

VARO® BANK, N.A.
SAVINGS ACCOUNT AGREEMENT AND DISCLOSURES

EFFECTIVE OCTOBER 1, 2020

PLEASE READ THIS DOCUMENT CAREFULLY AND KEEP A COPY OF IT IN A SAFE PLACE

SAVINGS ACCOUNT AGREEMENT AND DISCLOSURES

A. The Agreement

This document contains the Savings Account Agreement (the "Savings Agreement") for the optional savings account ("Varo Savings Account") made available to eligible consumers by Varo Bank, N.A., member of the Federal Deposit Insurance Corporation ("FDIC") ("Varo", the "Bank", or "Issuer"). "We," "our," and "us" refer to the Bank, our successors, affiliates, or assignees. "You" and "your" refer to the owner of the Savings Account.

The Varo Savings Account is the interest-bearing savings account available from Varo.

You may open a Varo Savings Account during the application process, or later through the Varo Mobile Application (the "Mobile App") or the Varo Web Application (the "Web App"). The Varo Savings Account is not designed for business use, and we may close the Varo Savings Account if we determine it is being used for business purposes. We may refuse to process any transaction(s) we believe may violate any of the terms of the Savings Agreement.

Business Days

Our business days are Monday through Friday, excluding federal holidays, even if we are open. Any references to "days" found in the Savings Agreement are calendar days (Monday through Sundays) unless indicated otherwise.

B. Savings Account Basics

1. Who is eligible for a Varo Savings Account

The Varo Savings Account is available to persons residing (with a physical address) in the fifty (50) United States, and the District of Columbia ("U.S."), who are at least 18 years of age with a

valid Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN). You must not be subject to backup withholding.

You must agree to accept electronic, rather than paper statements. This means (i) you must keep us supplied with your valid email address and (ii) you must agree to accept electronic delivery of all account communications (like end-of-year tax forms and electronic statements).

To open a Varo Savings Account, your Varo Bank Account must be open and active.

We may use information from third parties to help us determine if we should open the Varo Savings Account.

2. Savings Account Titling and Ownership

The Varo Savings Account may only be owned and titled in the name of one (1) person, who solely retains the right to deposit, transfer, or withdraw funds. The Varo Savings Account cannot be owned or titled jointly, by an organization, as "Payable on Death" (referred to as "POD"), "In Trust For" (referred to as "ITF"), or under "Power of Attorney"

3. Death or Incapacitation

Your appointed party, designee, or appointed individual agrees to notify us promptly if you die or become legally incapacitated. We will continue to accept deposits and process transactions into and from the Varo Savings Account until we are: (a) notified of your death or adjudication of incompetency and (b) have a reasonable opportunity to act. You agree that, even when we have knowledge of your death we may accept deposits and make loan payments unless instructed to stop by someone evidencing an executor role over your estate. We may require additional documentation to confirm any claims made on the Varo Savings Account.

4. Our Relationship With You

This Savings Agreement and the deposit relationship do not create a fiduciary relationship.

5. Privacy Policy

You can read our privacy policy and notices at: <https://www.varomoney.com/policies/>. The Privacy Policy is considered part of this Savings Agreement.

C. General Rules Governing Savings Accounts

The Varo Savings Account and your obligations under this Savings Agreement may not be assigned. We may transfer our rights under this Savings Agreement. Use of the Varo Savings

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

1. Deposits to the Savings Account

You can make deposits to your Varo Bank account by any of the methods below:

- a. Deposits to the Varo Savings Account may be made by initiating one-time transfers from your Varo Bank Account by using the Mobile App or Web App (such transfers are referred to as "Online Transfers"), by ACH credits initiated from the Varo Mobile or Web app, or by direct deposits or ACH credits initiated from an outside financial institution.
- a. By choosing to activate the optional Automatic Savings feature you will be authorizing Varo to round up qualifying transactions you make using the Varo Bank Account to the nearest whole U.S. dollar and then initiating deposits of those amounts to your Varo Savings Account on your behalf. As described in the Automatic Savings Agreement, these deposits, referred to as "Save Your Change Transfers," will range between \$0.01 and \$0.99 each and will be deducted from your Varo Bank Account balance. The Automatic Savings feature is described in detail below in Section E.

