicable Law and the updated provisions of Appendix 1 to Schedule 2.3 as a result thereof.

2.4. Offering of Products and Services; Promotional Activities; Merchandising.

(a) Products will be available for purchase exclusively at Stores and the Cardholder Website. Retailer agrees to use commercially reasonable efforts to promote and sell the Products at the Stores. Retailer may accept whatever form of payment for Products and POS Loads as Retailer deems appropriate. Except as otherwise stated in this Agreement, each Party will be responsible for its own costs and expenses associated with its performance of this Agreement.

(b) Retailer shall provide and install displays/fixtures for the display of the Products. Products and Product packaging materials will be displayed at displays/fixtures or locations in the Stores designated by Retailer in its sole discretion. GDC at its own expense will provide Retailer with commercially reasonable amounts of Product, Product packaging, any temporary fixtures, and marketing materials as mutually agreed upon by the Parties. GDC (or, subject to Retailer's prior approval, its Service Provider) will be responsible for stocking and replenishing Products in the Stores at displays/fixtures designated by Retailer, and removing any discontinued Products from the Stores.

(c) All Product marketing materials, including physical Product, and Product packaging and displays, will be subject to each Party's prior approval in writing, such approval not to be unreasonably withheld, conditioned or delayed. The Parties may also from time to time mutually agree via written communication to specific marketing initiatives and related cost allocations, as well as to add or remove Products. Retailer agrees that it will not market the Program in Spanish except upon the prior written approval of GDC and Bank.

2.5. Limited License to Use Retailer Marks.

(a) Subject to and only in accordance with the provisions of this Agreement, Retailer hereby grants GDC and Bank during the Term a non-exclusive, non-sublicensable, non-transferable, revocable license to use Retailer Marks solely in the connection with the creation, development, marketing, promotion, service, sale and administration of the Products, as such use is approved from time-to-time by Retailer pursuant to the terms hereof.

(b) Retailer in its sole discretion from time to time may change the appearance or style of the Retailer Marks, provided that GDC and Bank will have a commercially reasonable time (not to exceed ninety days) after Retailer's approval to modify any previously issued materials, including Products, to include the Retailer Marks, as modified or changed by Retailer.

(c) GDC and Bank each acknowledge and agree that (i) Retailer Marks are owned solely and exclusively by Retailer, (ii) except for the limited license set forth in Section 2.5(a), GDC and Bank have no rights, title or interest in or to the Retailer Marks, and GDC and Bank agree not to apply for registration of the Retailer Marks (or any mark confusingly similar thereto) anywhere in the world, (iii) all use of the Retailer Marks by GDC and Bank will inure exclusively to the benefit of Retailer, (iv) GDC and Bank will not modify the Retailer Marks or use them for any purpose other than as set forth in this Section 2.5, (v) GDC and Bank will not engage in any action that adversely affects the good name, good will, image or reputation of Retailer or associated with the Retailer Marks, (vi) GDC and Bank will at all times use the appropriate trade or service mark notice ((TM), (SM) or (R), whichever is applicable) or such other notice as Retailer may from time to time specify on any item or material bearing the Retailer Marks, and (vii) Retailer must review and approve in advance the use of the Retailer Marks in all materials to be disseminated electronically or otherwise by GDC or Bank, to the extent such materials refer to Retailer or its products or services, or contain the Retailer Marks, which approval may be withheld or conditioned by Retailer in its commercially reasonable business discretion.

(d) If GDC or Bank breaches this Section 2.5, Retailer may notify GDC and Bank of the breach and demand that the breach be cured within ten (10) Business Days or as promptly as practicable. If the breach is not cured, Retailer may, in its sole discretion, suspend the limited license granted in this Section 2.5 until such time as GDC and Bank have provided Retailer with adequate assurances, acceptable to Retailer in its sole discretion, that the cause of the breach has been fully cured and will not be repeated.

(e) Walmart Apollo, LLC is party to this Agreement solely in its capacity as the owner of the Retailer Marks or other Intellectual Property that may be used in connection with this Agreement.

2.6. Specialty Marks. From time to time, Retailer may obtain rights from third parties to use Specialty Marks in connection with the issuance, manufacture, marketing, distribution and sale of MoneyCards co-branded with such Specialty Marks. Retailer covenants to obtain sufficient rights for Bank and GDC, as the case may be, to issue, manufacture, market, distribute and sell any such Specialty Cards hereunder. Bank and GDC agree that any use of Specialty Marks by Bank and GDC is subject to the terms, conditions and provisions of the applicable agreement between Retailer and the owner of the applicable Specialty Mark,

and Bank and GDC must comply with the terms, conditions and provisions of the applicable agreement between Retailer and the owner of the applicable Specialty Mark. Bank and GDC agree to enter into and execute such sublicense agreements as Retailer may reasonably request in connection with the use of Specialty Marks.

(a) Intentionally omitted

(b) With respect to MoneyCards co-branded with Specialty Marks, to the extent a license fee must be paid to the owner of such Specialty Mark, the Parties will mutually agree upon the allocation and payment of such license fee among the Parties.

2.7. **[***]**. To the extent the Bank deploys **[***]** to MoneyCards that were developed primarily for **[***],** Retailer shall receive an exclusivity period of **[***]** with respect to all such **[***]**. Such exclusivity period shall commence **[***]** other than **[***]**.

2.8 Tender Type.

(a) Notification of Cash Transactions. In any transaction, Retailer may, but is not required to, provide a notification to Green Dot which designates the tender type used by a consumer to purchase or reload a MoneyCard into one of two categories, either: (i) cash, or (ii) other ("Tender Type"). If Tender Type data is provided, it is provided as-is and Retailer does not make any representations or warranties as to Tender Type data, including its accuracy.

(b) Use of Tender Type Data. Green Dot may only use the Tender Type data to benefit Retailer (as determined by Retailer in its sole discretion), such as to combat fraud, aggregate data across stores and retailers for compliance, anti-money laundering and law enforcement purposes, or to enhance the ability to comply with relevant laws and regulations. The Tender Type is Walmart Information and may not be sold or otherwise used or distributed by Green Dot.

(c) No Additional Liability. Whether Retailer provides the Tender Type or not, Retailer is not agreeing to take on any additional liability or change any responsibilities pursuant to this Agreement as it relates to fraud or otherwise.

2.9. Marketing Plan.

(a) The Program Management Committee shall, on an annual basis, establish a marketing plan for the Program, which plan shall include an estimated annual expense necessary to execute such plan (the "**Marketing Plan**"). Unless otherwise jointly determined by the Parties, the Marketing Plan shall include **[***]** as jointly determined by the Program Management Committee) that, in aggregate, are equal to at least **[***]** of the estimated **[***]** for any given Program year.

(b) On a **[***]** basis, **[***]** marketing expenses shall be allocated between the Parties such that Retailer is responsible for **[***]** of such expense, and GDC is responsible for **[***]** of such expense; provided, however, that on an **[***]** basis, the marketing expenses shall be allocated between the Parties in proportion to their **[***],** with the final marketing expense allocation to be determined at the end of the Program year, and re-allocated between the Parties, and each Party either credited or debited an amount necessary to realize such reallocation.

(c) Any marketing expense for which Retailer is responsible under Section 2.9(b) above shall be deducted, on a **[***]** basis, from the amounts payable to Retailer pursuant to Section 3.2.

(d) For the avoidance of doubt, it is the intention of the Parties to **[***]**. For example, if annual **[***]** were **[***]** in an annual period the Excess would be **[***]**. If there were **[***]**, then Retailer would be responsible for **[***],** or **[***]**. This percentage is calculated as **[***],** and represents Retailer's **[***]**. As a result, Retailer's overall **[***]**, would be **[***]**.

2.10. Non-Exclusive. The Parties agree that this Agreement is not exclusive, and does not grant or confer on Bank or Green Dot any exclusive rights with respect to the Products. Retailer, in its sole discretion and at any time, may market, sell, and distribute products, and offer point-of-sale loads or point-of-sale reloads, pursuant to an arrangement that does not involve Bank or GDC.

2.11. Cardholder Website. Bank shall have the sole responsibility for providing and maintaining the Cardholder Website in accordance with the Service Level Standards, the PCI Standards, Applicable Law and this Agreement. All aspects of

the Cardholder Website will comply with the Walmart style guide as Walmart may provide to Bank from time to time. The registration of the domain name www.walmartmoneycard.com belongs to Retailer. Bank agrees it is responsible for any payment card data in its possession or control. Cardholders may access the Cardholder Website through the Retailer Dashboard.

2.12. Service Level Standards. The Parties agree to the provisions set forth in Schedule 2.12.

2.13. New Products and Services. At any time during the Term, a Party shall have the right to propose new products or services to be considered for inclusion in the Program, and to submit a proposal to the Program Management Committee for approval. If approved by the Program Management Committee, the Parties shall execute a new Product Addendum for the new products or services to be added as a Product, Service or a new product type to be included in this Agreement.

2.14. Cash-Off Services. Retailer provides, and Green Dot pays for, Cash-Off Services at the Stores. Retailer does not charge Cardholders a fee for Cash-Off Services. Green Dot pays Retailer a service fee equal to **[***]** for **[***]** completed Cash-Off Services transaction where no customer fee is charged to be paid **[***]** at the same time as GDC's payment of Retailer's share of Total Program Revenue in accordance with Section 3.2 of the Agreement.

2.15. Prize Linked Rewards Program. Walmart, Green Dot and Bank have developed, and previously launched, the Prize Linked Rewards Program. Subject to the terms, conditions and provisions of this Section 2.15, unless earlier terminated or upon expiration or termination of the Agreement, the Prize Linked Rewards Program will continue for annual periods from **[***]** each year **[***]**, unless notice of non-renewal of the Prize Linked Rewards Program is provided by any Party hereto **[***]** prior to the start of the next **[***]**. Unless the Parties otherwise consent in writing, the total cash prizes awarded through the Prize Linked Rewards Program for any **[***]** will not exceed **[***]**.

(a) Green Dot or Bank shall be solely responsible for developing and implementing the official rules for the Prize Linked Rewards Program and for implementing and administering the Prize Linked Rewards Program in accordance with Applicable Law and this Agreement, subject to Retailer's right to review and approve any official rules and terms and conditions for the Prize Linked Rewards Program. Green Dot and Bank will consult with Retailer with respect to the development, preparation and distribution of any and all disclosures, advertising, marketing or other consumer facing materials relating to the Prize Linked Rewards Program, and provide Retailer the opportunity to review and approve any proposed official rules, disclosures, advertising, marketing or other consumer facing materials for the Prize Linked Rewards Program. Retailer will review materials in a timely fashion, and will not unreasonably withhold, condition or delay any requisite approvals.

(b) Green Dot may retain one or more third party vendors to administer **[***]** and other aspects of the Prize Linked Rewards Program. As between Retailer and Green Dot and between Retailer and Bank, Green Dot is and will be responsible for any acts, errors or omissions of any third party vendor retained by Green Dot or Bank with respect to administration of the Prize Linked Rewards Program.

(c) The Parties, through the Program Management Committee or otherwise, will jointly review the performance of the Prize Linked Rewards Program on not less than **[***]** to determine whether or not to continue the Prize Linked Rewards Program. Prize Linked Rewards Program participation trends will continue to be observed and measured to establish baseline metrics for program success. Prize Linked Rewards Program metrics will be compared to established baseline metrics **[***]** and if they do not meet established and agreed upon baselines for participation and growth, the Parties may choose to terminate the Prize Linked Rewards Program upon **[***]** written notice. In addition, subject to Applicable Law, Retailer may require Green Dot and Bank to terminate the Prize Linked Rewards Program for any reason by providing Green Dot and Bank with **[***]** written notice.

(d) Green Dot and Bank will be **[***]** for developing and administering the Prize Linked Rewards Program. The **[***]** of **[***]** for each entry period will **[***]**. **[***]**, unless otherwise agreed to in writing by the Parties.

