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

Form 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2026

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: 001-40161

DAVE INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**86-1481509**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
1265 South Cochran Ave	
Los Angeles, CA	**90019**
(Address of principal executive offices)	**Zip Code**

Registrant's telephone number, including area code: (844) 857-3283

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, par value $0.0001	DAVE	The Nasdaq Stock Market LLC
Redeemable warrants, each lot of 32 warrants exercisable for one share of Class A common stock at an exercise price of $368	DAVEW	The Nasdaq Stock Market LLC

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 than 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 Act). YES ☐ NO ☒

As of April 20, 2026, there were 12,636,840 shares of Class A common stock, $0.0001 par value, issued and 11,400,165 shares of Class A common stock outstanding. As of April 20, 2026, there were 1,314,082 shares of Class V common stock, $0.0001 par value, issued and outstanding.

DAVE INC.
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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this “Form 10-Q” or this “report”) contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements contained in this report other than statements of historical fact, including statements regarding our future results of operations, financial position, market size and opportunity, our business strategy and plans, the factors affecting our performance and our objectives for future operations are forward-looking statements. The words “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “could,” “should,” “would,” “can,” “expect,” “project,” “outlook,” “forecast,” “objective,” “plan,” “potential,” “seek,” “grow,” “target,” “if” and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in the section titled “Risk Factors” set forth in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the Securities and Exchange Commission (the “SEC”) on March 2, 2026 (the “Annual Report”), as further updated in Part II, Item 1A "Risk Factors" in this Form 10-Q and in our other filings with the SEC. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the future events and trends discussed in this report may not occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Forward-looking statements contained in this report involve a number of judgments, risks and uncertainties, including, without limitation, risks related to:

- the ability of Dave to compete in its highly competitive industry;
- the ability of Dave to keep pace with the rapid technological and AI-related developments in its industry and the larger financial services industry;
- the ability of Dave to manage risks associated with providing ExtraCash;
- the ability of Dave to retain its current customers, acquire new customers (collectively, "Members") and sell additional functionality and services to its Members;
- the ability of Dave to successfully launch new products and services;
- the ability of Dave to protect intellectual property and trade secrets;
- the ability of Dave to maintain the integrity of its confidential information and information systems or comply with applicable privacy and data security requirements and regulations;
- the reliance by Dave on two bank partners;
- the ability of Dave to maintain or secure current and future key banking relationships and other third-party service providers, including its ability to comply with applicable requirements of such third parties;
- the ability of Dave to comply with extensive and evolving laws and regulations applicable to its business;
- changes in applicable laws or regulations and extensive and evolving government regulations that impact operations and business;
- the ability to attract or maintain a qualified workforce;
- the level of product service failures that could lead Members to use competitors’ services;
- investigations, claims, disputes, enforcement actions, arbitration, litigation and/or other regulatory or legal proceedings, including the Department of Justice’s lawsuit against Dave; and
- the possibility that Dave may be adversely affected by other macroeconomic factors, including regulatory uncertainty, fluctuating interest rates, inflation, unemployment rates, consumer sentiment, market volatility and business, and/or competitive factors.

We caution you that the foregoing list of judgments, risks and uncertainties that may cause actual results to differ materially from those in the forward-looking statements may not be complete. You should not rely upon forward-looking statements as predictions of future events. The events and circumstances reflected in the forward-looking statements may not be achieved or occur. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of

activity, performance or achievements. Except as required by law, we do not intend to update any of these forward-looking statements after the date of this report or to conform these statements to actual results or revised expectations.

You should read this report with the understanding that our actual future results, levels of activity, performance and events and circumstances may be materially different from what we expect.

This report contains estimates, projections and other information concerning our industry, our business and the markets for our products. We obtained the industry, market and similar data set forth in this report from our own internal estimates and research and from industry research, publications, surveys and studies conducted by third parties, including governmental agencies. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties, and actual events or circumstances may differ materially from events and circumstances that are assumed in this information. While we believe that the data we use from third parties are reliable, we have not separately verified these data. You are cautioned not to give undue weight to any such information, projections and estimates.

As used in this report, the "Company," "Dave," "we," "us," "our" and similar terms refer to Dave Inc. (f/k/a VPC Impact Acquisition Holdings III, Inc.) and its consolidated subsidiaries, unless otherwise noted or the context otherwise requires.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

Dave Inc.
Condensed Consolidated Balance Sheets
(in thousands; except share data)

	March 31, 2026 (unaudited)	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 133,327	$ 80,523
ExtraCash receivables, net of allowance for credit losses of $38,033 and $37,641 as of March 31, 2026 and December 31, 2025, respectively	279,144	297,307
Investments	42,604	40,788
Prepaid expenses and other current assets	24,551	18,078
Total current assets	**479,626**	**436,696**
Property and equipment, net	429	474
Lease right-of-use assets (related-party of $416 and $195 as of March 31, 2026 and December 31, 2025, respectively)	416	195
Intangible assets, net	13,693	13,670
Restricted cash	1,841	1,841
Deferred tax assets, net	34,163	34,185
Other non-current assets	361	357
Total assets	**$ 530,529**	**$ 487,418**
Liabilities, and stockholders' equity		
Current liabilities:		
Accounts payable	$ 6,733	$ 8,358
Accrued expenses	13,299	13,047
Debt facility, current	75,000	75,000
Lease liabilities, short-term (related-party of $301 and $63 as of March 31, 2026 and December 31, 2025, respectively)	301	63
Legal settlement accrual	7,886	7,838
Income taxes payable	11,757	1,651
Other current liabilities	9,367	8,040
Total current liabilities	**124,343**	**113,997**
Lease liabilities, long-term (related-party of $124 and $141 as of March 31, 2026 and December 31, 2025, respectively)	124	141
Convertible notes, net of discount and issuance costs	192,781	-
Warrant and earnout liabilities	4,577	16,077
Other non-current liabilities	4,923	4,476
Total liabilities	**$ 326,748**	**$ 134,691**
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Preferred stock, par value per share $0.0001, 10,000,000 shares authorized; 0 shares issued and outstanding at March 31, 2026 and December 31, 2025	-	-
Class A common stock, par value per share $0.0001, 500,000,000 shares authorized; 12,636,398 and 12,560,600 shares issued at March 31, 2026 and December 31, 2025, respectively 11,399,723 and 12,236,547 shares outstanding at March 31, 2026 and December 31, 2025, respectively	1	1
Class V common stock, par value per share $0.0001, 100,000,000 shares authorized; 1,314,082 shares issued and outstanding at March 31, 2026 and December 31, 2025;	-	-
Additional paid-in capital	334,295	352,664
Treasury shares, at cost (Class A common stock, 1,187,112 and 274,490 shares at March 31, 2026 and December 31, 2025, respectively)	(232,165)	(43,730)
Accumulated other comprehensive income	296	374
Retained earnings	101,354	43,418
Total stockholders' equity	**$ 203,781**	**$ 352,727**
Total liabilities, and stockholders' equity	**$ 530,529**	**$ 487,418**

See accompanying notes to the condensed consolidated financial statements.

Dave Inc.
Condensed Consolidated Balance Sheets, Continued
(in thousands)
(unaudited)

The following table presents the assets and liabilities of a consolidated variable interest entity ("VIE"), which are included in the condensed consolidated balance sheets above. The assets in the table below may only be used to settle obligations of consolidated VIEs and are in excess of those obligations. All intercompany accounts have been eliminated.

	As of March 31, 2026		As of December 31, 2025	
Assets				
Cash and cash equivalents	$	10,325	$	30,935
Investments		20,119		19,964
ExtraCash receivables, net of allowance for credit losses		235,357		206,595
Debt facility commitment fee, current		122		162
Total assets	**$**	**265,923**	**$**	**257,656**
Liabilities				
Accounts payable	$	552	$	560
Debt facility, current		75,000		75,000
Total liabilities	**$**	**75,552**	**$**	**75,560**

See accompanying notes to the condensed consolidated financial statements.

Dave Inc.
Condensed Consolidated Statements of Operations
(in thousands; except per share data)
(unaudited)

	For the Three Months Ended	
	March 31, 2026	**March 31, 2025**
Operating revenues:		
Service based revenue, net	$ 147,587	$ 97,851
Transaction based revenue, net	10,827	10,128
Total operating revenues, net	**158,414**	**107,979**
Operating expenses:		
Provision for credit losses	26,586	10,603
Processing and servicing costs	9,560	6,987
Financial network and transaction costs	7,752	7,039
Advertising and activation costs	14,260	11,930
Compensation and benefits	27,590	27,251
Technology and infrastructure	3,395	2,726
Other operating expenses	9,705	6,294
Total operating expenses	**98,848**	**72,830**
Other (income) expenses:		
Interest income	(824)	(431)
Interest expense	1,729	1,758
Changes in fair value of earnout liabilities	(3,190)	(398)
Changes in fair value of public and private warrant liabilities	(8,309)	352
Total other (income) expense, net	**(10,594)**	**1,281**
Net income before provision for income taxes	**70,160**	**33,868**
Provision for income taxes	12,224	5,056
Net income	**$ 57,936**	**$ 28,812**
Net income per share:		
Basic	$ 4.31	$ 2.19
Diluted	$ 4.02	$ 1.97
Weighted-average shares used to compute net income per share		
Basic	13,434,862	13,126,286
Diluted	14,399,635	14,646,526

See accompanying notes to the condensed consolidated financial statements.

Dave Inc.
Condensed Consolidated Statements of Comprehensive Income
(in thousands)
(unaudited)

	For the Three Months Ended	
	March 31, 2026	**March 31, 2025**
Net income	$ 57,936	$ 28,812
Other comprehensive gain (loss):		
Unrealized gain (loss) on available-for-sale securities, net of tax	(78)	8
Comprehensive income	**$ 57,858**	**$ 28,820**

See accompanying notes to the condensed consolidated financial statements.

Dave Inc.
Condensed Consolidated Statement of Stockholders' Equity
(in thousands, except share data)
(unaudited)

	Common stock								
	Class A		Class V		Additional paid-in capital	Treasury shares	Accumulated other comprehensive income	Retained earnings	Total stockholders' equity
	Shares	Amount	Shares	Amount					
Balance at January 1, 2026	**12,236,547**	**$ 1**	**1,314,082**	**$ -**	**$ 352,664**	**$ (43,730)**	**$ 374**	**$ 43,418**	**$ 352,727**
Issuance of Class A common stock in connection with stock plans	114,648	-	-	-	63	-	-	-	**63**
Shares withheld related to net share settlement	(38,850)	-	-	-	(8,170)	-	-	-	**(8,170)**
Repurchase of Class A common stock	(912,622)	-	-	-	-	(188,435)	-	-	**(188,435)**
Stock-based compensation	-	-	-	-	7,102	-	-	-	**7,102**
Purchases of capped calls	-	-	-	-	(17,364)	-	-	-	**(17,364)**
Unrealized gain (loss) on available-for-sale securities	-	-	-	-	-	-	(78)	-	**(78)**
Net income	-	-	-	-	-	-	-	57,936	**57,936**
Balance at March 31, 2026	**11,399,723**	**$ 1**	**1,314,082**	**$ -**	**$ 334,295**	**$ (232,165)**	**$ 296**	**$ 101,354**	**$ 203,781**

	Common stock								
	Class A		Class V		Additional paid-in capital	Treasury shares	Accumulated other comprehensive income	Accumulated deficit	Total stockholders' equity
	Shares	Amount	Shares	Amount					
Balance at January 1, 2025	**11,501,965**	**$ 1**	**1,514,082**	**$ -**	**$ 335,326**	**$ -**	**$ 221**	**$ (152,447)**	**$ 183,101**
Issuance of Class A common stock in connection with stock plans	488,351	-	-	-	304	-	-	-	**304**
Shares withheld related to net share settlement	(132,312)	-	-	-	(13,319)	-	-	-	**(13,319)**
Repurchase of Class A common stock	(81,370)	-	-	-	-	(6,960)	-	-	**(6,960)**
Stock-based compensation	-	-	-	-	7,517	-	-	-	**7,517**
Unrealized gain (loss) on available-for-sale securities	-	-	-	-	-	-	8	-	**8**
Net income	-	-	-	-	-	-	-	28,812	**28,812**
Balance at March 31, 2025	**11,776,634**	**$ 1**	**1,514,082**	**$ -**	**$ 329,828**	**$ (6,960)**	**$ 229**	**$ (123,635)**	**$ 199,463**

See accompanying notes to the condensed consolidated financial statements.

Dave Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	For the Three Months Ended	
	March 31, 2026	March 31, 2025
Operating activities		
Net income	$ 57,936	$ 28,812
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,624	1,537
Provision for credit losses	26,586	10,603
Changes in fair value of earnout liabilities	(3,190)	(398)
Changes in fair value of public and private warrant liabilities	(8,309)	352
Stock-based compensation	7,102	7,517
Non-cash interest expense from the convertible notes	85	-
Deferred income taxes	22	-
Non-cash lease expense	-	(11)
Changes in fair value of marketable securities and investments	-	59
Changes in operating assets and liabilities:		
ExtraCash receivables, service based revenue	(1,739)	(3,324)
Prepaid expenses and other current assets	(6,514)	96
Accounts payable	(1,639)	(466)
Accrued expenses	(151)	(4,450)
Income taxes payable	10,106	4,682
Legal settlement accrual	48	54
Other current liabilities	(384)	(125)
Other non-current liabilities	447	313
Other non-current assets	(4)	(4)
Net cash provided by operating activities	**82,026**	**45,247**
Investing activities		
Payments for internally developed software costs	(1,542)	(1,370)
Purchase of property and equipment	(19)	(37)
Net originations, purchases and collections of ExtraCash receivables	(6,684)	(26,094)
Purchase of investments	(25,961)	(37,855)
Sale and maturity of investments	24,067	37,300
Purchase of marketable securities	-	(1)
Net cash used in investing activities	**(10,139)**	**(28,057)**
Financing activities		
Repurchases of Class A common stock	(186,724)	(6,891)
Proceeds from issuance of common stock for stock option exercises	63	304
Proceeds from issuance of convertible notes, net	193,079	-
Purchase of capped calls	(17,331)	-
Payment of taxes for shares withheld related to net share settlement	(8,170)	(13,319)
Net cash used in financing activities	**(19,083)**	**(19,906)**
Net increase (decrease) in cash and cash equivalents and restricted cash	52,804	(2,716)
Cash and cash equivalents and restricted cash, beginning of the period	82,364	51,377
Cash and cash equivalents and restricted cash, end of the period	**$ 135,168**	**$ 48,661**
Supplemental disclosure of non-cash investing and financing activities:		
Property and equipment purchases in accounts payable and accrued liabilities	$ -	$ 20
Operating lease right of use assets recognized	$ 311	$ -
Operating lease liabilities recognized	$ 311	$ -
Convertible notes and capped call issuance costs in accounts payable and accrued liabilities	$ 417	$ -
Accrued excise taxes for repurchases of Class A common stock	$ 1,711	$ 69
Supplemental disclosure of cash paid (received) for:		
Income taxes	$ 1,518	$ (33)
Interest	$ 1,610	$ 1,733
The following table provides a reconciliation of cash and cash equivalents, and restricted cash reported within the condensed consolidated balance sheets with the same as shown in the condensed consolidated statement of cash flows		
Cash and cash equivalents	$ 133,327	$ 47,002
Restricted cash	1,841	1,659
Total cash, cash equivalents, and restricted cash, end of the period	**$ 135,168**	**$ 48,661**

See accompanying notes to the condensed consolidated financial statements.

Note 1 Organization and Nature of Business

Organization

Dave Inc. (the "Company") is a Delaware corporation founded in 2017. The Company is a neobank providing a mobile-first financial services platform designed to help Americans manage their money more effectively. The Company serves Members underserved by traditional financial institutions, offering short-term liquidity, fee-free banking, and financial management tools.

Nature of Business

The Company generates revenue through three primary business activities: (1) ExtraCash, a short-term credit product; (2) Dave Checking, a digital banking account; and (3) subscription-based personal financial management tools.

ExtraCash: ExtraCash provides Members with up to $500 of short-term liquidity (in the form of discretionary overdraft through a bank partner) to bridge liquidity gaps between paychecks, offered through FDIC-insured bank partners. The product operates without interest charges, late fees, or credit checks. The Company's proprietary AI-powered underwriting engine, CashAI, analyzes checking account transaction data in real-time to determine eligibility and approval amounts without requiring FICO scores or credit bureau data. Settlements are scheduled based on forecasted paycheck dates, with average settlement periods of approximately 12 days.

In February 2025, the Company completed the transition to a simplified fee structure, replacing the prior optional tip and express fee model with a mandatory overdraft service fee equal to the greater of $5 or 5% of the transfer amount. Instant transfers to Dave Checking accounts incur no additional fees. The Company manages underwriting, fraud mitigation, payment processing, servicing, and collections.

Dave Checking: Dave Checking is a digital demand deposit account offered through bank partners with no account minimums, no monthly fees, and FDIC pass-through insurance. Members can open a Dave Checking account in minutes through our mobile application, add funds, and begin spending using a virtual or physical Dave branded Mastercard debit card (the "Dave Debit Card"). The Dave Debit Card can be used for everyday purchases as well as no-fee withdrawals at over 40,000 MoneyPass ATM network locations. Members with qualifying direct deposits can access their paycheck up to two business days early. Revenue from Dave Checking is primarily driven by merchant interchange fees, Mastercard incentives, interest on deposits paid by our partner banks, and other ancillary fees.

Personal Financial Management: The Company offers a suite of personal financial management tools through a monthly membership, including automated budgeting, savings goals with round-up functionality, and an income opportunity service to help with supplemental work. In June of 2025, the Company increased the monthly membership fee from $1 to $3 for new Members. Members enrolled prior to this change are grandfathered at their existing rate.

Note 2 Significant Accounting Policies

Basis of Presentation

These condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

During the second quarter of 2025, the Company revised the presentation of certain items within its condensed consolidated statement of operations. Certain prior period amounts have been reclassified to conform to the current period presentation. These changes have been applied retrospectively to all periods presented and did not impact previously reported net income or earnings per share.

Specifically:

- Financial network and transaction costs now appear as a separate line item within operating expenses (formerly included in other operating expenses).
- Advertising and marketing is now presented as advertising and activation under operating expenses and includes Member activation costs (activation costs were formerly included in processing and servicing costs and other operating expenses).
- Technology and infrastructure costs now appear as a separate line item within operating expenses (formerly included in other operating expenses).

Principles of Consolidation

The condensed consolidated financial statements include the accounts of the Company and a variable interest entity ("VIE"). All intercompany transactions and balances have been eliminated upon consolidation.

In accordance with the provisions of Accounting Standards Codification ("ASC") 810, Consolidation, the Company consolidates any VIE of which the Company is the primary beneficiary. The typical condition for a controlling financial interest ownership is holding a majority of the voting interests of an entity; however, a controlling financial interest may also exist in entities, such as VIEs, through arrangements that do not involve controlling voting interests. ASC 810 requires a variable interest holder to consolidate a VIE if that party has the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and the obligation to absorb losses of the VIE that could potentially be significant to the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE. The Company does not consolidate a VIE in which it has a majority ownership interest when it is not considered the primary beneficiary. The Company evaluates its relationships with its VIEs on an ongoing basis to help ensure that the Company continues to be the primary beneficiary. The Company is considered the primary beneficiary of Dave OD Funding I, LLC ("Dave OD"), as it has the power over the activities that most significantly impact the economic performance of Dave OD and has the obligation to absorb expected losses and the right to receive expected benefits that could be significant, in accordance with accounting guidance. As a result, the Company consolidated Dave OD and all intercompany accounts have been eliminated. The carrying value of Dave OD's assets and liabilities, after elimination of any intercompany transactions and balances are shown in the condensed consolidated balance sheets. The assets of Dave OD are restricted and may only be used to settle obligations of Dave OD.

Use of Estimates

The preparation of these condensed consolidated financial statements requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the condensed consolidated financial statements, as well as the reported revenues and expenses incurred during the reporting periods. The Company's estimates are based on its historical experience and various other factors that the Company believes are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. The Company's critical accounting estimates and assumptions are evaluated on an ongoing basis including those related to the:

(i) Allowance for credit losses; and

(ii) Income taxes.

Actual results may differ from these estimates under different assumptions or conditions.

Revenue Recognition

Below is detail of operating revenues (*in thousands*):

	For the Three Months Ended	
	March 31, 2026	March 31, 2025
Service based revenue, net		
Processing and overdraft service fees, net	$ 133,588	$ 83,448
Tips	-	7,496
Subscriptions	13,945	6,817
Other	54	90
Transaction based revenue, net		
Interchange revenue, net	6,201	5,885
ATM revenue, net	659	794
Other	3,967	3,449
Total operating revenues, net	**$ 158,414**	**$ 107,979**

Service Based Revenue, Net

Service based revenue, net primarily consists of processing and overdraft service fees, optional tips, and subscriptions charged to Members, net of processor costs associated with ExtraCash originations. The Company operates concurrent receivable programs where receivables originated and held under legacy arrangements are accounted for as financial receivables in accordance with ASC 310, Receivables. Receivables originated and subsequently purchased under partner arrangements meet the criteria of sales accounting in accordance with ASC 860, Transfers and Servicing, and are accounted for as purchases of financial assets. These receivables are purchased at par value, which approximates the fair value, within one business day since the initial origination of the loans to Members. Processing and overdraft service fees, net and tips are recognized under the effective interest method for both arrangements.

Processing and Overdraft Service Fees, Net

Processing and overdraft service fees apply in connection with a Members' use of ExtraCash. The Company's new fee model, rolled out to all Members in February 2025, is a mandatory overdraft service fee. For accounting purposes, these fees are considered non-refundable origination fees and are recognized as revenue over the average expected contractual term of the related ExtraCash transactions.

Costs incurred by the Company to originate ExtraCash are treated, for accounting purposes, as direct origination costs. These direct origination costs are netted against ExtraCash-related income over the average expected contractual term of an ExtraCash. Direct origination costs recognized as a reduction of ExtraCash-related income during the three months ended March 31, 2026 and 2025 were $1.8 million and $1.1 million, respectively.

Tips

Prior to the second quarter of 2025, the Company encouraged, but did not contractually require, its Members who receive ExtraCash to leave a discretionary tip. For accounting purposes, tips are treated as an adjustment of yield to ExtraCash and are recognized over the average expected contractual term of its ExtraCash receivables. The Company discontinued optional tips from its business model in February 2025.

Subscriptions

The Company accounts for subscriptions in accordance with ASC 606, *Revenue from Contracts with Customers* (“ASC 606”). Under ASC 606, the Company must identify the contract with a Member, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract and recognize revenue when (or as) the Company satisfies the performance obligations. For revenue sources that are within the scope of Topic 606, the Company fully satisfies its performance obligations and recognizes revenue in the period it is earned as services are rendered. Transaction prices are typically fixed, charged on a periodic basis or based on activity. Because performance obligations are satisfied as services are rendered and the transaction prices are fixed, there is little judgment involved in applying ASC 606 that significantly affects the determination of the amount and timing of revenue from contracts with the Company’s Members.

Subscription fees are received on a monthly basis from Members who subscribe to the Company’s application. The Company continually fulfills its obligation to each Member over the subscription term. The series of distinct services represents a single performance obligation that is satisfied over time. The Company recognizes revenue ratably as the Member receives and consumes the benefits of the platform throughout the monthly contract period.

Price concessions granted to Members who have insufficient funds when subscription fees are due and not collected are forms of variable consideration under the Company’s contracts with Members. For price concessions, the Company has elected, as an

accounting policy, to account for price concessions for the month at the end of the reporting month based on the actual amounts collected from Members.

Other service based revenue consists of lead generation fees from the Company's Side Hustle advertising partners and revenue share from the Company's Surveys partners.

Transaction Based Revenue, Net

Transaction based revenue, net primarily consists of interchange and ATM revenues from the Company's Checking Product, net of certain interchange and ATM-related fees, fees earned from funding and withdrawal-related transactions of Members' funds, volume support from a certain co-branded agreement, dormant account fees, fees earned related to the Rewards Product for Members who make debit card spending transactions at participating merchants and deposit referrals and are recognized at the point in time the transactions occur, as the performance obligations are satisfied and the variable consideration is not constrained. The Company earns interchange fees from Members spend on Dave-branded debit cards, which are reduced by interchange-related costs payable to fulfillment partners. Interchange revenue is remitted by merchants and represents a percentage of the underlying transaction value processed through a payment network. ATM fees earned from Members' usage of out-of-network ATMs reduced by related ATM transaction costs during the three months ended March 31, 2026 and 2025 were $0.7 million and $0.8 million, respectively. ATM-related fees recognized as a reduction of transaction based revenue during the three months ended March 31, 2026 and 2025 were $0.6 million and $0.5 million, respectively.

Processing and Servicing Costs

Processing and servicing costs consist of amounts paid to third-party processors for the recovery of ExtraCash, tips, processing fees, overdraft service fees and subscriptions. These expenses also include fees paid for services to connect Members' bank accounts to the Company's application. Except for processing and service fees associated with ExtraCash originations, which are recorded net against processing and service fee revenue, all other processing and service fees are expensed as incurred.

Financial Network and Transaction Costs

Financial network and transaction costs consist of program management fees, card network association fees, payment processing costs, losses related to Member-disputed transactions, bank card fees and fraud-related losses. All other financial network and transaction costs are expensed as incurred.

Cash and Cash Equivalents

The Company classifies all highly liquid instruments with an original maturity of three months or less as cash equivalents.

Restricted Cash

Restricted cash primarily represents cash held at financial institutions that is pledged as collateral for specific accounts that may become overdrawn.

Investments

Investments consist of corporate bonds and notes and government securities and are classified as "available-for-sale" as the sale of such securities may be required prior to maturity to implement the Company's strategies. The fair value of investments is determined by quoted prices in active markets with unrealized gains and losses, net of tax (other than credit related impairment) reported as a separate component of other comprehensive income. For securities with unrealized losses, any credit related portion of the loss is recognized in earnings. If it is more likely than not that the Company will be unable or does not intend to hold the security to recovery of the non-credit related unrealized loss, the loss is recognized in earnings. Realized gains and losses are determined using the specific identification method and recognized in the condensed consolidated statements of comprehensive income. Any related amounts recorded in accumulated other comprehensive income are reclassified to earnings (on a pre-tax basis).

ExtraCash Receivables

ExtraCash Receivables include ExtraCash, processing and overdraft service fees and tips, net of certain direct origination costs and allowance for credit losses. The Company operates concurrent receivable programs where receivables originated and held under legacy arrangements are accounted for as financial receivables under ASC 310. Receivables originated and subsequently purchased under partner arrangements are accounted for as purchases of financial assets under ASC 860, Transfers and Servicing. Management's intent for receivables under ASC 310 is to hold until the earlier of settlement or payoff date, while receivables under ASC 860 represent purchased financial assets subject to the partner arrangement terms.

ExtraCash Receivables to Members are not interest-bearing. For receivables accounted for under ASC 310, the Company recognizes these ExtraCash Receivables at the origination amount and does not use discounting techniques to determine present value of

originations due to their short-term nature. For receivables accounted for under ASC 860, the Company recognizes purchased financial assets at fair value (which approximates the origination amount) upon acquisition.

The Company does not provide modifications to ExtraCash and does not charge late fees.

Allowance for Credit Losses

ExtraCash receivables from contracts with Members as of the balance sheet dates are recorded at their original origination or purchased amounts, inclusive of outstanding processing fees, overdraft service fees and tips, and reduced by an allowance for expected credit losses. The Company pools its ExtraCash receivables, all of which are short-term (average term of approximately 12 days) in nature and arise from contracts with Members, based on shared risk characteristics to assess their risk of loss, even when that risk is remote. The Company uses an aging method and historical loss rates as a basis for estimating the percentage of current and delinquent ExtraCash receivables balances that will result in credit losses to derive the allowance for credit losses. The Company considers whether the conditions at the measurement date and reasonable and supportable forecasts about future conditions warrant an adjustment to its historical loss experience. In assessing such adjustments, the Company primarily evaluates current economic conditions, expectations of near-term economic trends and changes in customer payment terms, collection trends and cash collections subsequent to the balance sheet date. For the measurement dates presented herein, given its methods of collecting funds, and that the Company has not observed meaningful changes in its customers' payment behavior, it determined that its historical loss rates remain most indicative of its lifetime expected losses. The Company immediately recognizes an allowance for expected credit losses at the time of the ExtraCash origination. Adjustments to the allowance each period for changes in the estimate of lifetime expected credit losses are recognized in operating expenses—provision for credit losses in the condensed consolidated statements of operations.