If your Varo Savings Account is cancelled, closed, or terminated for any reason, any direct deposits or ACH credits received after the Varo Savings Account closure date will be rejected and returned to the originator.

See Section D, paragraph 2: "Transaction Limitations" for additional information about deposits.

2. Withdrawals from your Savings Account

Withdrawals from the Varo Savings Account may be made by transferring funds to your Varo Bank Account using the Mobile App or Web App (such transfers are referred to as "Online Transfers"), by initiating an ACH transfer out from the Varo Mobile or Web app, by initiating an ACH debit from the outside financial institution, or via an ATM withdrawal.

3. Our Right to Set Off

If your Varo Savings Account balance remains negative for fifteen (15) days, we can use the funds in any of your accounts with us to repay the negative balance of the Varo Savings Account.

This means we have the right to set-off any liability, direct or contingent, past, present or future that you owe against any account you have with us. Further, you grant us a lien on and security interest in the funds on deposit in each of your account(s) as security for all of your liabilities and obligations to us, now or in the future.

4. Our Right to Place a Hold on Funds Under Special Circumstances

If Varo Bank detects activity which is believed to be suspicious, unauthorized or unlawful, Varo Bank can restrict access to your Savings account, and any other account(s). Varo Bank may require you and other parties to the activity to produce documents and/or other materials to support a review of the activity. Funds on deposit in any account with us may be held at our discretion until the source of such funds and/or the activity is properly verified.

5. Legal Processes Affecting Savings Accounts

If legal action such as a garnishment, levy or other state or federal legal process ("Legal Process") is brought against the Varo Savings Account, we may refuse to permit (or may limit) transfers from the Varo Savings Account until the Legal Process is satisfied or dismissed. Regardless of the terms of such garnishment, levy, or other state or federal process, we have first claim to any and all funds in your Varo Savings Account. We will not contest on your behalf any such Legal Process and may take action to comply with such Legal Process as we determine to be appropriate in the circumstances without liability to you, even if any funds we may be required to pay out leaves insufficient funds for a transfer you have authorized. Payment is made after satisfying any fees, charges or other debts owed to us. You agree that you are responsible for any expenses, including legal expenses and fees we incur due to any Legal Process affecting your Varo Savings Account. We may charge these expenses to your Varo Savings Account or any account that you have with us. You will indemnify us for any losses if we do this.

6. Account Inactivity

A Varo Savings Account with a zero balance or no customer-initiated activity for nine continuous (9) months is considered inactive and is subject to closure at the Bank's discretion.

Customer-initiated activity includes any one-time transfers you make to or from the Varo Savings Account using the Varo Mobile App or Web App ("Online Transfers"), Automated Clearing House ("ACH") transfers initiated from an outside financial institution, logging into the Mobile App or Web App, or service calls. For additional details about closing the Varo Savings Account, see Section D, paragraph 6, titled "Amendment and Cancellation".

7. Statements

Electronic statements are available to view and download in the Mobile App or Web App. Varo Savings Account statements are considered correct. Carefully review your statement each statement cycle and notify us of any errors within sixty (60) days of your statement becoming available. You also have a right to obtain a sixty (60) day history of your Varo Savings Account transactions by calling 1-877-377-8276. You will not automatically receive paper statements.

8. Backup Withholding

Federal law requires us to have a correct Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN) for every account, and the Internal Revenue Service (IRS) requires you to certify to us whether you are subject to backup withholding. If you are subject to backup withholding, you do not furnish us with the correct SSN or ITIN, you do not properly certify that you are not subject to backup withholding, or if the IRS notifies us that we do not have a correct SSN or ITIN for your account, we may refuse to open, or close the account. Amounts withheld are reported to the IRS as federal income tax withheld, and will be reflected on your year-end 1099-INT Interest Income Statement.