3. REVENUE; COMPENSATION; DAILY REPORTS; SETTLEMENT; PROTECTION OF CARDHOLDER FUNDS

3.1 Consumer Fees. The fees charged to Cardholders in connection with the MoneyCard as of the Effective Date are set forth in Schedule 3.1, and such fees may not be modified without the mutual written agreement of the Parties. Retailer at any time may request that Bank or Green Dot, as applicable, eliminate or reduce any price or fee charged to Cardholders in connection with a Product. If, within **[***]** after such a request made by notice, Bank or Green Dot, as applicable, have not agreed to each of Retailer 's requested change(s), then Bank or Green Dot, as applicable, shall provide a written explanation to Retailer with respect to the reason for which such Party is rejecting Retailer's requested change(s). After receipt of such written explanation,

Retailer may terminate this Agreement upon **[***]** notice to the other Parties. Retailer shall not request such price changes primarily for the purpose of forcing termination of this Agreement.

3.2. Compensation and Audit of Total Program Revenue. GDC will pay Retailer a **[***]** equal to **[***]** of each month's Total Program Revenue for the **[***]**. For any annual Total Program Revenue above **[***]**, GDC will pay Retailer a **[***]** fee equal to **[***]**. GDC will make all such payments within twenty business days of the end of each month. GDC's obligation under this Section 3.2 will survive termination or expiration of this Agreement for so long as any Product is outstanding or active. In addition to Retailer's rights under Section 4.2(b), upon Retailer's written request and at any time that a Product is outstanding or active, GDC and Bank shall furnish to Retailer or its designee all such information concerning GDC's and Bank's performance of their obligations under this Section 3.2, including documentation reasonably supporting the amount and calculation of Total Program Revenue. In addition to Retailer's rights under Section 4.2(b), at any time that a Product is outstanding or active, Retailer or a third party designated by Retailer on reasonable advance notice to GDC or Bank, as applicable, of not less than **[***]** may examine and inspect GDC's and Bank's records relating to Total Program Revenue and GDC's and Bank's compliance with their obligations under this Section 3.2.

3.3. Settlement of Funds. The Parties agree to the reporting and settlement process set forth in this Section 3.3.

(a) Retailer will transmit Sales Data to GDC in real time upon the completion of the applicable transaction at a Store.

(b) GDC will deliver to Retailer the Daily Report not later than 9:00 a.m. Central Time on the **[***]**.

(c) Retailer will initiate a wire transfer to the account designated in writing by Bank for the Gross Settlement Amount, net of any sales or other taxes, **[***]** later than **[***]** on the **[***]** after Retailer's receipt of the Daily Report. Retailer's wire of the Gross Settlement Amount pursuant to this Section 3.3(c) will satisfy and discharge all of Retailer's obligations to Bank and GDC with respect to the Gross Settlement Amount for the applicable Billing Period.

(d) Within sixty days of delivery of a Daily Report, any Party may deliver to the other Parties a request for adjustment to the amounts paid pursuant to the Daily Report and sufficient documentation to support such adjustment. Bank shall apply any undisputed adjustment to a Daily Report **[***]**. The Parties shall work together in good faith to resolve any disputes regarding adjustments and to automate the adjustment process.

3.4. Cardholder Funds. Retailer acknowledges and agrees that Retailer will receive Cardholder Funds for the express purpose of having such Cardholder Funds loaded or reloaded to a Product, as applicable in accordance with the Cardholder's instructions. The Cardholder Funds will not be used for any Retailer operating or general purpose account or otherwise treated as property of Retailer. Subject to Section 4.4, Retailer agrees that prior to Retailer's remittance of the Gross Settlement Amount in accordance with Section 3.3 it shall be liable to Bank for all Cardholder Funds and purchase fees associated with Products purchased in Stores and for POS Loads and POS Reloads, as applicable, associated with such Products.

3.5. Effect of Bankruptcy. The Cardholder Funds shall be and remain the sole property of the applicable Cardholders during and after the time the Cardholder Funds are presented to Retailer by the Cardholder and will not be deemed the property or an asset of Retailer, nor will such Cardholder Funds be included on any Retailer balance sheet or asset statement. Furthermore, Retailer agrees that it will hold Cardholder Funds in trust on behalf of the Cardholder pending remittance to Bank in accordance with Section 3.3, and the Cardholder Funds will not be subject to creditors (whether secured or unsecured) of Retailer or its Affiliates, whether in connection with any bankruptcy or secured creditor proceeding filed by or against Retailer, its Affiliates or otherwise. Retailer shall take all action necessary or appropriate: (a) not to cause the Cardholder Funds to become subject to any pledge, assignment, transfer or security interest made or granted, voluntarily or involuntarily, by Retailer to any third party; and (b) to accomplish the immediate release to Bank of all Cardholder Funds, current or future, and remove such Cardholder Funds from inclusion in any Retailer bankruptcy proceeding or proceeding taken by any creditor of Retailer. Retailer agrees that (i) in any cash management or other related motion filed in its bankruptcy proceeding, that Retailer will include a request to obtain bankruptcy court authorization to continue the financial compensation, remittance of funds and transfer of Cardholder Funds to Bank, each as provided for in Section 3.3 and (ii) Retailer will obtain entry of an order approving such arrangements on an interim and/or final basis in form and substance acceptable to GDC. Retailer shall not argue or assert in any bankruptcy proceeding that the Cardholder Funds are part of its bankruptcy estate.

3.6. Fraud Alert and Recovery.

(a) Each Party agrees that it will be responsible for all damages resulting from the fraud, willful misconduct or gross negligence of its employees, contractors, representatives or agents (other than any agency established hereunder).

(b) The Parties agree to cooperate with one another and any Governmental Authority and to use commercially reasonable efforts to prevent and mitigate Program fraud and losses. In the event that either Party discovers fraud or theft by a Cardholder or by an employee, agent or representative or other conduct by a Cardholder or an employee, agent or representative that has resulted in a loss to Retailer or the Program (for example, loading of a MoneyCard in a fraudulent manner due to fraud by a Cardholder or Retailer employee), the discovering Party shall, with a frequency and content of reporting as is mutually agreed, communicate to the other Parties via email, fax, phone or overnight mail information about such fraudulent transaction, unless the discovering Party reasonably determines that it is prevented from making any such communication by Applicable Law, a law enforcement request, an applicable privacy policy, or a contractual agreement with a third party (such as a confidentiality or non-disclosure agreement), and GDC and Bank will immediately attempt to close the affected account and recover funds loaded to that account. In the event of such recovery of funds, GDC or Bank as applicable will refund to Retailer all applicable amounts.

(c) GDC shall actively monitor for attempted fraudulent activity using industry best practices regarding the detection of fraud attacks. GDC shall report to Retailer as to the detection of any fraudulent activity (or attempted activity) with the frequency and content of such reporting as mutually agreed.

3.7. Reporting. Green Dot and Bank will provide Retailer with monthly settlement statements and final reports, as well as such other reports as Retailer may reasonably request in writing from time to time.

3.8. Direct Settlement. The Parties may elect, on a timeline mutually agreed upon by the Parties, that Bank, at its sole cost and expense, adopt and implement the Direct Settlement Process, whereupon settlement of MoneyCard transactions for the purchase of goods or services at Retailer Locations shall be undertaken in accordance with the processes and requirements set forth in Schedule 3.8 of this Agreement, subject to compliance with applicable Card Network regulations, **[***]**. For any period during the Term in which there is no Direct Settlement Process, Bank shall pay to Walmart on a **[***]** basis an amount equal to **[***]**. For the avoidance of doubt, the amount Bank shall pay to Retailer under this Section shall include all **[***]**. The Parties will agree to a methodology for validating **[***]**. The payment by Bank shall be made not later than **[***]** after the end of each **[***]**.

4. PROGRAM RESPONSIBILITIES AND COMPLIANCE

4.1. Legal Compliance. Each Party agrees that it will comply with Applicable Law in connection with its performance hereunder.

(a) Without limiting the generality of the foregoing, the Parties agree as follows: (i) as required by the CARD Act, Retailer shall not label, display, market, promote or sell any prepaid Products as gift cards; (ii) each Party shall, at all times, maintain written policies and procedures to regularly monitor and verify that prepaid Products are not labeled, displayed, marketed, promoted or sold by Retailer as gift cards. Such policies and procedures shall include guidelines regarding the display of Products in compliance with the CARD Act. The Parties shall from time to time and upon the request of the other Parties, meet to discuss compliance with this Section 4.1 and the CARD Act and Applicable Law. Each Party shall be responsible for all cost and liabilities to the extent arising out of its failure to comply with the CARD Act and the provisions of this Section 4.1.

(b) The Parties acknowledge and agree that the Program is under the principal oversight and control of Bank, and that Retailer is not a "provider of prepaid access" as such term is defined in the Prepaid Access Rule, 31 CFR 1010.100, or any successor provision, with respect to the Program. GDC and Bank each acknowledges and agrees that each is responsible for, and shall at all times remain responsible for, compliance with the Prepaid Access Rule with respect to the Program. GDC and Bank shall (i) obtain and maintain all records related to a Program that may be required pursuant to the Prepaid Access Rule, including 31 CFR 1022.210(d)(l)(iv), 31 CFR 1022.420, or any successor provisions, and (ii) at all times comply with the requirements set forth under 31 CFR 1022.380. GDC and Bank represent, warrant and covenant that each of GDC and Bank will comply with all Applicable Law and the PCI Standards at all relevant times.

(c) GDC or Bank shall perform OFAC monitoring, holding and case resolution with respect to the Program to prevent the occurrence of any OFAC prohibited transaction, and shall notify Retailer if such monitoring results in any Cardholders being identified as true, positive matches with individuals appearing on OFAC watch lists. GDC or Bank shall notify Retailer of

true, positive matches promptly but not later than 72 hours after GDC identifies a Cardholder as a true, positive match with individuals appearing on OFAC watch lists. Additionally, in coordination with Retailer, GDC or Bank shall be responsible for (i) compliance with all Applicable Law pertaining to anti-money laundering in connection with the Program; (ii) developing and implementing anti-money laundering policies and procedures for the Program; and (iii) maintaining appropriate record-keeping relating to the foregoing subclauses (i) and (ii) in connection with the Program.

(d) GDC agrees that during the Term it will monitor Applicable Law (including the federal Bank Secrecy Act and all applicable state money transmitter laws) and any changes in Applicable Law that may have a material adverse impact on the Program, that may impose a material obligation on Retailer as it relates to the Program, that may impose a material obligation on GDC or Bank as it relates to the Program, or that may require modifications to the Program or this Agreement. GDC will promptly notify Retailer in writing of any changes in Applicable Law of which GDC becomes aware that may have a material adverse impact on the Program, that may impose a material obligation on Retailer as it relates to the Program, that may impose a material obligation on GDC or Bank as it relates to the Program, or that may require modifications to the Program or this Agreement. Such notice by GDC must include a summary of such changes in Applicable Law, the impact that such changes have on the Program and any GDC proposals or recommendations relating to modifications of the Program that may be necessary to address such changes in Applicable Law.

4.2. Records and Inspection. Retailer, GDC and Bank shall keep accurate books and records of transactions relating to Product sales and transactions, the Services and the Program, and must maintain such books and records for not less than the period required by Applicable Law but in no event less **[***]** following the end of the Term; provided, however, GDC and Bank shall keep accurate books and records relating to the calculation of Total Program Revenue for so long as any Products are outstanding or active and for purposes of fulfilling their obligations relating to unclaimed property under Section 4.4. GDC and Bank shall request, and in good faith use commercially reasonable efforts to contractually require, their Service Providers to agree to audit provisions substantially similar to those set forth in this Agreement and grant access to Retailer, GDC and Bank for purposes of examining and inspecting such Service Providers' books and records pertaining to their performance of obligations under this Agreement.

(a) During the Term and for a period of **[***]** after expiration or termination of this Agreement, GDC on reasonable advance notice to Retailer of not less than **[***]** may examine and inspect Retailer's records relating exclusively to Products sold, POS Loads or POS Reloads in Stores and Retailer's compliance with its obligations hereunder; provided, however, that unless Retailer provides its prior consent, no such inspection or audit may take place at any Store. Such audit shall take place at Retailer's offices during normal business hours and in a manner that does not interfere with regular business operations. GDC may not conduct an audit or inspection more than one time during any consecutive twelve month period unless otherwise required by Applicable Law or a Governmental Authority.