When the Company determines that an ExtraCash receivable is not collectible, or after 120 days from origination has passed, the uncollectible amount is written-off as a reduction to both the allowance and the gross asset balance. Subsequent recoveries are recorded when received and are recorded as a recovery of the allowance for expected credit losses. Based on the average ExtraCash receivables term of approximately 12 days, ExtraCash receivables outstanding 13 or more days from origination may be considered past due. Any change in circumstances related to a specific Member ExtraCash receivables may result in an additional allowance for expected credit losses being recognized in the period in which the change occurs.

Internally Developed Software

Internally developed software is capitalized when preliminary development efforts are successfully completed, management has authorized and committed project funding, it is probable that the project will be completed, and the software will be used as intended. Capitalized costs consist of salaries and other compensation costs for employees incurred for time spent on upgrades and enhancements to add functionality to the software and fees paid to third-party consultants who are directly involved in development efforts. These capitalized costs are included on the condensed consolidated balance sheets as intangible assets, net. Other costs are expensed as incurred and included within other operating expenses in the condensed consolidated statements of operations. Capitalized costs for the three months ended March 31, 2026 and 2025 were $1.5 million and $1.4 million, respectively.

Amortization of internally developed software commences when the software is ready for its intended use (i.e., after all substantial testing is complete). Internally developed software is amortized over its estimated useful life of 3 years.

The Company's accounting policy is to perform annual reviews of capitalized internally developed software projects to determine whether any impairment indicators are present as of December 31, or whenever a change in circumstances suggests an impairment indicator is present. If any impairment indicators are present, the Company will perform a recoverability test by comparing the sum of the estimated undiscounted cash flows attributed to the asset group to their carrying value. If the undiscounted cash flows expected to result from the remaining use of the asset (i.e., cash flows when testing recoverability) are less than the asset group's carrying value, the Company will determine the fair value of the asset group and recognize an impairment loss as the amount by which the carrying value of the asset group exceeds its fair value. If based on the results of the recoverability test, no impairment is indicated as the remaining undiscounted cash flows exceed the carrying value of the software asset group, the carrying value of the asset group as of the assessment date is deemed fully recoverable. In addition, the Company evaluates the remaining useful life of an intangible asset that is being amortized each reporting period to determine whether events and circumstances warrant a revision to the remaining period of amortization. If the estimate of an intangible asset's remaining useful life is changed, the remaining carrying value of the intangible asset shall be amortized prospectively over that revised remaining useful life.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Property and equipment are recorded at cost and depreciated over the estimated useful lives ranging from 3 to 7 years using the straight-line method. Maintenance and repair costs are charged to operations as incurred and included within other operating expenses in the condensed consolidated statements of operations.

Impairment of Long-Lived Assets

The Company assesses the impairment of long-lived assets, primarily property and equipment and amortizable intangible assets, whenever events or changes in business circumstances indicate that carrying amounts of the assets may not be fully recoverable. If the sum of the expected undiscounted future cash flows from an asset is less than the carrying amount of the asset, the Company estimates the fair value of the assets. The Company measures 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.

Fair Value of Financial Instruments

ASC 820, Fair Value Measurement ("ASC 820"), provides a single definition of fair value and a common framework for measuring fair value as well as disclosure requirements for fair value measurements used in the condensed consolidated financial statements. Under ASC 820, fair value is determined based upon the exit price that would be received by a company to sell an asset or paid by a company to transfer a liability in an orderly transaction between market participants, exclusive of any transaction costs. Fair value measurements are determined by either the principal market or the most advantageous market. The principal market is the market with the greatest level of activity and volume for the asset or liability. Absent a principal market to measure fair value, the Company uses the most advantageous market, which is the market from which the Company would receive the highest selling price for the asset or pay the lowest price to settle the liability, after considering transaction costs. However, when using the most advantageous market, transaction costs are only considered to determine which market is the most advantageous and these costs are then excluded when applying a fair value measurement. ASC 820 creates a three-level hierarchy to prioritize the inputs used in the valuation techniques to derive fair values. The basis for fair value measurements for each level within the hierarchy is described below, with Level 1 having the highest priority and Level 3 having the lowest.

Level 1—Quoted prices in active markets for identical assets or liabilities.

Level 2—Observable inputs other than Level 1 quoted prices, such as quoted prices for similar assets and liabilities in active markets, quoted prices in markets that are not active for identical or similar assets and liabilities, 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 3—Valuations are based on inputs that are unobservable and significant to the overall fair value measurement of the assets or liabilities. Inputs reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

Concentration of Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, principally consist of cash and cash equivalents, restricted cash, ExtraCash receivables, and accounts receivable. The Company's cash and cash equivalents and restricted cash in excess of the FDIC insured limits were $134.2 million at March 31, 2026 and $81.4 million at December 31, 2025. The Company's payment processors also collect cash on the Company's behalf and will hold these cash balances temporarily until they are settled the next business day. Also, the Company does not believe its investments are exposed to any significant credit risk due to the quality and nature of the securities in which the money is held.

We rely on agreements with Evolve Bank & Trust, our primary bank partner, and Coastal Community Bank to provide ExtraCash and other deposit accounts, debit card services and other transaction services to us and our Members.

No Member individually exceeded 10% or more of the Company's ExtraCash receivables balance as of March 31, 2026 and December 31, 2025.

Leases

ASC 842, Leases ("ASC 842") requires lessees to recognize most leases on the condensed consolidated balance sheet with a corresponding right-of-use asset. Right-of-use assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Right-of-use assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of fixed lease payments over the lease term. Leases are classified as financing or operating which will drive the expense recognition pattern. Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term. At the time of a lease abandonment, the operating lease right-of-use asset is derecognized, while the corresponding lease liability is evaluated by the Company based on any remaining contractual obligations as of the lease abandonment date.

The Company leases office space under two separate leases, both of which are considered operating leases. Options to extend or terminate a lease are considered as part of calculating the lease term to the extent that the option is reasonably certain of exercise. The

leases do not include the options to purchase the leased property. The depreciable life of assets and leasehold improvements are limited by the expected lease term. Covenants imposed by the leases include letters of credit required to be obtained by the lessee.

The incremental borrowing rate ("IBR") represents the rate of interest the Company would expect to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms. When determinable, the Company uses the rate implicit in the lease to determine the present value of lease payments. As the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at the lease commencement date in determining the present value of lease payments.

Derivative Financial Instruments and Embedded Features

The Company evaluates financial instruments and contracts for embedded features that require separate accounting as derivatives under ASC 815-15. An embedded feature is separated from its host contract and accounted for as a derivative instrument when (i) the economic characteristics and risks of the embedded feature are not clearly and closely related to those of the host contract, (ii) the hybrid instrument is not remeasured at fair value through earnings, and (iii) the embedded feature, if freestanding, would meet the definition of a derivative under ASC 815-10.

Embedded derivatives requiring bifurcation are initially measured at fair value and subsequently remeasured at fair value at each reporting date, with changes in fair value recognized in earnings. The Company evaluates equity-linked contracts, including conversion features and capped call transactions, under ASC 815-40 to determine whether they qualify for the scope exception from derivative accounting. Contracts that are indexed to the Company's own stock and meet the criteria for equity classification are recorded in stockholders' equity at fair value upon issuance and are not remeasured in subsequent periods unless the equity classification criteria cease to be met.

See Note 8, Convertible Notes for further details on the Company's derivative and equity-linked instruments.

Stock-Based Compensation

Stock Option Awards:

ASC 718, Compensation-Stock Compensation ("ASC 718"), requires the estimate of the fair value of all stock-based payments to employees, including grants of stock options, to be recognized in the statement of operations over the requisite service period. Under ASC 718, employee option grants are generally valued at the grant date and those valuations do not change once they have been established. The fair value of each option award is estimated on the grant date using the Black-Scholes Option Pricing Model. As allowed by ASC 718, the Company's estimate of expected volatility is based on its peer company average volatilities, including industry, stage of life cycle, size, and financial leverage. The risk-free rate for periods within the contractual life of the option is based on the U.S. Treasury yield curve in effect at the time of grant valuation. The Company recognizes forfeitures as they occur. Subsequent modifications to outstanding awards result in incremental cost if the fair value is increased as a result of the modification.

Restricted Stock Unit Awards:

Restricted stock units ("RSUs") are valued on the grant date. The fair value of the RSUs that vest based solely on a service condition is equal to the estimated fair value of the Company's Class A common stock on the grant date. This compensation cost is recognized on a straight-line basis over the requisite service period for the entire award. For RSUs that contain both a market condition and a service condition, market volatility and other factors are taken into consideration in determining the grant date fair value and the related compensation expense is recognized on a straight-line basis over the requisite service period of each separately vesting tranche, regardless of whether the market condition is satisfied, provided that the requisite service has been provided. These costs are a component of stock-based compensation expense, presented within compensation and benefits in the condensed consolidated statements of operations. The Company recognizes forfeitures as they occur.

Performance-Based Restricted Stock Unit Awards:

The Company grants performance-based RSUs subject to the attainment of defined performance conditions, market conditions, or a combination thereof, and continued employment through specified vesting dates. Performance conditions include specific adjusted EBITDA targets and share price targets, and the actual number of shares earned may range from 0% to 200% of the target shares granted. For awards subject to performance conditions, compensation cost is recognized over the requisite service period if and when the Company concludes it is probable that the performance metrics will be satisfied. The Company reassesses the probability of vesting at each reporting period and records cumulative adjustments to compensation expense accordingly. For awards subject to a combination of performance and market conditions, such as relative total shareholder return metrics measured against a designated benchmark index, the grant-date fair value is estimated using a Monte Carlo simulation model, and compensation cost is recognized when the Company concludes it is probable that the performance conditions will be satisfied, regardless of whether the market condition is achieved, over the requisite service period, provided that the requisite service has been provided. Grant-date fair values

are not subsequently remeasured. The Company recognizes forfeitures as they occur. These costs are a component of stock-based compensation expense presented within compensation and benefits in the condensed consolidated statements of operations.

Advertising and Activation Costs

Advertising costs are expensed as incurred. Advertising costs consist primarily of expenses related to digital marketing, paid social media, influencer partnerships, content marketing and referral programs. Advertising costs for the three months ended March 31, 2026 and 2025, were $12.4 million and $10.3 million, respectively, and are presented within advertising and activation costs in the condensed consolidated statements of operations. Activation costs, which consist primarily of expenses incurred to onboard and activate new users, are also expensed as incurred. Activation costs for the three months ended March 31, 2026 and 2025, were $1.9 million and $1.6 million, respectively, and are presented within advertising and activation costs in the condensed consolidated statements of operations.

Income Taxes

The Company follows ASC 740, Income Taxes ("ASC 740"), which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the condensed consolidated financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the condensed consolidated financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more-likely-than-not that the asset will not be realized.

The effective tax rate used for interim periods is the estimated annual effective tax rate, based on the current estimate of full year results, except that those taxes related to specific discrete events, if any, are recorded in the interim period in which they occur. The annual effective tax rate is based upon several significant estimates and judgments, including the Company's estimated annual pre-tax income in each tax jurisdiction in which it operates, and the development of tax planning strategies during the year. In addition, the Company's tax expense can be impacted by changes in tax rates or laws and other factors that cannot be predicted with certainty. As such, there can be significant volatility in interim tax provisions.

The following table presents the relationship between provision for income taxes and net income before provision for income taxes (in thousands):

	For the Three Months Ended	
	March 31, 2026	**March 31, 2025**
Net income before provision for income taxes	$ 70,160	$ 33,868
Provision for income taxes	$ (12,224)	$ (5,056)
Effective income tax rate	17.4%	14.9%

The provision for income tax expense recorded during the three months ended March 31, 2026 and 2025, primarily relates to federal and state taxes on earnings, partially offset by favorable stock-based compensation deductions in both periods.

ASC 740 provides that a tax benefit from an uncertain tax position may be recognized when it is more-likely-than-not that the position will be sustained in a court of last resort, based on the technical merits. If more-likely-than-not, the amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination, including compromise settlements. For tax positions not meeting the more-likely-than-not threshold, no tax benefit is recorded. The Company has estimated $3.5 million and $3.3 million of uncertain tax positions as of March 31, 2026 and December 31, 2025, respectively, related to state income taxes, and federal and state research and development tax credits.

The Company's policy is to recognize interest expense and penalties accrued on any unrecognized tax benefits as a component of income tax expense within the condensed consolidated statement of operations. The Company recognized insignificant amounts of interest expense as a component of income tax expense within the condensed consolidated statement of operations during the three months ended March 31, 2026 and 2025. Additionally, income tax-related accrued interest was insignificant as of March 31, 2026 and December 31, 2025.

Segment Information

The Company determines its operating segment based on how its chief operating decision makers manage operations, make operating decisions, and evaluate operating performance. The Company has determined that the Chief Operating Decision Maker ("CODM") is a joint role shared by the Chief Executive Officer and Chief Financial Officer. Based upon the way the CODM reviews financial information and makes operating decisions and considering that the CODM reviews financial information on a consolidated basis for purposes of allocating resources and evaluating financial performance, the operations of the Company constitute a single operating

segment and reportable segment. Refer to Note 18 Segment Information in the accompanying notes to the condensed consolidated financial statements for further details.

Net Income Per Share Attributable to Stockholders

The Company computes net income per share utilizing the two-class method for participating securities. The rights, including the liquidation and dividend rights, of the holders of the Class A common stock, par value $0.0001 per share ("Class A Common Stock"), and Class V common stock, par value $0.0001 per share ("Class V Common Stock"), are identical, except with respect to voting (the Class V Common Stock and together with the Class A Common Stock, the "Common Stock"). The Convertible Notes are considered participating securities as the holders of the Convertible Notes participate in cash dividends, if such cash dividends per share exceed the Company's last reported stock price. The undistributed earnings are allocated between Common Stock and participating securities as if all earnings had been distributed during the period presented, if the condition on which participation is satisfied as of the reporting date.

Basic net income attributable to holders of Common Stock per share is calculated by dividing net income attributable to holders of Common Stock by the weighted-average number of shares outstanding.

The Company applies the if-converted method prescribed by ASU 2020-06 to determine the dilutive effect, if any, of the 2031 Notes on diluted earnings per share, and does so regardless of whether the contingent conversion triggers described in Note 8, Convertible Notes, have been met.

Because the 2031 Notes are non-interest bearing, no interest expense is added back to the numerator. Because the principal amount is required to be settled in cash in all circumstances, with only the conversion value in excess of the principal (the "conversion premium") settleable in cash, shares, or a combination at the Company's election, the denominator is increased only by the incremental shares necessary to settle the conversion premium, determined using the average market price of the Company's Class A common stock during the period. Applied to an instrument with a cash-settled principal and net-share-settled premium, the if-converted method produces a dilutive effect substantially consistent with the result that would be obtained under the treasury stock method.
For the three months ended March 31, 2026, the average market price per share of the Company's Class A common stock did not exceed the initial conversion price per share. Accordingly, the conversion premium was zero and no incremental shares related to the 2031 Notes were included in the diluted earnings per share computation. The maximum number of shares issuable upon conversion of the 2031 Notes, including potential adjustments under the make-whole fundamental change provisions, is reflected in the table of potentially dilutive securities excluded from the diluted EPS computation above.

The following table sets forth the computation of the Company's basic and diluted net income per share attributable to holders of common stock (*in thousands, except share data*):

	For the Three Months Ended	
	March 31, 2026	**March 31, 2025**
Numerator		
Net income attributed to common stockholders—basic and diluted	$ 57,936	$ 28,812
Denominator		
Weighted-average shares of common stock—basic	13,434,862	13,126,286
Dilutive effect of stock options	183,717	415,521
Dilutive effect of RSU	781,056	1,104,719
Weighted-average shares of common stock—diluted	14,399,635	14,646,526
Net income per share		
Basic	$ 4.31	$ 2.19
Diluted	$ 4.02	$ 1.97

The following potentially dilutive shares were excluded from the computation of diluted net income per share for the periods presented because including them would have been antidilutive:

	For the Three Months Ended	
	March 31, 2026	March 31, 2025
Equity incentive awards	565,329	225,876
Convertible notes[1]	716,500	-
Capped call[2]	716,500	-
Total	**1,998,329**	**225,876**

[1] Represents the base conversion of shares issuable upon conversion of the 2031 Notes, subject to potential conversion rate adjustments under the make-whole fundamental change provisions. Based on the initial conversion rate of 3.5825 shares per $1,000 principal amount, the base conversion would result in approximately 716,500 shares issuable. See Note 8, Convertible Notes.

[2] Represents the shares of Class A common stock underlying the Capped Call Transactions. Those shares are intended to offset the dilutive impact of Convertible Notes when Dave's stock price remains below the cap price of $421.34. See Note 8, Convertible Notes and Note 14, Stockholders' Equity.

In addition to the amounts in the table above, the Company excluded 11,444,235 public and private warrants and 49,563 earnout shares that were potentially dilutive from the computation of diluted net income for the three months ended March 31, 2026 and 2025, as including them would have been antidilutive. In connection with the 1-for-32 reverse stock split effected on January 4, 2023, 32 warrants are exercisable for one share of Class A Common Stock. Refer to Note 9 Warrant Liabilities and Note 13 Fair Value of Financial Instruments for further details.

Capped Call Transactions

The Capped Call Transactions are expected to reduce the potential economic dilution to the Company's Class A common stock upon conversion of the 2031 Notes when the market price of the Company's Class A common stock is between the initial conversion price of approximately $279.13 per share and the cap price of $421.34 per share. However, because the Capped Call Transactions are purchased call options held by the Company on its own stock, their inclusion in the calculation of diluted earnings per share would be antidilutive until the per share price exceeds the cap price and, accordingly, they are excluded from the computation. As a result, the reported diluted earnings per share does not reflect the anti-dilutive economic effect of the Capped Call Transactions.

Convertible Notes

The Company applies the if-converted method to calculate the potential dilutive effect of the 2031 Notes on diluted earnings per share. Because the 2031 Notes are non-interest bearing and the principal amount must be settled in cash upon conversion, no interest expense is added back to the numerator. Only the conversion premium (the excess of conversion value over the principal amount) is reflected in the denominator, calculated based on the incremental shares needed to settle the premium using the average market price of the Company's Class A common stock during the period.

The Company considers the potential dilutive effect of the 2031 Notes in its diluted earnings per share calculation regardless of whether the contingent market price conversion triggers have been met, as the 2031 Notes are contingently convertible instruments with a market price trigger.

For the three months ended March 31, 2026, the average market price of the Company's Class A common stock during the period the 2031 Notes did not exceed the initial conversion price. As a result, the conversion premium was zero and no incremental shares related to the 2031 Notes were included in the diluted earnings per share calculation for the period. The maximum number of shares potentially issuable upon conversion of the 2031 Notes, including potential adjustments under the make-whole fundamental change provisions, is reflected in the table of potentially dilutive securities excluded from the diluted EPS computation above.

Recent Accounting Pronouncements

Recently Issued Accounting Pronouncements Not Yet Adopted:

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income (Topic 220): Disaggregation of Income Statement Expenses*, and in January 2025, the FASB issued ASU No. 2025-01, *Clarifying the Effective Date*. Together, these amendments require entities to disclose, for each relevant income statement expense caption, the amounts of inventory purchases, employee compensation, and depreciation and intangible asset amortization, as well as total selling expenses and the entity’s definition of selling expenses. For public business entities, the amendments are effective for fiscal years beginning after December 15, 2026, and for interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted and application permitted on a prospective or retrospective basis. The Company does not expect the adoption of this guidance to have a

material impact on its consolidated financial position, results of operations or cash flows and expects the impact to be limited to additional disclosures in the notes to its consolidated financial statements.

In May 2025, the FASB issued ASU 2025-04, *Compensation—Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606): Clarifications to Share-Based Consideration Payable to a Customer*. The amendments clarify the accounting for share-based payment awards issued to customers, including revising the definition of a performance condition, narrowing the scope of awards accounted for under Topic 718 versus Topic 606, and providing guidance on measuring and presenting the effects of such awards. The guidance is effective for public business entities for fiscal years beginning after December 15, 2026, including interim periods within those fiscal years, with early adoption permitted and transition allowed on a modified retrospective or retrospective basis. The Company does not expect the adoption of this guidance to have a material impact on its consolidated financial position, results of operations or cash flows and is evaluating the impact on its revenue and share-based compensation-related disclosures, including any share-based consideration arrangements with customers.

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, which eliminates references to traditional software development stages, clarifies the capitalization threshold for internal-use software costs, and supersedes Subtopic 350-50 by incorporating website development cost guidance into Subtopic 350-40. The amendments require capitalization of internal-use software costs once management authorizes funding and it is probable that the project will be completed and placed into service for its intended use, provided there is no significant development uncertainty, and they align disclosure requirements for capitalized and amortized software costs with those in ASC 360-10. ASU 2025-06 is effective for annual and interim periods beginning after December 15, 2027, with early adoption permitted, and may be applied on a prospective, modified retrospective or retrospective basis. The Company does not expect the adoption of this guidance to have a material impact on its consolidated financial position, results of operations or cash flows, but is evaluating the impact on its accounting policies, financial statements and related disclosures for capitalized internal-use software costs.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*, which clarifies when interim reporting guidance applies, improves navigability of interim disclosure requirements, and consolidates interim disclosure requirements from other Topics into Topic 270. The amendments do not change the fundamental nature of interim reporting or expand or reduce current interim disclosure requirements. For public business entities, the amendments are effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted and application permitted on a prospective or retrospective basis. The Company is evaluating the impact of this guidance on its interim financial statement disclosures.

In December 2025, the FASB issued ASU 2025-12, *Codification Improvements*, which makes 33 targeted amendments across GAAP to clarify, correct, and improve the Codification without changing core principles. The amendments address items such as removing obsolete glossary entries, fixing illustrative errors, clarifying EPS dilution guidance, refining credit-loss guidance, and updating various cross-references. For all entities, the amendments are effective for annual reporting periods beginning after December 15, 2026, and interim periods within those annual reporting periods, with early adoption permitted on an issue-by-issue basis and transition permitted on a prospective or retrospective basis. The Company is evaluating the impact of this guidance on its consolidated financial statements and disclosures.

Recently Adopted Accounting Pronouncements:

In November 2024, the FASB issued ASU 2024-04, *Debt—Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments*, which clarifies the requirements for determining whether certain settlements of convertible debt instruments should be accounted for as induced conversions rather than extinguishments. The amendments are effective for fiscal years beginning after December 15, 2025, including interim periods within those fiscal years, and may be applied on either a prospective or retrospective basis, with early adoption permitted. The Company adopted ASU 2024-04 effective January 1, 2026 on a prospective basis. The adoption of this guidance did not have an impact on the Company's consolidated financial position, results of operations, or cash flows, as no conversions or settlements of the 2031 Notes occurred during the three months ended March 31, 2026.

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which introduces a practical expedient permitting entities to assume that current economic conditions at the balance sheet date will remain unchanged over the remaining life of current accounts receivable and current contract assets arising from revenue transactions within the scope of ASC 606. The Company adopted ASU 2025-05 effective January 1, 2026 on a prospective basis and elected the practical expedient. As a public business entity, the Company is not eligible for the separate accounting policy election available to certain nonpublic entities to consider subsequent collection activity. The adoption of this guidance did not have a material impact on the Company's consolidated financial position, results of operations, or cash flows.

Note 3 Investments

Below is a summary of investments, which are measured at fair value as of March 31, 2026 (*in thousands*):

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Government securities	42,258	346	-	42,604
Total	**$ 42,258**	**$ 346**	**$ -**	**$ 42,604**

Below is a summary of investments, which are measured at fair value as of December 31, 2025 (*in thousands*):

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Government securities	40,364	424	-	40,788
Total	**$ 40,364**	**$ 424**	**$ -**	**$ 40,788**

Net realized gains on the sale of investments, recorded as a component of interest income in the condensed consolidated statements of operations, were $0 and $0.006 million for the three months ended March 31, 2026 and 2025, respectively. Accrued interest of $0 and $0.04 million is included in investments within the condensed consolidated balance sheets for the periods ended March 31, 2026 and 2025, respectively.

There were no unrealized losses on the available-for-sale investment securities as of March 31, 2026 and December 31, 2025.

As of March 31, 2026, the contractual maturities of available-for-sale investment securities were as follows (*in thousands*):

	Amortized Cost	Fair Value
Due in one year or less	$ 42,258	$ 42,604
Due after one year through five years	$ -	$ -
Total	**$ 42,258**	**$ 42,604**

Note 4 Prepaid Expenses and Other Current Assets

The Company’s prepaid expenses and other current assets consisted of the following (*in thousands*):

	March 31, 2026	December 31, 2025
Partner receivables	6,490	3,971
Prepaid expenses	5,106	3,927
Rebate receivables	4,177	4,054
Bank partner deposit balances	4,020	3,618
Card inventory & card postage deposit	2,011	1,053
Other	2,747	1,455
Total	**$ 24,551**	**$ 18,078**

Partner receivables represent amounts due from strategic partners for contractual reimbursements and credits earned under partnership agreements, primarily related to the Company's checking product. These receivables increased $2.5 million from December 31, 2025, reflecting higher transaction volume during the quarter and the normal billing cycle, under which a significant portion of annual partner payments are received in the fourth quarter, resulting in a lower year-end balance that rebuilds during the first quarter. Partner receivables are typically collected within 60 days of the contract year-end and are not subject to significant credit risk.

Prepaid expenses primarily consist of prepaid software subscriptions, insurance premiums, marketing commitments, and professional services, which are amortized to expense over the period benefited, generally 12 months or less. The Company evaluates prepaid expenses for realizability on a quarterly basis.

Rebate receivables represent volume-based rebates and credits earned from technology vendors and service providers.

Note 5 ExtraCash Receivables, Net

ExtraCash receivables, net, represent outstanding ExtraCash originations, processing fees, tips and overdraft service fees, less an allowance for credit losses.

Below is a detail of ExtraCash receivables, net as of March 31, 2026 (*in thousands*):

Days From Origination	**Gross ExtraCash Receivables**	**Allowance for Credit Losses**	**ExtraCash Receivables, Net**
1-10	$ 210,249	$ (2,998)	$ 207,251
11-30	74,119	(11,573)	62,546
31-60	13,504	(8,261)	5,243
61-90	9,574	(7,210)	2,364
91-120	9,731	(7,991)	1,740
Total	**$ 317,177**	**$ (38,033)**	**$ 279,144**

Below is a detail of ExtraCash receivables, net as of December 31, 2025 (*in thousands*):

Days From Origination	**Gross ExtraCash Receivables**	**Allowance for Credit Losses**	**ExtraCash Receivables, Net**
1-10	$ 242,091	$ (3,006)	$ 239,085
11-30	56,897	(8,851)	48,046
31-60	13,093	(7,942)	5,151
61-90	11,893	(8,888)	3,005
91-120	10,974	(8,954)	2,020
Total	**$ 334,948**	**$ (37,641)**	**$ 297,307**

The roll-forward of the allowance for credit losses is as follows (*in thousands*):

Opening allowance balance at January 1, 2026	**$ 37,641**
Plus: provision for credit losses	26,586
Plus: amounts recovered	5,226
Less: amounts written-off	(31,420)
Ending allowance balance at March 31, 2026	**$ 38,033**
Opening allowance balance at January 1, 2025	**$ 22,703**
Plus: provision for credit losses	10,603
Plus: amounts recovered	3,707
Less: amounts written-off	(16,938)
Ending allowance balance at March 31, 2025	**$ 20,075**

The provision for credit losses for the three months ended March 31, 2026 increased compared to the three months ended March 31, 2025, primarily due to ExtraCash origination volume growth to approximately $2.1 billion from $1.5 billion, driven by strong Member demand and platform expansion. Credit performance during the period remained steady and consistent with expectations given portfolio maturation, growth dynamics, and the Company's strategic emphasis on gross profit optimization.