D. TRUTH IN SAVINGS DISCLOSURES

1. Opening Deposit and Balance Requirements

There is no minimum deposit requirement to open a Varo Savings Account. While there are no minimum or maximum balance requirements to open the account, a Varo Savings Account with a zero balance for nine (9) continuous months will be subject to closure. See Section D, paragraph 6, titled "Amendment and Cancellation" for additional details.

2. Transaction Limitations

You can make deposits to the Varo Savings Account by any of the methods below. These are the itemized deposit limits, which may be modified from time to time:

Transaction Type	Frequency and/or Dollar Limits
Automatic Savings transfers from Varo Bank Account to the Varo Savings Account	No limit to the number of times per calendar day.

Online Transfer from Varo Bank Account to the Varo Savings Account	No limit to the number of times per calendar day and no maximum dollar limit, as long as under available balance in the Varo Bank Account.
Direct deposit by ACH transfer initiated from an outside financial institution*	No limit to the number of times per calendar day and no maximum dollar limit.
ACH transfers to the Varo Bank Account using the Mobile App	Limits will be disclosed to you when you access the ACH Transfer feature using the Mobile App. Varo may change such limits at any time at our sole discretion. Limits may be changed based on the length of time the Varo Bank Account has been open and prior account activity.
Mobile check deposit	Eligible customers (as determined by the Bank in its sole discretion) can make deposits to the Varo Savings Account remotely by using the Mobile App to take a legible picture of the front and back of the negotiable check(s) and transmitting images of such instruments to us in compliance with our requirements. Please see Varo Bank Account agreement, section III 'MOBILE CHECK DEPOSIT' for full information on this feature.
*Direct deposits from an outside financial institution: The recipient's name on any such deposits must match the name of the Varo account holder. Any such deposits received in a name other than the name registered to the Varo Savings Account will be returned to the originator.	

Withdrawals from the Varo Savings Account may be made by making an Online Transfer from the Varo Savings Account to your Varo Bank Account. Withdrawals can also be made to an outside financial institution, by initiating a transfer from the Varo Mobile or Web app, or by initiating an ACH transaction from the outside financial institution. You may also withdraw cash from your Varo Savings Account at an ATM. The limit on ATM withdrawals is \$750.00 per calendar day across your Varo Bank Account and Varo Savings Account.

3. Rate Information

The Varo Savings Account has a single rate. Varo can change the rate of the Varo Savings account at any time.

The current Interest Rate and Annual Percentage Yield appear below.

The current Interest Rates and Annual Percentage Yields may change at our discretion. Interest begins to accrue no later than the business day after the deposit is applied to the Varo Savings Account. Interest will be compounded daily and credited monthly.

Interest rate	0.81%
APY	0.81%

4. Balance Information

We use the daily balance method to calculate the interest on your Varo Savings Account. This method applies a daily periodic rate to the principal and to the interest that has been accrued to the account each day.

The daily periodic rate is calculated by dividing the interest rate by three hundred sixty-five (365) days, or three hundred sixty-six (366) in leap years. There are no minimum balance requirements to open a Varo Savings Account and there are no fees for the Varo Savings Account. Your daily balance is determined as of 2:30 AM Eastern Time following each business day.

If you perform an Online Transfer into your Varo Savings Account from your Varo Bank Account on a non-business day, or apply funds to your Varo Savings Account using any other instant method, your deposit will not be recognized for interest until the next business day.

Similarly, if you perform an Online Transfer out of your Varo Savings Account to your Varo Bank Account on a non-business day, or withdraw funds from your Varo Savings account using any other instant method, your withdrawal will not impact your interest earnings until the next business day.