(b) During the Term and for a period of **[***]** after expiration or termination of this Agreement (or for a longer period of time as reasonably necessary to the extent Retailer receives inquiries from Governmental Authorities relating to unclaimed property in connection with the Program), Retailer or a third party designated by Retailer on reasonable advance notice to GDC or Bank, as applicable, of not less than **[***]** may examine and inspect GDC's and Bank's records relating to Products sold, POS Loads or POS Reloads in Stores, Total Program Revenue and GDC's and Bank's compliance with their obligations hereunder. Such audit shall take place at GDC's or Bank's offices during normal business hours and in a manner that does not interfere with regular business operations. Retailer may not conduct an audit or inspection more than one time during any consecutive twelve month period unless (i) otherwise required by Applicable Law or a Governmental Authority; (ii) Retailer has a reasonable belief that GDC or Bank is not acting in compliance with the terms of this Agreement or Applicable Law; or (iii) an audit performed pursuant to this Agreement reveals any systemic error or operational deficiency or failures. During the Term and for a period of **[***]** after expiration or termination of this Agreement, GDC and Bank shall furnish to Retailer or its designee all such information concerning GDC's and Bank's performance of its obligations hereunder as Retailer may reasonably request, including documentation reasonably supporting the amount and calculation of Total Program Revenue. Any limitations on Retailer's audit or other rights in this Section 4.2(b) do not apply to and do not limit or restrict Retailer's rights under Section 3.2.

4.3. Training. Each Party is responsible, in its sole discretion, but subject to Section 4.l(d), for development of a training program to comply with its responsibilities under Applicable Law, the Program, and this Agreement. GDC and Bank shall not distribute or communicate training materials to any Store without the prior consent of Retailer.

4.4. Unclaimed Property. As among the Parties, Bank and GDC are and will be deemed the holder of all Cardholder Funds, any accounts associated with the Products in place as of the Effective Date and any and all unclaimed property relating to the Products or the Program. GDC or Bank, as applicable, will report and remit to each jurisdiction as required by Applicable

Law all unclaimed property held, due or owing in connection with the Products and the Program. If additional Products are added in the future, the Parties will agree upon how this unclaimed property section will apply to such new Products at that time.

4.5. Program Management Committee.

(a) Retailer, GDC and Bank hereby establish a committee to review and provide guidance on the strategy and direction of the Program (the "**Program Management Committee**"). The Program Management Committee shall consist of six members, with three members appointed by Retailer and three members appointed by GDC and Bank. The members shall be the following persons, or their designees, of the Parties unless otherwise mutually agreed:

(i) For Retailer: a project management representative, a finance representative and a marketing representative.

(ii) For GDC and Bank: a project management representative, a finance representative and a marketing representative.

(b) The Program Management Committee may appoint one or more other subcommittees to advise it regarding specific matters. Subcommittee members need not be members of the Program Management Committee.

4.6 Meetings and Governance.

(a) The Program Management Committee shall hold a meeting, no less frequently than quarterly. All meetings of the Program Management Committee shall require a quorum consisting of not less than two members from GDC and Bank and two members from Retailer. Prior to each meeting, each Party shall provide prior notice

(b)

(c) to the other Parties of the members who will be attending the meeting.

(d) Special meetings of the Program Management Committee may be held when scheduled by a prior act of the Program Management Committee or when called by a Party by delivery of at least five Business Days' prior notice to the other Parties. Any such notice must specify the purpose of the special meeting. If fewer than all members are present in person, by telephone or by proxy, the business transacted at such special meeting shall be limited to that stated in the notice.

(e) The Program Management Committee may meet in-person or telephonically.

4.7 Program Management Committee Responsibilities. The responsibilities of the Program Management Committee shall be agreed upon by Bank, GDC and Retailer in writing from time to time, and shall at a minimum include the following:

(a) reviewing and approving the annual Program Marketing Plan and estimated annual marketing expense;

(b) reviewing and approving any changes to the existing Products and Services and any proposed new products and services for the Program;

(c) reviewing and approving any changes to the look and feel of Product documentation, other than changes required by Applicable Law;

(d) reviewing changes to the Product fees established by Bank or GDC;

(e) reviewing changes to the Program operating procedures; and

(f) reviewing and endeavoring to resolve Disputed Matters referred to it by the Parties.

In addition to those responsibilities described above, a Party may add to the agenda items for the review or approval of the Program Management Committee during its quarterly meeting.

4.8 Dispute Resolution Procedures. Upon the occurrence of any event that, pursuant to the express provisions of this Agreement, is subject to the escalation provisions set forth in this Section 4.8, or upon the occurrence of any other material dispute under this Agreement by notice to the other Parties ("**Disputed Matter**"), the following procedures shall apply:

(a) The Parties will attempt to resolve the Disputed Matter promptly by referring the Disputed Matter to the Program Management Committee. The Program Management Committee will meet in person or by telephone within ten Business Days after the notice of the Disputed Matter and attempt in good faith to resolve the Disputed Matter.

(b) In the event the Program Management Committee does not resolve the Disputed Matter within fifteen Business Days from receipt of notice of such Disputed Matter, the Parties will attempt to resolve the Disputed Matter promptly by negotiations between the Chief Revenue Officer (or equivalent) for GDC, President (or equivalent) for Bank, and the Senior Vice President, Walmart Services (or equivalent) for Retailer (collectively, "**Senior Officers**") or their respective designees. The Senior Officers or their designees will meet in person or by telephone within ten Business Days after the notice of the dispute and attempt in good faith to resolve the Disputed Matter.

(c) In the event the Senior Officers do not resolve the Disputed Matter within fifteen Business Days from receipt of notice of such Disputed Matter (which time period may be extended by written agreement of the Senior Officers), the Parties will refer the Disputed Matter to the Chief Executive Officer (or equivalent) for GDC, President (or equivalent) for Bank, and the supervisor of the Senior Vice President, Walmart Services (or equivalent) for Retailer (collectively, "**CEOs**") or their respective designees.

(d) In the event the CEOs do not resolve the Disputed Matter within fifteen Business Days from receipt of the notice of such Disputed Matter (which time period may be extended by written agreement of the CEOs), the Parties agree that all Disputed Matters that are Retailer Matters will be decided within the sole discretion of Retailer, and all Disputed Matters that are GDC Matters will be decided within the sole discretion of GDC and Bank. In the event the Disputed Matter is not a Retailer Matter or a GDC Matter, then this Agreement will control or if there is no governing provision in this Agreement, the matter will remain as status quo.

(e) Notwithstanding the dispute resolution provisions of this Section 4.8, a Party may seek equitable relief at any time before or during any dispute resolution proceedings in any court of competent jurisdiction to protect its interests or to preserve the status quo pending completion of any dispute resolution process or to otherwise protect its rights or interests as permitted at law and in equity. By seeking or obtaining such remedy, the Party seeking injunctive relief hereunder will not waive any of the provisions of this Section 4.8.

(f) Nothing in this Section 4.8 shall limit a Party's right to give notice of termination or otherwise pursue its right to terminate this Agreement or pursue any other rights set forth in this Agreement.

4.9 Expedited Review. In the event a Party requests Expedited Review of a Disputed Matter, such changes relating to such Disputed Matter shall not be implemented by a Party until the completion of the review process set forth in this Section 4.9 ("**Expedited Review**") and the Parties have approved such changes; provided, however, that a Party may immediately implement any change required by Applicable Law or as necessary to prevent fraud after sending notice to the other Parties describing the change and its rationale for such change. Disputed Matters subject to Expedited Review are subject to the following procedures:

(a) Upon a notice of a request for Expedited Review of a Disputed Matter, the Parties shall attempt to resolve the Disputed Matter promptly by negotiations between the Senior Officers or their respective designees. The Senior Officers or their designees will meet in person or by telephone within five Business Days after the notice of Expedited Review and attempt in good faith to resolve the Disputed Matter.

(b) In the event the Senior Officers do not resolve the Disputed Matter within five Business Days from receipt of the notice of Expedited Review, the Parties shall refer the Disputed Matter to the CEOs or their respective designees. The CEOs will meet in person or by telephone within five Business Days after the notice of Expedited Review and attempt in good faith to resolve the Disputed Matter. In the event the CEOs or their designees do not resolve the Disputed Matter within five Business Days from receipt of the referral notice from the Senior Officers, the Parties agree that all Disputed Matters that are Retailer Matters will be decided within the sole discretion of Retailer, and all Disputed Matters that are GDC Matters will be decided within the sole discretion of GDC and Bank. In the event the Disputed Matter is not a Retailer Matter or a GDC Matter, then this Agreement will control or if there is no governing provision in this Agreement, the matter will remain as status quo.

4.10 Retailer and GDC Matters.

(a) Subject to Applicable Law and the provisions of this Agreement, "**Retailer Matters**" are:

(i) use of Retailer Marks;

(ii) changes to Retailer information technology and processing systems that would not be reasonably likely to have a material adverse effect on the Program;

(iii) changes required by Applicable Law applicable to Retailer regardless of whether such change would have an adverse effect on the Program;

(iv) Retailer capital expenditures;

(v) changes to Retailer's privacy policy that (x) would not be reasonably likely to have a material adverse effect on the Program, or (y) are required by Applicable Law applicable to Retailer; and

(vi) management and retention of Retailer personnel.

(b) Subject to Applicable Law and the provisions of this Agreement, "**GDC Matters**" are:

(i) changes to information technology and processing systems of GDC or Bank that would not be reasonably likely to have a material adverse effect on the Program or Retailer;

(ii) changes required by Applicable Law applicable to GDC or Bank regardless of whether such change would have an adverse effect on the Program;

(iii) capital expenditures of GDC or Bank; and

(iv) management and retention of personnel of GDC or Bank.

4.11 Service Providers. GDC and Bank may use one or more qualified Service Providers in connection with the operation of the Program, provided that GDC and Bank shall provide advance notice to Retailer regarding establishment or termination of such use, and GDC and Bank shall be liable to Retailer for the full performance of all obligations under this Agreement performed by any such Service Provider.

5. TERM AND TERMINATION

5.1. Term. Unless earlier terminated, upon expiration of the Initial Term, this Agreement will continue for one Renewal Term, unless notice of non-renewal is sent by any Party hereto at least one year prior to the expiration of the Initial Term.

5.2. Termination. If either Party materially breaches any term or condition of this Agreement and the breaching Party fails to cure such breach within **[***]** after receiving notice of the breach from non-breaching Party with as much identifying detail as is reasonable, the non-breaching Party may terminate this Agreement on notice **[***]**. This Agreement will terminate immediately upon notice if a Party: (a) becomes insolvent (i.e., becomes unable to pay its debts in the ordinary course of business as they come due), (b) makes an assignment for the benefit of creditors, (c) is named as a debtor in a bankruptcy proceeding; (d) has a receiver appointed over it, or (e) has ceased or announced its intent to cease its ongoing business operations.

5.3. Additional Termination Rights. Retailer may terminate this Agreement (a) as set forth in Schedule 2.12 or (b) upon not less than **[***]** advance notice to Bank and GDC if there occurs a GDC Prohibited Change of Control.

5.4. Effect of Termination. Upon termination or expiration of this Agreement (a) the Parties will cease the marketing, sale, POS Loads and POS Reloads of Products, (b) Retailer will securely destroy all Product inventory and promptly transmit all Cardholder Funds in its possession to Bank and (c) GDC will continue to make the payments required under Section 3.2 with respect to previously sold, POS Loaded or POS Reloaded Products for the life of such Products. The provisions of Sections 3.2 and 3.3 (with respect to Products sold prior to termination), and Sections 3.4, 3.5, 4.1, 4.2, 6, 7, 8, 9 and such other provisions that by their nature are intended to survive termination, shall survive the termination or expiration hereof.