Note 6 Intangible Assets, Net

The Company's intangible assets, net consisted of the following (*in thousands*):

		March 31, 2026			December 31, 2025		
	Weighted Average Useful Lives	Gross Carrying Value	Accumulated Amortization	Net Book Value	Gross Carrying Value	Accumulated Amortization	Net Book Value
Internally developed software	3.0 Years	$ 33,695	$ (20,050)	$ 13,645	$ 32,344	$ (18,724)	$ 13,620
Domain name	15.0 Years	121	(73)	48	121	(71)	50
Intangible assets, net		**$ 33,816**	**$ (20,123)**	**$ 13,693**	**$ 32,465**	**$ (18,795)**	**$ 13,670**

The future estimated amortization expense as of March 31, 2026, were as follows (*in thousands*):

	IDS	Domain
2026 (remaining)	$ 3,728	$ 6
2027	4,974	8
2028	3,019	8
2029	1,921	8
Thereafter	3	18
Total future amortization	**$ 13,645**	**$ 48**

Amortization expense for the three months ended March 31, 2026 and March 31, 2025 was $1.52 million and $1.4 million, respectively. No significant impairment charges were recognized related to long-lived assets for the three months ended March 31, 2026 and 2025.

Note 7 Accrued Expenses and Other Current Liabilities

Accrued Expenses

The Company's accrued expenses consisted of the following (*in thousands*):

	March 31, 2026	December 31, 2025
Accrued professional and program fees	$ 8,048	$ 4,696
Accrued compensation	3,280	5,518
Sales taxes payable	1,469	1,314
Accrued charitable contributions	-	1,034
Accrued negative account balances	210	141
Other	292	344
Total	**$ 13,299**	**$ 13,047**

Accrued compensation consists primarily of accrued salaries, wages, payroll taxes, bonuses, and employee benefits earned but not yet paid. Accrued professional and program fees consist primarily of amounts owed to third party service providers, including legal, accounting, consulting, and program-related vendors.

Prior to the second quarter of 2025, accrued charitable contributions included amounts the Company had pledged related to charitable meal donations. The Company used a portion of tips received to make charitable cash donations to third parties who use the funds to provide meals to those in need. In February 2025, the Company discontinued the optional tips feature from Dave's business model. For the three months ended March 31, 2026 and 2025, the Company pledged $0 and $0.5 million related to charitable donations, respectively. These costs are expensed as incurred and are presented within other operating expenses in the condensed consolidated statements of operations.

Other Current Liabilities

The Company's other current liabilities consisted of the following (*in thousands*):

	March 31, 2026		December 31, 2025	
Forward commitment liability	$	3,244	$	3,617
Deferred transaction costs		3,150		3,150
Unearned revenue		604		606
Other		2,369		667
Total	**$**	**9,367**	**$**	**8,040**

Forward commitment liability represents the Company's obligation to purchase ExtraCash receivables originated under a bank partner arrangement that have not yet been purchased by the Company as of the balance sheet date. Deferred transaction costs include transaction costs associated with the transactions consummated on January 5, 2022 as contemplated by that certain Agreement and Plan of Merger, dated as of June 7, 2021 among VPC Impact Acquisition Holdings III, Inc. ("VPCC"), Dave Inc., a Delaware corporation and other entities (the "Business Combination"). These transaction costs were also capitalized and included within additional paid-in capital in the consolidated balance sheets.

Note 8 Convertible Notes

On March 9, 2026, the Company completed a private offering of $200.0 million aggregate principal amount of its 0% Convertible Senior Notes due 2031 (the "2031 Notes") pursuant to Rule 144A under the Securities Act of 1933, as amended. The 2031 Notes include $25.0 million in aggregate principal amount issued pursuant to the full exercise of the initial purchasers' option to purchase additional notes. The 2031 Notes are general unsecured, senior obligations of the Company and do not bear regular interest. The 2031 Notes will mature on April 1, 2031, unless earlier repurchased, redeemed, or converted.

The net proceeds from the offering were approximately $193.4 million, after deducting initial purchasers' discounts and before deducting offering expenses. The Company used approximately $17.3 million of the net proceeds to fund the cost of the Capped Call Transactions described below, approximately $70.5 million to repurchase 334,600 shares of the Company's Class A common stock in privately negotiated transactions effected through J.P. Morgan Securities LLC as agent, and the remaining net proceeds are expected to be used for general corporate purposes, including additional share repurchases under the Company's share repurchase program.

Conversion Rights

The 2031 Notes are convertible into shares of the Company's Class A common stock based on an initial conversion rate of 3.5825 shares per $1,000 principal amount of notes (equivalent to an initial conversion price of approximately $279.13 per share), subject to adjustment upon the occurrence of certain events. Holders may convert their 2031 Notes at their option prior to the close of business on the business day immediately preceding January 1, 2031, only under the following circumstances:

- during any calendar quarter commencing after the calendar quarter ending on June 30, 2026, if the last reported sale price of the Company's Class A common stock exceeds 130% of the conversion price for at least 20 trading days during the 30 consecutive trading day period ending on and including the last trading day of the immediately preceding calendar quarter (the "Sale Price Condition");
- during the five business day period after any ten consecutive trading day measurement period in which the trading price per $1,000 principal amount of notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price per share and the conversion rate on each such trading day (the "Trading Price Condition");
- if the Company calls any or all of the notes for redemption, with respect to the notes called for redemption, at any time prior to the close of business on the second scheduled trading day immediately preceding the redemption date; or
- upon the occurrence of certain corporate events described in the indenture governing the 2031 Notes.

On or after January 1, 2031, holders may convert at any time until the close of business on the second scheduled trading day immediately preceding the maturity date.

Make-Whole Fundamental Change

The conversion rate may be increased for holders converting in connection with certain circumstances described in the indenture.

Settlement upon Conversion

Upon conversion, the Company will pay cash up to the aggregate principal amount of the notes being converted and pay or deliver, as applicable, cash, shares of the Company's Class A common stock, or a combination thereof, at the Company's election, in respect of the remainder, if any, of the conversion obligation in excess of the aggregate principal amount. The conversion value in excess of the

principal amount will be calculated based on the sum of the daily volume-weighted average prices during a 40 consecutive VWAP trading day observation period.

Optional Redemption

The Company may redeem the 2031 Notes, in whole or in part, for cash on or after April 6, 2029 and prior to the 41st scheduled trading day immediately preceding the maturity date, at a cash redemption price equal to 100% of the principal amount plus any accrued and unpaid interest, if (i) certain liquidity conditions are satisfied and (ii) the last reported sale price per share has been at least 130% of the then-effective conversion price for at least 20 trading days during any 30 consecutive trading day period, including the trading day immediately preceding the date the Company provides the redemption notice.

Special Interest

The 2031 Notes do not bear regular interest. Special interest may accrue from time to time in certain circumstances as described in the indenture.

In accordance with ASC 470-20, as amended by ASU 2020-06, the Company accounts for the 2031 Notes as a single liability measured at amortized cost. No separate equity component was recognized. The embedded conversion feature was not bifurcated because it met the scope exception under ASC 815-10-15-74(a) as indexed to the Company’s own stock and equity-classified under ASC 815-40. The embedded special interest feature, while meeting the definition of a derivative requiring bifurcation, was assigned an insignificant fair value at inception due to the remote likelihood of the triggering event, and the Company will reassess the fair value at each reporting date.

The 2031 Notes were issued on March 9, 2026 in a private offering to qualified institutional buyers under Rule 144A. The Company has determined that the net carrying amount approximates fair value as of March 31, 2026. The fair value of the 2031 Notes is classified within Level 2 of the fair value hierarchy based on observable market data, including over-the-counter trade prices and dealer quotes. The Company did not elect the fair value option under ASC 825 for the 2031 Notes.

As of March 31, 2026, none of the conditions permitting early conversion of the 2031 Notes had been met. The Sale Price Condition cannot first be evaluated until after the calendar quarter ending June 30, 2026. Accordingly, the 2031 Notes were classified as long-term debt.

The effective interest rate on the 2031 Notes is approximately 0.74%, reflecting the amortization of the initial purchasers' discount of $6.6 million and third-party debt issuance costs of approximately $0.7 million allocated to the notes using the relative fair value method. Because the 2031 Notes do not bear regular interest, interest expense recognized during the period consists entirely of the non-cash amortization of debt discount and issuance costs using the effective interest method over the term of the notes through maturity on April 1, 2031.

The carrying amount of the 2031 Notes as of March 31, 2026, were as follows (*in thousands*):

	Principal Amount	Unamortized Debt Discount and Issuance Costs	Net Carrying Amount
0% Convertible Senior Notes due April 1, 2031	$ 200,000	$ (7,219)	$ 192,781
Total	**$ 200,000**	**$ (7,219)**	**$ 192,781**

Capped Call Transactions

In connection with the pricing of the 2031 Notes on March 4, 2026, and in connection with the exercise of the initial purchasers’ option to purchase additional notes on March 5, 2026, the Company entered into privately negotiated capped call transactions (the "Capped Call Transactions") with four financial institutions at a total cost of approximately $17.3 million, consisting of $15.1 million for the base capped call and $2.2 million for the additional capped call. The Capped Call Transactions cover, subject to anti-dilution adjustments substantially similar to those applicable to the 2031 Notes, approximately 716,500 shares of the Company's Class A common stock (representing 800,000 options, each with an initial option entitlement of 0.895625 shares), which corresponds to the number of shares initially underlying the 2031 Notes.

The Capped Call Transactions have an initial strike price of approximately $279.13 per share (corresponding to the initial conversion price of the 2031 Notes) and an initial cap price of $421.34 per share, in each case subject to certain adjustments. The Capped Call Transactions are expected to reduce the potential economic dilution to the Company’s Class A common stock upon any conversion of

the 2031 Notes and/or offset any cash payments the Company is required to make in excess of the principal amount, with such reduction and/or offset subject to the cap price. The Capped Call Transactions expire on April 1, 2031.

The Capped Call Transactions are separate transactions entered into by the Company with each of the option counterparties and are not part of the terms of the 2031 Notes. Holders of the 2031 Notes do not have any rights with respect to the Capped Call Transactions. The Company determined that the Capped Call Transactions meet the criteria for equity classification under ASC 815-40 as they are (i) indexed to the Company's own stock under the two-step indexation analysis in ASC 815-40-15 and (ii) meet the equity classification conditions in ASC 815-40-25. Accordingly, the Capped Call Transactions were recorded as a reduction to additional paid-in capital and are not remeasured on a recurring basis.

The issuance costs allocated between the 2031 Notes and the Capped Call Transactions as of March 31, 2026, were as follows (*in thousands*):

	Allocated to 2031 Notes	Allocated to Capped Call
Total issuance costs incurred	$ 745	$ 64
Less: accumulated amortization through March 31, 2026	(9)	-
Unamortized issuance costs, March 31, 2026	$ 736	$ 64

Issuance costs were allocated between the 2031 Notes and the Capped Call Transactions based on the relative fair value method. Issuance costs allocated to the 2031 Notes are presented as a direct deduction from the carrying amount of the notes and amortized as interest expense using the effective interest method. Issuance costs allocated to the Capped Call Transactions are recorded as a reduction to additional paid-in capital.

Note 9 Warrant Liabilities

As of March 31, 2026, there were 6,344,021 public warrants ("Public Warrants") outstanding and 5,100,214 private placement warrants ("Private Warrants") outstanding. In connection with the 1-for-32 reverse stock split effected on January 4, 2023, 32 warrants are exercisable for one share of Class A Common Stock. Public Warrants may only be exercised for a whole number of shares. No fractional Public Warrants were issued upon separation of the units into their component parts upon the closing of the Business Combination and only whole Public Warrants trade. The Public Warrants are exercisable, provided that the Company continues to have an effective registration statement under the Securities Act covering the shares of Class A Common Stock issuable upon exercise of the Public Warrants and a current prospectus relating to them is available (or the Company permits holders to exercise their Public Warrants on a cashless basis and such cashless exercise is exempt from registration under the Securities Act).

The Company filed a registration statement covering the shares of Class A Common Stock issuable upon exercise of the Public Warrants and the Private Warrants. If the Company's shares of Class A Common Stock are at the time of any exercise of a warrant not listed on a national securities exchange such that they satisfy the definition of a "covered security" under Section 18(b)(1) of the Securities Act, the Company may, at its option, require holders of Public Warrants who exercise their warrants to do so on a "cashless basis" in accordance with Section 3(a)(9) of the Securities Act and, in the event the Company so elects, it will not be required to file or maintain in effect a registration statement, and in the event the Company does not so elect, it will use its best efforts to register or qualify the shares under applicable blue sky laws to the extent an exemption is not available.

The Public Warrants and Private Warrants have an original exercise price of $11.50 per share. As a result of the 1-for-32 reverse stock split effected on January 4, 2023, 32 warrants are required to be exercised to receive one share of Class A Common Stock at an aggregate exercise price of $368 per share. These warrants will expire five years after the completion of the Business Combination, or earlier if redeemed or upon liquidation.

Redemption of Public Warrants when the price per share of Class A Common Stock equals or exceeds $576.00:

Once the Public Warrants become exercisable, the Company may redeem the outstanding Public Warrants for cash:

- in whole and not in part;
- at a price of $0.01 per warrant;
- upon a minimum of 30 days prior written notice of redemption; and if, and only if, the closing price of Class A Common Stock equals or exceeds $576.00 per share (as adjusted) for any 20 trading days within a 30-trading day period ending on the third trading day prior to the date on which the Company sends the notice of redemption to the warrant holders.

The Company will not redeem the Public Warrants as described above unless an effective registration statement under the Securities Act covering the Class A Common Stock issuable upon exercise of the warrants is effective and a current prospectus relating to those shares of Class A Common Stock is available throughout the 30-day redemption period.

Redemption of Public Warrants for when the price per share of Class A Common Stock equals or exceeds $320.00:

Once the Public Warrants become exercisable, the Company may redeem the outstanding Public Warrants:

- in whole and not in part;
- at $0.10 per warrant upon a minimum of 30 days' prior written notice of redemption provided that holders will be able to exercise their warrants on a cashless basis prior to redemption and receive that number of shares determined by reference to an agreed table based on the redemption date and the "fair market value" (as defined below) of the Class A Common Stock; and
- if, and only if, the closing price of Class A Common Stock equals or exceeds $320.00 per Public Share (as adjusted) for any 20 trading days within the 30-trading day period ending three trading days before the Company sends notice of redemption to the warrant holders.

If the Company calls the Public Warrants for redemption, management will have the option to require all holders that wish to exercise the Public Warrants to do so on a "cashless basis," as described in the warrant agreement. The exercise price and number of shares of Class A Common Stock issuable upon exercise of the warrants may be adjusted in certain circumstances including in the event of a stock dividend, or recapitalization, reorganization, merger or consolidation. However, the Public Warrants will not be adjusted for issuance of Class A Common Stock at a price below its exercise price. Additionally, in no event will the Company be required to net cash settle the Public Warrants.

The Private Warrants are identical to the Public Warrants, except that the Private Placement Warrants will be non-redeemable so long as they are held by VPC Impact Acquisition Holdings Sponsor III, LLC, which was the sponsor of VPCC and an affiliate of certain of VPCC's officers and directors prior to the Business Combination, (the "Sponsor") or its permitted transferees. If the Private Warrants are held by someone other than the Sponsor or its permitted transferees, the Private Warrants will be redeemable by the Company and exercisable by such holders on the same basis as the Public Warrants.

Contemporaneously with the execution of the Debt Facility, the Company issued warrants to the various lenders (the "Lenders") associated with Victory Park Management, LLC as consideration for entering into the Debt Facility, representing a loan commitment fee. The warrants vest and become exercisable based on the Company's aggregated draw on the Debt Facility in incremental $10.0 million tranches and terminate upon the earliest to occur of (i) the fifth anniversary of the occurrence of a qualified financing event and (ii) the consummation of a liquidity event. The holders of the warrants have the ability to exercise their right to acquire a number of common shares equal to 0.2% of the fully diluted equity of the Company as of the closing date ("Equity Closing Date") of the Company's next equity financing with proceeds of at least $40.0 million ("Qualified Financing Event") or immediately prior to the consummation of a liquidity event. The exercise price of the warrants is the greater of (i) 80% of the fair market value of each share of Common Stock at the Equity Closing Date and (ii) $120.0656 per share, subject to certain down-round adjustments. The warrants meet the definition of a derivative under ASC 815 and will be accounted for as a liability at fair value and subsequently remeasured to fair value at the end of each reporting period with the changes in fair value recorded in the condensed consolidated statement of operations. The initial offsetting entry to the warrant liability was an asset recorded to reflect the loan commitment fee. The loan commitment fee asset will be amortized to interest expense over the commitment period of four years. The Company estimated the fair value of the warrants at the issuance date to be $0.1 million using the Black-Scholes option-pricing model. Determining the fair value of these warrants under this model requires subjective assumptions. These estimates involve inherent uncertainties and the application of management's judgment.

Immediately prior to the close of the Business Combination, all, or 1,664,394 of the vested warrants were exercised and net settled for 14,087 shares of Legacy Dave's Class A Common Stock after applying the Exchange Ratio.

Note 10 Debt Facility

In January 2021, Dave OD Funding I, LLC ("Borrower") entered into a delayed draw senior secured loan facility (the "Debt Facility") with Victory Park Management, LLC ("Agent"), and allowed the Borrower to draw up to $100 million from the Lenders. The Debt Facility had an interest rate of 6.95% annually plus a base rate defined as the greater of the three-month London interbank offered rate ("LIBOR") as of the last business day of each calendar month and 2.55%. Interest is payable monthly in arrears. The Debt Facility contained certain financial covenants, including a requirement to maintain a minimum cash, cash equivalents, or marketable securities balance of $15.0 million.

On September 13, 2023, the Company executed a Third Amendment to the Debt Facility with the existing lenders. The Third Amendment, among other things, (i) increased the total commitment from $100.0 million to $150.0 million, (ii) extended the maturity date from January 2025 to December 2026, (iii) introduced a liquidity trigger threshold based on trailing EBITDA, (iv) increased the minimum liquidity requirement from $8.0 million to $15.0 million, (v) replaced LIBOR with the secured overnight financing rate ("SOFR") and updated the interest rate to the base rate (or, if greater, SOFR for a three-month tenor plus 3.00%) plus 5.00% per annum on the portion of the outstanding principal balance less than or equal to $75.0 million and the base rate plus 4.50% per annum on any outstanding principal balance in excess of $75.0 million, (vi) revised prepayment premiums for certain early or voluntary

repayments, and (vii) terminated the Company’s limited guaranty of up to $25.0 million of the Borrower’s obligations, which had been secured by a first-priority lien on substantially all of the Company’s assets.

The Debt Facility requires mandatory prepayments of outstanding borrowings in certain circumstances, including (i) 100% of net cash proceeds in excess of $0.25 million in the aggregate during any fiscal year from non-ordinary course asset sales (other than permitted dispositions), (ii) 100% of net cash proceeds from certain casualty or condemnation events, (iii) 100% of net cash proceeds from non-permitted indebtedness, and (iv) 100% of specified extraordinary receipts above an annual $0.25 million threshold, or 100% of such receipts at any time an event of default is continuing.

On October 18, 2024, the Company executed the Fourth Amendment to the Debt Facility with the existing Lenders to expand the Company's borrowing capacity. The amendment also updates interest rates to the sum of the base rate plus 5.00% per annum on the aggregate outstanding principal balance and updates prepayment premiums for early or voluntary principal repayments, among other administrative terms. The Fourth Amendment was accounted for as a debt modification and, accordingly, the Company incurred $0.03 million in associated costs which will be recognized within the consolidated statement of operations evenly through maturity date of the Debt Facility, and no gain or loss was recognized. As of June 30, 2025, the Company was not in compliance with a specific debt covenant under its existing Debt Facility. In particular, a breach existed relating to the Minimum Receivable Loan-to-Value ("LTV Ratio"), which exceeded the allowable limits set forth in the covenant. The Agent, on behalf of the Lenders, provided a one-time limited waiver of this covenant, effective from October 18, 2024 until June 30, 2025. This waiver is solely for that period and for addressing this specific breach, and does not constitute a waiver of any default or event of default under the Debt Facility. On July 14, 2025, the Company entered into the Fifth Amendment to the Financing Agreement, which, among other updates, removed the LTV ratio covenant from the agreement entirely. The Fifth Amendment also implemented additional reporting requirements and enhanced cash management provisions to strengthen the Company's covenant structure and operational oversight under the facility.

As of March 31, 2026 and December 31, 2025, the Company had $75.0 million outstanding under the Debt Facility and had made no principal repayments. As of March 31, 2026, the Company was in compliance with all covenants under the Debt Facility.

Note 11 Commitments and Contingencies

From time to time, the Company is subject to various legal proceedings and claims, either asserted or unasserted, that arise in the ordinary course of business. Other than as described below, management does not believe that any of these proceedings or claims will have a significant adverse effect on the Company’s business, financial condition, results of operations, or cash flows. However, legal proceedings and claims are subject to many factors that are difficult to predict, so there can be no assurance that, in the event of a material unfavorable result in one or more claims, the Company will not incur material costs.

1. United States of America v. Dave, Inc. and Jason Wilk (filed December 30, 2024 in the United States District Court for the Central District of California)

In January 2023, the Company received a Civil Investigative Demand from the Federal Trade Commission (the “FTC”) staff seeking information in connection with the sale, offering, advertising, marketing or other promotion of cash advance products and online financial services. In response, the Company cooperated with the FTC staff while seeking to engage constructively with the FTC to resolve this matter.

On August 21, 2024, the FTC staff sent the Company a proposed consent order and draft complaint, alleging that the Company had violated Section 5(a) of the Federal Trade Commission Act ("FTC Act") which prohibits "unfair or deceptive acts or practices in or affecting commerce" and certain provisions of the Restore Online Shoppers’ Confidence Act related to the Company’s platform and offering of the ExtraCash Product (the “Complaint”), and advising that it would recommend the filing of a Complaint if the Company did not settle the FTC’s claims. The Company engaged in good faith negotiations with the FTC staff to settle the claims but these negotiations were unsuccessful, and on November 5, 2024, the FTC filed the Complaint in the United States District Court for the Central District of California against the Company. The Complaint sought a permanent injunction, monetary relief for an unspecified amount and “other relief as the court determines to be just and proper.” The FTC then referred the case to the Department of Justice (the “DOJ”), and on December 30, 2024, the DOJ filed an amended civil complaint in the United States District Court for the Central District of California, naming the Company and our Chief Executive Officer, Jason Wilk as defendants (the "Amended Complaint"). The Amended Complaint alleges that Dave violated Section 5(a) of the FTC Act as well as the Restore Online Shoppers' Confidence Act. The DOJ is seeking injunctive relief, civil penalties, monetary relief and other relief. On February 28, 2025, the Company filed a motion to dismiss the DOJ’s Amended Complaint. On April 7, 2025, the DOJ filed an opposition to the Company's motion to dismiss and on April 21, 2025 the Company filed its reply in support of the Company's motion to dismiss. The hearing on the Company's motion to dismiss was held on June 30, 2025. On September 12, 2025, the Court denied the Company's motion to dismiss. On October 10, 2025, the Company answered the Amended Complaint.

2. Michael Russell et al. v. Dave, Inc. and Evolve Bank & Trust (filed April 1, 2025 in the Superior Court of California for Los Angeles County, California)

On April 1, 2025, a putative class action was filed by Michael Russell and other named plaintiffs (the "Russell Plaintiffs") against the Company in the Superior Court of California for Los Angeles County, California, alleging that the Company's practices violate the Military Lending Act ("MLA") and Truth in Lending Act ("TILA"). The Russell Plaintiffs are seeking injunctive relief, civil penalties, monetary relief and other relief. On May 5, 2025, the Company removed the case to the United States District Court for the Central District of California. On June 11, 2025, the Company filed a motion to dismiss or to compel arbitration. On July 2, 2025, rather than oppose the motion, the Russell Plaintiffs filed an amended complaint (the "Russell Amended Complaint") which added a claim under the Georgia Payday Loan Act. On July 29, 2025, the Company renewed its motion to dismiss or to compel arbitration. The hearing on the Company's motion to dismiss or to compel arbitration was held on December 8, 2025. On December 12, 2025, the Court denied the Company's motion to dismiss as well as its motion to compel arbitration. On December 26, 2025, the Company filed a notice of appeal with the Ninth Circuit Court of Appeals, and the District Court stayed the proceedings pending the outcome of the appeal. On April 13, 2026, the Company filed its brief with the Ninth Circuit Court of Appeals.

3. Mayor and City Council of Baltimore v. Dave, Inc. (filed December 30, 2025 in the Circuit Court for Baltimore City, Maryland)

On December 30, 2025, the Mayor and City Council of Baltimore ("City of Baltimore") filed a complaint against the Company in the Circuit Court for Baltimore City, Maryland, alleging violations of the Baltimore City Consumer Protection Ordinance through unfair and deceptive trade practices related to the Company's ExtraCash product. The City of Baltimore is seeking injunctive relief, civil penalties, monetary relief and other relief. On January 29, 2026, the Company removed the action to the United States District Court for the District of Maryland. On March 2, 2026, the City of Baltimore filed a motion to remand, which is fully briefed as of April 22, 2026.

Litigation Accrual

The Company records an accrual for a loss contingency when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. As of March 31, 2026, the Company has recorded an aggregate accrual for legal contingencies that are probable and reasonably estimable of $7.9 million. Significant changes in the accrual may be required in future periods as these or other cases progress and additional information becomes available. At this time, the Company is unable to reasonably predict the possible outcome of the matters described above due to, among other things, the fact that they raise difficult factual and legal issues and are subject to many uncertainties and complexities. There can be no assurance that the Company will be successful in these or other matters, and the Company may incur a loss in excess of the amount accrued. The defense or resolution of these or other matters could involve significant monetary costs and have a material impact on the Company's business, financial results and operations.

Note 12 Leases

The Company leases office space in Los Angeles, California under two arrangements with PCJW Properties LLC ("PCJW"), an entity controlled by the Company's founders (including the Company's CEO). The first is a sublease extended in November 2023 for five additional years ending October 2028, with current monthly rent of $0.007 million subject to annual escalations of 4%. The second is a lease extended in January 2026 for one additional year ending December 2026, with current monthly rent of $0.027 million.

All leases were classified as operating and operating lease expenses are presented within Other operating expenses in the condensed consolidated statements of operations. The Company does not have any finance leases or sublease arrangements where the Company is the sublessor. The Company's leasing activities are as follows (*in thousands*):

	For the Three Months Ended	
	March 31, 2026	March 31, 2025
Operating lease cost	$ 101	$ 87
Short-term lease cost	-	-
Total lease cost	**$ 101**	**$ 87**

	For the Three Months Ended	
	March 31, 2026	March 31, 2025
Other information:		
Cash paid for operating leases	$ 101	$ 96
Weighted-average remaining lease term - operating lease	1.57	2.23
Weighted-average discount rate - operating lease	10%	10%

The future minimum lease payments as of March 31, 2026, were as follows (*in thousands*):

Year	Related-Party Commitment
2026	$ 304
2027	83
2028	71
Total minimum lease payments	**$ 458**
Less: imputed interest	$ (33)
Total lease liabilities	**$ 425**

Note 13 Fair Value of Financial Instruments

The following are the major categories of assets and liabilities measured at fair value on a recurring basis as of March 31, 2026 and December 31, 2025, using quoted prices in active markets for identical assets (Level 1), significant other observable inputs (Level 2), and significant unobservable inputs (Level 3) (*in thousands*):

March 31, 2026	Level 1	Level 2	Level 3	Total
Assets				
Investments	42,604		-	42,604
Total assets	**$ 42,604**	**$ —**	**$ —**	**$ 42,604**
Liabilities				
Warrant liabilities - public warrants	$ 1,903	$ —	$ —	$ 1,903
Warrant liabilities - private warrants	—	—	1,583	1,583
Earnout liabilities	—	—	1,091	1,091
Total liabilities	**$ 1,903**	**$ —**	**$ 2,674**	**$ 4,577**

December 31, 2025	Level 1	Level 2	Level 3	Total
Assets				
Investments	—	40,788	—	40,788
Total assets	**$ —**	**$ 40,788**	**$ —**	**$ 40,788**
Liabilities				
Warrant liabilities - public warrants	$ 6,217	$ —	$ —	$ 6,217
Warrant liabilities - private warrants	—	—	5,579	5,579
Earnout liabilities	—	—	4,281	4,281
Total liabilities	**$ 6,217**	**$ —**	**$ 9,860**	**$ 16,077**

The Company had no assets or liabilities measured at fair value on a non-recurring basis as of March 31, 2026 and December 31, 2025.