In some months, the end of the month falls on a non-business day. In this situation, any Online Transfers made after the final business day of the month will not be recognized for interest until the first business day of the following month, and will be reflected in the following month's interest payment.

5. Funds Availability

All online transfers are completed electronically. You will have immediate availability to your funds once they are transferred from the Varo Savings Account to your Varo Bank Account.

Please see Section D, paragraph 4, titled "Balance Information" for more information on how online transfers impact your interest calculation

6. Amendment and Cancellation

We may amend or change the terms and conditions of this Savings Agreement at any time by posting the amended Savings Agreement on: <https://www.varomoney.com/policies/>, and any such amendment shall be effective upon such posting to that website. The current Agreement is available at: <https://www.varomoney.com/policies/>. You will be notified of any change in the manner provided by applicable law prior to the effective date of the change. However, if the change is made for security purposes, we can implement such change without prior notice. We may cancel or suspend your Varo Savings Account or the Savings Agreement at any time and for any reason, at our sole discretion. You may cancel the Savings Agreement by calling 1-877-377-8276, or emailing support@varomoney.com from the email account that serves as your Varo username to close your Varo Savings Account. You may withdraw consent to receive communications in electronic form by contacting us at 1-877-377-8276. If you withdraw consent, the Savings Account will be closed in accordance with the terms of this Savings Account Agreement. Your termination of the Savings Agreement will not affect any of our rights or your obligations arising under the Savings Agreement prior to termination.

If your Varo Savings Account is cancelled, closed or terminated for any reason, any remaining balance will be transferred to your Varo Bank Account.

Note: If your Varo Savings Account is cancelled, closed, or terminated for any reason, any direct deposits or ACH transfers received after the Varo Savings Account closure date will be rejected and returned to the originator.

Important: If your Varo Bank Account is closed for any reason, the Varo Savings Account will also be closed. Upon closure, any remaining funds in the Varo Savings Account, including any interest payments due to you, will be aggregated with the remaining funds in your Varo Bank Account. The aggregated funds will then be made available for refund in accordance with the terms of the Varo Bank Account Agreement Section C, paragraph 10, titled "Amendment and Cancellation" where we describe the process of closing the Varo Bank Account and refunding the account balance.

7. Our Liability for Failure to Complete Transactions

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

- a. If through no fault of ours, you do not have enough funds available in your Varo Savings Account to complete the transfer;

- b. If access to your Varo Savings Account or Varo Bank Account has been blocked after you reported your Card, Varo Bank Account number, or Varo Savings Account number lost or stolen;
- c. If there is a hold or your funds are subject to legal or administrative process or other encumbrance restricting their use;
- d. If we have reason to believe the requested transaction is unauthorized;
- e. If circumstances beyond our control (such as fire, flood, or computer communication failure) prevent the completion of the transaction, despite reasonable precautions that we have taken; or
- f. Any other exception stated in this Savings Agreement with you.

8. Confidentiality

We may disclose information to third parties about your Varo Savings Account or the transactions you make:

- a. Where it is necessary for completing transactions;
- b. In order to verify the existence and condition of your Varo Savings Account for a third party;
- c. In order to comply with government agency, court order, or other legal or administrative reporting requirements;
- d. If you consent by giving us your written permission;
- e. To our employees, auditors, affiliates, service providers, or attorneys as needed; or
- f. Otherwise as necessary to fulfill our obligations under this Savings Agreement.

9. Information About Your Right to Dispute Errors

If you believe your Varo Savings Account number has been lost, stolen, or compromised in any way, or someone has transferred or may transfer money from your Varo Savings Account without your permission, contact us immediately by calling 1-877-377-8276, or emailing support@varomoney.com. While the nature and frequency of transactions into and out of your Varo Savings Account are described in this Agreement, please see Section II, "ELECTRONIC FUNDS TRANSFER DISCLOSURE AND SPECIAL TERMS AND CONDITIONS" of the Varo Bank Account Agreement where your liability for unauthorized transfers from the Varo Bank Account is explained.