5.5. Emergency Suspension.

(a) Grounds for Emergency Suspension. The Parties acknowledge and agree that any Party may suspend or terminate the marketing, promotion, distribution, load and/or reload of Products at one or more Stores in the event that (i) such action is necessary to comply with Applicable Law; (ii) such Party has reasonable suspicion to believe that a high volume of fraudulent activity is taking place at such Store(s) in connection with the Program; or (iii) such Party has a reasonable, documented belief that the any of the other Parties has materially violated Applicable Law.

(b) Notices and Cooperation. The suspending Party shall give the other Parties notice if such Party intends to exercise its suspension rights hereunder. The notice must identify in reasonable detail the reasons for the suspension, unless prohibited by Applicable Law. The Parties shall meet within twenty-four hours of the nonsuspending Party's receipt of such notice to discuss how to address the suspending Party's concerns, and the appropriate geographic and temporal scope of such suspension, with the Parties' mutual goal being to continue the sale of Products as widely as possible under the circumstances.

6. INDEMNIFICATION

6.1. GDC and Bank Indemnification of Retailer. Each of GDC and Bank shall jointly and severally indemnify, defend and hold harmless Retailer, its Affiliates and their respective directors, officers, employees and agents from and against any and all damages, liabilities, costs and expenses (including reasonable attorneys' fees and expenses and costs of defense) incurred by Retailer, its Affiliates or their respective directors, officers, employees and agents arising out of any Indemnified Claim relating to or arising out of: (a) any claim or assertion that any products, processes or services of GDC or Bank infringe or misappropriate any copyright, trademark, trade secret, patent or other proprietary or intellectual property rights of a third party; (b) GDC's or Bank's breach of any representation, warranty or covenant contained in this Agreement (including its exhibits); (c) the negligence or willful misconduct (whether by act or omission) of GDC, Bank or any of their directors, officers, employees or agents; or (d) the violation of Applicable Law by GDC, Bank or any of their directors, officers, employees or agents; provided, however, that in no event shall GDC or Bank be obligated to indemnify Retailer under this Section 6.1 for any losses to the extent such losses result from (i) the negligence or willful misconduct of Retailer, (ii) any violation or failure to comply with this Agreement by Retailer, (iii) Retailer's failure to comply with Applicable Law to the extent required by this Agreement, or (iv) Retailer's failure to comply with Applicable Law as instructed by GDC or Bank in accordance with Section 8.4(d).

6.2. Retailer Indemnification of GDC and Bank. Retailer shall indemnify, defend and hold harmless GDC, Bank, their Affiliates and their respective directors, officers, employees and agents from and against any and all damages, liabilities, costs and expenses (including reasonable attorneys' fees and expenses and costs of defense) incurred by GDC, Bank or their respective directors, officers, employees and agents arising out of any Indemnified Claim relating to or arising out of: (a) any claim or assertion that the Retailer Marks infringe or misappropriate any copyright, trademark, trade secret, patent or other proprietary or intellectual property rights of a third party; (b) Retailer's breach of any representation, warranty or covenant contained in this Agreement (including its exhibits); (c) the negligence or willful misconduct (whether by act or omission) of Retailer or any of its directors, officers, employees or agents; or (d) the violation of Applicable Law by Retailer or any of its directors, officers, employees or agents; provided, however, that in no event shall Retailer be obligated to indemnify GDC or Bank under this Section 6.2 for any losses to the extent such losses result from (i) the negligence or willful misconduct of GDC or Bank, (ii) any violation or failure to comply with this Agreement by GDC or Bank, (iii) GDC's or Bank's failure to comply with Applicable Law to the extent required by this Agreement or (iv) GDC's or Bank's failure to instruct Retailer of its compliance obligations relating to Applicable Law in accordance with Section 8.4(d).

6.3. Indemnified Party will provide prompt notice to Indemnifying Party upon receipt of any Indemnified Claim; provided, however, Indemnified Party's failure to provide such notice or delay in providing such notice will not relieve Indemnifying Party of its obligations under this Section 6 unless such failure or delay materially prejudiced Indemnified Party's defense of the Indemnified Claim.

6.4. Subject to Sections 6.5, 6.6 and 6.7, the Indemnifying Party shall have the sole and absolute right to control and assume the defense of any such Indemnified Party at its expense and in the name of the Indemnified Party and to select the counsel for the defense of such Indemnified Claim. The Indemnified Party may participate, at its own expense, in such defense and in any settlement discussions directly or through counsel of its choice on a monitoring, non-controlling basis. The Parties agree to cooperate in good faith in connection with the defense, negotiation, or settlement of any Indemnified Claim.

6.5. Notwithstanding Section 6.4, the Indemnifying Party shall not have the right to control the defense of any such Indemnified Claim if: (i) the Indemnifying Party fails to assume the defense of such Indemnified Claim or acknowledge in writing that it will assume the defense of such Indemnified Claim within fifteen Business Days of receipt of notice of the Indemnified Claim; (ii) the Indemnified Party reasonably determines (at any time while the Indemnified Claim is pending) based upon advice of counsel that there are issues that could raise possible conflicts of interest between the Indemnifying Party and the Indemnified

Party or that the Indemnified Party has claims or defenses that are separate from or in addition to the claims or defenses of the Indemnifying Party; (iii) such Indemnified Claim seeks an injunction, cease and desist order, or other equitable relief against the Indemnified Party that could reasonably be expected to materially adversely affect the ongoing business of the Indemnified Party, other than the Program; or (iv) it contests (in whole or in part), its indemnification obligations (but only as to the obligations specific to the Indemnifying Party in the event a third party gives rise to indemnification obligations of more than one party). In each such case described in clauses (i) through (iv) above, the Indemnified Party will have the right to control the defense of the Indemnified Claim and retain its own counsel, and the Indemnifying Party shall pay the reasonable cost of such defense, including reasonable attorneys' fees and expenses of one law firm, and shall be entitled to participate in the defense of such claim, on a non-controlling basis, at its expense with counsel of its own choosing.

6.6. If the Indemnified Party reasonably objects to the execution of the litigation strategy by counsel selected by Indemnifying Party in the defense of the Indemnified Claim, Indemnified Party may request in writing that Indemnifying Party replace such counsel at Indemnifying Party's expense. Any such notice from Indemnified Party will provide in reasonable detail the reasons for Indemnified Party's request. If after conferring in good faith the Parties are unable to agree upon the need for replacement of counsel, Indemnified Party shall have the right to assume the control of the defense and retain its own counsel, and the Indemnified Party shall pay the reasonable cost of such defense.

6.7. The Indemnifying Party may, upon prior notice to and consultation with the Indemnified Party, compromise or enter into a settlement agreement that involves solely the payment of money by the Indemnifying Party, if (i) such settlement includes a complete, unconditional, irrevocable release of the Indemnified Party with respect to such Indemnified Claim, and (ii) in the good faith judgment of the Indemnified Party, such settlement is not likely to establish a precedential custom or practice adverse to the continuing business interests of the Indemnified Party; provided, however, if the Indemnifying Party requests the Indemnified Party to accept a financial settlement or financial compromise offered by the third party asserting the Indemnified Claim as the primary aspect of any such settlement with respect to any Indemnified Claim (assuming that no part of the settlement or compromise involves a material change in the Indemnified Party's methods of doing business or otherwise materially restricts any of its respective future conduct) and the Indemnified Party withholds its consent thereto, the obligation of the Indemnifying Party to the Indemnified Party under this Section 6 with respect to such Indemnified Claim will not thereafter exceed the aggregate amount that the Indemnifying Party would have paid hereunder in connection with such settlement or compromise (including reimbursable expenses to the date thereof).

6.8. Subrogation. The Indemnifying Party shall be subrogated to any third party claims or rights of the Indemnified Party as against any other Persons (except Persons that are directors, officers, employees, agents or representatives of Indemnified Party or its Affiliates or that have a contractual right of indemnity or contribution against Indemnified Party with respect to the Indemnified Claim) with respect to any amount paid to the Indemnifying Party under this Section 6. The Indemnified Party shall reasonably cooperate with the Indemnifying Party, at the Indemnifying Party's expense, in the assertion by the Indemnifying Party of any such claim against such other persons.

7. CONFIDENTIALITY, INFORMATION SECURITY AND DATA SHARING; RETAILER DASHBOARD

7.1. Except as otherwise provided in this Agreement, a Party may use Confidential Information received or obtained from or on behalf of disclosing Party solely in connection with the transactions contemplated by this Agreement and in accordance with Applicable Law, including any and all Applicable Law relating to the privacy and security of personally identifiable information.

7.2. Each Party shall receive Confidential Information in confidence and not disclose Confidential Information to any third party, except: (a) as may be agreed upon in writing by the disclosing Party; (b) as otherwise required by Applicable Law or operating regulations of a Card Network; (c) as may be necessary to exercise its rights or perform its obligations under this Agreement; or (d) as may otherwise be permitted under this Agreement, including pursuant to Schedule 7.4. Each Party will use its best efforts to cause its officers, employees, and agents to take such action as shall be necessary or advisable to preserve and protect the confidentiality of Confidential Information. Except with respect to information received by Retailer pursuant to Schedule 7.4, upon written request, each Party shall destroy or return to the disclosing Party all Confidential Information in its possession or control, subject to each Party's respective document retention policies with respect to information required to be maintained by regulatory authorities.

7.3. Each Party shall maintain the confidentiality of this Agreement and its terms and will not disclose this Agreement or its terms to any third party; provided that a Party may disclose this Agreement or its terms: (a) as required by Applicable Law, but subject to the requirements of Section 9.12 as applicable to the Party; (b) to its Affiliates having a need to know, provided that such Affiliates must treat this Agreement and its terms as confidential and in accordance with the requirements contained in

Section 7 and Section 9.12; (c) to its advisors, including accountants, consultants and attorneys, provided such advisors are obligated to maintain the confidentiality of this Agreement and its terms; or (d) with the prior consent of the other Parties.

7.4 In accordance with Schedule 7.4, Bank agrees to provide Retailer with access to data to the fullest extent permitted by Applicable Law and consistent with Bank's applicable privacy policies. Retailer accepts responsibility for implementing administrative, technical, and physical controls designed to secure data in its possession obtained pursuant to Schedule 7.4, and will hold Bank and GDC harmless from any breach of such data from Retailer's systems if such breach is not attributable to (a) any act or omission of Bank or GDC; (b) failure of Bank's or GDC's security program; or (c) Bank's or GDC's failure to comply with this Agreement or Applicable Law. Retailer and Bank shall consult with one another as privacy questions and concerns relating to the Products arise.

7.5. Retailer Dashboard. Retailer shall provide Cardholders with a link to the Cardholder Website through the Retailer Dashboard.

7.6. GDC and Bank represent, warrant and covenant that each currently complies with, and at all times during the Term and whenever GDC and Bank possess Walmart Information (as defined in Schedule 7.6), will comply with the terms, conditions, requirements and provisions of the Retailer Information Security Addendum attached to this Agreement as Schedule 7.6.

8. REPRESENTATIONS AND WARRANTIES.

8.1. Representations and Warranties of GDC: GDC represents and warrants to Retailer as of the Effective Date and at all times thereafter, with the exception of the representation in Section 8.1(f), which is made on the Effective Date, that: (a) it is a corporation duly incorporated, validly existing and in good standing under the laws of Delaware, (b) it is duly qualified and is properly licensed to do business, and is in good standing (A) in each jurisdiction in which the conduct of its business requires it to so qualify or be licensed, and (B) with each Governmental Authority having jurisdiction over it; (c) it has and shall maintain all necessary licenses, permits, approvals, and registrations from all Governmental Authorities which are required to perform its obligations hereunder, including in all jurisdictions as necessary to sponsor Retailer as an agent with respect to its obligations under this Agreement, including under Section 2.3; (d) the execution and delivery of this Agreement by GDC and the performance of its obligations hereunder require no consent, approval, order or authorization of, or registration, declaration or filing with, or other action by, any Governmental Authority or other third party, except for such consents, approvals, orders, authorizations, registrations, declarations or filings which GDC has made or obtained; (e) the performance of its obligations hereunder do not and will not violate any other agreement to which it is a party; (f) as of the Effective Date, there are no pending or, to the knowledge of GDC, threatened or reasonably foreseeable, claims or litigation against GDC that would adversely impact GDC's ability to perform its obligations under this Agreement; and (g) it and its Service Providers will at all times during the Term comply with Applicable Law, any Card Network regulations and any PCI Standards on the handling or storage of data that may be established by applicable Card Network to the extent such requirements apply to the activities of GDC (or its Service Providers) with respect to the Program.