The Company also has financial instruments not measured at fair value on a recurring basis. The Company has evaluated cash (Level 1), restricted cash (Level 1), accounts payable (Level 2), accrued expenses (Level 2), and ExtraCash receivables (Level 3) and believes the carrying value approximates fair value due to the short-term nature of these balances. The fair value of the debt facility (Level 2) and the 2031 Notes (Level 2) approximates their respective carrying values. See Note 8 for further information on the 2031 Notes.

Investments:

The following describes the valuation techniques used by the Company to measure the fair value of investments held as of March 31, 2026 and 2025.

U.S. Government Securities

The fair value of U.S. government securities is estimated by independent pricing services who use computerized valuation formulas to calculate current values. U.S. government securities are categorized in Level 1 of the fair value hierarchy.

Corporate Bonds and Notes

The fair value of corporate bonds and notes is estimated by independent pricing services who use computerized valuation formulas to calculate current values. These securities are generally categorized in Level 2 of the fair value hierarchy or in Level 3 when market-based transaction activity is unavailable and significant unobservable inputs are used.

Public Warrants:

As discussed further in Note 9, Warrant Liabilities, in January 2022, upon completion of the Business Combination, public warrants were automatically converted to warrants to purchase Common Stock of the Company. These public warrants met the definition of a derivative under ASC 815, and due to the terms of the warrants, were required to be liability classified. This warrant liability was initially recorded as a liability at fair value, with the offsetting entry recorded as a non-cash expense within the statement of operations. The derivative liability was subsequently recorded at fair value at each reporting period, with changes in fair value reflected in earnings. The gain (loss) related to the change in fair value of the public warrant liability for the three months ended March 31, 2026 and 2025 were $4.3 million and ($0.2) million, respectively, which is presented within changes in fair value of public warrant liability in the condensed consolidated statements of operations.

A roll-forward of the Level 1 public warrant liability is as follows (*in thousands*):

Opening value at January 1, 2025	**$**	**1,016**
Change in fair value during the period		5,201
Ending value at December 31, 2025		**6,217**
Change in fair value during the period		(4,314)
Ending value at March 31, 2026	**$**	**1,903**

Private Warrants:

As discussed further in Note 9, Warrant Liabilities, in January 2022, upon completion of the Business Combination, private warrants were automatically converted to warrants to purchase Common Stock of the Company. These private warrants met the definition of a derivative under ASC 815, and due to the terms of the warrants, were required to be liability classified. This warrant liability was initially recorded as a liability at fair value, with the offsetting entry recorded as a non-cash expense within the condensed consolidated statement of operations. The derivative liability was subsequently recorded at fair value at each reporting period, with changes in fair value reflected in earnings. The gain (loss) related to the change in fair value of the private warrant liability for the three months ended March 31, 2026 and 2025 were $4.0 million and ($0.2) million, respectively, which is presented within changes in fair value of private warrant liabilities in the condensed consolidated statements of operations.

A roll-forward of the Level 3 private warrant liability is as follows (*in thousands*):

Opening value at January 1, 2025	**$**	**916**
Change in fair value during the period		4,663
Ending value at December 31, 2025		**5,579**
Change in fair value during the period		(3,996)
Ending value at March 31, 2026	**$**	**1,583**

The Company used a Black-Scholes option pricing model to determine the fair value of the private warrant liability. The following table presents the assumptions used to value the private warrant liability for the three months ended March 31, 2026:

Exercise price	$	368
Expected volatility		72.34%
Risk-free interest rate		3.70%
Remaining term		0.76
Dividend yield		0%

Earnout Shares Liability:

As part of the recapitalization and business combination in January 2022, 49,563 shares of Class A Common Stock held by founders of VPCC are subject to forfeiture if the vesting condition is not met over the five-year term following the Closing Date ("Founder Holder Earnout Shares"). These Founder Holder Earnout Shares were initially recorded as a liability at fair value and subsequently recorded at fair value at each reporting period, with changes in fair value reflected in earnings. The gain related to the change in fair value of the Founder Holder Earnout Shares liabilities for the three months ended March 31, 2026 and 2025 were $3.2 million and

$0.4 million, respectively, which are presented within changes in fair value of earnout liabilities in the condensed consolidated statements of operations.

A roll-forward of the Level 3 Founder Holder Earnout Shares liability is as follows (*in thousands*):

Opening value at January 1, 2025	**$**	**996**
Change in fair value during the period		3,285
Ending value at December 31, 2025		**4,281**
Change in fair value during the period		(3,190)
Ending value at March 31, 2026	**$**	**1,091**

The Company used a Monte Carlo Simulation Method to determine the fair value of the Founder Holder Earnout Shares liability. The following table presents the assumptions used to value the Founder Holder Earnout Shares liability for the three months ended March 31, 2026:

Exercise price	$400-$480
Expected volatility	64.9%
Risk-free interest rate	3.70%
Remaining term	0.77
Dividend yield	0%

Convertible Notes

The 2031 Notes are carried at amortized cost, net of unamortized debt discount and issuance costs, and are not remeasured at fair value on a recurring basis. The 2031 Notes were issued on March 9, 2026 in a private offering to qualified institutional buyers under Rule 144A. The Company has determined that the net carrying amount of $192.8 million approximates fair value as of March 31, 2026. The fair value of the 2031 Notes is classified within Level 2 of the fair value hierarchy based on observable market data, including over-the-counter trade prices and dealer quotes.

As of December 31, 2025, the Company did not have any convertible notes outstanding.

There were no other assets or liabilities that were required to be measured at fair value on a recurring basis as of March 31, 2026 and December 31, 2025.

Note 14 Stockholders' Equity

Preferred Stock

As of March 31, 2026, no shares of preferred stock were outstanding.

Pursuant to the terms of the Company's amended and restated certificate of incorporation, shares of preferred stock may be issued from time to time in one or more series. The Company's Board of Directors is authorized to fix the voting rights, if any, designations, powers and preferences, the relative, participating, optional or other special rights, and any qualifications, limitations and restrictions thereof, applicable to the shares of each series of preferred stock. The Company's Board of Directors is able to, without stockholder approval, issue preferred stock with voting and other rights that could adversely affect the voting power and other rights of the holders of the common stock and could have anti-takeover effects. The ability of the Company's Board of Directors to issue preferred stock without stockholder approval could have the effect of delaying, deferring or preventing a change of control or the removal of existing management.

Class A and Class V Common Stock

The Company's Board of Directors has authorized two classes of common stock, Class A Common Stock and Class V Common Stock. The Company had authorized 500,000,000 and 100,000,000 shares of Class A Common Stock and Class V Common Stock, respectively. Shares of Class V Common Stock have 10 votes per share, while shares of Class A Common Stock have one vote per share. The holders of shares of Class A Common Stock and Class V Common Stock shall at all times vote together as a single class on all matters (including the election of directors) submitted to a vote of the Company's stockholders. Shares of Class V Common Stock are convertible into shares of Class A Common Stock on a one-to-one basis at the option of the holders of Class V Common Stock at any time upon written notice to the Company. As of March 31, 2026, the Company had 12,636,398 and 1,314,082 shares of Class A Common Stock and Class V Common Stock issued, respectively. As of March 31, 2026, the Company had 11,399,723 and 1,314,082 shares of Class A Common Stock and Class V Common Stock outstanding, respectively.

Net Share Settlement of RSU Tax Withholding

The Company's 2021 Equity Incentive Plan (the "2021 Plan") expressly authorizes share withholding (net settlement) to satisfy tax obligations related to equity awards. In a net share settlement, the Company withholds a portion of the shares that would otherwise be delivered to the employee upon vesting, in an amount sufficient to cover the employee's minimum statutory tax withholding requirements, and remits the equivalent value in cash to the tax authorities.

During the quarter ended March 31, 2026, the Company satisfied employee tax withholding obligations upon the vesting of restricted stock units using a net share settlement method. Accordingly, the Company used approximately $8.2 million in cash during the quarter to fund these tax payments on the employees' behalf, which resulted in 38,850 shares not issued to employees.

During the quarter ended March 31, 2025, the Company satisfied employee tax withholding obligations upon the vesting of restricted stock units using a net share settlement method. Accordingly, the Company used approximately $13.3 million in cash during the quarter to fund these tax payments on the employees' behalf, which resulted in 132,312 shares not issued to employees.

Capped Call Transactions

In connection with the pricing of the 2031 Notes on March 4, 2026, and in connection with the exercise of the initial purchasers' option to purchase additional notes on March 5, 2026, the Company entered into privately negotiated capped call transactions (the "Capped Call Transactions") with four financial institution counterparties. The Capped Call Transactions cover, subject to anti-dilution adjustments substantially similar to those applicable to the 2031 Notes, approximately 716,500 shares of the Company's Class A common stock, representing 800,000 options, each with an initial option entitlement of 0.895625 shares. The Capped Call Transactions have an initial strike price of approximately $279.13 per share, which corresponds to the initial conversion price of the 2031 Notes, and an initial cap price of approximately $421.34 per share. The Capped Call Transactions expire on April 1, 2031.

The Capped Call Transactions are intended to reduce the potential dilution to the Company's Class A common stock upon any conversion of the 2031 Notes and/or offset any cash payments the Company is required to make in excess of the principal amount of the converted Notes, in the event that the market price per share of the Company's Class A common stock, as measured under the terms of the Capped Call Transactions, is greater than the strike price, with such reduction and/or offset subject to the cap price. The Capped Call Transactions are separate transactions from the 2031 Notes and are not part of the terms of the 2031 Notes. Holders of the 2031 Notes do not have any rights with respect to the Capped Call Transactions.

The Company determined that the Capped Call Transactions are indexed to the Company's own Class A common stock and qualify for equity classification under ASC 815-40. Accordingly, the cost of the Capped Call Transactions was recorded as a reduction to additional paid-in capital. The Capped Call Transactions will not be remeasured at fair value in subsequent reporting periods. During the three months ended March 31, 2026, the Company recorded a total reduction to additional paid-in capital of approximately $17.4 million in connection with the Capped Call Transactions, consisting of $17.3 million in premiums paid and approximately $0.1 million in issuance costs allocated using the relative fair value method.

In connection with the offering of the 2031 Notes, the Company repurchased 334,600 shares of its Class A common stock in privately negotiated transactions at a price of approximately $210.67 per share for a total cost of approximately $70.5 million. The repurchased shares were recorded as treasury stock at cost in accordance with the Company's accounting policy.

Note 15 Stock-Based Compensation

In 2017, the Company's Board of Directors adopted the Dave Inc. 2017 Stock Plan (the "2017 Plan"). The 2017 Plan authorized the award of stock options, restricted stock, and restricted stock units. On January 4, 2022, the stockholders of the Company approved the 2021 Plan. The 2021 Plan was previously approved, subject to stockholder approval, by the Company's Board of Directors on January 4, 2022. Upon the consummation of the Business Combination with VPCC, the 2017 Plan was terminated and replaced by the 2021 Plan. The maximum term of stock options granted under the 2021 Plan is 10 years and the awards generally vest over a four-year period.

The Company recognized $7.1 million and $7.5 million of stock-based compensation expense arising from stock options, restricted stock unit grants and performance-based restricted stock unit grants which is recorded as a component of compensation and benefits in the condensed consolidated statements of operations for the three months ended March 31, 2026 and 2025, respectively.

Stock Options:

Management has valued stock options at their date of grant utilizing the Black-Scholes option pricing model. The fair value of the underlying shares was estimated by using a number of inputs, including recent arm's length transactions involving the sale of the Company's common stock.

Expected term—The expected term represents the period of time that options are expected to be outstanding. As the Company does not have sufficient historical exercise behavior, it determines the expected life assumption using the simplified method, which is an average of the contractual term of the option and its vesting period.

Risk free interest rate—The risk-free interest rate is based on the implied yield available on U.S. Treasury issues with an equivalent term approximating the expected life of the options depending on the date of the grant and expected life of the options.

Expected dividend yield—The Company bases the expected dividend yield assumption on the fact that it has never paid cash dividends and has no present intention to pay cash dividends.

Expected volatility—Due to the Company's limited operating history and lack of company-specific historical or implied volatility, the expected volatility assumption is based on historical volatilities of a peer group of similar companies whose share prices are publicly available. The Company identified a group of peer companies and considered their historical stock prices. In identifying peer companies, the Company considered the industry, stage of life cycle, size, and financial leverage of such other entities.

Activity with respect to stock options is summarized as follows:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in thousands)
Options outstanding, January 1, 2026	**448,172**	$ 19.35	4.9	$ 90,558
Granted	-	$ -		
Exercised	(16,566)	$ 3.78		
Forfeited	-	$ -		
Expired	-	$ -		
Options outstanding, March 31, 2026	**431,606**	$ 19.95	$ 4.7	$ 66,530
Nonvested options, March 31, 2026	238,667	$ 23.16	$ 4.9	$ 36,023
Vested and exercisable, March 31, 2026	**192,939**	$ 15.97	$ 4.4	$ 30,507

At March 31, 2026, total estimated unrecognized stock-based compensation cost related to unvested stock options prior to that date was $0.8 million, which is expected to be recognized over a weighted-average remaining period of 2.2 years.

On March 3, 2021, the Company granted the Chief Executive Officer stock options to purchase up to 358,001 shares of Common Stock in nine tranches. Each of the nine tranches contain service, market and performance conditions. The market conditions relate to the achievement of certain specified price targets. Vesting commences on the grant date; however, no compensation charges are recognized until the service and performance condition are probable, which is upon the completion of a liquidity event, the achievement of specified price targets for each tranche of shares, and continuous employment. Upon the completion of the Business Combination, the performance condition was met and the Company recorded a cumulative stock-based compensation expense of $1.9 million. The options have a strike price of $23.16 per share. The Company determined the fair value of the options on the grant date to be $10.5 million using a Monte Carlo simulation with key inputs and assumptions such as stock price, term, dividend yield, risk-free interest rate, and volatility. The derived service periods determined by the valuation for each of the nine tranches range from approximately 3 years to approximately 7 years. Each tranche will be expensed monthly over the derived service period unless vesting conditions for a particular tranche are met, at which point all remaining compensation charges related to that particular tranche will be expensed in the period in which the vesting conditions were met. During the quarter ended June 30, 2025, a price target milestone was achieved and 119,321 stock options were considered vested.

The following table presents the key inputs and assumptions used to value the options granted to the Chief Executive Officer on the grant date:

Remaining term	10.0 years
Risk-free interest rate	1.5%
Expected dividend yield	0.0%
Expected volatility	40.0%

Restricted Stock Units:

Activity with respect to RSUs is summarized as follows:

	Shares		Weighted-Average Grant-Date Fair Value
Outstanding shares at January 1, 2026	**722,600**	$	51.98
Granted	156,424	$	215.81
Vested and Released	(98,082)	$	38.08
Forfeited	(10,650)	$	46.73
Outstanding shares at March 31, 2026	**770,292**	$	87.09

At March 31, 2026, total estimated unrecognized stock-based compensation cost related to nonvested RSUs was approximately $63.6 million, which is expected to be recognized over a weighted-average period of 3.3 years.

Performance-Based Restricted Stock Units:

The Company grants performance-based RSUs to certain executives and employees as part of its long-term incentive plan. These awards are subject to performance conditions, such as specific adjusted EBITDA and share price targets, market conditions based on relative total shareholder return metrics measured against a designated benchmark index, or a combination thereof, in each case subject to continued employment through specified vesting dates. The actual number of shares earned may range from 0% to 200% of the target shares granted depending upon the terms of the award. The accounting policy for performance-based RSUs, including the recognition and valuation methodology for awards with performance and market conditions, is described in Note 2.

For performance-based RSUs granted in the first quarter of 2026, the Company added an additional modifier for a market-based vesting conditions subject to a three-year relative total shareholder return metrics measured against a designated benchmark index. The performance-based RSUs subject to the market-based vesting condition are valued using a Monte Carlo simulation. Compensation cost is recognized when the Company concludes it is probable that the performance conditions will be satisfied, regardless of whether the market condition is achieved, over the requisite service period, provided that the requisite service has been provided. As of March 31, 2026, the Company assessed the achievement of the performance condition as not probable and the Company has not recorded any stock-based compensation expense for the performance-based RSUs granted in the first quarter of 2026.

Activity with respect to Performance-Based RSUs is summarized as follows:

	Shares		Weighted-Average Grant-Date Fair Value
Outstanding shares at January 1, 2026	291,512	$	68.62
Granted	316,004	$	229.12
Vested and Released	-		-
Forfeited	-		-
Outstanding shares at March 31, 2026	**607,516**	$	152.11

At March 31, 2026, total estimated unrecognized stock-based compensation cost related to nonvested performance-based RSUs was approximately $9.4 million, which is expected to be recognized over a weighted-average period of 1.2 years.

Note 16 Related-Party Transactions

Leasing Arrangements

During each of the three months ended March 31, 2026 and 2025, the Company paid $0.1 million under lease agreements with PCJW, which is controlled by the Company's founders (including the Company's current CEO), for general office space in Los Angeles, California.

The following is a schedule of future minimum rental payments as of March 31, 2026 under Company’s sublease for the properties located in Los Angeles, California, signed with PCJW (*in thousands*):

Year		Related-Party Commitment
2026	$	304
2027		83
2028		71
Total minimum lease payments	**$**	**458**
Less: imputed interest	$	(33)
Total lease liabilities	**$**	**425**

The related-party components of the lease right-of-use assets, lease liabilities, short-term, and lease liabilities, long-term are presented as part of the right-of-use asset and lease liability on the condensed consolidated balance sheets.

Debt Facility

Brendan Carroll, a Senior Partner at Victory Park Capital Advisors, LLC ("VPC"), joined the board of directors of the Company upon closing of the Business Combination. Interest expense related to the Debt Facility totaled $1.7 million and $1.8 million for the three months ended March 31, 2026 and 2025, respectively. For more information about the Debt Facility with VPC, refer to Note 10, Debt Facility.

Legal Services

The law firm of Mitchell Sandler LLC, of which the Company's director Andrea Mitchell is a partner, provided legal services to the Company, which totaled $0.1 million and $0.2 million for the three months ended March 31, 2026 and March 31, 2025, respectively.

Note 17 401(k) Savings Plan

The Company maintains a 401(k) savings plan for the benefit of its employees. Employees can defer up to 90% of their compensation subject to fixed annual limits. All current employees are eligible to participate in the 401(k) savings plan. Beginning January 2021, the Company began matching contributions to the 401(k) savings plan equal to 100% of the first 4% of wages deferred by each participating employee. The Company incurred expenses for employer matching contributions of $0.7 million and $0.6 million for the three months ended March 31, 2026 and 2025, respectively.

Note 18 Segment Information

In accordance with ASC 280, *Segment Reporting*, the operations of the Company constitute a single operating and reportable segment. This conclusion reflects the manner in which the Chief Operating Decision Maker ("CODM"), a joint responsibility, shared by the Chief Executive Officer and Chief Financial Officer, reviews financial information and makes operating decisions. The determination of the reportable segment is based on the nature of the Company’s products and services, as well as the financial performance, on a consolidated entity-wide basis, that are regularly reviewed by the CODM to guide resource allocation and assess performance.

The Company’s operations, all of which are located in the United States, collectively support this single-segment structure. No Member individually contributed to 10% or more of the Company’s revenues for the three months ended March 31, 2026 and 2025.

For further information regarding the Company’s products, services, and the accounting policies applied to its reportable segment, refer to Note 2 Significant Accounting Policies.

The key performance measure used by the CODM to make key operating decisions is consolidated net income, as reported in the Consolidated Statement of Operations. This measure is used to assess overall financial performance, identify areas for operation improvement, resource allocation and the allocation of budget between the provision for credit losses, processing and servicing costs, advertising and activation costs, compensation and benefits and other operating expenses. This measure helps to ensure alignment with the Company’s long-term financial objectives and supports consistent evaluation across all business activities.

The segment assets and liabilities reviewed by the CODM are those reported on the Company’s consolidated balance sheets, with particular focus on available liquidity, including cash, cash equivalents, investments, restricted cash, and ExtraCash receivables, offset by current liabilities and outstanding debt.

The following table presents selected financial information with respect to the Company's single operating and reportable segment for the three months ended March 31, 2026 and 2025, respectively:

Dave Inc.
Condensed Consolidated Statements of Operations
(in thousands)
(unaudited)

	For the Three Months Ended	
	March 31, 2026	**March 31, 2025**
Operating revenues:		
Service based revenue, net	$ 147,587	$ 97,851
Transaction based revenue, net	10,827	10,128
Total operating revenues, net	**158,414**	**107,979**
Operating expenses:		
Provision for credit losses	26,586	10,603
Processing and servicing costs	9,560	6,987
Financial network and transaction costs	7,752	7,039
Advertising and activation costs	14,260	11,930
Employee salaries and bonuses	15,311	15,521
Capitalized compensation costs	(1,543)	(1,370)
Stock-based compensation	7,102	7,517
Temporary labor and contractors	1,965	1,384
Other compensation, benefits and payroll taxes	4,755	4,199
Technology and infrastructure	3,395	2,726
Other operating expenses	9,705	6,294
Total operating expenses	**98,848**	**72,830**
Other (income) expenses:		
Interest income	(824)	(431)
Interest expense	1,729	1,758
Changes in fair value of earnout liabilities	(3,190)	(398)
Changes in fair value of public and private warrant liabilities	(8,309)	352
Total other (income) expense, net	**(10,594)**	**1,281**
Net income before provision for income taxes	**70,160**	**33,868**
Provision for income taxes	12,224	5,056
Net income	**$ 57,936**	**$ 28,812**

Other operating expenses primarily include legal fees and settlements, depreciation and amortization of property and equipment and internally developed software, charitable contributions, travel and entertainment, office and occupancy costs, insurance, sales tax and other taxes, computer expenses, licenses and fees, dues and subscriptions, and other general and administrative costs. These costs generally reflect our investments in infrastructure, business development, risk management, and administrative operations, and may vary period to period based on operational needs and strategic initiatives.

Significant noncash items that impact net income include provision for credit losses (see Note 5, ExtraCash Receivables, Net), stock-based compensation (see Note 15, Stock-Based Compensation), depreciation and amortization expense (see Note 6, Intangible Assets, Net and Note 8, Convertible Notes), changes in fair value of earnout liabilities, and changes in fair value of public and private warrant liabilities (see Note 13, Fair Value of Financial Instruments).

Note 19 Treasury Shares

During 2025, the Company repurchased an aggregate of 274,490 shares of Class A common stock for a total cost of $43.7 million, inclusive of transaction costs, under the share repurchase programs then in effect. Refer to Note 21, Treasury Shares, in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 for additional details.

On February 27, 2026, the Company's Board of Directors authorized a new share repurchase program under which the Company may repurchase up to $300.0 million of its outstanding Class A common stock (the "Repurchase Program"), which replaced the Company's prior $125.0 million program. Prior to being replaced, approximately $113.3 million remained available under the prior program. Under the Repurchase Program, repurchases may be made from time to time through open market transactions, privately negotiated transactions, block trades, accelerated share repurchase agreements, trading plans established pursuant to Rule 10b5-1 under the Securities Exchange Act of 1934, as amended, or other means as management may determine. The Repurchase Program does not obligate the Company to acquire any particular number of shares. The timing, price, and volume of repurchases are subject to management's discretion and depend on market conditions, share price, legal requirements, available liquidity, and other factors. The Company may suspend or discontinue the Repurchase Program at any time without prior notice. The Repurchase Program has no expiration date.

During the three months ended March 31, 2026, the Company repurchased shares of its Class A common stock under the Repurchase Program as follows:

- In connection with the offering of the 2031 Notes (see Note 8, Convertible Notes), on March 9, 2026, the Company repurchased 334,600 shares in privately negotiated transactions effected through J.P. Morgan Securities LLC, as agent, at a price of $210.67 per share (the closing price on the date of pricing), for an aggregate cost of approximately $70.5 million, funded from the net proceeds of the offering.
- Additionally, during March 2026, the Company repurchased 578,022 shares through open market transactions for an aggregate cost of approximately $116.2 million, inclusive of commissions and transaction costs, funded from general corporate funds.

In total, during the three months ended March 31, 2026, the Company repurchased 912,622 shares of Class A common stock for an aggregate cost of approximately $186.7 million under the Repurchase Program.

All repurchased shares are recorded as treasury shares at cost as a component of stockholders' equity on the condensed consolidated balance sheets. No treasury shares were retired or reissued during the three months ended March 31, 2026. As of March 31, 2026, approximately $113.3 million remained available for future repurchases under the Repurchase Program.

Note 20 Subsequent Events

Subsequent events are events or transactions that occur after the condensed consolidated balance sheet date, but before the condensed consolidated financial statements are available to be issued. The Company recognizes in the condensed consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the condensed consolidated balance sheet, including the estimates inherent in the process of preparing the condensed consolidated financial statements. The Company’s condensed consolidated financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the condensed consolidated balance sheet but arose after the condensed consolidated balance sheet date and before the condensed consolidated financial statements were available to be issued.

The Company evaluated events and transactions occurring subsequent to March 31, 2026 through the date the condensed consolidated financial statements were filed with the SEC. Based on this review, management determined that no subsequent events occurred that require adjustment to or disclosure in these condensed consolidated financial statements.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of the Company’s financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and the notes related thereto which are included in Part I, Item 1. “Financial Statements” of this Quarterly Report on Form 10-Q. Certain information contained in the discussion and analysis set forth below includes forward-looking statements. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those set forth under “Cautionary Note Regarding Forward-Looking Statements,” “Risk Factors” and elsewhere in our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the Securities and Exchange Commission (the “SEC”) on March 2, 2026 (the “Annual Report”), and this Quarterly Report on Form 10-Q.

Company Overview

Dave was founded in 2017 to provide a faster, more transparent, and lower-cost alternative to traditional financial institutions for Americans living paycheck to paycheck. Through our mobile-first platform, we deliver innovative financial products designed to help underserved consumers manage their money more effectively. Our mission is to level the financial playing field by providing intuitive, transparent, and accessible solutions that empower our Members to navigate life's financial challenges with confidence.

Since inception, over 20 million Members have signed up for the Dave app, with nearly 15 million having used at least one of our products. We have provided Members with over $24 billion in ExtraCash, offering critical liquidity when they need it most, and have donated over $25 million to charity and important causes.

Customers value our products, as demonstrated by more than 800,000 App Store reviews with an average 4.8-star rating. Dave has earned multiple Best Place to Work recognitions from Built In over the past several years, reflecting our ongoing investment in becoming an exceptional workplace.

Market Opportunity

According to the Financial Health Network in 2025, approximately 185 million Americans, representing 69% of the U.S. population, are classified as financially "coping" or "vulnerable," up from 66% in 2021. A February 2026 PYMNTS report found that 67% of U.S. consumers were living paycheck to paycheck, up from 57% in 2021. This population pays approximately $43 billion annually in basic checking fees and over $225 billion in annual fees and interest for short-term credit, according to FHN research. We estimate our total addressable market to be approximately 185 million Americans who do not have access to affordable and effective banking solutions.

We believe these high costs reflect the cost structure of incumbents. Legacy institutions with brick-and-mortar networks, antiquated technology, and inefficient customer acquisition strategies have significant costs to serve, which they pass on to customers. By leveraging technology and AI, we have dramatically reduced our cost to serve, enabling us to provide banking and credit products at lower costs with a stronger value proposition.

Key Factors Affecting Operating Results

Our future operating results and cash flows depend on Member growth and activity, product expansion, competition, industry trends, and general economic conditions.

Member Acquisition and Engagement

Revenue growth depends on efficiently acquiring new Members and driving product cross-sell. During the three months ended March 31, 2026, customer acquisition cost improved to approximately $18 while payback periods have improved to nearly three months, our fastest on record, reflecting our focus on directing acquisition spend toward the highest return opportunities.