10. Customer Service

If you need help with your account, please call us at 1-877-377-8276 or email support@varomoney.com.

Customer Service agents are available to answer your calls:

- Monday through Friday, 8 AM to 9 PM Eastern Time (excluding Federal holidays)
- Saturday and Sunday, 11 AM to 7 PM Eastern Time.

A list of holidays observed by the Federal Reserve can be found at www.frbervices.org.

11. Telephone Monitoring/Recording

We may monitor and/or record telephone calls between you and us to assure the quality of our customer service team, or as required by applicable law.

12. Arbitration

Any claim, dispute, or controversy ("Claim") arising out of or relating in any way to: i) this Savings Agreement; ii) the Savings Account; iii) your establishment of the Savings Account; iv) your use of the Savings Account; v) the amount of available funds in the Savings Account; vi) advertisements, promotions or oral or written statements related to the Savings Account; vii) the benefits and services related to the Savings Account; or viii) transactions made using the Savings Account, no matter how described, pleaded or styled, shall be FINALLY and EXCLUSIVELY resolved by binding individual arbitration conducted by the American Arbitration Association ("AAA") under its Consumer Arbitration Rules. This arbitration agreement is made pursuant to a transaction involving interstate commerce, and shall be governed by the Federal Arbitration Act (9 U.S.C. 1-16).

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

ARBITRATION OF YOUR CLAIM IS MANDATORY AND BINDING. NEITHER PARTY WILL HAVE THE RIGHT TO LITIGATE THAT CLAIM THROUGH A COURT. IN ARBITRATION, NEITHER PARTY WILL HAVE THE RIGHT TO A JURY TRIAL OR TO ENGAGE IN DISCOVERY, EXCEPT AS PROVIDED FOR IN THE AAA CODE OF PROCEDURE.

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

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

NO CLASS ACTION, OR OTHER REPRESENTATIVE ACTION OR PRIVATE ATTORNEY GENERAL ACTION OR JOINDER OR CONSOLIDATION OF ANY CLAIM WITH A CLAIM OF ANOTHER PERSON OR CLASS OF CLAIMANTS SHALL BE ALLOWABLE.

This arbitration provision shall survive: i) the termination of this Savings Agreement; ii) the bankruptcy of any party; iii) any transfer, sale or assignment of your Savings Account, or any amounts owed on your Savings Account, to any other person or entity; or iv) closing of the Savings Account. If any portion of this arbitration provision is deemed invalid or unenforceable, the remaining portions shall remain in force.

IF YOU DO NOT AGREE TO THE TERMS OF THIS SAVINGS AGREEMENT, CALL 1-877-377-8276 TO CLOSE THE VARO SAVINGS ACCOUNT AND REQUEST A REFUND, IF APPLICABLE.

E. AUTOMATIC SAVINGS AGREEMENT

1. Eligibility

You must have an open and active Varo Bank Account and Varo Savings Account to be eligible to enroll in one or both of the automatic savings features described in paragraph 3 below (“How it Works”). We reserve the right to cancel or modify Automatic Savings, or terminate your eligibility, at any time with or without prior notice.

2. Opt-in

You may activate or disable Automatic Savings at any time in the Varo Mobile App or by emailing Varo Customer Service at support@varomoney.com, or by calling 1-877-377-8276.

How it Works

The following Automatic Savings features are offered:

1. Save Your Change:

Following the account holder’s activation of the Save Your Change feature, each qualifying transaction (as defined below in paragraph 4.1) that debits the Varo Bank Account is rounded up to the nearest whole U.S. dollar. Foreign purchases are rounded up to the nearest whole dollar after the purchase is converted to U.S. dollars. The difference between the dollar value of the transaction and the rounding amount (between \$0.01 and \$0.99) will be deposited to the Varo Savings Account. The Mobile App Transaction History for the Varo Bank Account will refer to this generically as “Save Your Change” related to the originating transaction. The Bank Account statement will identify

the transaction as “Transfer – To Varo Savings Account.” The Savings Account Statement will identify the transaction as “Transfer – From Varo Bank Account.”