8.2. Representations and Warranties of Bank: Bank represents and warrants to Retailer as of the Effective Date and at all times thereafter, with the exception of the representation in Section 8.2(f), which is made on the Effective Date, that: (a) it is a bank duly organized and chartered, validly existing and in good standing under the laws of Utah, (b) it is duly qualified and is properly licensed to do business, and is in good standing (A) in each jurisdiction in which the conduct of its business requires it to so qualify or be licensed, and (B) with each Governmental Authority having jurisdiction over it; (c) it has and shall maintain all necessary licenses, permits, approvals, and registrations from all Governmental Authorities which are required to perform its obligations hereunder, including in all jurisdictions as necessary to sponsor Retailer as an agent with respect to its obligations under this Agreement, including under Section 2.3; (d) the execution and delivery of this Agreement by Bank and the performance of its obligations hereunder require no consent, approval, order or authorization of, or registration, declaration or filing with, or other action by, any Governmental Authority or other third party, except for such consents, approvals, orders, authorizations, registrations, declarations or filings which Bank has made or obtained; (e) the performance of its obligations hereunder do not and will not violate any other agreement to which it is a party; (f) as of the Effective Date, there are no pending or, to the knowledge of Bank, threatened, claims or litigation against Bank that would adversely impact Bank's ability to perform its obligations under this Agreement; and (g) it and its Service Providers will at all times during the Term comply with Applicable Law, any Card Network regulations and any PCI Standards on the handling or storage of data that may be established by applicable Card Network to the extent such requirements apply to the activities of Bank (or its Service Providers) with respect to the Program.

8.3. Representations and Warranties of Retailer: Retailer represents and warrants to GDC and Bank as of the Effective Date and at all times thereafter, with the exception of the representation in Section 8.3(f), which is made on the Effective Date,

that: (a) each Retailer is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized; (b) it is duly qualified and is properly licensed to do business, and is in good standing (A) in each jurisdiction in which the conduct of its business requires it to so qualify or be licensed, and (B) with each Governmental Authority having jurisdiction over it; (c) it has and shall maintain all necessary licenses, permits, approvals, and registrations from all Governmental Authorities which are required to perform its obligations hereunder; (d) the execution and delivery of this Agreement by Retailer and the performance of its obligations hereunder require no consent, approval, order or authorization of, or registration, declaration or filing with, or other action by, any Governmental Authority or any other third party, except for such consents, approvals, orders, authorizations, registrations, declarations or filings which Retailer has made or obtained; (e) the performance of its obligations hereunder do not and will not violate any other agreement to which it is a party; (f) as of the Effective Date, there are no pending or, to the knowledge of Retailer, threatened, claims or litigation against Retailer that would adversely and materially impact Retailer's ability to perform its obligations under this Agreement; and (g) it and its subcontractors will at all times during the Term comply with Applicable Law as instructed by GDC and Bank pursuant to Section 8.4(d), any Card Network regulations, as such Card Network regulations are applicable to Retailer and as such Card Network regulations may have been modified by agreement between Walmart and the applicable Card Network, and any PCI Standards on the handling or storage of data that may be established by applicable Card Network to the extent such requirements apply to the activities of Retailer (or its subcontractors) with respect to the Program, and are enforced against Retailer by the applicable Card Network.

8.4. Additional Covenants of Bank and GDC. Without limiting the generality of any other provision in this Agreement, Bank and GDC hereby covenant as follows:

(a) Bank or GDC shall provide all notices and disclosures that may be required by Applicable Law and Card Network regulations in connection with the Program.

(b) Bank or GDC shall ensure the operating procedures for the Program, the Program privacy policy and all Product documentation (including Product fees) comply in all material respects with Applicable Law and Card Network regulations.

(c) Bank shall be solely responsible for complying with Applicable Law that governs unclaimed and abandoned property, including the reporting and escheatment of unclaimed property, in connection with any fun loaded on the Products under the Program. Bank shall handle any inquiries from Cardholders or any other person regarding escheatment of such funds with respect to the Program.

(d) Bank or GDC shall be responsible for instructing Retailer with respect to Retailer's compliance obligations relating to Applicable Law that pertain to Retailer's participation in the Program.

9. GENERAL PROVISIONS

9.1. Assignment. Without limiting Retailer's rights under Section 5.3, no Party may assign this Agreement or any rights or obligations hereunder without the prior consent of the other Parties; provided, however, Retailer shall have the right to assign this Agreement or any rights or obligations hereunder to an Affiliate without the prior consent of GDC or Bank if such assignment is part of a corporate reorganization of Retailer. Any attempted assignment in violation of this Section 9.1 shall be void. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

9.2. Intellectual Property/Rights in Technology:

(a) Retailer and its Affiliates own exclusively all Retailer Technology and Retailer Created Technology. Green Dot and Bank own exclusively all Green Dot Technology and Green Dot Created Technology.

(b) Subject to the limited licenses granted in Section 9.2(c), each Party owns and will retain all right, title and interest in and to Intellectual Property owned, currently used or which may be developed or used by such Party in the future. Except to the extent expressly permitted in Section 9.2(c), no Party may distribute, sell, modify, reproduce, publish, display, perform, prepare derivative works, or otherwise use any of the Intellectual Property of any other Party without the express consent of such Party. Nothing in this Agreement constitutes a work for hire agreement, and nothing in this Agreement constitutes an agreement by a Party to assign or otherwise convey title to any to any Intellectual Property to any other Party.

(c) Retailer grants to Green Dot and Bank a limited non-exclusive, royalty-free, fully paid up, non- assignable, non-sublicensable, worldwide right and license to use the Retailer Technology and the Retailer Created Technology

in Object Code solely to the extent necessary to comply with Green Dot's and Bank's obligations under this Agreement. Green Dot and Bank grant to Retailer a limited non-exclusive, royalty-free, fully paid up, non assignable, non-sublicensable, worldwide right and license to use the Green Dot Technology and Green Dot Created Technology in Object Code to the extent necessary to comply with Retailer's obligations under this Agreement. The foregoing limited licenses will expire and terminate in their entirety upon the expiration or termination of this Agreement. No Party shall have any right to modify, reverse engineer, decompile or disassemble the technology licensed to it under this Section 9.2(c). Each Party agrees to keep the technology licensed to it hereunder confidential as Confidential Information in accordance with Section 7. The limited licenses granted under this Section 9.2(c) are AS IS and without any express or implied warranty of any kind. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EACH LICENSING PARTY DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTY OF TITLE, NON-INFRINGEMENT, AGAINST INTERFERENCE OF ENJOYMENT, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE.

(d) The Parties shall not be obligated to jointly develop any technology in connection with the Program. Subject to Retailer's rights under Section 2.7, if the Parties, in their sole discretion, determine to jointly develop technology, the Parties must enter into a written agreement confirming the scope of such joint development efforts and the respective rights of the Parties in any jointly developed technology including ownership of the Intellectual Property in any ideas, technology, designs, know-how or processes jointly developed.

9.3. Limitation of Liability: NOTWITHSTANDING ANY OTHER PROVISION IN THIS AGREEMENT, NO PARTY, OR THEIR RESPECTIVE AFFILIATES SHALL BE LIABLE TO ANY OTHER PARTY TO THIS AGREEMENT OR THEIR RESPECTIVE AFFILIATES, WHETHER IN CONTRACT, TORT, EQUITY OR OTHERWISE, FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES, INCLUDING LOST PROFITS (EVEN IF SUCH DAMAGES ARE FORESEEABLE, AND WHETHER OR NOT ANY PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), ARISING FROM OR RELATING TO THIS AGREEMENT, INCLUDING THE WRONGFUL DEATH OR INJURY OF ANY PERSON. NOTWITHSTANDING THE FOREGOING, THE LIMITATIONS CONTAINED IN THIS SECTION 9.3 DO NOT AND WILL NOT APPLY TO ANY DAMAGES THAT (I) ARE INDEMNIFIABLE UNDER SECTION 6; OR (II) ARISE OUT OF A BREACH BY BANK OR GDC OF THE RETAILER INFORMATION SECURITY ADDENDUM OR A "DATA INCIDENT" AS DEFINED IN THE RETAILER INFORMATION SECURITY ADDENDUM.

9.4. Notices. Any notices and other communications required or permitted under this Agreement shall be effective if in writing and delivered personally or sent by Federal Express or other generally recognized overnight carrier or by certified U.S. Mail, return receipt requested and with postage prepaid, addressed to the Parties at the addresses set forth below. Notwithstanding anything to the contrary in this Agreement, notices and other communications involving matters that would not materially change a Party’s risk, burdens, or rights or obligations under the Agreement, may be delivered by email.

GDC

Green Dot Corporation
3465 E. Foothill Blvd
Pasadena, CA 91107
Attention: Chief Executive Officer

With a copy to:
(which copy does not constitute notice)

Green Dot Corporation
3465 E. Foothill Blvd
Pasadena, CA 91107
Attention: General Counsel

Retailer

Walmart Inc.
702 S.W. 8th Street
Bentonville, AR 72716-0565
Attention: Senior Vice President, Walmart Services

With a copy to:
(which copy does not constitute notice)

Walmart Inc.
702 S.W. 8th Street
Bentonville, AR 72716-0185
Attention: Legal Department, Walmart Services

Bank

Green Dot Bank
1675 North Freedom Boulevard (200 West)
Provo, UT 84604 Attention: President

Unless otherwise specified herein, such notices or other communications shall be deemed effective (and to have been received) (a) on the date delivered, or the date delivery is refused, if delivered personally; (b) one Business Day after being sent, if sent by Federal Express or other generally recognized overnight carrier; or (c) three Business Days after being deposited in the U.S. Mail for delivery by certified mail, return receipt requested, with postage prepaid. Each of the Parties hereto shall be entitled to specify another address for receiving notices by giving notice thereof to the other Parties as set forth herein.

9.5. Termination of 2015 Agreement. This Agreement sets forth the entire agreement among the Parties hereto, and supersedes all prior agreements or understandings, either written or oral, among the Parties pertaining to the Program. Without limiting the foregoing, the Parties agree that the 2015 Agreement, including all prior amendments and supplements thereto, is and shall be terminated as of the Effective Date and of no further force or effect through the Effective Date with respect to the Program; provided, however, that any provisions that are expressly provided under the 2015 Agreement to survive the termination of the 2015 Agreement shall survive. Following the Effective Date, the terms and conditions hereof shall solely govern the Parties' relationship with respect to all MoneyCards previously sold pursuant to the 2015 Agreement and all POS Loads, POS Reloads and other Program transactions occurring upon the Effective Date relating to such MoneyCards. Each Party acknowledges and agrees that each and every provision of this Agreement, including the recitals and any "whereas" clause, is contractual in nature and binding on the Parties.

9.6. Joint and Several Obligations.

(a) Except with respect to Wal-Mart Puerto Rico, Inc., each obligation of a Retailer hereunder shall be a joint and several obligation of all Retailers and their respective successors and permitted assigns, and each Retailer is a primary obligor of all obligations of every Retailer and their respective successors and permitted assigns hereunder. In addition, except with respect to Wal-Mart Puerto Rico, Inc., any rights of Bank or GDC that relate to the acts or omissions of, or events affecting, Retailer, shall be applicable with respect to such acts or omissions of, or events affecting, any Retailer. For all purposes of this Agreement, notice given to or demand made upon any Retailer shall be deemed to be notice given to or demand made upon each Retailer. Each Retailer covenants for the benefit of Bank and GDC to enter into such agreements and to make such other arrangements as may be necessary to ensure that each Retailer receives copies of all such notices or demands from each other Retailer hereunder. Whenever this Agreement requires that payments be made to Retailer, Bank and GDC may make such payments directly to any Retailer, which Retailer shall receive such payment in trust for itself and the other Retailer entitled to all or any portion thereof. Bank and GDC shall have no obligation to ensure and no liability for the correct application of any payments made by it between the various Retailer parties hereto.