ARPU expansion is primarily driven by ExtraCash volume and the adoption of Dave Checking by Members. Dave Debit Card actives generate approximately 1.8x higher monthly ARPU than non-card users and 11 times the average monthly transaction volume, indicating materially higher engagement and lifetime value. Dave Debit Card spend was $534 million in the first quarter of 2026, a 9% increase year-over-year. Our mid-2025 subscription fee increase from $1 to $3 for new members improved customer lifetime value without materially affecting conversion or retention. Subscription revenue grew 105% year-over-year in the first quarter of 2026.

Credit Performance

ExtraCash profitability depends on approving creditworthy Members while maintaining disciplined delinquency and write-off rates. In September 2025, we deployed CashAI v5.5, which nearly doubles the feature set of prior versions. Thus far, results demonstrate improved risk ranking, higher average approval amounts, and lower delinquency rates. CashAI has leveraged insights from over 200 million ExtraCash originations, a proprietary cash flow dataset that we believe provides a structural advantage in real-time credit

decisioning. The short average term of ExtraCash (approximately 12 days) creates rapid feedback loops, enabling iterative model refinement.

Economic conditions, particularly unemployment and consumer spending, materially influence Members' settlement capacity. Our real-time underwriting continuously evaluates transaction-level data to detect changes in income, spending, and employment. However, severe economic deterioration could materially increase delinquencies and write-offs despite model refinements.

Funding and Interest Rate Sensitivity

ExtraCash receivables funding costs are a material operating expense. Our variable-rate Debt Facility exposes us to interest rate risk, and elevated rates have increased borrowing costs, reducing ExtraCash unit economics.

In March 2025, we entered into the Program Agreement with Coastal under which Coastal issues and maintains deposit accounts and sponsors access to debit and ACH networks. As of the fourth quarter of 2025, all new Members are being onboarded to Coastal, and we expect the transition of existing Members to be substantially finalized by the end of 2026. This partnership is expected to reduce our funding obligations and free up capital as we transition ExtraCash receivables to an off-balance-sheet structure. Coastal will earn an amount equal to a variable rate based on the federal funds rate plus a margin while such receivables are on Coastal's balance sheet. Elevated rates have increased borrowing costs, which will reduce ExtraCash unit economics.

Higher interest rates create dual impacts: increased funding costs reduce gross margins, while elevated rates may increase Member demand for supplemental liquidity but simultaneously reduce settlement capacity. We actively manage funding costs through bank partner relationships and debt facility negotiations.

Competition

We compete with traditional banks and credit unions, neobanks such as Chime and Varo Bank, short-term credit and earned wage access providers such as Earnin, MoneyLion, and Brigit, and broader fintech platforms such as Affirm, Cash App, and Venmo. Many competitors possess greater financial resources, longer operating histories, and larger customer bases.

We believe we compete effectively based on: our superior value proposition of providing up to $500 in short-term credit (in the form of discretionary overdraft through a bank partner) with no interest, late fees, or credit check; proprietary underwriting technology through CashAI; strong customer satisfaction reflected in our App Store rating; an integrated product ecosystem driving higher engagement and lifetime value; and structural cost advantages through efficient, technology-driven operations.

Competitive pressures could increase marketing spend or reduce competitive positioning. Our long-term success depends on continued product differentiation and technological leadership. See "Item 1. Business" and "Item 1A. Risk Factors" included in our Annual Report for additional information.

Macroeconomic Conditions

Our business is sensitive to macroeconomic conditions. Interest rate changes directly impact funding costs and Members' settlement capacity.

Unemployment affects Members' ability to repay ExtraCash. Consumer spending patterns and inflation influence cash flow and credit demand.

Our real-time underwriting adapts to changing conditions through continuous transaction-level analysis. However, severe macroeconomic deterioration, including recession, significant unemployment increases, or persistent inflation, could materially impact our business, financial condition, and results of operations.

Our business is subject to moderate seasonal trends, with ExtraCash demand and Dave Checking transaction volumes generally correlating to consumer spending cycles, including increased activity during the holiday season and around tax refund periods. These seasonal patterns may result in fluctuations in our quarterly and annual results of operations.

Regulatory Environment

We operate in a complex and evolving regulatory environment. Regulatory developments and increased supervisory scrutiny of bank-fintech partnerships could result in changes to our product structures, increased compliance costs, or new operational requirements. We continue to monitor these developments. See "Item 1. Business—Regulatory Environment" and "Item 1A. Risk Factors" for additional discussion.

Recent Developments

On April 9, 2026 we reached a significant product development milestone with a controlled market launch of Dave Flex, a general purpose credit card integrating buy-now-pay-later functionality. The initial release has been extended to a limited subset of members

to establish a foundational dataset spanning card usage and transaction volume, credit quality and delinquency trends, repayment behavior, and overall member satisfaction and engagement. This data-driven approach reflects management's commitment to disciplined product scaling. We expect to leverage performance data from this phase to validate key economic assumptions, refine risk management frameworks, and determine the appropriate pace of subsequent expansion. Dave Flex remains in an early stage, and future results will depend on, among other factors, the outcomes observed during this initial testing period.

Key Components of Statements of Operations

Basis of Presentation

Currently, we conduct business through one operating segment which constitutes a single reportable segment. For more information about our basis of presentation, refer to Note 2 in the accompanying condensed consolidated financial statements of Dave included in this report.

During the second quarter of 2025, we revised the presentation of certain items within our condensed consolidated statement of operations. These changes have been applied retrospectively to all periods presented and did not impact previously reported net income or earnings per share.

Specifically:

- Financial network and transaction costs now appear as a separate line item within operating expenses (formerly included in other operating expenses).
- Advertising and marketing is now presented as advertising and activation under operating expenses and includes Member activation costs (activation costs were formerly included in processing and servicing costs and other operating expenses).
- Technology and infrastructure costs now appear as a separate line item within operating expenses (formerly included in other operating expenses).

Operating Revenues

Service based revenue, net

Service based revenue, net primarily consists of processing fees, optional tips, overdraft service fees and subscriptions charged to Members, net of processor-related costs associated with ExtraCash disbursements. Service based revenue, net also consists of lead generation fees from our Side Hustle advertising partners and revenue share from our surveys partner. We discontinued optional tips and optional processing fees from our business model in February 2025.

Transaction based revenue, net

Transaction based revenue, net primarily consists of interchange and ATM revenues from our Checking Product, net of interchange fees, ATM-related fees and interest earned by Members. Also included in transaction based revenue are fees earned from funding and withdrawal-related transactions, maintenance fees on inactive accounts, volume support from a certain co-branded agreement and deposit referral fees that are recognized at the point in time the transactions occur, as the performance obligations are satisfied and the variable consideration is not constrained.

Operating Expenses

We classify our operating expenses into the following six categories:

Provision for credit losses

The provision for credit losses primarily consists of an allowance for expected credit losses at a level estimated to be adequate to absorb credit losses inherent in the outstanding ExtraCash receivables, inclusive of outstanding processing and overdraft service fees and tips, along with outstanding amounts aged over 120 days or which become uncollectible based on information available to us during the period. We currently estimate the allowance balance required using historical loss and collections experience, and, if relevant, the nature and volume of the portfolio, economic conditions, and other factors such as collections trends and cash collections received subsequent to the balance sheet date. Changes to the allowance have a direct impact on the provision for credit losses in the condensed consolidated statement of operations. We consider ExtraCash receivables aged more than 120 days or which become uncollectible based on information available to us as impaired. All impaired ExtraCash receivables are deemed uncollectible and subsequently written off and are a direct reduction to the allowance for credit losses. Subsequent recoveries, if any, of ExtraCash receivables written-off are recorded as a reduction to the provision for credit losses in the condensed consolidated statements of operations when collected.

Processing and servicing costs

Processing and servicing costs consist of fees paid to our processing partners for the recovery of ExtraCash, optional processing fees, optional tips, overdraft service fees and subscriptions. These expenses also include costs paid for services to connect Members' bank accounts to our application. Except for processing and servicing costs associated with ExtraCash originations which are recorded net against revenue, all other processing and service costs are expensed as incurred.

Financial network and transaction costs

Financial network and transaction costs primarily consist of program management fees, card network association fees, payment processing costs, losses related to Member-disputed transactions, bank card fees and fraud-related losses.

Advertising and activation costs

Advertising and activation expenses primarily consist of fees paid to our advertising and marketing platform partners for online, social media, and television campaigns, as well as promotional partnerships. These expenses also include activation-related costs, such as third-party fees (e.g., Plaid) incurred to onboard new Members to our platform. Advertising and activation costs are expensed as incurred, even though they may provide benefits over an extended period.

Compensation and benefits

Compensation and benefits expenses represent the compensation, inclusive of stock-based 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 and manage routine customer service inquiries and support.

Technology and infrastructure

Technology and infrastructure costs are associated with third-party Software-as-a-Service ("SaaS") solutions, including cloud-based platforms that support the development, maintenance, scalability, and security of our products and internal systems.

Other Operating Expenses

Other operating expenses primarily include legal fees and settlements, depreciation and amortization of property and equipment and internally developed software, charitable contributions, travel and entertainment, office and occupancy costs, insurance, sales tax and other taxes, computer expenses, licenses and fees, dues and subscriptions, and other general and administrative costs. These costs generally reflect our investments in infrastructure, business development, risk management, and administrative operations, and may vary period to period based on operational needs and strategic initiatives.

Other (Income) Expenses

Other (income) expenses consist of interest income, interest expense, changes in fair value of earnout liabilities and changes in fair value of warrant liabilities.

Provision for Income Taxes

Provision for income taxes reflects federal and state income taxes and changes in our valuation allowance against deferred tax assets.

Results of Operations

Comparison of the three months ended March 31, 2026 and 2025

Operating revenues

(in thousands, except for percentages)	For the Three Months Ended March 31,		Change	
			$	%
	2026	2025	2026/2025	2026/2025
Service based revenue, net				
Processing and overdraft service fees, net	$ 133,588	$ 83,448	$ 50,140	60%
Tips	-	7,496	(7,496)	-100%
Subscriptions	13,945	6,817	7,128	105%
Other	54	90	(36)	-40%
Transaction based revenue, net	10,827	10,128	699	7%
Total	**$ 158,414**	**$ 107,979**	**$ 50,435**	47%

Service based revenue, net—

Processing and Overdraft Service fees, net

Processing and overdraft service fees, net of processing and servicing costs associated with ExtraCash originations, totaled $133.6 million for the three months ended March 31, 2026, representing an increase of $50.1 million, or 60%, compared to $83.4 million for the three months ended March 31, 2025. The increase was primarily driven by an approximate 18% increase in average monthly transacting Members, an increase in total ExtraCash origination volume from approximately $1.5 billion to approximately $2.1 billion, a rise in the average ExtraCash amounts that increased from $192 to $212 period over period and increases to our fee structure that took place during February 2025. In addition, both the average processing and overdraft service fees increased modestly during the current period. We expect processing and overdraft service fees to continue to increase in line with growth in ExtraCash volume and Member engagement.

Tips

Tips decreased $7.5 million for the three months ended March 31, 2026 compared to the three months ended March 31, 2025 primarily due to the elimination of the Member tipping option in February 2025.

Subscriptions

Subscription revenue totaled $13.9 million for the three months ended March 31, 2026, an increase of $7.1 million, or 105%, compared to $6.8 million for the three months ended March 31, 2025. The increase was primarily attributable to the growth in the number of paying Members on our platform, in addition to subscription fee increases for new Members that took place during June 2025.

Transaction based revenue, net

Transaction based revenue, net, was $10.8 million for the three months ended March 31, 2026, an increase of $0.7 million, or 7%, compared to $10.1 million for the three months ended March 31, 2025. The increase was primarily driven by interchange revenue resulting from the growth in Members engaging with our Checking Product and increased card spend and transaction volume, which rose approximately 9% period over period. Additionally, transaction based revenue, net increased primarily due to fees earned from higher Members' funding and withdrawal-related transactions, maintenance fees on inactive accounts, and volume incentives from our card network partners. These increases were partially offset by a slight decrease in ATM revenue due to temporarily reduced fee rates, as well as a slight increase in interest due to Members.

Operating expenses

(in thousands, except for percentages)	For the Three Months Ended March 31,		Change	
			$	%
	2026	2025	2026/2025	2026/2025
Provision for credit losses	$ 26,586	$ 10,603	$ 15,983	151%
Processing and servicing costs	9,560	6,987	2,573	37%
Financial network and transaction costs	7,752	7,039	713	10%
Advertising and activation costs	14,260	11,930	2,330	20%
Compensation and benefits	27,590	27,251	339	1%
Technology and infrastructure	3,395	2,726	669	25%
Other operating expenses	9,705	6,294	3,411	54%
Total	**$ 98,848**	**$ 72,830**	**$ 26,018**	36%

Provision for credit losses—The provision for credit losses was $26.6 million for the three months ended March 31, 2026, compared to $10.6 million for the three months ended March 31, 2025, resulting in an increase of $16.0 million, or 151%. This increase reflects period-over-period growth in ExtraCash volume, continued expansion of our Member base, and credit performance trends consistent with the portfolio's expected maturation and our strategic emphasis on optimizing unit-level profitability.

The year-over-year increase comprises two principal drivers. The provision for ExtraCash receivables aged over 120 days and those deemed uncollectible increased by $13.0 million, driven by higher receivable volumes and loss timing consistent with a growing Member base and maturing loan portfolio. Provision expense for ExtraCash receivables aged 120 days and under increased by $3.0 million, reflecting increased outstanding balances. In aggregate, these drivers reflect the impact of portfolio expansion, including an 18% increase in average transacting Members, an increase in average ExtraCash advance amounts from $192 to $212, and growth in total ExtraCash origination volume from approximately $1.5 billion to $2.1 billion for the three months ended March 31, 2025 and 2026, respectively.

Management regularly updates ExtraCash eligibility requirements, new Member conversion processes, and risk detection capabilities to align with expected loss emergence patterns and to respond to economic conditions and seasonal shifts in Member activity. Under the current expected credit loss ("CECL") model, management estimates lifetime expected credit losses based on historical experience, current conditions, and reasonable and supportable forecasts. Our CECL methodology pools ExtraCash receivables based on shared risk characteristics, such as vintage and payment behavior, and applies historical loss rates adjusted for observed and forecasted economic trends, including anticipated seasonal effects.

The outstanding balance of ExtraCash receivables is subject to variability based on seasonal differences in Member activity across the trailing 120-day measurement period. Additionally, the calendar day on which a period ends can materially affect provision expense due to intra-week fluctuations in outstanding balances. This inherent timing effect, together with the seasonal pattern of origination and loss emergence, contributes to variability in our period-end provision for credit losses.

Historical loss rates utilized in our allowance for credit losses for the period ended March 31, 2026 remained relatively stable compared to the prior period, reflecting expected shifts in overall collections performance. These loss rates may be influenced by the timing of collections activity relative to period-end measurement dates and the composition of aged receivables outstanding at any given reporting date. Changes in these historical loss rates directly affect both the allowance for credit losses and the corresponding provision for credit losses. All uncollectible ExtraCash receivables are written off against the allowance for credit losses, reducing the allowance accordingly.

For additional details regarding the aging composition of ExtraCash receivables and a complete roll-forward analysis of the allowance for credit losses, refer to the detailed tables presented in Note 5 — ExtraCash Receivables, Net in the accompanying consolidated financial statements.

Processing and service costs—Processing and servicing costs totaled $9.6 million for the three months ended March 31, 2026, compared to $7.0 million for the three months ended March 31, 2025. The increase of $2.6 million, or 37%, was primarily driven by cost increases from ExtraCash origination volume from approximately $1.5 billion to $2.1 billion for the three months ended March 31, 2025 and 2026, respectively.

Financial network and transaction costs—Financial network and transaction costs totaled $7.8 million for the three months ended March 31, 2026, compared to $7.0 million for the three months ended March 31, 2025. The increase of $0.7 million, or 10%, was primarily driven by increases in debit card network fees and debit card processing costs due to a 9% increase in transaction volume period over period, partially offset by decreases in ATM network fees.

Advertising and activation costs —Advertising and activation costs totaled $14.3 million for the three months ended March 31, 2026, compared to $11.9 million for the three months ended March 31, 2025. The increase of $2.3 million, or 20%, was primarily driven by our continued investment in Member acquisition and engagement, with spend refined to capitalize on seasonal trends and high-return

opportunities. Customer acquisition cost improved to approximately $18 while payback periods improved to nearly three months, reflecting disciplined allocation of marketing resources toward efficient growth.

Compensation and benefits—Compensation and benefits expenses totaled $27.6 million for the three months ended March 31, 2026, compared to $27.3 million for the three months ended March 31, 2025. The increase of $0.3 million, or 1%, was primarily attributable to the following:

- an increase in temporary labor and contractor costs of $0.6 million, as we continued to leverage specialized skills and flexible workforce arrangements to support key operating initiatives and capacity needs during the three months ended March 31, 2026.
- an increase in salaries, bonuses, benefits and insurance, and employer taxes of $0.1 million; offset by
- a decrease in stock-based compensation of $0.4 million, primarily due to reductions in stock-based compensation expense related to stock options and restricted stock units granted in prior years that have fully vested during the three months ended March 31, 2026, compared to the three months ended March 31, 2025, partially offset by an increase in stock-based compensation expense related to performance-based restricted stock units granted during the period; and

Technology and infrastructure—Technology and infrastructure expenses totaled $3.4 million for the three months ended March 31, 2026, compared to $2.7 million for the three months ended March 31, 2025. The increase of $0.7 million, or 25%, was primarily driven by continued investment in the reliability, security, and scalability of our systems. Management remains focused on balancing operational efficiency with infrastructure resilience, directing technology-related spend toward initiatives that support business growth, cybersecurity, and the evolving needs of our Members.

Other operating expenses—Other operating expenses totaled $9.7 million for the three months ended March 31, 2026, compared to $6.3 million for the three months ended March 31, 2025. The increase of $3.4 million, or 54%, was primarily attributable to the following:

- an increase in legal expenses of $2.9 million, primarily attributable to higher litigation and settlement-related costs compared to the prior period; and
- an increase in professional service fees of $0.6 million related to expenditures for external consulting and compliance-related services in support of key operational and regulatory priorities, including the enhancement of internal controls, processes, and adherence to applicable reporting standards.

Other (income) expenses

(in thousands, except for percentages)	For the Three Months Ended March 31,		Change	
			$	%
	2026	2025	2026/2025	2026/2025
Interest income	$ (824)	$ (431)	$ (393)	91%
Interest expense	1,729	1,758	(29)	-2%
Changes in fair value of earnout liabilities	(3,190)	(398)	(2,792)	702%
Changes in fair value of public and private warrant liabilities	(8,309)	352	(8,661)	-2461%
Total	**$ (10,594)**	**$ 1,281**	**$ (11,875)**	-927%

Interest income—Interest income totaled $0.8 million for the three months ended March 31, 2026, compared to $0.4 million for the three months ended March 31, 2025. The increase of $0.4 million, or 91%, was primarily driven by higher average cash balances held in interest-bearing accounts, partially offset by an overall decline in interest rates period over period.

Changes in fair value of earnout liability—Changes in fair value of earnout liabilities resulted in benefit of $3.2 million for three months ended March 31, 2026, compared to a benefit of $0.4 million for the three months ended March 31, 2025. The increase of $2.8 million was primarily driven by a fair value adjustment related to the earnout shares liability, which is sensitive to fluctuations in our Class A common stock price. While our stock has generally appreciated over the last 12 months, a decrease in the price during the three months ended March 31, 2026 led to a remeasurement of the liability at a lower fair value, resulting in a benefit recognized during the period.

Changes in fair value of warrant liability—Changes in the fair value of our warrant liability resulted in a benefit of $8.3 million for the three months ended March 31, 2026, compared to a loss of $0.4 million for the three months ended March 31, 2025. The decrease of $8.7 million was primarily driven by fair value adjustments related to our public and private warrant liabilities, which are

remeasured each period based on changes in the DAVEW warrant price and our Class A common stock price. The warrant liability decreased in value during the current quarter due to a decrease in the DAVEW warrant price and our Class A common stock price during the first quarter of 2026, which led to a remeasurement of the liability at a lower fair value, resulting in a significant benefit recognized during the period.

Provision for income taxes

(in thousands, except for percentages)	For the Three Months Ended March 31,		Change	
			$	%
	2026	2025	2026/2025	2026/2025
Provision for income taxes	$12,224	$5,056	$7,168	142%
Total	**$12,224**	**$5,056**	**$7,168**	142%

Provision for income taxes for the three months ended March 31, 2026 increased by approximately $7.2 million, or 142%, compared to the three months ended March 31, 2025. The increase was primarily due to higher income reported for the three months ended March 31, 2026 compared to the three months ended March 31, 2025.

Non-GAAP Financial Measures

In addition to our results determined in accordance with GAAP, we believe the following non-GAAP measure is useful in evaluating our operational performance. We use the following non-GAAP measure to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that the non-GAAP financial information may be helpful in assessing our operating performance and facilitates an alternative comparison among fiscal periods. The non-GAAP financial measure is not, and should not be viewed as, a substitute for GAAP reporting measures.

Adjusted EBITDA

"Adjusted EBITDA" is defined as net income adjusted for interest income or expense, provision for income taxes, depreciation and amortization, stock-based compensation, dormant account fees, legal settlement and litigation expenses, changes in fair value of earnout liabilities, changes in fair value of public and private warrant liabilities, and other discretionary or non-recurring items determined by management. Adjusted EBITDA is intended as a supplemental measure of our performance that is neither required by, nor presented in accordance with, GAAP.

We believe that the use of Adjusted EBITDA provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing our financial measures with those of comparable companies, which may present similar non-GAAP financial measures to investors. However, you should be aware that when evaluating Adjusted EBITDA, we may incur future expenses similar to those excluded when calculating this measure. In addition, our presentation of this measure should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Our computation of Adjusted EBITDA may not be comparable to other similarly titled measures computed by other companies, because not all companies calculate Adjusted EBITDA in the same fashion.

Because of these limitations, Adjusted EBITDA should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using Adjusted EBITDA on a supplemental basis. You should review the reconciliation of net income to Adjusted EBITDA below, and no single financial measure should be relied upon to evaluate our business.

The following table reconciles net income to Adjusted EBITDA for the three months ended March 31, 2026 and 2025:

(in thousands)	For the Three Months Ended March 31,	
	2026	**2025**
Net income	$ 57,936	$ 28,812
Interest expense, net	905	1,327
Provision for income taxes	12,224	5,056
Depreciation and amortization	1,585	1,500
Stock-based compensation	7,102	7,517
Legal settlement and litigation expenses	1,067	-
Changes in fair value of earnout liabilities	(3,190)	(398)
Changes in fair value of public and private warrant liabilities	(8,309)	352
Adjusted EBITDA	**$ 69,320**	**$ 44,166**

Liquidity and Capital Resources

We have historically financed our operations through cash generated from operations, equity financings, borrowings under our credit facility, and proceeds from the Business Combination. In March 2026, we completed the private offering of the 2031 Notes, which significantly increased our available liquidity. Throughout 2025 and the three months ended March 31, 2026, we achieved consistent profitability and positive operating cash flow, which has strengthened our liquidity position and reduced our reliance on external financing.

As of March 31, 2026, our cash and cash equivalents, investments, and restricted cash totaled $177.8 million, compared to $123.2 million as of December 31, 2025. The increase was primarily driven by net proceeds received from the 2031 Notes offering and cash generated from operations, partially offset by $186.7 million in share repurchases, $17.3 million used to purchase capped call transactions, and $7.4 million in debt issuance costs.

Sources and Uses of Cash

Our primary sources of liquidity include:

- Cash generated from operations, including processing and overdraft service fees, subscription revenue, and transaction-based revenue;
- Proceeds from the issuance of the 2031 Notes; and
- Borrowings available under our Debt Facility with VPC.

Our primary uses of cash include:

- Funding ExtraCash originations;
- Operating expenses, including processing and servicing costs, financial network and transaction costs, advertising and activation costs, compensation and benefits, technology infrastructure, and other operating expenses;
- Share repurchases under our authorized repurchase program;
- Purchase of capped call transactions in connection with the 2031 Notes offering; and
- Interest related to our debt obligations.

Debt Facility

We maintain a credit facility (the 'Debt Facility') with Victory Park Management, LLC ('VPC' or 'Agent'). As of March 31, 2026, $75.0 million of term loans under the Debt Facility were outstanding. Interest payments on term loan borrowings are required on a monthly basis. See Note 10, Debt Facility, in the notes to our condensed consolidated financial statements for additional information regarding the terms of the Debt Facility.

As of June 30, 2025, we were not in compliance with the Minimum Receivable Loan-to-Value ratio covenant under the Debt Facility. The Agent provided a limited waiver of this covenant for that period. On July 14, 2025, we entered into the Fifth Amendment to the Financing Agreement, which, among other updates, removed the Loan-to-Value ratio covenant from the agreement entirely. As of March 31, 2026, we were in compliance with all covenants under the Debt Facility.

The Debt Facility matures in December 2026, at which time the full $75.0 million outstanding principal balance will become due. No principal repayments have been made since inception of the facility. We are evaluating our alternatives with respect to the Debt Facility, which may include refinancing, extending the maturity, repaying the balance in full from available cash and operating cash flows, or a combination thereof. As of March 31, 2026, our cash and cash equivalents, investments, and restricted cash totaled $177.8 million, and we generated $82.0 million of cash from operations during the three months ended March 31, 2026. Based on our current liquidity position and cash flow generation, we believe we will have sufficient resources to satisfy the obligation at maturity; however, there can be no assurance that refinancing or replacement financing, if pursued, will be available on acceptable terms or at all.

Convertible Notes

In March 2026, we completed a private offering of $200.0 million aggregate principal amount of 0% Convertible Senior Notes due 2031 (the "2031 Notes"), including the full exercise of the initial purchasers' option to purchase an additional $25.0 million of 2031 Notes. We received net proceeds of approximately $193.4 million after deducting initial purchasers' discounts and before deducting offering expenses. We used approximately $17.3 million of the net proceeds to fund the cost of capped call transactions entered into concurrently with the 2031 Notes offering, which are designed to reduce potential dilution to our Class A common stock upon conversion of the 2031 Notes, and approximately $70.5 million to repurchase 334,600 shares of our Class A common stock in privately negotiated transactions. The remaining net proceeds have been invested in U.S. Treasury money market funds and are expected to be used for general corporate purposes, including additional share repurchases under our Repurchase Program.

The 2031 Notes do not bear regular interest and mature on April 1, 2031, unless earlier repurchased, redeemed, or converted. We may redeem the 2031 Notes, in whole or in part, for cash on or after April 6, 2029, subject to certain stock price and liquidity conditions. Upon conversion, we are required to settle the principal amount in cash and may elect to settle any excess conversion value in cash, shares of our Class A common stock, or a combination thereof. Holders may require us to repurchase their notes for cash upon the occurrence of a fundamental change. As of March 31, 2026, none of the conditions permitting early conversion of the 2031 Notes had been met, and accordingly, the 2031 Notes were classified as long-term debt on our condensed consolidated balance sheet. See Note 8, Convertible Notes, for additional information.

Share Repurchase Program

In March 2025, our Board of Directors authorized a share repurchase program of up to $50.0 million (the "March 2025 Repurchase Plan"). In August 2025, the Board authorized a share repurchase program of up to $125.0 million, which replaced the March 2025 Repurchase Plan (the "August 2025 Repurchase Plan"). On February 27, 2026, the Board authorized a new share repurchase program of up to $300.0 million (the "Repurchase Program"), which replaced the August 2025 Repurchase Plan. Approximately $113.2 million remained available under the August 2025 Repurchase Plan at the time of its replacement.

During the three months ended March 31, 2026, we repurchased an aggregate of 912,622 shares of our Class A common stock for approximately $186.7 million under the Repurchase Program, consisting of 334,600 shares repurchased in privately negotiated transactions in connection with the 2031 Notes offering for approximately $70.5 million and 578,022 shares repurchased in open market transactions for approximately $116.2 million. As of March 31, 2026, approximately $113.3 million remained available for future repurchases under the Repurchase Program. The timing and amount of future repurchases, if any, will depend on market conditions, share price, legal requirements, and other factors. See Note 19, Treasury Shares, for additional information.