2. Save Your Pay:

Activation of the Save Your Pay feature requires designation of a percentage of each qualifying transaction (as defined below in paragraph 4.2) to be transferred from the Varo Bank Account to the Varo Savings Account. When a qualifying transaction is initially credited to the Varo Bank Account, the designated percentage will be calculated based on the dollar amount credited to the Varo Bank Account. This amount will then be transferred from the Varo Bank Account balance to the Varo Savings Account balance. For example, if 10% is designated and the Varo Bank Account receives a qualifying transaction of \$1,000, \$100 will be transferred from the Varo Bank Account balance to the Varo Savings Account balance. If 15% is designated, \$150 will be transferred from the Varo Bank Account balance to the Varo Savings Account balance. The Mobile App Transaction History for the Varo Bank Account will refer to this generically as a “Save Your Pay” transaction related to the originating transaction. The Bank Account statement will identify the transaction as “Transfer – To Varo Savings Account.”. The Savings Account Statement will identify the transaction as “Transfer – From Varo Bank Account.”

4. Qualifying Transactions for Automatic Savings

1. Qualifying transactions for the **Save Your Change** feature are:
 - a. Signature and PIN transactions made with the Varo Visa® Debit Card;
 - b. Direct debits (“ACH Debits”) you authorize to be made from your Varo Bank Account by merchants, utility service providers, and other financial institutions;
 - c. ACH transfers you authorize to be made from your Varo Bank Account to another bank account you own using the Mobile App; and
 - d. Bill payments (“Bill Pay”) you authorize to be made to third-parties from your Varo Bank Account using the Mobile App.

2. Qualifying transactions for the **Save Your Pay** feature are limited to direct deposit of Automated Clearing House (ACH) transfers to your Varo Bank Account.

IMPORTANT: Instant transfers made by payors using your 16-digit Varo Visa Debit Card number are not qualifying transactions for Save Your Pay.

5. Automatic Savings Transfer Timing

The timing of each Automatic Savings deposit or transfer to the Varo Savings Account varies based on what type of qualifying transaction occurred:

1. Each qualifying transaction made with the Varo Visa Debit Card as described in paragraph 4.1.a will yield one (1) Save Your Change deposit to the Varo Savings Account when the authorized transaction settles, i.e., when the transaction is finalized. NOTE: A transaction typically settles within one (1) to three (3) business days of the transaction date; settlement timing depends on the merchant's actions.
2. Each qualifying transaction described in paragraphs 4.1. b – d will yield one (1) Save Your Change deposit to the Varo Savings Account which in most cases will occur immediately after the Varo Bank Account has been debited for the transaction.
3. Each qualifying direct deposit made to the Varo Bank Account as described in paragraph 4.2 will yield one (1) Save Your Pay deposit to the Varo Savings Account which in most cases will occur immediately after the Varo Bank Account has been credited for the transaction.

6. Exceptions

1. If any transaction described in paragraph 4.1 of this Section E consists of a whole dollar amount, e.g., \$5.00, no Save Your Change Transfer will be made
2. If, at the time of settlement of a transaction, the Varo Bank Account has insufficient available funds to cover the full amount of a Save Your Change deposit, the Save Your Change deposit will not be completed.
3. Retroactive Save Your Change deposits are not supported. This means that even if you later make a deposit or a credit posts to your Varo Bank Account, any previously incomplete Automatic Savings Transfers will not post to your Varo Savings Account.
4. If after settlement, a qualifying transaction is canceled or reversed for any reason (including disputes), the corresponding Save Your Change deposit will not be reversed from the Varo Savings Account.