(b) Notwithstanding Section 9.6(a), Wal-Mart Puerto Rico, Inc. will be responsible only with respect to POS Reloads at Stores in the Commonwealth of Puerto Rico, and will not be responsible for the obligations, liability or acts, errors or omissions of any other Retailer.

(c) Each obligation of GDC or Bank under this Agreement is and will be a joint and several obligation of each of GDC and Bank.

9.7. Independent Contractors. Other than the limited agency set forth in Section 2.3, the Parties intend to remain independent parties, and nothing contained in this Agreement shall be deemed or construed to create the relationship of principal and agent or of partnership or joint venture.

9.8. Waiver and Remedies. Unless expressly set forth herein to the contrary, all remedies set forth herein are cumulative and are in addition to any and all remedies provided to any Party at law or in equity. No waiver, modification of, or amendment to this Agreement shall be valid unless set forth in writing and signed by each of the Parties hereto.

9.9. Governing Law and Venue. This Agreement and the rights and obligations of the Parties hereunder are and will be governed by, and construed and interpreted in accordance with, the laws of the State of Delaware, without regard to the conflict of laws provisions thereof. The state and federal courts located in New Castle County, Delaware will have exclusive jurisdiction with respect to any action or suit concerning or arising out of this Agreement or the Parties' business relationship. The Parties consent to jurisdiction in the state and federal courts located in New Castle County, Delaware, and waive any defenses based on venue, inconvenience of forum, or lack of personal jurisdiction there.

9.10. Mutual Drafting. The Parties hereto have participated jointly in the negotiation and drafting of this Agreement and, in the event of an ambiguity or question of intent or interpretation arises, this Agreement will be construed as jointly drafted by the Parties hereto and no presumption or burden of proof will arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

9.11. Severability. If any provision of this Agreement (or any portion thereof) is determined to be invalid or unenforceable, the remaining provisions of this Agreement shall remain in full force and effect and shall be binding on the Parties hereto and enforceable in accordance with their terms, as though the invalid or unenforceable provision (or portion thereof) was not contained in this Agreement.

9.12. Publicity/Press Releases: GDC or Bank Filings or Disclosures Required by Applicable Law.

(a) Except as required by Applicable Law, no disclosure concerning this Agreement or the transactions contemplated in this Agreement, including any press release or other communication, may be made, issued, published or otherwise disseminated without the mutual consent of the Parties regarding the content and timing of such disclosure, and, neither Retailer, GDC, Bank nor any of their respective Affiliates may make any disclosure or issue or cause the publication or other dissemination of any subsequent press release or other public announcement (to the extent not issued or made in accordance with this Agreement or otherwise mutually agreed upon) with respect to this Agreement, the Program or any transaction contemplated by this Agreement.

(b) To the extent GDC or Bank is required by Applicable Law, including any applicable securities law, to make any filing, disclosure or any other public statement concerning this Agreement, the Program or the transactions contemplated by this Agreement, before filing, issuing, publishing or otherwise disseminating any such filing, disclosure, release or making any public statement, GDC shall provide notice to Retailer and shall consult with Retailer in good faith with respect to the content and timing of such filing, disclosure, release or other public statement. Unless required by Applicable Law, no such filing, disclosure, release or public statement may include a copy of this Agreement or any other document(s) relating to the Program. If GDC or Bank is required by Applicable Law to file this Agreement or any other document(s) relating to the Program or this Agreement with or as an exhibit to any report, filing or disclosure with the SEC, GDC or Bank (as applicable) will apply for and seek, to the fullest extent permitted by Applicable Law (including 17 C.F.R. § 240.24b-2), confidential treatment for this Agreement or any other document(s) relating to the Program or this Agreement. If GDC or Bank is required by Applicable Law to file this Agreement or any other document(s) relating to the Program or this Agreement with or as an exhibit to any report, filing or disclosure with any other Governmental Authority, to the fullest extent permitted by Applicable Law, GDC or Bank (as applicable) shall take all reasonable efforts to obtain confidential treatment for this Agreement or any other document(s) relating to the Program or this Agreement.

9.13. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute one instrument.

[signature page follows]

IN WITNESS WHEREOF, the Parties hereto have executed this 2020 Amended and Restated Walmart MoneyCard Program Agreement which shall be effective as of the Effective Date.

WALMART INC.

WAL-MART STORES ARKANSAS, LLC

WAL-MART STORES EAST, LP

WAL-MART STORES TEXAS, LLC

WAL-MART LOUISIANA, LLC

WAL-MART PUERTO RICO, INC.

By: /s/ Daniel J. Eckert
Name: Daniel J. Eckert
Title: Senior Vice President

WALMART APOLLO, LLC

By: /s/ Gordon Allison
Name: Gordon Allison
Title: Vice President

Green Dot Corporation

By: /s/ Steven Streit
Name: Steven Streit
Title: Chief Executive Officer

Green Dot Bank

By: /s/ Erick Gerencher
Name: Erick Gerencher
Title: Chief Executive Officer

List of Omitted Schedules

Schedule	Name of Schedule	Description*
Schedule 2.3	Agency Appointment Terms	Terms governing appointment of Retailer as Green Dot and Bank's Agent; provisions required by various state laws.
Schedule 2.5(a)	Retailer Marks	List of Retailer logos and copyright names.
Schedule 2.12	Service Level Standards	Terms governing the Service Level standards between Green Dot and Retailer.
Exhibit 2.12(a)	Service Levels	Table describing Service Level targets.
Exhibit 2.12(b)	Super Service Levels	Table describing Service Level targets.
Exhibit 2.12(c)	Definitions	List of Service Level definitions.
Schedule 3.1	Cardholder Fees as of Effective Date	Breakdown of fees for Walmart MoneyCard Cash Back Cards purchased in-store or online.
Schedule 3.8	Transactions at Retailer Locations	Terms governing the authorization and settlement and chargeback processes for transactions at Retailer Locations when Direct Settlement Process is implemented.
Schedule 7.4	Data Sharing, POCS Data and License Addendum	Terms governing data sharing among Retailer, Green Dot and Bank.
Schedule 7.5	Servicing Data	Description of data requested by Retailer to operate the Retailer Dashboard.
Schedule 7.6	Retailer Information Security Addendum; Walmart Information Security Addendum	Terms governing the privacy and security of Walmart Confidential Information and Walmart Systems between Retailer, Green Dot and Bank.

*All capitalized terms are defined in the 2020 Amended and Restated Walmart MoneyCard Program Agreement.

Rev 100319

GREEN DOT CORPORATION

TRANSITIONAL ADVISORY AGREEMENT AND RELEASE OF CLAIMS

This Transitional Advisory Agreement and Release of Claims (this "***Agreement***") is entered into as of December 13, 2019, by and between Steven W. Streit ("***you***") and Green Dot Corporation (the "***Company***"), collectively referred to herein as the "***Parties***". Capitalized terms used herein, but not defined herein, shall have the meanings ascribed to them in the Employment Agreement by and between you and the Company dated September 16, 2016 (the "***Employment Agreement***").

RECITALS

WHEREAS, you have been employed by the Company as its President and Chief Executive Officer pursuant to the Employment Agreement, and you and the Company now wish to effect a Separation of your employment relationship;

WHEREAS, pursuant to the Employment Agreement, you and the Company agreed that upon your Separation due to termination of your employment by the Company without Cause or your resignation of employment with the Company for Good Reason (as such terms are defined in the Employment Agreement), as applicable, the Employment Agreement would terminate and you would continue service with the Company as an independent contractor for a period of time following your Separation;

WHEREAS, you and the Company wish to set forth in writing the terms of your service with the Company as an independent contractor, and the Company wishes to receive from you a general release of all claims against the Company;

WHEREAS, the Parties, and each of them, wish to resolve any and all disputes, claims, complaints, grievances, charges, actions, petitions and demands that you may have against the Company as defined herein, including, but not limited to, any and all claims arising or in any way related to your employment with, or separation from, the Company, and you and the Company desire to embody in this Agreement the terms, conditions and benefits to be provided in connection with your termination of employment with the Company;

NOW THEREFORE, in consideration of the promises made herein, the Parties hereby agree as follows:

AGREEMENT

A. Separation.

1. Separation Date. Your Separation is effective as of the close of business on December 16, 2019 (your "***Separation Date***"). You acknowledge and agree that effective as the Separation Date, you will cease to be employed in any capacity with the Company or any of its subsidiaries, and will also cease to serve as a member of the Board of Directors of the Company (the "***Board***"). The Company shall pay to you all amounts and benefits that have accrued or were earned but remain unpaid through your Separation Date in respect of salary, bonus and unreimbursed expenses, including accrued and unused vacation, on the Separation Date, regardless of whether you sign this Agreement.

2. Consideration for Release. Subject to your compliance with the terms and conditions of this Agreement, and provided you deliver to the Company this signed Agreement and satisfy all conditions to make the Release effective within sixty (60) days following your Separation (such sixty (60) day period, the "***Release Period***"), the Company shall provide you with the acceleration set forth under Section 7 of the Employment Agreement as compensation for the Release set forth herein.

B. Terms of Advisory Service.

Subject to your execution of this Agreement and the effectiveness of the Release set forth herein within the Release Period, your service with the Company during the Advisory Period shall be subject to the terms set forth below.

1. Advisory Period. You will serve as an independent contractor of the Company for the two (2) year period commencing immediately upon your Separation due to termination of your employment by the Company without Cause or your resignation of employment with the Company for Good Reason (such two (2) year period, the "***Advisory Period***").

2. Services. During the Advisory Period you shall hold the title of Chief Innovation Officer and provide consulting and advisory services, at a rate no greater than 10 hours per month to the Board or the named executive officers of the Company as reasonably requested and in such manner (including by telephone) and at such time and place as you and the Company may mutually agree (the "***Services***"). For the avoidance of doubt, you shall provide the Services as an independent contractor of the Company and nothing in this Agreement will be construed as creating a joint venture relationship or an employer/employee/agency relationship between you and the Company.

3. Advisory Period Compensation.

(a) **Fee.** During the Advisory Period you shall receive a monthly payment equal to $200,000.

(b) **COBRA Benefit.** Subject to your timely and proper election of coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***"), your then-effective group health benefits for you and your COBRA-eligible dependents shall be continued at Company's cost for all premiums under COBRA (the monthly cost of such premiums, the "***COBRA Premium***") for 18-months (the "***Non-Cash COBRA***"), provided that, if the Company determines that it cannot provide the Non-Cash COBRA without potentially violating applicable law or incurring additional expense under applicable law (including, without limitation, Section 2716 of the Public Health Service Act), the Company will provide you, in lieu thereof, taxable, continued installment payments equal to the COBRA Premium for 18-months (measured from the date of Separation), which payments will be made regardless of whether you elect COBRA continuation coverage (the "***Cash COBRA***"). Notwithstanding the foregoing, the number of months of Cash COBRA to be paid, in any case, shall be reduced by the number of months of Non-Cash COBRA previously paid by the Company.

Notwithstanding any provision to the contrary, payment of the amounts set forth in Sections 3(a) and 3(b) above shall (i) be subject to any applicable six (6) month delay that may be required under Section 409A and (ii) to the extent the Release Period (or the seventy (70) day period following your Separation, in the event such Separation is due to your resignation for Good Reason) spans two calendar years, always commence in the second calendar year, in which case the first payment shall include any amounts which would have otherwise been payable in the first calendar year.

Upon termination of your consulting services by the Company under this Agreement prior to the end of the Advisory Period for any reason, any then-unearned portion of the amounts provided under Sections 3(a) and 3(b) shall be paid to you in accordance with the schedule set forth herein.

You acknowledge and agree that your strict compliance with the terms of this Agreement, including Section 5 below, is a condition to your receipt of any consideration pursuant to the terms of this Agreement. You further acknowledge and agree that in the event of any breach of your obligations under this Agreement, the Company shall, in its sole and absolute discretion, be entitled to refrain from making any payment of amounts provided under Sections 3(a) and 3(b) which may be due but have not yet been paid, until such time as you have fully cured any such breach(es) to the satisfaction of the Company.