Assessment of Liquidity

We believe that our existing cash and cash equivalents, investments and restricted cash, together with cash generated from operations and borrowings available under our Debt Facility, will be sufficient to meet our working capital requirements, capital expenditure needs, share repurchases, debt service obligations, and other liquidity requirements for at least twelve months from the date of this Quarterly Report on Form 10-Q and for the foreseeable future.

The amount and timing of any future funding requirements will depend on many factors, including operating performance, growth initiatives, capital markets conditions, and our share repurchase activity. We may from time to time seek to raise additional capital through equity or debt financings. There can be no assurance that additional financing, if pursued, will be available on terms acceptable to us, or at all.

Material Cash Requirements

The following summarizes our material cash requirements as of March 31, 2026:

ExtraCash

We fund ExtraCash originations primarily through operating cash flow and, as needed, borrowings under the Debt Facility. In connection with our Program Agreement with Coastal, we expect to transition a portion of ExtraCash receivables to an arrangement in which Coastal retains legal ownership of the receivables on its balance sheet, which is expected to reduce our

funding obligations and improve capital efficiency over time. See 'Bank Partners' in Item 1 of our Annual Report for additional information.

Contractual Obligations

In the normal course of business, we enter into agreements with vendors and service providers that may include minimum purchase commitments or other payment obligations. We believe we will be able to fulfill these obligations through cash generated from operations and existing cash balances.

Debt Obligations

As of March 31, 2026, we had $75.0 million of term loans outstanding under the Debt Facility, which matures in December 2026. Interest payments are due monthly at a variable rate. See Note 10, Debt Facility, for additional information regarding repayment terms and maturities, and refer to 'Liquidity and Capital Resources — Debt Facility' above for a discussion of our alternatives with respect to the maturity of the Debt Facility.

Convertible Notes

As of March 31, 2026, we had $200.0 million aggregate principal amount of 2031 Notes outstanding, with a net carrying amount of $192.8 million. The 2031 Notes do not bear regular interest, and accordingly, we have no scheduled cash interest payment obligations under the 2031 Notes. The full principal balance of $200.0 million is due at maturity on April 1, 2031, unless the notes are earlier converted, redeemed, or repurchased.

Holders of the 2031 Notes may require us to repurchase all or a portion of their notes for cash upon the occurrence of a fundamental change, at a repurchase price equal to 100% of the principal amount, plus any accrued and unpaid interest. In addition, the 2031 Notes may become convertible prior to maturity upon satisfaction of certain market price or other conditions, in which case we would be required to settle the principal amount in cash and may elect to settle any excess conversion value in cash, shares of our Class A common stock, or a combination thereof. As of March 31, 2026, none of the conditions permitting early conversion had been met. See Note 8, Convertible Notes, for additional information.

Operating Lease Obligations

As of March 31, 2026, we had future minimum lease payments of approximately $0.4 million under our operating lease arrangements, all of which relate to related-party leases with PCJW Properties LLC. See Note 12, Leases, for additional information.

Off-Balance Sheet Arrangements

As of March 31, 2026, we did not have any off-balance sheet arrangements, as defined by SEC regulations, that have or are reasonably likely to have a current or future material effect on our financial condition, results of operations, liquidity, capital expenditures, or capital resources.

As described in 'Item 1. Business — Bank Partners' of our Annual Report, under our Program Agreement with Coastal, we expect that a portion of ExtraCash receivables will be originated and retained on Coastal's balance sheet as existing Members migrate to Coastal, which we anticipate will be substantially finalized by the end of 2026. We will continue to evaluate and disclose the nature and impact of this arrangement as the transition progresses.

Additionally, we may use cash to acquire businesses and technologies. The nature of these potential transactions, however, makes it difficult to predict the amount and timing of such cash requirements.

Cash Flows Summary

(in thousands)	**For the Three Months Ended**	
Total cash provided by (used in):	**March 31, 2026**	**March 31, 2025**
Operating activities	$ 82,026	$ 45,247
Investing activities	(10,139)	(28,057)
Financing activities	(19,083)	(19,906)
Net increase (decrease) in cash and cash equivalents and restricted cash	**$ 52,804**	**$ (2,716)**

Cash Flows From Operating Activities

During the three months ended March 31, 2026, net cash provided by operating activities was $82.0 million, an increase of $36.8 million compared to $45.2 million for the three months ended March 31, 2025, primarily due to increases in operating revenues. Net

cash provided by operating activities included net income of $57.9 million, adjusted for significant noncash items including provision for credit losses of $26.6 million, stock-based compensation of $7.1 million, and depreciation and amortization of $1.6 million, partially offset by changes in fair value of earnout and warrant liabilities of $11.5 million. Changes in operating assets and liabilities increased cash by $0.2 million, primarily driven by an increase in income taxes payable of $10.1 million and increase in non-current liabilities of $0.5 million, partially offset by an increase in prepaid expenses and other current assets of $6.5 million, an increase in ExtraCash receivables, service-based revenue of $1.7 million, a decrease in accounts payable of $1.6 million, and a decrease in other current liabilities of $0.4 million.

During the three months ended March 31, 2025, net cash provided by operating activities increased compared to the three months ended March 31, 2024 due to increases in operating revenues and a reduction in various operating expenses across the organization. Net cash provided by operating activities for the three months ended March 31, 2025 included net income of $28.8 million, and excluding non-cash impacts, included an increase in ExtraCash receivables, service based revenue of $3.3 million and a decrease in accrued expenses of $4.5 million. These changes were offset by an increase in income taxes payable of $4.7 million and an increase in other non-current liabilities of $0.3 million.

Cash Flows From Investing Activities

During the three months ended March 31, 2026, net cash used in investing activities was $10.1 million, primarily consisting of $26.0 million in purchases of investments, $6.7 million in net ExtraCash originations and collections, and $1.5 million in payments for internally developed software costs, partially offset by $24.1 million from the sale and maturity of investments.

During the three months ended March 31, 2025, net cash used in investing activities was $28.1 million, primarily consisting of purchases of investments of $37.9 million, net ExtraCash originations and collections of $26.1 million and payments related to internally developed software costs and property and equipment of $1.4 million, partially offset by the sale and maturity of investments of $37.3 million.

Cash Flows From Financing Activities

During the three months ended March 31, 2026, net cash used in financing activities was $19.1 million, primarily consisting of $186.7 million in repurchases of Class A common stock, $17.3 million for the purchase of capped calls, and $8.2 million for the payment of taxes related to net share settlements of equity awards, partially offset by $193.1 million in net proceeds from the issuance of convertible notes.

During the three months ended March 31, 2025, net cash used in financing activities was $19.9 million, which consisted of the $13.3 million for payment for shares withheld related to net share settlements and $6.9 million related to repurchases of Class A common stock, offset by $0.3 million for proceeds received for stock option exercises.

Critical Accounting Estimates

Our condensed consolidated financial statements have been prepared in accordance with U.S. GAAP. The preparation of these condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the condensed consolidated financial statements, as well as the reported revenues and expenses incurred during the reporting periods. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Our critical accounting estimates and assumptions are evaluated on an ongoing basis, including those related to the following:

(i) Allowance for credit losses; and

(ii) Income taxes.

Actual results may differ from these estimates under different assumptions or conditions. We believe that the accounting estimates discussed below are critical to understanding our historical and future performance, as these estimates relate to the more significant areas involving management’s judgments and estimates. Please refer to Note 2 in our accompanying condensed consolidated financial statements for the periods ended March 31, 2026 and 2025 included in this Quarterly Report on Form 10-Q.

While our significant accounting estimates are described in the notes to our condensed consolidated financial statements, we believe that the following accounting estimates require a greater degree of judgment and complexity and are the most critical to understanding our financial condition and historical and future results of operations.

Allowance for Credit Losses

ExtraCash receivables from contracts with Members as of the balance sheet dates are recorded at their original receivable amounts reduced by an allowance for expected credit losses. We pool our ExtraCash receivables, all of which are short-term in nature and arise

from contracts with Members, based on shared risk characteristics to assess their risk of loss, even when that risk is remote. We use an aging method and historical loss rates as a basis for estimating the percentage of current and delinquent ExtraCash receivables balances that will result in credit losses. We consider whether the conditions at the measurement date and reasonable and supportable forecasts about future conditions warrant an adjustment to our historical loss experience. In assessing such adjustments, we primarily evaluate current economic conditions, expectations of near-term economic trends and changes in customer payment terms and collection trends. For the measurement dates presented herein, given our methods of collecting funds, and that we have not observed meaningful changes in our customers' payment behavior, we determined that our historical loss rates remained most indicative of our lifetime expected losses. We immediately recognize an allowance for expected credit losses upon the origination of the ExtraCash receivable. Adjustments to the allowance each period for changes in the estimate of lifetime expected credit losses are recognized in operating expenses—provision for credit losses in the consolidated statements of operations.

When we determine that an ExtraCash receivable is not collectible, the uncollectible amount is written-off as a reduction to both the allowance and the gross asset balance. Subsequent recoveries are recorded when received and are recorded as a recovery of the allowance for expected credit losses. Any change in circumstances related to a specific ExtraCash receivable may result in an additional allowance for expected credit losses being recognized in the period in which the change occurs.

Income Taxes

We follow ASC 740, Income Taxes ("ASC 740"), which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the condensed consolidated financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the period in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more-likely-than-not that the asset will not be realized.

The effective tax rate used for interim periods is the estimated annual effective tax rate, based on the current estimate of full year results, except that those taxes related to specific discrete events, if any, are recorded in the interim period in which they occur. The annual effective tax rate is based upon several significant estimates and judgments, including our estimated annual pre-tax income in each tax jurisdiction in which it operates, and the development of tax planning strategies during the year. In addition, our tax expense can be impacted by changes in tax rates or laws and other factors that cannot be predicted with certainty. As such, there can be significant volatility in interim tax provisions.

ASC 740 provides that a tax benefit from an uncertain tax position may be recognized when it is more-likely-than-not that the position will be sustained in a court of last resort, based on the technical merits. If more-likely-than-not, the amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized upon examination, including compromise settlements. For tax positions not meeting the more-likely-than-not threshold, no tax benefit is recorded. We have estimated $3.5 million and $3.3 million of uncertain tax positions as of March 31, 2026 and December 31, 2025, respectively, related to state income taxes and federal and state research and development tax credits.

Our policy is to recognize interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense within the statement of operations.

We are subject to income tax in jurisdictions in which we operate, including the United States. For U.S. income tax purposes, we are taxed as a Subchapter C corporation.

We recognize deferred taxes for temporary differences between the basis of assets and liabilities for financial statement and income tax purposes. We regularly assess the need for a valuation allowance against its deferred tax assets each quarter. In making that assessment, we consider both positive and negative evidence in the various jurisdictions in which it operates related to the likelihood of realization of the deferred tax assets to determine, based on the weight of available evidence, whether it is more likely than not that some or all of the deferred tax assets will not be realized. We maintained a valuation allowance against our deferred tax assets, net of deferred tax liabilities, at March 31, 2025. Based upon management's assessment of all available evidence at March 31, 2025, we concluded that it was more-likely-than-not that the deferred tax assets, net of deferred tax liabilities, will not be realized. As of December 31, 2025, based on all available positive and negative evidence, having demonstrated sustained profitability, which is objective and verifiable, and taking into account anticipated future earnings, we concluded that it is more likely than not that its U.S. federal and state deferred tax assets will be realizable. As such, we released $58.7 million of our valuation allowance associated with the U.S. federal and state deferred tax assets during the year ended December 31, 2025. As of March 31, 2026, there is no valuation allowance against our deferred tax assets, net of deferred tax liabilities. We will continue to monitor the need for a valuation allowance against our deferred tax assets on a quarterly basis.

On June 27, 2025, California enacted legislation requiring financial institutions to utilize a single sales factor apportionment method, effective for tax years beginning in 2025. The new law decreased our California apportioned income and state income tax expense beginning in 2025 and was reflected in our condensed consolidated financial statements for the period ended March 31, 2026.

On July 4, 2025, new U.S. tax legislation H.R.1, known as the One Big Beautiful Bill Act ("OBBBA"), was enacted. The OBBBA introduces significant amendments to corporate taxation, including the modification of research and development (R&D) expense

capitalization, additional limitations on interest expense deductions, and provisions for accelerated depreciation of fixed assets. During the third quarter of 2025, we completed our assessment of the OBBBA and elected to accelerate the amortization of our previously capitalized and unamortized U.S. research and development costs over a one-year period as permitted under the new legislation. As a result of the election, there was a corresponding decrease to our deferred tax assets and income tax payable in 2025 resulting from the restoration of full expensing of U.S. research and experimentation expenditures. We also do not expect any ongoing material impact to our effective tax rate as a result of the OBBBA.

Recently Issued Accounting Standards

Refer to Note 2, “Significant Accounting Policies,” of our condensed consolidated financial statements included in this report for a discussion of the impact of recent accounting pronouncements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risk primarily through interest rate fluctuations on our Debt Facility, a delayed draw senior secured loan facility with total commitments of $150.0 million maturing in December 2026. The Debt Facility bears interest at a base rate plus 5.00% per annum, where the base rate is the greater of SOFR for a three-month tenor plus 3.00%, or a contractual floor. As of March 31, 2026 and December 31, 2025, we had $75.0 million outstanding under the Debt Facility at an effective interest rate of approximately 8.9% and 9.0%, respectively. See Note 10, Debt Facility, in the notes to our consolidated financial statements for additional information.

Because our variable-rate exposure is limited to the $75.0 million drawn on the facility, the impact of interest rate fluctuations on our results of operations is not significant. A hypothetical 200 basis point increase in SOFR would increase the remaining annual interest expense by approximately $1.1 million based on period-end balances, subject to the contractual base rate floor.

We do not use derivative instruments to hedge interest rate risk. Over time, our Program Agreement with Coastal Community Bank is expected to reduce our reliance on the Debt Facility as ExtraCash receivables transition to an off-balance-sheet structure, though we will become indirectly exposed to a Federal Funds Rate-based variable rate retained by Coastal. We do not have material exposure to foreign currency exchange rate risk or commodity price risk.

ExtraCash receivables are short-duration assets with an average term of approximately 12 days. Due to their quick turnover, the fair value of these receivables is not materially sensitive to changes in market interest rates. However, macroeconomic conditions, including the interest rate environment, can affect our Members' ability to repay ExtraCash advances. Our allowance for credit losses was $38.0 million and $37.6 million as of March 31, 2026 and December 31, 2025, respectively. We manage credit risk through CashAI, our proprietary AI-powered underwriting engine. See Note 5, ExtraCash Receivables, Net, in the notes to our condensed consolidated financial statements for additional discussion.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management has evaluated, with the participation of the Chief Executive Officer and Chief Financial Officer, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2026.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II —OTHER INFORMATION

Item 1. Legal Proceedings.

For a description of our material pending legal proceedings, please see Note 11, “Commitments and Contingencies,” to the condensed consolidated financial statements included elsewhere in this report.

From time to time, we may become involved in other legal proceedings, including arbitrations, arising in the ordinary course of business. We are not currently a party to any other such litigation or legal proceedings that, in the opinion of our management, are likely to have a material adverse effect on our business. However, in light of the uncertainties involved in such matters, including the fact that some legal proceedings are at preliminary stages or seek an indeterminate amount of damages, penalties or fines, it is possible that future outcomes of legal proceedings could have a material impact on our results of operations. Regardless of outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, negative publicity and reputational harm and other factors.

Item 1A. Risk Factors.

As of the date of this Form 10-Q, there have been no material changes to the risk factors disclosed in our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on March 2, 2026, other than as noted below. Any of these factors could result in a significant or material adverse effect on our results of operations or financial condition. Additional risk factors not presently known to us or that we currently deem immaterial may also impair our business or results of operations. We may disclose changes to such risk factors or disclose additional risk factors from time to time in our future filings with the SEC.

Risks Related to the 2031 Notes

We may not have the ability to raise the funds necessary to settle conversions of the 2031 Notes, repay the 2031 Notes at maturity or repurchase the 2031 Notes upon a fundamental change, and our future debt may contain limitations on our ability to pay cash upon conversion or repurchase of the 2031 Notes.

In March 2026, we completed a private offering of $200.0 million aggregate principal amount of 0% Convertible Senior Notes due 2031 (the "2031 Notes"). Holders of the 2031 Notes have the right, subject to certain conditions and limited exceptions, to require us to repurchase all or a portion of their notes upon the occurrence of a fundamental change at a fundamental change repurchase price equal to 100% of the principal amount of the 2031 Notes to be repurchased, plus accrued and unpaid interest, if any. In addition, upon conversion of the 2031 Notes, we are required to make cash payments in an amount at least equal to the principal amount of such notes (or, if less, the conversion value thereof). Moreover, we are required to repay the 2031 Notes in cash at the maturity date, unless earlier converted, redeemed or repurchased.

However, we may not have enough available cash or be able to obtain financing at the time we are required to make repurchases of notes surrendered therefor or pay cash with respect to notes being converted or at their maturity. In addition, our ability to repurchase the 2031 Notes or to pay cash upon conversions of the 2031 Notes may be limited by law, by regulatory authority or by agreements governing our future indebtedness.

Our failure to repurchase notes at a time when the repurchase is required by the indenture or to pay cash upon conversion or at the maturity date of the 2031 Notes as required by the indenture would constitute a default under the indenture. A default under the indenture or the fundamental change itself could also lead to a default under agreements governing our future indebtedness. If the repayment of the related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the indebtedness and repurchase the 2031 Notes or make cash payments upon conversions thereof. We have in the past been, and at any given time and from time to time may be, engaged in discussions or negotiations with respect to acquisitions, dispositions or other strategic transactions. There can be no assurance if or when we will enter into any such transactions, the terms thereof or whether such transactions will constitute a fundamental change.

The conditional conversion feature of the 2031 Notes, if triggered, may adversely affect our financial condition and operating results.

In the event the conditional conversion feature of the 2031 Notes is triggered, holders of notes will be entitled to convert the 2031 Notes at any time during specified periods at their option. If one or more holders elect to convert their notes, we would be required to make cash payments in an amount at least equal to the principal amount of such converted notes (or, if less, the conversion value thereof), which could adversely affect our liquidity. In addition, even if holders do not elect to convert their notes, we will be required under applicable accounting rules to reclassify all or a portion of the outstanding principal of the 2031 Notes as a current rather than long-term liability, which would result in a material reduction of our net working capital.

The accounting method for convertible debt securities that may be settled in cash, such as the 2031 Notes, could adversely affect our reported financial results.

In August 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2020-06, Debt -- Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40) ("ASU 2020-06"). ASU 2020-06 simplifies the accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments and contracts on an entity's own equity. The amendments to this guidance are effective for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years. In accordance with ASU 2020-06, the embedded conversion features no longer are separated from the host contract for convertible instruments with conversion features that are not required to be accounted for as derivatives under Topic 815, Derivatives and Hedging, or that do not result in substantial premiums accounted for as paid-in capital. Consequently, a convertible debt instrument will be accounted for as a single liability measured at its amortized cost, as long as no other features require bifurcation and recognition as derivatives. By removing certain of the separation models, the effective interest rate of convertible debt instruments typically will more closely approximate the coupon interest rate when applying the guidance in Topic 835, Interest. Debt issuance costs will be amortized as interest expense over the life of the debt on an effective interest basis, in a manner consistent with the treatment of a debt discount. As a result of this amortization, the interest expense that we expect to recognize for the 2031 Notes for accounting purposes will be greater than the cash special interest payments (if any) we will make on the 2031 Notes, which will result in lower reported income.

In addition, under ASU 2020-06, the dilutive effect of convertible instruments shall be reflected in diluted EPS by application of the if-converted method. Because the principal amount of the 2031 Notes is required to be settled in cash in all circumstances, regardless of when a conversion occurs, with settlement of any in-the-money conversion spread payable in cash or shares at the Company's election, the diluted EPS result under the if-converted method will be similar to the diluted EPS result under previous GAAP of applying the treasury stock method. Under this method, the shares issuable upon conversion of the 2031 Notes are not included in the calculation of diluted earnings per share except to the extent that the conversion value of the 2031 Notes exceeds the principal amount of the 2031 Notes. For diluted earnings per share purposes, the transaction is accounted for as if the number of shares of common stock that would be necessary to settle such in-the-money amount are issued. We cannot be certain that accounting standards will not change in the future, and any future changes in the accounting standards may adversely affect our diluted earnings per share.

Furthermore, if any of the conditions to the convertibility of the 2031 Notes is satisfied, then we will be required under applicable accounting standards to reclassify the liability carrying value of the 2031 Notes as a current, rather than long-term, liability. This reclassification could be required even if no noteholders elect to convert their notes and could materially reduce our reported net working capital.

The Capped Call Transactions may affect the value of the 2031 Notes and our common stock.

In connection with the issuance of the 2031 Notes, we entered into privately negotiated capped call transactions with certain financial institutions (the "Capped Call Transactions"). The Capped Call Transactions are expected generally to reduce potential dilution to our common stock upon any conversion of the 2031 Notes and/or offset any cash payments we are required to make in excess of the principal amount of converted notes, as the case may be, with such reduction and/or offset subject to a cap.

In connection with establishing their initial hedges of the Capped Call Transactions, the option counterparties or their respective affiliates entered into various derivative transactions with respect to our common stock concurrently with or shortly after the pricing of the 2031 Notes, and they may unwind these various derivative transactions and purchase our common stock in open market transactions. This activity could increase (or reduce the size of any decrease in) the market price of our common stock or the 2031 Notes at that time.

In addition, the option counterparties or their respective affiliates may modify their hedge positions by entering into or unwinding various derivatives with respect to our common stock and/or purchasing or selling our common stock or other securities of ours in secondary market transactions prior to the maturity of the 2031 Notes (and are likely to do so (x) during any observation period related to a conversion of the 2031 Notes on or after January 1, 2031, (y) during any observation period related to a conversion of the 2031 Notes prior to January 1, 2031 or following any repurchase of the 2031 Notes by us on any fundamental change repurchase date, any redemption date or any other date on which we retire any notes, in each case, if we elect to terminate the relevant portion of the Capped Call Transactions, and (z) in connection with any negotiated unwind or modification of the Capped Call Transactions). This activity could also cause or avoid an increase or a decrease in the market price of our common stock or the 2031 Notes, which could affect your ability to convert the 2031 Notes and, to the extent the activity occurs during any observation period related to a conversion of the 2031 Notes, it could affect the number of shares, if any, and value and/or amount of the consideration that you will receive upon conversion of the 2031 Notes. The potential effect, if any, of these transactions and activities on the market price of our common stock or the 2031 Notes will depend in part on market conditions and cannot be ascertained at this time. Any of these activities could adversely affect the value of our common stock and the value of the 2031 Notes (and as a result, the value of the consideration or the amount of cash and/or the number of shares, if any, that you would

receive upon the conversion of any notes) and, under certain circumstances, your ability to convert your notes.

We do not make any representation or prediction as to the direction or magnitude of any potential effect that the transactions described above may have on the price of the 2031 Notes or our common stock. In addition, we do not make any representation that the option counterparties or their respective affiliates will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

We are subject to counterparty risk with respect to the Capped Call Transactions.

The option counterparties are financial institutions, and we are subject to the risk that any or all of them might default under the Capped Call Transactions. Our exposure to the credit risk of the option counterparties will not be secured by any collateral. Global economic conditions have from time to time resulted in the actual or perceived failure or financial difficulties of many financial institutions. If an option counterparty becomes subject to insolvency proceedings, we will become an unsecured creditor in those proceedings with a claim equal to our exposure at that time under our transactions with that option counterparty. Our exposure will depend on many factors, but, generally, an increase in our exposure will be correlated to an increase in the market price and in the volatility of our common stock. In addition, upon a default by an option counterparty, we may suffer adverse tax consequences and more dilution than we currently anticipate with respect to our common stock. We can provide no assurances as to the financial stability or viability of any option counterparty.

In addition, the terms of the Capped Call Transactions may be subject to adjustment, modification or, in some cases, renegotiation in the event of certain corporate and other transactions. The Capped Call Transactions may not operate as we intend in the event that we are required to adjust the terms of such instruments as a result of transactions in the future or in the event of other unanticipated developments that may adversely affect the functioning of the Capped Call Transactions.

Conversion of the 2031 Notes may dilute the ownership interest of existing stockholders, including holders who have previously converted their notes.

Upon conversion of the 2031 Notes, at our election, we may settle the portion, if any, of our conversion obligation in excess of the aggregate principal amount of the 2031 Notes being converted entirely or partly in shares of our common stock. As a result, the conversion of some or all of the 2031 Notes may dilute the ownership interests of existing stockholders. Any sales in the public market of the common stock issuable upon such conversion of the 2031 Notes could adversely affect prevailing market prices of our common stock and, in turn, the price of the 2031 Notes. In addition, the existence of the 2031 Notes may encourage short selling by market participants because the conversion of the 2031 Notes could depress the price of our common stock.

Risks Relating to our Indebtedness

Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt.

Our ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness, including our Debt Facility and the 2031 Notes, depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Purchases of Equity Securities

Period	(a) Total Number of Class A Shares Purchased	(b) Average Price Paid per Class A Share		(c) Total Number of Class A Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Dollar Value of Class A Shares that May Yet Be Purchased Under the Plans or Program (in millions)*	
January 1 – January 31, 2026	-	$	-	-	$	113.2
February 1 – February 28, 2026	-	$	-	-	$	113.2
March 1 – March 31, 2026	912,622	$	204.60	912,622	$	113.3
Total	**912,622**			**912,622**		

** Refer to "Liquidity and Capital Resources—Share Repurchase Authorization" for additional information regarding our authorized share repurchase program.*

The information required by Item 701 of Regulation S-K concerning the issuance of the 2031 Notes was previously reported in the Company's Current Report on Form 8-K filed with the SEC on March 9, 2026.

Item 3. Defaults Upon Senior Securities.

None

Item 4. Mine Safety Disclosures.

None

Item 5. Other Information

None

Item 6. Exhibits

Exhibit No.	Description
4.1	Indenture, dated as of March 9, 2026, by and between Dave Inc. and U.S. Bank Trust Company, National Association, as Trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the Commission on March 9, 2026)
4.2	Form of 0% Convertible Senior Notes due 2031 (included as Exhibit A to Exhibit 4.1)
10.1†	First Amendment to the Employment Agreement, dated February 25, 2026, by and between Jason Wilk and Dave Inc.
10.2†	First Amendment to the Employment Agreement, dated March 2, 2026, by and between Kyle Beilman and Dave Inc.
10.3	Lease by and between PCJW Properties LLC and Dave Operating LLC, dated as of January 1, 2026
10.4+*	Consumer Credit Processing Services Addendum to Service Agreement, dated May 8, 2025, by and between Dave Operating LLC and Galileo Financial Technologies, LLC
10.5+*	Risk Services Addendum to Service Agreement, dated January 21, 2026, by and between Dave Operating LLC and Galileo Financial Technologies, LLC
10.6	Purchase Agreement, dated as of March 4, 2026, by and among Dave Inc. and J.P. Morgan Securities LLC, UBS Securities LLC and Evercore Group L.L.C., as representatives of the Initial Purchasers (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on March 6, 2026)
10.7	Form of Capped Call Confirmation (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on March 9, 2026)
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to §302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to §302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document With Embedded Linkbase Documents.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

** Furnished and not filed.
* The schedules to this Exhibit have been omitted in accordance with Regulation S-K Item 601(a)(5). The Company agrees to furnish supplementally a copy of any omitted schedule to the Securities and Exchange Commission upon its request.
+ Certain identified information has been redacted in accordance with Regulation S-K Item 601(b)(2)(ii) or 601(b)(10)(iv), as applicable.

† Indicates a management contract or compensatory plan, contract or arrangement.

SIGNATURES

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

Dated: May 5, 2026

Dave Inc.

By: /s/ Jason Wilk
Jason Wilk
Title: Chief Executive Officer

Dated: May 5, 2026

DAVE INC.

By: /s/ Kyle Beilman
Kyle Beilman
Title: Chief Financial Officer and Chief Operating Officer

Exhibit 10.1

FIRST AMENDMENT
TO THE
AMENDED AND RESTATED EMPLOYMENT AGREEMENT
BETWEEN JASON WILK AND DAVE

This First Amendment to the Amended and Restated Employment Agreement (this "***First Amendment***") is entered into effective as of February 25, 2026, between Dave Inc., a Delaware corporation ("***Dave***"), and Jason Wilk ("***Executive***"), to amend that certain Amended and Restated Employment Agreement (the "***Agreement***"), effective as of January 4, 2022, between Dave and Executive (together, the "***Parties***").

WHEREAS, the Parties desire to amend the termination benefits provided in the Agreement as set forth in this Amendment; and

WHEREAS, capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Amendment to Section 6(a). A new Section 6(a)(iv) is hereby added to the Agreement as follows:

(iv) Equity. The following 6(a)(iv) shall apply, unless otherwise provided in an applicable award agreement. All of Executive's performance-based restricted stock units for which the performance period has ended, but which have not yet vested, shall immediately vest in full (based on the number of units that satisfied the performance-based requirement) as of the date of Executive's termination. With respect to the Pro Rata Portion (as defined below) of Executive's performance-based restricted stock units for which the performance period was ongoing as of the date of Executive's termination, such portion shall remain eligible to vest following the termination date (including vesting under Section 6(b) below), subject to the attainment of the applicable performance metrics for such ongoing performance period, with performance determined in accordance with the terms of the applicable award agreement. Any performance-based restricted stock units that satisfy the performance metrics shall vest in accordance with the preceding sentence and shall be settled as soon as administratively practicable following the end of the applicable performance period but in all cases no later than March 15th of the calendar year which follows the calendar

year during which the applicable performance period concluded. With respect to all of Executive's performance-based restricted stock units for which the performance period has not yet started as of the date of Executive's termination, the unvested portion of the performance-based restricted stock units shall be forfeited to the Company as of the date of Executive's termination. For clarity, a performance period is the period over which a specific performance goal is measured. For example, an award that provides for three consecutive annual periods in which performance is measured is an award with three separate performance periods, and not a single performance period.

The "***Pro Rata Portion***" shall be determined by multiplying the target number of restricted stock units for the applicable tranche by the performance percentage determined based on actual performance for the applicable performance period and further multiplying by a fraction, the numerator of which is the number of days from the first date of the applicable performance period to the date of Executive's termination and the denominator of which is the number of days from the first date of the applicable performance period to the final date of the applicable performance period, with any fractional shares rounded to the nearest whole number of shares.

2. Amendment to Section 6(b). Section 6(b)(iv) of the Agreement is hereby deleted in its entirety and replaced with the following:

(iv) Equity. Except with respect to the 8,458,481 stock options granted to Executive on March 3, 2021 (the "***Performance Options***" and the award agreement evidencing the Performance Options, the "***Performance Options Award Agreement***"), after giving effect to the treatment contemplated by Section 15 of this Agreement as applicable (such treatment not to result in a lesser number of restricted stock units than would be outstanding in the absence of such treatment), all of Executive's unvested and outstanding equity awards shall immediately vest and become exercisable as of the date of Executive's termination. For the avoidance of doubt, the treatment of the Performance Options shall be governed by the terms and conditions set forth in the Performance Options Award Agreement.

3. Amendment to Section 6(c). The following sentence shall be added to the end of Section 6(c) of the Agreement:

Notwithstanding the foregoing, should Executive's employment with the Company be terminated due to Executive becoming Disabled or due to Executive's death, then Executive or Executive's estate (as the case may be) will be additionally entitled to the treatment of Executive's equity as provided in Section 6(a)(iv) of the Agreement.

4. Amendment to Section 8(c). Section 8(c) is hereby deleted in its entirety and replaced with the following:

(c) **Change in Control Protection Period**. "Change in Control Protection Period" means the period beginning three (3) months prior and ending twelve (12)-month period immediately following the consummation of a Change in Control.

5. Addition of Section 15. A new Section 15 is hereby added to the Agreement as follows:

15. **Effect of Change in Control**. Upon the occurrence of a Change in Control, unless otherwise provided in an applicable award agreement:

(a) All of Executive's performance-based restricted stock units for which the performance period has ended, but which have not vested, shall remain subject to the time-based vesting requirements applicable to such performance-based restricted stock units as of the time of the Change in Control as well as the acceleration provisions of Section 6(b) above.

(b) All of Executive's performance-based restricted stock units for which the performance period was ongoing as of the time of the Change in Control shall be converted to a number of restricted stock units at the greater of target or actual performance (as determined in good faith by the Committee) as of the time of the Change in Control and shall remain subject to the time-based vesting requirements applicable to the performance-based restricted stock units prior to conversion as well as the acceleration provisions of Section 6(b) above.

(c) All of Executive's performance-based restricted stock units for which the performance period was neither ended nor ongoing as of the time of the Change in Control shall be converted to a number of restricted stock units at the level of target performance as of the time of the Change in Control and shall remain subject to the time-based vesting requirements applicable to the performance-based restricted stock units prior to conversion as well as the acceleration provisions of Section 6(b) above.

(d) If, as of the closing of the Change in Control, the acquiring or surviving entity is not assuming or replacing with an equivalent award any of Executive's restricted stock units (including any performance-based restricted stock units that would convert at the time of the Change in Control into time-based restricted stock units) that were outstanding and unvested immediately prior to the closing, after taking into account the foregoing provisions of Section 15 and Section 6(b), then such outstanding and unvested restricted stock units will become fully vested, effective as of immediately prior to the closing.

6. Effect on the Agreement. Except as specifically amended by this First Amendment, all of the terms and conditions of the Agreement shall remain in full force and effect.

7. Governing Law. This First Amendment shall be governed by and construed according to the laws of the State of California without regard to its conflict of laws principles.

DAVE INC.
a Delaware corporation

By: /s/ Kyle Beilman___________
Kyle Beilman
Chief Financial Officer and Chief Operating Officer

ACKNOWLEDGED AND AGREED TO:
Jason Wilk

/s/ Jason Wilk________

Exhibit 10.2

**FIRST AMENDMENT
TO THE
AMENDED AND RESTATED EMPLOYMENT AGREEMENT
BETWEEN KYLE BEILMAN AND DAVE**

This First Amendment to the Amended and Restated Employment Agreement (this "***First Amendment***") is entered into effective as of March 2, 2026, between Dave Inc., a Delaware corporation ("***Dave***"), and Kyle Beilman ("***Executive***"), to amend that certain Amended and Restated Employment Agreement (the "***Agreement***"), effective as of January 4, 2022, between Dave and Executive (together, the "***Parties***").

WHEREAS, the Parties desire to amend the termination benefits provided in the Agreement as set forth in this Amendment; and

WHEREAS, capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Amendment to Section 1(b). Section 1(b) of the Agreement is hereby deleted in its entirety and replaced with the following:

   (b) **Position and Responsibilities**. Effective as of July 11, 2025, the Company agrees to employ Executive in the position of Chief Financial Officer and Chief Operating Officer. Executive will report to the Company's Chief Executive Officer (your "***Supervisor***"), and Executive will be working out of the Company's office in Los Angeles, California. Executive will perform the duties and have the responsibilities and authority customarily performed and held by an employee in Executive's positions or as otherwise may be assigned or delegated to Executive by your Supervisor or the Company's Board of Directors (the "***Board***").

2. Amendment to Section 2(a). The first sentence of Section 2(a) is hereby deleted in its entirety and replaced with the following:

   Effective as of May 5, 2025, the Company shall pay Executive, as compensation for Executive's services, a base salary at a gross annual rate of $475,000, less all required tax withholdings and other applicable deductions, in accordance with the Company's standard payroll procedures.

3. Amendment to Section 2(b). The third sentence of Section 2(b) is hereby deleted in its entirety and replaced with the following:

   Effective May 5, 2025, the Executive's target amount for any such Cash Bonus will be 75% of Executive's Base Salary (the "***Target Bonus Percentage***"), less all required tax withholdings and other applicable deductions.

4. Amendment to Section 2(c). Section 2(c) of the Agreement is hereby deleted in its entirety and replaced with the following:

   (c) **Long-Term Incentives**. Starting in 2026, Executive will be eligible for future awards under the Company's equity incentive plan as in effect from time to time, with the target annual long-term incentive compensation opportunity for 2026 equal to
   $4,000,000. The terms of the annual long-term incentive compensation opportunity, and the target amounts for years 2027 and later, will be determined in the sole discretion of the Board or the Committee, as applicable.

5. Amendment to Section 6(a). Section 6(a)(iv) of the Agreement is hereby deleted in its entirety and replaced with the following:

   (iv) Equity. The following 6(a)(iv) shall apply, unless otherwise provided in an applicable award agreement. All of Executive's performance-based restricted stock units for which the performance period has ended, but which have not yet vested, shall immediately vest in full (based on the number of units that satisfied the performance-based requirement) as of the date of Executive's termination. With respect to the Pro Rata Portion (as defined below) of Executive's performance-based restricted stock units for which the performance period was ongoing as of the date of Executive's termination such portion shall remain eligible to vest following the termination date (including vesting under Section 6(b) below), subject to the attainment of the applicable performance metrics for such ongoing performance period, with performance determined in accordance with the terms of the applicable award agreement. Any performance-based restricted stock units that satisfy the performance metrics shall vest in accordance with the preceding sentence and shall be settled as soon as administratively practicable following the end of the applicable performance period but in all cases no later than March 15th of the calendar year which follows the calendar year during which the applicable performance period concluded. With respect to all of Executive's performance-based restricted stock units for which the performance period has not yet started as of the date of Executive's termination, the unvested portion of the performance-based restricted stock units shall be forfeited to the Company as of the date of Executive's termination. For clarity, a performance period is the period over which a specific performance goal is measured. For example, an award that provides for three consecutive annual periods in which performance is measured is an award with three separate performance periods, and not a single performance period.

The “***Pro Rata Portion***” shall be determined by multiplying the target number of restricted stock units for the applicable tranche by the performance percentage determined based on actual performance for the applicable performance period and further multiplying by a fraction, the numerator of which is the number of days from the first date of the applicable performance period to the date of Executive’s termination and the denominator of which is the number of days from the first date of the applicable performance period to the final date of the applicable performance period, with any fractional shares rounded to the nearest whole number of shares.

6. Amendment to Section 6(b). Section 6(b)(iv) of the Agreement is hereby deleted in its entirety and replaced with the following:

(iv) Equity. After giving effect to the treatment contemplated by Section 15 of this Agreement as applicable (such treatment not to result in a lesser number of restricted stock units than would be outstanding in the absence of such treatment), all of Executive’s unvested and outstanding equity awards shall immediately vest and become exercisable as of the date of Executive’s termination.

7. Amendment to Section 6(c). The following sentence shall be added to the end of Section 6(c) of the Agreement:

Notwithstanding the foregoing, should Executive’s employment with the Company be terminated due to Executive becoming Disabled or due to Executive’s death, then Executive or Executive’s estate (as the case may be) will be additionally entitled to the treatment of Executive’s equity as provided in Section 6(a)(iv) of the Agreement.

8. Addition of Section 15. A new Section 15 is hereby added to the Agreement as follows:

15. **Effect of Change in Control**. Upon the occurrence of a Change in Control, unless otherwise provided in an applicable award agreement:

(a)All of Executive’s performance-based restricted stock units for which the performance period has ended, but which have not vested, shall remain subject to the time-based vesting requirements applicable to such performance-based restricted stock units as of the time of the Change in Control as well as the acceleration provisions of Section 6(b) above.

(b)All of Executive’s performance-based restricted stock units for which the performance period was ongoing as of the time of the Change in Control shall be converted to a number of restricted stock units at the greater of target or actual performance (as determined in good faith by the Committee) as of the time of the Change in Control and shall remain subject to the time-based vesting requirements applicable to the performance-based restricted stock units prior to conversion as well as the acceleration provisions of Section 6(b) above.

(c)All of Executive’s performance-based restricted stock units for which the

performance period was neither ended nor ongoing as of the time of the Change in Control shall be converted to a number of restricted stock units at the level of target performance as of the time of the Change in Control and shall remain subject to the time-based vesting requirements applicable to the performance-based restricted stock units prior to conversion as well as the acceleration provisions of Section 6(b) above.

(d)If, as of the closing of the Change in Control, the acquiring or surviving entity is not assuming or replacing with an equivalent award any of Executive's restricted stock units (including any performance-based restricted stock units that would convert at the time of the Change in Control into time-based restricted stock units) that were outstanding and unvested immediately prior to the closing, after taking into account the foregoing provisions of Section 15 and Section 6(b), then such outstanding and unvested restricted stock units will become fully vested, effective as of immediately prior to the closing.

9. Effect on the Agreement. Except as specifically amended by this First Amendment, all of the terms and conditions of the Agreement shall remain in full force and effect.

10. Governing Law. This First Amendment shall be governed by and construed according to the laws of the State of California without regard to its conflict of laws principles.

DAVE INC.
a Delaware corporation

By: /s/ Jason Wilk
Jason Wilk
Chief Executive Officer

ACKNOWLEDGED AND AGREED TO:
Kyle Beilman

/s/ Kyle Beilman

Exhibit 10.3

NET LEASE

1. **Basic Provisions ("Basic Provisions").**

1.1 **Parties:** This Lease ("**Lease**"), dated for reference purposes only January 1, 2026, is made by and between **PCJW Properties LLC** ("**Lessor**") and **Dave Operating LLC, a Delaware limited liability company** ("**Lessee**") (collectively the "**Parties**", or individually a "**Party**").

1.2 **Premises:** That certain portion of the Real Property (as defined below), including all improvements therein or to be provided by Lessor under the terms of this Lease, commonly known by the street address of **1265 S. Cochran Ave,** located in the City of **Los Angeles**, County of **Los Angeles**, State of **California**, with zip code **90019**, and generally described as (describe briefly the nature of the Premises): **approximately 5,250 square feet of commercial office and warehouse space**.

1.3 **Term: One (1)** year ("**Term**") commencing **January 1, 2026** ("**Commencement Date**") and ending **December 31, 2026** ("**Expiration Date**"). (See also Paragraph 3).

1.4 Early Possession: N/A

1.5 **Base Rent: $27,086.69** per month ("**Base Rent**"), payable on the 1st day of each month commencing **January 1, 2026** (See also Paragraph 4.2)

1.6 **Percentage Rent Rate:** N/A

1.7 **Merchants' Association Annual Dues:** N/A

1.8 **Other Monies Paid Upon Execution:**

(a) **[Reserved]**

(b) **Common Area Operating Expenses:** N/A

(c) **Security Deposit:** N/A

(d) **Merchants' Association Dues:** $0 for the period ____n/a__

(e) **Other:** $0 for _n/a__

(f) **Total Due Upon Execution of this Lease: $0**

1.10 **Agreed Use: Tech Company** (See also Paragraph 6)

1.11 **Insuring Party.** Lessee is the "**Insuring Party**". (See also Paragraph 8)

2. **Premises.**

2.1 **Letting.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. Unless otherwise provided herein, any statement of size set forth in this Lease, or that may have been used in calculating Rent, is an approximation which the Parties agree is reasonable and any payments based thereon are not subject to revision whether or not the actual size is more or less.

2.2 **Condition.** Lessor shall deliver the Premises to Lessee "AS IS" on the Commencement Date

("Start Date").

2.3 **Compliance.** Lessor warrants that the improvements on the Premises comply with the building codes that were in effect at the time that each such improvement, or portion thereof, was constructed, and also with all applicable laws, covenants or restrictions of record, regulations, and ordinances in effect on the Start Date ("**Applicable Requirements**"). Said warranty does not apply to the use to which Lessee will put the Premises or to any Alterations or Utility Installations (as defined in Paragraph 7.3(a)) made or to be made by Lessee. **NOTE: Lessee is responsible for determining whether or not the Applicable Requirements, and especially the zoning, are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed.** If the Premises do not comply with said warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same at Lessor's expense. If Lessee does not give Lessor written notice of a non-compliance with this warranty within 6 months following the Start Date, correction of that non-compliance shall be the obligation of Lessee at Lessee's sole cost and expense. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Premises and/or Building, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Premises and/or Building ("**Capital Expenditure**"), Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by lessees in general, Lessee shall be fully responsible for the cost thereof, provided, however that if such Capital Expenditure is required during the last 2 years of this Lease and the cost thereof exceeds 6 months' Base Rent, Lessee may instead terminate this Lease unless Lessor notifies Lessee, in writing, within 10 days after receipt of Lessee's termination notice that Lessor has elected to pay the difference between the actual cost thereof and the amount equal to 6 months' Base Rent. If Lessee elects termination, Lessee shall immediately cease the use of the Premises which requires such

Capital Expenditure and deliver to Lessor written notice specifying a termination date at least 90 days thereafter. Such termination date shall, however, in no event be earlier than the last day that Lessee could legally utilize the Premises without commencing such Capital Expenditure.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor and Lessee shall allocate the obligation to pay for the portion of such costs reasonably attributable to the Premises pursuant to the formula set out in Paragraph 7.1(d); provided, however, that if such Capital Expenditure is required during the last 2 years of this Lease or if Lessor reasonably determines that it is not economically feasible to pay its share thereof, Lessor shall have the option to terminate this Lease upon 90 days prior written notice to Lessee unless Lessee notifies Lessor, in writing, within 10 days after receipt of Lessor's termination notice that Lessee will pay for such Capital Expenditure. If Lessor does not elect to terminate, and fails to tender its share of any such Capital Expenditure, Lessee may advance such funds and deduct same, with Interest, from Rent until Lessor's share of such costs have been fully paid. If Lessee is unable to finance Lessor's share, or if the balance of the Rent due and payable for the remainder of this Lease is not sufficient to fully reimburse Lessee on an offset basis, Lessee shall have the right to terminate this Lease upon 30 days written notice to Lessor.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to non voluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall be fully responsible for the cost thereof, and Lessee shall not have any right to terminate this Lease.

2.4 **Acknowledgements.** Lessee acknowledges that: (a) it has been advised by Lessor and/or Brokers to satisfy itself with respect to the condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements and the Americans with Disabilities Act), and their suitability for Lessee's intended use, (b) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, and (c) neither Lessor, Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (i) Brokers have made no representations, promises or a warranty concerning Lessee's ability to honor the Lease or suitability to occupy the Premises, and (ii) it is Lessor's sole responsibility to investigate the financial capability and/or suitability of all proposed lessees.

2.5 **Vehicle Parking.**

(a) Lessee shall have full access to the parking lot located on the Premises.

3. **Term.**

3.1 **Term.** The Commencement Date, Expiration Date and Term of this Lease are as specified in Paragraph 1.3.

3.2 **[Reserved]**.

3.3 **Delay In Possession.** Lessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises to Lessee by the Start Date. If, despite said efforts, Lessor is unable to deliver possession as agreed, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until it receives possession of the Premises. If possession is not delivered within 60 days after the Commencement Date, Lessee may, at its option, by notice in writing within 10 days after the end of such 60 day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Lessor within said 10 day period, Lessee's right to cancel shall terminate. Except as otherwise provided, if possession is not tendered to Lessee by the Commencement Date and Lessee does not terminate this Lease, as aforesaid, any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of delivery of possession and continue for a period equal to what Lessee would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Lessee. If possession of the Premises is not delivered within 4 months after the Commencement Date, this Lease shall terminate unless other agreements are reached between Lessor and Lessee, in writing.

3.4 **Lessee Compliance.** Lessor shall not be required to tender possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Start Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Start Date, the Start Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

4. **Rent.**

4.1 **Rent Defined.** All monetary obligations of Lessee to Lessor under the terms of this Lease are deemed to be rent ("**Rent"**).

4.2 **Rent Schedule. Base Rent** for the Term.

In addition, Lessee shall be responsible **$1,000.00** in Common Area Maintenance (CAM) fees per month. Lessor shall be responsible for any CAM fees over this amount pursuant to Paragraph 11. In the event that the total CAM fees are less than $1,000 in any given month, Lessee shall pay that amount in its entirety.

Lessee and Lessor shall each be responsible for 50% of the payment of the **Real Property Tax** pursuant to paragraph 10 notwithstanding the CAM fees as discussed above.

4.3 **Payment.** Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States, without offset or deduction (except as specifically permitted in this Lease), on or before the day on which it is due. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of $25 in addition to any late charges which may be due.

6. **Use.**

6.1 **Use.**

(a) **Agreed Use; Agreed Trade Name.** Lessee shall use and occupy the Premises only for the Agreed Use, and for no other purpose, and Lessee shall operate at the Premises only under the Agreed Trade Name and under no other trade name. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the improvements on the Premises or the mechanical or electrical systems therein, and/or is not significantly more burdensome to the Premises, and/or is not in conflict with or incompatible with the existing or proposed uses (whether or not exclusive).

(b) **Continuous Operation.** Lessee shall continuously operate, keep open for business, and conduct the Agreed Use under the Agreed Trade Name within the entire Premises in a reputable manner and in conformity with industry standards of practice prevailing in the field of business among merchants engaged in the same or similar business in the city in which the Premises are located.

7. **Maintenance; Repairs, Utility Installations; Trade Fixtures and Alterations.**

7.1 **Lessee's Obligations.**

(a) **In General.** Subject to the provisions of Paragraph 2.2 (Condition), 2.3 (Compliance), 6.3 (Lessee's Compliance with Applicable Requirements), 7.2 (Lessor's Obligations), 9 (Damage or Destruction), and 14 (Condemnation), Lessee shall, at Lessee's sole expense, keep the Premises, Utility Installations (intended for Lessee's exclusive use, no matter where located), and Alterations in good order, condition and repair (whether or not the portion of the Premises requiring repairs, or the means of repairing the same, are reasonably or readily accessible to Lessee, and whether or not the need for such repairs occurs as a result of Lessee's use, any prior use, the elements or the age of such portion of the Premises), including, but not limited to, all equipment or facilities, such as plumbing, HVAC equipment, electrical, lighting facilities, boilers, pressure vessels, fixtures, interior walls, interior surfaces of exterior walls, ceilings, floors, windows, doors, plate glass, and skylights but excluding any items which are the responsibility of Lessor pursuant to Paragraph 7.2. Lessee, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices, specifically including the procurement and maintenance of the service contracts required by Paragraph 7.1(b) below. Lessee's obligations shall include restorations, replacements or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition and state of repair.

(b) **Service Contracts.** Lessee shall, at Lessee's sole expense, procure and maintain contracts, with copies to Lessor, in customary form and substance for, and with contractors specializing and experienced in the maintenance of the following equipment and improvements, if any, if and when installed on the Premises: (i) HVAC equipment, (ii) boiler and pressure vessels, (iii) clarifiers, and (iv) any other equipment, if reasonably required by Lessor. However, Lessor reserves the right, upon notice to Lessee, to procure and maintain any or all of such service contracts, and if Lessor so elects, Lessee shall reimburse Lessor, upon demand, for the cost thereof.

(c) **Failure to Perform.** If Lessee fails to perform Lessee's obligations under this Paragraph 7.1, Lessor may enter upon the Premises after 10 days' prior written notice to Lessee (except in the case of an emergency, in which case no notice shall be required), perform such obligations on Lessee's behalf, and put the Premises in good order, condition and repair, and Lessee shall promptly reimburse Lessor for the cost thereof.

(d) **Replacement.** Subject to Lessee's indemnification of Lessor as set forth in Paragraph 8.7 below, and without relieving Lessee of liability resulting from Lessee's failure to exercise and perform good maintenance practices, if an item described in Paragraph 7.1(b) cannot be repaired other than at a cost which is in excess of 50% of the cost of replacing such item, then such item shall be replaced by Lessor, and the cost thereof shall be prorated between the Parties and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease, on the date on which Base Rent is due, an amount equal to the product of multiplying the cost of such replacement by a fraction, the numerator of which is one, and the denominator of which is

144 (i.e. 1/144th of the cost per month). Lessee shall pay interest on the unamortized balance at a rate that is commercially reasonable in the judgment of Lessor's accountants. Lessee may, however, prepay its obligation at any time.

7.2 **Lessor's Obligations.** Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 6 (Use), 7.1 (Lessee's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), Lessor, subject to reimbursement pursuant to Paragraph 4.2, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, exterior roof, fire sprinkler system, Common Area fire alarm and/or smoke detection systems, fire hydrants, parking lots, walkways, parkways, driveways, landscaping, fences, signs and utility systems serving the Common Areas and all parts thereof, as well as providing the services for which there is a Common Area Operating Expense pursuant to Paragraph 4.2. Lessor shall not be obligated to paint the exterior or interior surfaces of exterior walls nor shall Lessor be obligated to maintain, repair or replace windows, doors or plate glass of the Premises. Lessee expressly waives the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

7.3 **Utility Installations; Trade Fixtures; Alterations.**

(a) **Definitions.** The term "**Utility Installations**" refers to all floor and window coverings, air lines, power panels, electrical distribution, security and fire protection systems, communication systems, lighting fixtures, HVAC equipment, plumbing, and fencing in or on the Premises. The term "**Trade Fixtures**" shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term "**Alterations**" shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. "**Lessee Owned Alterations and/or Utility Installations**" are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a).

(b) **Consent.** Lessee shall not require Lessor's consent for any Alterations or Utility Installations to the Premises. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications.

(c) **Indemnification.** Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialman's lien against the Premises or any interest therein. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

7.4 **Ownership; Removal; Surrender; and Restoration.**

(a) **Ownership.** Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises.

(b) **Removal.** By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than 30 days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease.

(c) **Surrender; Restoration.** Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof broom clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee Owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Premises), even if such removal would require Lessee to perform or pay for work that exceeds statutory requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 26 below.

8. **Insurance; Indemnity.**

8.1 **Payment of Premiums.** The cost of the premiums for the insurance policies required to be carried by Lessee, pursuant to Paragraphs 8.2(b), 8.3(a) and 8.3(b) shall be an expense borne by Lessee.

8.2 **Liability Insurance.**

(a) **Carried by Lessee.** Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurlessee thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than $1,000,000 per occurrence with an annual aggregate of not less than $2,000,000, an "Additional Insured-Managers or Lessors of Premises Endorsement" and contain the "Amendment of the Pollution Exclusion Endorsement" for damage caused by heat, smoke or fumes from a hostile fire. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. All insurance carried by Lessee shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only if such insurance exists.

(b) [Reserved]

8.3 **Property Insurance - Building, Improvements and Rental Value.**

(a) **Building and Improvements.** Lessee shall obtain and keep in force a policy or policies of insurance in the name of Lessee, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Premises. The amount of such insurance shall be equal to the full replacement cost of the Premises, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee under Paragraph 8.4. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed $1,000 per occurrence.

(b) **Rental Value.** Lessee shall also obtain and keep in force a policy or policies in the name of Lessee with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("**Rental Value Insurance**"). Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next 12 month period.

(c) **Lessee's Improvements.** Lessor shall not be required to insure Lessee Owned Alterations and Utility Installations unless the item in question has become the property of Lessor under the terms of this Lease.

8.4 **Lessee's Property.**

(a) **Property Damage.** Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed $1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations. Lessee shall provide Lessor with written evidence that such insurance is in force.

8.5 **Insurance Policies.** Insurance required herein shall be by companies duly licensed or admitted to transact business in the state where the Premises are located, and maintaining during the policy term a "General Policyholders Rating" of at least B+, V, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 30 days prior written notice to Lessor. Lessee shall, at least 30 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 **Waiver of Subrogation.** Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 **Indemnity.** Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Lessee. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 **Exemption of Lessor from Liability.** Lessor shall not be liable for injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building, or from other sources or places. Notwithstanding Lessor's negligence or breach of this Lease, Lessor shall under no circumstances be liable for injury to Lessee's business or for any loss of income or profit therefrom.

9. **Damage or Destruction.**

9.1 **Definitions.**

(a) "**Premises Partial Damage**" shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in 3 months or less from the date of the damage or destruction, and the cost thereof does not exceed a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(b) "**Premises Total Destruction**" shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in 3 months or less from the date of the damage or destruction and/or the cost thereof exceeds a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(c) "**Insured Loss**" shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a), irrespective of any deductible amounts or coverage limits involved. (d) "**Replacement Cost**" shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.

9.2 **Partial Damage - Insured Loss.** If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total Replacement Cost of which is $5,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to take effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full Replacement Cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nevertheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 **Partial Damage - Uninsured Loss.** If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4 **Total Destruction.** Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as provided in Paragraph 8.6.