4. Indemnification and Insurance. The Company shall indemnify you with respect to activities in connection with your service hereunder under the indemnification and insurance provision of the Indemnity Agreement by and between you and the Company dated December 11, 2015, which continues in full force and effect. In addition, the Company will make commercially reasonable efforts to extend coverage under the director and officer liability insurance policy currently maintained, or as may be maintained from time to time, by the Company for your service to the Company (not in your capacity as a director or officer).

5. Advisory Period Covenants.

(a) **Non-Competition.** During the Advisory Period, without the written consent of the Company, you will not become employed by (as an officer, director, employee, consultant or otherwise), involved or engaged in, or otherwise commercially interested in or affiliated with (other than as a less than 5% equity owner of any corporation traded on any national, international or regional stock exchange or over-the-counter market) any person or entity that competes with the Company or an affiliate thereof (together, the "***Company Group***") in the business of providing pre-paid debit cards, cash reload processing services, tax refund processing services or checking account products.

(b) **Non-Solicitation of Clients and Customers.** During the Advisory Period, without the written consent of the Company, you will not solicit or attempt to solicit, for competitive purposes, the business of any of the clients or customers of any member of the Company Group, or otherwise induce such customers or clients or prospective customers or clients to reduce, terminate, restrict, or alter their business relationship with any member of the Company Group in any fashion.

(c) **Non-Solicitation of Employees.** During the Advisory Period and for a period of one (1) year thereafter, without the written consent of the Company, you will not induce or attempt to induce any employee of any member of the Company Group to leave the employment of the Company Group. Notwithstanding the foregoing, for purposes of this Agreement, the placement of general advertisements that may be targeted to a particular geographic or technical area but that are not specifically targeted toward employees of the Company or its successor assigns shall not be deemed to be a breach of this Section 5.

C. Release

In consideration of the payments and benefits provided and to be provided to you by the Company under this Agreement, and in connection with your Separation due to termination of your employment by the Company without Cause or your resignation of employment with the Company for Good Reason (as such terms are defined in the Employment Agreement), as applicable, by your signature below you agree to the following general release (the "***Release***").

1. On behalf of yourself, your heirs, executors, administrators, successors, and assigns, you hereby fully and forever generally release and discharge the Company, its current, former and future parents, subsidiaries, affiliated companies, related entities, employee benefit plans, and their fiduciaries, predecessors, successors, officers, directors, shareholders, agents, employees and assigns (collectively, for purposes of this Section C, the "***Company***") from any and all claims, causes of action, and liabilities up through the date of your execution of this Release. The claims subject to this Release include, but are not limited to, those relating to your employment with or other service to, the Company and/or any predecessor to the Company and the termination of such employment. All such claims (including related attorneys' fees and costs) are barred without regard to whether those claims are based on any alleged breach of a duty arising in statute, contract, or tort. This expressly includes waiver and release of any rights and claims arising under any and all laws, rules, regulations, and ordinances, including, but not limited to: Title VII of the Civil Rights Act of 1964; the Older Workers Benefit Protection Act; the Americans With Disabilities Act; the Age Discrimination in Employment Act; the Fair Labor Standards Act; the National Labor Relations Act; the Family and Medical Leave Act; the Employee Retirement Income Security Act of 1974, as amended ("***ERISA***"); the Workers Adjustment and Retraining Notification Act; the California Fair Employment and Housing Act (if applicable); the provisions of the California Labor Code (if applicable); California Wage and Hour laws, the California Constitution, California Fair Employment and Housing Act; Unruh Civil Rights Act; Moore-Brown-Roberti Family Rights Act; California Pregnancy Disability Leave Law; the California Constitution; California Arrest History Law; California Equal Pay Law; California Ban the Box Law; California Job Reference Disclosures Law; California Employee Personal Information Protection Act; California Occupational Safety and Health Act; California Family Rights Act California Wage Theft Prevention Act of 2011; California Healthy Workplace Healthy Family Act of 2014; California Anti-Retaliation law; California Paid Sick Pay Law and any applicable municipal paid sick leave law; the Equal Pay Act of 1963; and any similar law of any other state or governmental entity. You further expressly waive and relinquish any rights and benefits under Section 1542 of the Civil Code of the State of California or any similar state statute, and you do so understanding and acknowledging the significance and consequence of specifically waiving Section 1542. Section 1542 states: "A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the

time of executing the release and that if known by him or her, would have materially affected his or her settlement with the debtor or released party." Thus, notwithstanding the provisions of Section 1542, and to implement a full and complete release, you expressly acknowledge this Release is intended to include in its effect, without limitation, all claims you do not know or suspect to exist in your favor at the time of signing this Release, and that this Release contemplates the extinguishment of any such claims. This Release does not extend to, and has no effect upon, any benefits that have accrued, and to which you have become vested or otherwise entitled to, under any employee benefit plan, program or policy sponsored or maintained by the Company, or to your right to indemnification by the Company, and continued coverage by the Company's director's and officer's liability insurance policy, to any claim that arises after the date of this Agreement or to any right you may have to obtain contribution as permitted by law in the event of entry of judgment against you as a result of any act or failure to act for which the Company, or any of its subsidiaries or affiliates, and you are held jointly liable.

2. In understanding the terms of the Release and your rights, you have been advised to consult with an attorney of your choice prior to executing the Release. You understand that nothing in the Release shall prohibit you from exercising legal rights that are, as a matter of law, not subject to waiver such as: (a) your rights under applicable workers' compensation laws; (b) your right, if any, to seek unemployment benefits; (c) your right to indemnity under California Labor Code section 2802 or other applicable state-law right to indemnity; and (d) your right to file a charge or complaint with a government agency such as but not limited to the Equal Employment Opportunity Commission, the National Labor Relations Board, the Department of Labor, the California Department of Fair Employment and Housing, or other applicable state agency. Moreover, you will continue to be indemnified for your actions taken while employed by the Company to the same extent as other then-current or former directors and officers of the Company under the Company's Certificate of Incorporation and Bylaws and any director or officer indemnification agreement between you and the Company, if any, and you will continue to be covered by the Company's director's and officer's liability insurance policy as in effect from time to time to the same extent as other then-current or former directors and officers of the Company, each subject to the requirements of the laws of the State of California.

3. You understand and agree that the Company will not provide you with the payments and benefits under this Agreement (including those referenced herein and made under the Employment Agreement or the Severance Agreement, as applicable) unless you execute the Release. You also understand that you have received or will receive, regardless of the execution of the Release, all wages owed to you together with any accrued but unused vacation pay, less applicable withholdings and deductions, earned through your termination date. Notwithstanding anything to the contrary herein or in any other document, you also understand and agree that, as of the Separation Date, all of your equity-based compensation awards from the Company (other than any vested shares of Company stock already paid to you) will cease to be outstanding and be forfeited.

4. As part of your existing and continuing obligations to the Company, you have returned to the Company all Company documents (and all copies thereof) and other Company property that you have had in your possession at any time, including but not limited to the Company's files, notes, drawings, records, business plans and forecasts, financial information, specification, computer-recorded information, tangible property (including, but not limited to, computers, laptops, pagers, etc.), credit cards, entry cards, identification badges and keys; and any materials of any kind which contain or embody any proprietary or confidential information of the Company (and all reproductions thereof). You understand that, even if you did not sign the Release, you are still bound by any and all confidential/proprietary/trade secret information, non-disclosure and inventions assignment agreement(s) signed by you in connection with your employment with the Company, or with a predecessor or successor of the Company pursuant to the terms of such agreement(s).

5. You represent and warrant that you are the sole owner of all claims relating to your employment with the Company and/or with any predecessor of the Company, and that you have not assigned or transferred any claims relating to your employment to any other person or entity.

6. You agree to keep the payments and benefits provided hereunder and the provisions of this Release confidential and not to reveal its contents to anyone except your lawyer, your spouse or other immediate family member, and/or your financial consultant, or as required by legal process or applicable law.

7. You understand and agree that the Release shall not be construed at any time as an admission of liability or wrongdoing by either the Company or yourself.

8. You agree that you will not make any negative or disparaging statements or comments, either as fact or as opinion, about the Company, its employees, officers, directors, shareholders, vendors, products or services, business, technologies, market position or performance. The Company (including its subsidiaries and affiliates) will not make, and agrees to use its best efforts to cause the officers, directors, employees and spokespersons of the Company to refrain from making, any negative or disparaging statements or comments, either as fact or as opinion, about you (or authorizing any statements or comments to be reported as being attributed to the Company). Nothing in this paragraph shall prohibit you or the Company from providing truthful information in response to a subpoena or other legal process. In addition, nothing in the Release shall apply to any legally protected whistleblower rights (including under Rule 21F under the Securities Exchange Act of 1934).

9. You agree that you have had at least twenty-one (21) calendar days in which to consider whether to execute the Release, no one hurried you into executing the Release during that period, and no one coerced you into executing the Release. You understand that the offer of the payments and benefits hereunder and the Release shall expire on the twenty-second (22nd) calendar day after your employment termination date if you have not accepted it by that time. You further understand that the Company's obligations under the Release shall not become effective or enforceable until the eighth (8th) calendar day after the date you sign the Release provided that you have timely delivered it to Company (the "***Effective Date***") and that in the seven (7) day period following the date you deliver a signed copy of the Release to Company you understand that you may revoke your acceptance of the Release. You understand that the payments and benefits under this Agreement (including those referenced herein and made under the Employment Agreement or the Severance Agreement, as applicable) will become available to you at such time after the Effective Date as is required under this Agreement (and made under the Employment Agreement or the Severance Agreement, as applicable).

10. In executing the Release, you acknowledge that you have not relied upon any statement made by the Company, or any of its representatives or employees, with regard to the Release unless the representation is specifically included herein. Furthermore, the Release contains our entire understanding regarding eligibility for payments and benefits and supersedes any or all prior representation and agreement regarding the subject matter of the Release. However, the Release does not modify, amend or supersede written Company agreements that are consistent with enforceable provisions of this Release such as your proprietary information and invention assignment agreement, and any stock, stock option and/or stock purchase agreements between the Company and you. Once effective and enforceable, this agreement can only be changed by another written agreement signed by you and an authorized representative of the Company.

D. General Terms

1. **Section 280G; Parachute Payments.** In the event that the severance and other benefits provided for in this Agreement or otherwise payable or provided to you constitute "parachute payments" within the meaning of Section 280G of the Code, then:

(a) **Determination.** For purposes of the immediately following paragraph related to Section 280G of the Code, unless the Company and you otherwise agree in writing, the determination of your excise tax liability and the amount required to be paid shall be made in writing by an accountant chosen by the Company, which shall be from one of the six largest national accounting firms (an "***Accountant***"). For purposes of its calculations, the Accountant may make reasonable assumptions and approximations concerning applicable taxes and may rely on interpretations of the Code for which there is a "substantial authority" tax reporting position. The Company and you shall furnish to the Accountant such information and documents as the Accountant may reasonably request in order to make its determinations. The Company shall bear all costs the Accountant may reasonably incur in connection with any calculations contemplated hereunder. The Accountants shall provide their calculations, together with detailed supporting documentation, to the Company and you within thirty (30) calendar days after the date on which the Accountants have been engaged to make such determinations or such other time as requested by the Company or you. Any good faith determinations of the Accountants made hereunder shall be final, binding and conclusive upon the Company and you.

(b) **Company's Securities Tradable; Best Results Reduction.** In the event the Company's securities are Tradable, if any parachute payments will be subject to the excise taxes under Section 4999 of the Code, then the parachute payments will be payable to you either in full or in such lesser amounts as would result, after taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, on your receipt on an after-tax basis of the greatest amount of payments and other benefits, by reducing payments in the following order: first a pro rata reduction of (i) cash payments subject to Section 409A of the Code as deferred compensation and (ii) cash payments not subject to Section 409A of the Code, and second a pro rata cancellation of (i) equity award compensation subject to Section 409A of the Code as deferred compensation and (ii) equity award compensation not subject to Section 409A of the Code (the "***Best Results Reduction***"). In the event that acceleration of vesting of equity award compensation is to be reduced, such acceleration of vesting shall be cancelled in the reverse order of the date of grant. "***Tradable***" means "readily tradable on an established securities market or otherwise," as described in Section 1.280G-1, Q/A-6 of the Treasury Regulations under Section 280G of the Code.

2. Section 409A. To the extent (a) any payments to which you become entitled under this Agreement, or any agreement or plan referenced herein, in connection with your termination of employment with the Company constitute deferred compensation subject to Section 409A of the Code and (b) you are deemed at the time of such termination of employment to be a "specified" employee under Section 409A of the Code, then such payment or payments will not be made or commence until the earlier of (i) the expiration of the six (6)-month period measured from the date of your Separation and (ii) the date of your death following such separation from service; provided, however, that such deferral will be effected only to the extent required to avoid adverse tax treatment to you, including (without limitation) the additional twenty percent (20%) tax for which you would otherwise be liable under Section 409A(a)(1)(B) of the Code in the absence of such deferral. Upon the expiration of the applicable deferral period, any payments which would have otherwise been made during that period (whether in a single sum or in installments) in the absence of this paragraph will be paid to you or your beneficiary in one lump sum (without interest).

To the extent that any provision of this Agreement is ambiguous as to its exemption or compliance with Section 409A, the provision will be read in such a manner so that all payments hereunder are exempt from Section 409A to the maximum permissible extent, and for any payments where such construction is not tenable, that those payments comply with Section 409A to the maximum permissible extent. To the extent any payment under this Employment Agreement may be classified as a "short-term deferral" within the meaning of Section 409A, such payment will be deemed a short-term deferral, even if it may also qualify for an exemption from Section 409A under another provision of Section 409A.

Payments pursuant to this Agreement (or referenced in this Agreement) are intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the regulations under Section 409A.

Notwithstanding the foregoing, in the event the Company determines that any compensation or benefits payable under this Agreement may be subject to Section 409A, the Company will work in good faith with you to adopt such amendments to this Agreement, or to adopt such policies and procedures or take such other actions that the Company determines are necessary or appropriate, to avoid the imposition of taxes under Section 409A.

3. Confidential Information and Other Company Policies. You will be bound by and comply fully with the Company's standard confidentiality agreement (a form of which was been provided to you), insider trading policy, code of conduct, and any other policies and programs adopted by the Company regulating the behavior of its service providers, as such policies and programs may be amended from time to time.

4. Business Expense Reimbursement. You will be reimbursed, in accordance with the Company's expense reimbursement policy, for all business expenses reasonably and necessarily incurred by you in connection with your provision of the Services to the Company.

5. Employee Inventions and Confidentiality Agreement. You acknowledge and agreement that you continue to be bound by the Employee Inventions and Confidentiality Agreement (the "***Employee Inventions and Confidentiality Agreement***") previously entered into by and between you and the Company as a condition of your service.

6. Withholding. Sums payable to you hereunder shall be paid without deduction and withholding, and you shall be solely responsible for remittance of any and all taxes due as a self-employed person.

7. Severability. If any term, covenant, condition or provision of this Agreement or the application thereof to any person or circumstance shall, at any time, or to any extent, be determined invalid or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and shall be deemed valid and fully enforceable to the extent permitted by law.

8. Successors; Assignment. The rights and obligations of the Company under this Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Company. Your rights and obligations hereunder are non-assignable. The Company may assign its rights and obligations to any entity in which the Company or an entity affiliated with the Company, has a majority ownership interest.

9. Notices. Notices and all other communications contemplated by this Agreement shall be in writing and shall be deemed to have been duly given when personally delivered or when mailed by U.S. registered or certified mail, return receipt requested and postage prepaid. Notices or other communication directed to you shall be addressed to your home address most recently communicated to the Company in writing. Notices or other communication directed to the Company shall be addressed to the Company's corporate headquarters and directed to the attention of the Board.

10. Entire Agreement. This Agreement, including the Employee Inventions and Confidentiality Agreement, sets forth the terms of your service with the Company and supersedes any prior representations or agreements, whether written or oral, including, but not limited to, the Employment Agreement. This Agreement may not be modified or amended except by a written agreement signed by you and an authorized officer of the Company.

11. Arbitration and Class Action Waiver. You and the Company agree to submit to mandatory binding arbitration any and all claims arising out of or related to your service with the Company and the termination thereof, including, but not limited to, claims for unpaid wages, wrongful termination, torts, stock or stock options or other ownership interest in the Company, and/or discrimination (including harassment) based upon any federal, state or local ordinance, statute, regulation or constitutional provision, except that each party may, at its, his or her option, seek injunctive relief in court related to the improper use, disclosure or misappropriation of a party's private, proprietary, confidential or trade secret information (collectively, "***Arbitrable Claims***"). Further, to the fullest extent permitted by law, you and the Company agree that no class or collective actions can be asserted in arbitration or otherwise. All claims, whether in arbitration or otherwise, must be brought solely in your or the Company's individual capacity, and not as a plaintiff or class member in any purported class or collective proceeding. Nothing in this Arbitration and Class Action Waiver section, however, restricts your right, if any, to file in court a representative action under California Labor Code Sections 2698, et seq.

SUBJECT TO THE ABOVE PROVISO, THE PARTIES HEREBY WAIVE ANY RIGHTS THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS. THE PARTIES FURTHER WAIVE ANY RIGHTS THEY MAY HAVE TO PURSUE OR PARTICIPATE IN A CLASS OR COLLECTIVE ACTION PERTAINING TO ANY ARBITRABLE CLAIMS BETWEEN YOU AND THE COMPANY.

This Agreement does not restrict your right to file administrative claims you may bring before any government agency where, as a matter of law, the parties may not restrict your ability to file such claims (including, but not limited to, the National Labor Relations Board, the Equal Employment Opportunity Commission and the Department of Labor). However, the parties agree that, to the fullest extent permitted by law, arbitration shall be the exclusive remedy for the subject matter of such administrative claims. The arbitration shall be conducted in Los Angeles County, California through JAMS before a single neutral arbitrator, in accordance with the JAMS employment arbitration rules then in effect. The JAMS rules may be found and reviewed at http://www.jamsadr.com/rules-employment-arbitration. If you are unable to access these rules, please let the Company know and the Company will provide you with a hardcopy. The arbitrator shall issue a written decision that contains the essential findings and conclusions on which the decision is based. In the event of arbitration relating to this Agreement or your service with the Company, each of you and the Company will bear its own costs, including, without limitation, attorneys' fees.

12. **Choice of Law.** This Agreement is made and entered into in the State of California, and shall in all respects be interpreted, enforced and governed by and under the laws of the State of California (but not including any choice of law rule thereof that would cause the laws of another jurisdiction to apply).

13. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the respective dates set forth below.

Green Dot Corporation

Dated: 12/13/2019 By: /s/ William I Jacobs

Chairman of the Board of Directors

Steven W. Streit, an individual

Dated: 12/13/2019 /s/ Steven W. Streit

Steven W. Streit

AMENDMENT TO TRANSITIONAL ADVISORY AGREEMENT AND RELEASE OF CLAIMS

This Amendment to the Transitional Advisory Agreement and Release of Claims (the "***Amendment***") is entered into by and between Steven W. Streit and Green Dot Corporation (the "***Company***") (collectively the "***Parties***") and amends the Transitional Advisory Agreement and Release of Claims between the Parties dated December 13, 2019 (the "***Original Agreement***").

WHEREAS, pursuant to its terms, the Original Agreement provides that Mr. Streit's employment would be terminated effective as of the close of business on December 16, 2019; and

WHEREAS, the Parties agreed to modify the Original Agreement solely to extend Mr. Streit's employment until the close of business on December 31, 2019 and provide that the seven-day revocation period shall commence following Mr. Streit's execution of this Amendment.

NOW THEREFORE, in consideration of the promises made herein, the Parties hereby agree as follows:

1. **Amendment to "Separation Date" in the Original Agreement.** All references to the "Separation Date" in the Original Agreement shall be amended to be defined as December 31, 2019, and Mr. Streit's Separation (as defined in the Original Agreement) shall be effective as of the close of business on December 31, 2019.

2. **Amendment to "Effective Date" of Release in the Original Agreement.** All references to the "Effective Date" of the Release (as defined in the Original Agreement) in the Original Agreement shall be amended to be defined as the eighth (8th) calendar day following the date that Mr. Streit executes this Amendment.

3. **No Other Changes**. Except as provided in this Amendment, all the terms and conditions of the Original Agreement will remain in full force and effect. Except as set forth herein, nothing contained in this Amendment shall in any way prejudice, impair or affect any rights or remedies of the Parties under the Original Agreement.

4. **Miscellaneous**.

(a) This Amendment is hereby incorporated into and made part of the Original Agreement, and is subject to all of the terms and conditions set forth in the Original Agreement; provided, however, that in the event of any conflict between the terms and conditions set forth in this Amendment and the terms and conditions of the Original Agreement, the terms and conditions set forth in this Amendment shall control.

(b) This Amendment and the Original Agreement together represent the entire agreement and understanding of the Parties relating to the subject matter herein and supersede all prior or contemporaneous discussions, understandings, representations, negotiations and agreements between the Parties relating to such subject matter.

(c) This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the respective dates set forth below.

Green Dot Corporation

Dated: 12/16/2019 By: /s/ William I Jacobs

Chairman of the Board of Directors

Steven W. Streit, an individual

Dated: 12/16/2019 /s/ Steven W. Streit

Steven W. Streit

Exhibit 21.1

Subsidiaries Of Green Dot Corporation

Subsidiary	State or Other Jurisdiction of Formation
AccountNow, LLC	Delaware
AccountNow Services, Inc.	Delaware
Ready Financial Group, Inc.	Idaho
nFinanSe Payments Inc.	Nevada
Achieve Financial Services, LLC	Delaware
Green Dot Bank	Utah
Green Dot (Shanghai) Software Technology Co., Ltd.	People's Republic of China
Insight Card Services, LLC	Alabama
SBBT Holdings, LLC	Delaware
Santa Barbara Tax Products Group, LLC	Delaware
SD Financial Services, LLC	Delaware
UniRush, LLC	Delaware

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-3 No. 333-200905) of Green Dot Corporation

(2) Registration Statement (Form S-8 No. 333-168283, No. 333-181326, No. 333-188495, No. 333-196972, and No. 333-220185) pertaining to various equity award plans of Green Dot Corporation

of our reports dated February 28, 2020, with respect to the consolidated financial statements of Green Dot Corporation, and the effectiveness of internal control over financial reporting of Green Dot Corporation, included in this Annual Report (Form 10-K) of Green Dot Corporation for the year ended December 31, 2019.

/s/ Ernst & Young LLP

Los Angeles, California

February 28, 2020

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO EXCHANGE ACT RULE 13A-14(A)/15D-14(A)
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, William I Jacobs, certify that:

1. I have reviewed this Annual Report on Form 10-K of Green Dot Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2020

By: /s/ William I Jacobs

Name: William I Jacobs
Chairman and Interim Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO EXCHANGE ACT RULE 13A-14(A)/15D-14(A)
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jess Unruh, certify that:

1. I have reviewed this Annual Report on Form 10-K of Green Dot Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2020

By: /s/ Jess Unruh

Name: Jess Unruh

Interim Chief Financial Officer and Chief Accounting Officer

Exhibit 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, William I Jacobs, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- the Annual Report on Form 10-K of Green Dot Corporation for the year ended December 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Green Dot Corporation.

Date: February 28, 2020

By: /s/ William I Jacobs

Name: William I Jacobs
Chairman and Interim Chief Executive Officer

Exhibit 32.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Jess Unruh, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- the Annual Report on Form 10-K of Green Dot Corporation for the year ended December 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Green Dot Corporation.

Date: February 28, 2020

By: /s/ Jess Unruh

Name: Jess Unruh

Interim Chief Financial Officer and Chief Accounting Officer