9.5 **Damage Near End of Term.** If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by, (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6 **Abatement of Rent; Lessee's Remedies.**

(a) **Abatement.** In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Base Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired, but not to exceed the proceeds received from the Rental Value Insurance. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.

(b) **Remedies.** If Lessor shall be obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair or restoration within 90 days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever first occurs.

9.7 **Termination; Advance Payments.** Upon termination of this Lease pursuant to Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

9.8 **Waive Statutes.** Lessor and Lessee agree that the terms of this Lease shall govern the effect of any damage to or destruction of the Premises with respect to the termination of this Lease and hereby waive the provisions of any present or future statute to the extent inconsistent herewith.

10. **Real Property Taxes.**

10.1 **Definition.** As used herein, the term "**Real Property Taxes**" shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Premises, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Premises address and where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction within which the Premises is located. The term "Real Property Taxes" shall also include any tax, fee, levy, assessment or charge, or any increase therein, imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Premises or any portion thereof or a change in the improvements thereon. In calculating Real Property Taxes for any calendar year, the Real Property Taxes for any real estate tax year shall be included in the calculation of Real Property Taxes for such calendar year based upon the number of days which such calendar year and tax year have in common.

10.2 **Payment of Taxes.** Lessor and Lessee shall pay in equal portions (50-50) the Real Property Taxes applicable to the Property, and except as otherwise provided in Paragraph 10.3, any such amounts shall be included in the calculation in accordance with the provisions of Paragraph 4.2.

10.3 **Joint Assessment.** If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.

10.4 **Personal Property Taxes.** Lessee shall pay prior to delinquency all taxes assessed against and levied upon Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee contained in the Premises. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. **Utilities.** Lessor shall pay for all water, gas, heat, light, power, telephone, trash disposal and other utilities and services supplied to the Premises, together with any taxes thereon subject to Paragraph 4.2. Notwithstanding the provisions of Paragraph 4.2, if at any time in Lessor's sole judgment, Lessor determines that Lessee is using a disproportionate amount of water, electricity or other commonly metered utilities, or that Lessee is generating such a large volume of trash as to require an increase in the size of the dumpster and/or an increase in the number of times per month that the dumpster is emptied, then Lessor may increase Lessee's Base Rent by an amount equal to such increased costs.

13. **Default; Breach; Remedies.**

13.1 **Default; Breach.** A "**Default**" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "**Breach**" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The vacating or abandonment of the Premises. Lessee shall be deemed to have vacated the Premises if Lessee ceases to continuously operate its business in the Premises for a period of 5 consecutive days.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee.

(c) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the rescission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 41 (easements), (viii) a statement of Lessee's Gross Sales required under the Percentage Rent Addendum attached hereto, if any, or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.

(d) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 2.9 hereof, other than those described in subparagraphs 13.1(a), (b) or (c), above, where such Default continues for a period of 30 days after written notice; provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

(e) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph (e) is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(f) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(g) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within 60 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 **Remedies.** If Lessee fails to perform any of its affirmative duties or obligations, within 10 days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. The costs and expenses of any such performance by Lessor shall be due and payable by Lessee upon receipt of invoice therefor. If any check given to Lessor by Lessee shall not be honored by the bank upon which it is drawn, Lessor, at its option, may require all future payments to be made by Lessee to be by cashier's check. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid Rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover damages under Paragraph 12. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the

Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3 **Inducement Recapture.** Any agreement for free or abated rent or other charges, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as "**Inducement Provisions**", shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 **Late Charges.** Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within 5 days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall pay to Lessor a one-time late charge equal to 10% of each such overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 **Interest**. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due as to scheduled payments (such as Base Rent and Percentage Rent) or within 30 days following the date on which it was due for non-scheduled payment, shall bear interest from the date when due, as to scheduled payments, or the 31st day after it was due as to non-scheduled payments. The interest ("Interest") charged shall be equal to 10%, but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.4.

13.6 **Breach by Lessor.**

(a) **Notice of Breach.** Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.

(b) **Performance by Lessee on Behalf of Lessor.** In the event that neither Lessor nor Lender cures said breach within 30 days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessee may elect to cure said breach at Lessee's expense and offset from Rent an amount equal to the greater of one month's Base Rent or the Security Deposit, and to pay an excess of such expense under protest, reserving Lessee's right to reimbursement from Lessor. Lessee shall document the cost of said cure and supply said documentation to Lessor.

14. **Condemnation.** If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "**Condemnation**"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the floor area of the Premises, or more than 25% of the parking spaces situated within the parking area, is taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. All Alterations and Utility Installations made to the Premises by Lessee, for purposes of Condemnation only, shall be considered the property of the Lessee and Lessee shall be entitled to any and all compensation which is payable therefor. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.

15. [Reserved]

16. **Estoppel Certificates.**

(a) Each Party (as "**Responding Party**") shall within 10 days after written notice from the other Party (the "**Requesting Party**") execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then most current

"**Estoppel Certificate**" form published by the AIR Commercial Real Estate Association, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

(b) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one month's rent has been paid in advance. Prospective purchasers and encumbrances may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate.

(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. **Definition of Lessor.** The term "**Lessor**" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Except as provided in Paragraph 15, upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined. Notwithstanding the above, and subject to the provisions of Paragraph 20 below, the original Lessor under this Lease, and all subsequent holders of the Lessor's interest in this Lease shall remain liable and responsible with regard to the potential duties and liabilities of Lessor pertaining to Hazardous Substances as outlined in Paragraph 6.2 above.

18. **Severability.** The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. **Days.** Unless otherwise specifically indicated to the contrary, the word "**days**" as used in this Lease shall mean and refer to calendar days.

20. **Limitation on Liability.** Subject to the provisions of Paragraph 17 above, the obligations of Lessor under this Lease shall not constitute personal obligations of Lessor, the individual partners of Lessor or its or their individual partners, directors, officers or shareholders, and Lessee shall look to the Premises, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against the individual partners of Lessor, or its or their individual partners, directors, officers or shareholders, or any of their personal assets for such satisfaction.

21. **Time of Essence.** Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

22. **No Prior or Other Agreements; Broker Disclaimer.** This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party. The liability (including court costs and attorneys' fees), of any Broker with respect to negotiation, execution, delivery or performance by either Lessor or Lessee under this Lease or any amendment or modification hereto shall be limited to an amount up to the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

23. **Notices.**

23.1 **Notice Requirements.** All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

23.2 **Date of Notice.** Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means shall be deemed delivered upon telephone confirmation of receipt (confirmation report from fax machine is sufficient), provided a copy is also delivered via delivery or mail. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

23.3 **Waivers.** No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent. The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of moneys or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of

deposit of such payment.

24. [Reserved]

25. **No Right To Holdover.** Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Lessee holds over, then the Base Rent and Percentage Rent Rate shall be increased to 150% of the Base Rent and Percentage Rent Rate applicable immediately preceding the expiration or termination. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

26. **Cumulative Remedies.** No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

27. **Covenants and Conditions; Construction of Agreement.** All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

28. **Binding Effect; Choice of Law.** This Lease shall be binding upon the parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

29. **Subordination; Attornment; Non-Disturbance.**

29.1 **Subordination.** This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "**Security Device**"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "**Lender**") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

29.2 **Attornment.** In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 30.3, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of such new owner, this Lease shall automatically become a new Lease between Lessee and such new owner, upon all of the terms and conditions hereof, for the remainder of the term hereof, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor’s obligations hereunder, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month’s rent, or (d) be liable for the return of any security deposit paid to any prior lessor.

29.3 **Non-Disturbance.** With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee’s subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "**Non-Disturbance Agreement**") from the Lender which Non-Disturbance Agreement provides that Lessee’s possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall use its commercially reasonable efforts to obtain a Non-Disturbance Agreement from the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said 60 days, then Lessee may, at Lessee’s option, directly contact Lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

29.4 **Self-Executing.** The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination, attornment and/or Non-Disturbance Agreement provided for herein.

30. **Attorneys’ Fees.** If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys’ fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, "**Prevailing Party**" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys’ fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys’ fees reasonably incurred. In addition, Lessor shall be entitled to attorneys’ fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach ($200 is a reasonable minimum per occurrence for such services and consultation).

31. **Lessor's Access; Showing Premises; Repairs.** Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times for the purpose of showing the same to prospective purchasers, lenders, or lessees, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary. All such activities shall be without abatement of rent or liability to Lessee. Lessor may at any time place on the Premises any ordinary "**For Sale**" signs and Lessor may during the last 6 months of the term hereof place on the Premises any ordinary "**For Lease**" signs. Lessee may at any time place on the Premises any ordinary "**For Sublease**" sign.

35. **Termination; Merger.** Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. **Consents.** Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. In those express instances where consent is within the sole discretion of a party, the party shall have no obligation to adhere to a standard of reasonableness. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within 10 business days following such request.

37.2 **Default.** It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the

execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

38. **Quiet Possession.** Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

39. **Options.** If Lessee is granted an option, as defined below, then the following provisions shall apply.

39.1 **Definition.** "Option" shall mean: (a) the right to extend the term of or renew this Lease or to extend or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase or the right of first refusal to purchase the Premises or other property of Lessor.

39.2 **Options Personal To Original Lessee.** Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.

39.3 **Multiple Options.** In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.

39.4 **Effect of Default on Options.**

~~(a)~~ Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.

~~(b)~~ The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's

inability to exercise an Option because of the provisions of Paragraph 39.4(a).

~~(c)~~ An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term, (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof), (ii) Lessor gives to Lessee 3 or more notices of separate Default during any 12 month period, whether or not the Defaults are cured, or (iii) if Lessee commits a Breach of this Lease.

39.5 [Reserved]

40. **Security Measures.** Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties.

41. **Reservations.** Lessor reserves the right: (i) to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, (ii) to cause the recordation of parcel maps and restrictions, and (iii) to create and/or install new utility raceways, so long as such easements, rights, dedications, maps, restrictions, and utility raceways do not unreasonably interfere with the use of the Premises by Lessee. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate such rights.

42. **Performance under Protest.** If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay.

43. **Authority.** If either Party hereto is a corporation, trust, Limited Liability Company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within 30 days after request, deliver to the other Party satisfactory evidence of such authority.

44. **Conflict.** Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

45. **Offer.** Preparation of this Lease by either Party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

46. **Amendments.** This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee’s obligations hereunder, Lessee agrees to make such reasonable non-monetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

47. **Multiple Parties.** If more than one person or entity is named herein as either Lessor or Lessee, such multiple Parties shall have joint and several responsibility to comply with the terms of this Lease.

48. **Waiver of Jury Trial.** The Parties hereby waive their respective rights to trial by jury in any action or proceeding involving the Property or arising out of this Agreement.

49. **Mediation and Arbitration of Disputes.** Any dispute between the parties arising out of or related to this Lease shall, be settled and decided as follows:

If any dispute arises in connection with this lease, or the services rendered hereunder, and said dispute cannot be settled through negotiation, the parties hereto agree that they will first attempt in good faith to settle the dispute by engaging in mediation, before filing a lawsuit or making any other type of claim. Any complaint filed in municipal or superior court by a party hereto, before the parties hereto have attempted in good faith to conduct a mediation aimed at settling any such disputes, shall be subject to a motion to strike. A retired Judge selected through the ADR or JAMS or a similar venue shall be the forum. All parties hereto agree to cooperate in good faith in the prompt selection of a mediator or mediators and in the setting of a mediation session. Any fees of the mediator(s) or costs associated with the mediation proceedings conducted pursuant to this clause shall be divided equally among the parties, unless the parties agree in writing otherwise.

In the event there is no settlement at mediation, then the form of Alternate Dispute Resolution shall be by arbitration in Los Angeles, California, conducted by the American Arbitration Association in accordance with the Commercial Arbitration Rules of the American Arbitration Association as then in effect, except as provided below. The prevailing party shall be awarded reasonable attorney's fees, and all costs of the arbitration, including but not limited to expert and non-expert witness costs and expenses and other costs and expenses incurred in connection with the arbitration. The award or decision of the arbitrator shall be final, and judgment may be entered on in any court having jurisdiction over the matter.

50. **Americans with Disabilities Act.** Since compliance with the Americans with Disabilities Act (ADA) is dependent upon Lessee's specific use of the Premises, Lessor makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in ADA compliance, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

(a) The Premises has not undergone inspection by a Certified Access Specialist (“CASp”).

(b) A CASp can inspect the Premises and determine whether the Premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the Premises, the commercial property owner or lessor may not prohibit the lessee from obtaining a CASp inspection of the Premises for the occupancy or potential occupancy of the lessee, if requested by the lessee. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises.

(c) This disclosure is intended to comply with the requirements of California Civil Code Section 1938.

50. **Limitation:** Notwithstanding anything contained in this Lease to the contrary, provided Lessee has delivered to Lessor thirty (30) days’ prior written notice (“Lessee’s Notice”) that it intends to: (i) deliver possession of the Demised Premises to Lessor with all furniture, fixtures and equipment on site and in good operating condition; (ii) deliver to Lessor all unpaid Rent and Additional Rent (in good funds which shall be lawful money of the United States of America); and (iii) remove any liens placed on the Demised Premises by Lessee or sublessees or any entity or individual under their control at any time up to and including such delivery of possession; and Lessee complies with the provisions of the foregoing (i) through (iii), on or before the date set forth in Lessee’s Notice, in each

case, without being subject to cancellation, rescission or avoidance under any bankruptcy, insolvency or other statutes or decisions of any court, all of the obligations of Lessee accruing under this Lease after the date set forth in Lessee's Notice shall not be subject to acceleration and thereupon shall expire and terminate. If any payment made pursuant to this Paragraph by Lessee shall be cancelled, set aside, rescinded or avoided in any bankruptcy or insolvency or other action or proceeding, this Lease shall be automatically reinstated.

51. **Governmental Challenge**: Lessee agrees to immediately vacate the Premises if any governmental agency challenges Lessor's interest in the Premises, or the building of which the Premises are a part, or charges Lessee or Lessor with violation of any law or ordinance, resulting from Lessee's use of the premises, whether or not that use is consistent with the Lease.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALLY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

1. **SEE ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.**
2. **RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE.**

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

Executed at: Los Angeles, CA
January 1, 2026

Effective: January 1, 2026

By LESSEE: DAVE OPERATING LLC

Signature: /s/ Kyle Beilman
Name: Kyle Beilman
Title: CFO and COO
Address: 1265 South Cochran Avenue, Los Angeles, CA 90019
Telephone: 844-857-3283

Executed at: Los Angeles, CA

Effective: January 1, 2026

By LESSOR: PCJW PROPERTIES LLC

Signature: /s/ Jason Wilk
Name: Jason Wilk
Title: Partner
Address: 1265 South Cochran Avenue, Los Angeles, CA 90019
Telephone: (805) 216-2044

Exhibit 10.4

CERTAIN INFORMATION IN THIS DOCUMENT, MARKED BY [**], HAS BEEN EXCLUDED PURSUANT TO REGULATION S-K, ITEM 601(B)(10)(iv). SUCH EXCLUDED INFORMATION IS NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

CONSUMER CREDIT PROCESSING SERVICES ADDENDUM

This Consumer Credit Processing Services Addendum (the "**Addendum**") is entered into as of May 8, 2025 (the "**Addendum Effective Date**"), by and between Dave Operating LLC, f.k.a. Dave, Inc., a Delaware limited liability company ("**Customer**"), and Galileo Financial Technologies, LLC ("**Galileo**"), a Delaware limited liability company.

Recitals

Customer and Galileo are parties to that certain Service Agreement dated March 18, 2020 (the "**MSA**"), as amended by the First Amendment to Service Agreement dated January 31, 2023 (the "**First Amendment**");

Customer intends to develop and offer consumer credit products, including but not limited to, Buy Now, Pay Later arrangements, revolving credit, secured credit, installment loans, or other similar credit structures;

Customer desires for Galileo to facilitate the routing, processing, and exchange of information to support Customer's consumer credit products as part of the Services defined in the MSA (the "**Consumer Credit Processing Services**", as more fully set forth in Exhibit B); and

This Addendum supplements the MSA and, together with the MSA, constitutes one integrated agreement governing Customer's use of the Consumer Credit Processing Services.

The parties therefore agree as follows:

Agreement

1. Definitions: Capitalized terms used herein but not defined have the meanings given to them in the MSA. Additional definitions applicable to this Addendum are set forth in Exhibit A to this Addendum, which is hereby incorporated by reference.

2. Consumer Credit Processing Services. Subject to Customer's compliance with the terms of this Addendum, including the payment of fees, Galileo shall make available to and perform for Customer the services described below:

(a) Process Consumer Credit Product Transactions for authorization and settlement and conduct related activities as set forth in Exhibit B of this Addendum; and

(b) [**].

3. Customer Obligations. Customer agrees to the following obligations:

(a) Customer shall be responsible for the compatibility and performance of [**].

(b) [**].

(c) [**].

(d) [**].

(e) [**].

4. Error Remediation. Except as otherwise provided in the MSA and this Section 4, with respect to the Consumer Credit Processing Services, Galileo shall be liable for, and work in good faith with, Customer to resolve [**].

5. Third-Party Integration. [**].

6. [**].

7. Fees. Customer hereby agrees to pay the fees set forth in the attached Pricing Schedule according to the terms set forth in the MSA. [**]. Fees shall not change during the Term, regardless of whether Customer transitions any [**] to itself, except as otherwise explicitly set forth herein or as otherwise agreed in writing by the parties.

8. Term. Notwithstanding any other provision in the MSA, this Addendum begins on the Addendum Effective Date and shall continue until January 31, 2028, concurrent with the Original Term as defined in the First Amendment to Service Agreement. (the "**Initial Term**") unless earlier terminated in accordance with its terms. After the Initial Term, this Addendum automatically renews for successive one-year renewal periods (each, a "**Renewal Term**" and, collectively with the Initial Term, the "**Term**"), unless either party provides written notice of non-renewal at least four (4) months before the end of the current term. [**].

[**].

9. Service Levels. The Service Levels set forth in Exhibit B of this Addendum shall apply to the Consumer Credit Processing Services. Galileo shall be responsible only for its own performance of the services described in this Addendum and shall not be held liable for any failure to meet a Service Level that solely results from delays, errors, or failures caused by [**] or any other third-party service provider utilized by Customer, provided that Galileo's own acts or omissions did not contribute to such failure. [**].

10. Exclusion of Volume Requirements. [**].

11. ADDITIONAL DISCLAIMERS. WITHOUT LIMITING THE DISCLAIMERS IN THE MSA, CUSTOMER ACKNOWLEDGES THAT GALILEO SPECIFICALLY DISCLAIMS ANY LIABILITY FOR THE PERFORMANCE, ACCURACY, OR AVAILABILITY OF ANY THIRD-PARTY SYSTEMS, INCLUDING BUT NOT LIMITED TO [**]. GALILEO'S RESPONSIBILITY SHALL BE LIMITED TO ITS COVENANTS AND OBLIGATIONS SET FORTH IN THE MSA AND THIS ADDENDUM INCLUDING [**].

12. Limitation of Liability for [**]. Galileo shall not be responsible or liable for [**].

13. Additional Customer Indemnification. Each party shall indemnify, defend and hold harmless the other party and all of its directors, officers, representatives, employees, contractors, agents, and Affiliates from any and all claims, demands, liabilities, losses and damages (including reasonable attorney fees, expert witness fees, expenses and costs of settlement) arising out of or with respect to third party claims: (a) relating to such indemnifying party's acts of gross negligence or willful misconduct in connection with its performance under this Addendum, or (b) [**], or (c) relating to such indemnifying party's alleged or actual breach of the indemnifying party's covenants, obligations, representations,

warranties or undertakings under this Addendum.

14. Limitation of Liability. Notwithstanding anything to the contrary in the MSA, and except for willful misconduct, gross negligence, and fraud, either party's cumulative liability to the other party for any loss or damage, direct or indirect, for any cause whatsoever arising out of or relating to this Addendum with respect to claims (whether third party claims, indemnity claims or otherwise) relating to events in any one Processing Year shall not under any circumstances exceed the amount of [**]% of the Processing Fees paid to Galileo pursuant to this Addendum for Consumer Credit Processing Services performed in the immediately preceding [**] period ending on the date of the event giving rise to the claim, or, in the case of Processing Year 1, [**]% of the total Processing Fees collected as of the date such claim is made.

For clarity, fees paid or payable under this Addendum shall [**].

15. Miscellaneous.

(a) Interpretation. Except as explicitly modified by this Addendum, all of the terms and conditions of the MSA shall remain in full force and effect. To the extent any terms of this Addendum and the MSA are in conflict, the terms of this Addendum shall govern any issue related to the Consumer Credit Processing Services.

(b) Entire Agreement; Modification. This Addendum constitutes the entire understanding between Customer and Galileo with respect to the subject matter hereto and Galileo makes no representations to Customer except as expressly set forth herein. This Addendum shall not be deemed or construed to be modified, amended, or waived, in whole or in part, except by written agreement of the parties hereto.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, this Addendum is executed as of the date above.

Dave Operating LLC

By: /s/ Kyle Beilman

Name: Kyle Beilman

Its: Chief Financial Officer

Date: 5/13/2025

Galileo Financial Technologies, LLC

By: /s/ William Kennedy

Name: William Kennedy

Its: Chief Financial Officer

Date: 5/6/2025

Exhibit A

Definitions

"Buy Now, Pay Later" or "BNPL" means a payment solution that allows customers to purchase goods or services and defer payment in installments or at a later date, subject to applicable terms and conditions.

"Consumer Credit Products" means credit products offered by Customer, including but not limited to Buy Now, Pay Later arrangements, revolving credit lines, installment loans, or any other form of consumer credit financing made available to customers, as more fully set forth in Exhibit B.

"FlexCard" means the payment card issued by Bank and offered by Customer that enables Customer's customers to access and utilize Consumer Credit Products.

"FlexCard Transaction" means any transaction conducted using the FlexCard.

"Launch Date" means the date on which the first Consumer Credit Product is made available to customers in a live production environment.

"[**]" means [**].

Exhibit B

Services and Service Levels

1. Service Levels. Galileo shall ensure that the Galileo System is available as follows:

(a) **Authorization** - Galileo will provide authorization availability meeting or exceeding [**]% excluding Approved Maintenance measured on a calendar month basis.

(b) **Internet Services** - Galileo will provide system-wide availability to Internet Services meeting or exceeding [**]% availability excluding Approved Maintenance measured on a calendar month basis. "Internet Services" means internet based applications offered to Customer and Cardholders including without limitation Galileo's Analytics Tool, Galileo's Customer Service Tool, and Galileo's API.

(c) **IVR** - Galileo will provide system-wide availability to the IVR system meeting or exceeding [**]% excluding Approved Maintenance measured on a calendar month basis.

(d) **Call Center** - If requested by Customer, Galileo will provide customer service with customer service personnel capable of serving English speaking Cardholders to assist Cardholders contacting customer service via phone, fax or in writing with issues or problems related to FlexCards. If Customer requests other languages to be supported by Galileo, Customer and Galileo shall work in good faith to determine whether Galileo can support such calls and the financial terms under which such other calls would be supported. Provided there are at least [**] live agent calls per day during each month, Galileo will provide call center services meeting an average speed of answer (calendar month average) of [**] seconds on [**]% of the calls and the maximum abandonment rate shall not exceed [**]% of calls on hold for more than [**] seconds. If there are less than [**] calls per day, the average speed of answer (calendar month average) shall be [**] seconds on [**]% of the calls.

2. Credits. If Galileo fails, during any calendar month to comply with any service level ("Service Levels") set forth in Section 1 (a "Failed Month"), Customer will be entitled to a credit ("Service Credit") of [**] of processing fees for Consumer Credit Processing Services owing to Galileo for such Failed Month. If Galileo experiences a Failed Month, during the next consecutive calendar month, Customer will be entitled to Service Credit of [**] of processing fees for Consumer Credit Processing Services owing to Galileo for such second Failed Month. If Galileo experiences a Failed Month, during the third consecutive calendar month, Customer will be entitled to a Service Credit of [**] of processing fees for Consumer Credit Processing Services owing to Galileo during such third Failed Month. Notwithstanding anything in this Agreement to the contrary, in no event shall the total cumulative Service Credits for any month exceed [**] of processing fees for Consumer Credit Processing Services.

3. Termination. In the event of a Termination Event, Customer shall have the right, in its sole discretion, to either (i) [**] or (ii) terminate the Addendum in its entirety, upon thirty (30) days' prior written notice to Galileo. If Customer terminates the Addendum pursuant to this Section 3, Customer shall not be subject to or required to fulfill those payment obligations set forth in Section 9.4 of the MSA. Any termination by Customer pursuant to this Section 3 shall become effective on the date specified by Customer, but in no event later than six (6) months after the date of Customer's written notice to Galileo of its intention to (i) [**] or (ii) terminate this Addendum (the "Termination Date"). [**]

As used herein, a "Termination Event" shall mean:

(a) [**] consecutive Failed Months;

(b) [**] Failed Months out of the previous [six (6)] months, regardless of whether such failures occurred in consecutive months; or

(c) [**] Catastrophic Event. For purposes of this Section 3, Catastrophic Event shall mean the Galileo System functionality described in Section 1(a), (b), or (c) fails to meet or exceed [**]% availability excluding Approved Maintenance measured on a calendar month basis.

4. Description of Services. Galileo shall provide services to Customer in connection with the Consumer Credit Processing Services, including, but not limited to the following. Applicable implementation fees and ongoing fees may apply as specifically set forth in this Addendum and the Statement of Work (SOW) [**].

[**]

Exhibit C

Pricing Schedule

[**]

Exhibit 10.5

CERTAIN INFORMATION IN THIS DOCUMENT, MARKED BY [**], HAS BEEN EXCLUDED PURSUANT TO REGULATION S-K, ITEM 601(B)(10)(iv). SUCH EXCLUDED INFORMATION IS NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

RISK SERVICES ADDENDUM

This Risk Services Addendum (the "Addendum") is entered into as of 1/21/26 (the "Addendum Effective Date"), by and between Dave Operating LLC, f.k.a. Dave, Inc., a Delaware limited liability company ("Customer"), and Galileo Financial Technologies, LLC, a Delaware limited liability company ("Galileo").

Recitals

Customer and Galileo are parties to that certain Service Agreement dated March 18, 2020, as may be amended from time to time (the "**Service Agreement**");

Customer desires to use Risk Services as part of the Services defined in the Service Agreement; and

This Addendum supplements the Service Agreement and, together with the Service Agreement, constitutes one integrated agreement governing Customer use of the Risk Services.

The parties therefore agree as follows:

Agreement

1. Definitions. Capitalized terms used herein but not defined have the meanings given to them in the Service Agreement. The following capitalized terms shall have the following meanings:

"**External Account**" means the account where funds from an electronic money movement transaction may be pulled from or pushed to by Customer's account holders.

"**Fraud Strategy**" means the fraud and risk rules set up as part of the Risk Services to assist Customer with transaction monitoring and fraud detection.

"**Payments Risk Platform (PRP) Service**" is a transaction monitoring solution and fraud detection engine that enables Customers to configure risk rules to detect fraudulent events and address complex fraud challenges, as further detailed in this Addendum.

"**Risk Data**" means certain data associated with or originating from cardholder Accounts (as defined in the Service Agreement) and activity including but not limited to Cardholder Data provided to Galileo for providing the Risk Services. Risk Data includes message delivery information and Cardholder responses generated through the Two-Way Messaging Service.

"**Risk Services**" means the suite of services provided by Galileo, including the Payments Risk Platform (PRP) Service, the Two-Way Messaging Service, and the Galileo Identity Verification Engine (GIVE), which together enable real-time fraud detection, transaction risk management, and identity verification to help prevent fraud and ensure secure account activity.

“**Risk Services Order Form**” means an order form executed by Customer and Galileo from time to time after the Addendum Effective Date, setting forth the specific Risk Services to be provided. Each Risk Services Order Form shall be substantially in the form attached hereto as Exhibit B.

“**Risk Output**” means [**].

“**Two-Way Messaging Service**” means the messaging functionality of the Payment Risk Platform that delivers notifications (currently via Short Message Service (SMS), and as additional channels may be made available) to Cardholders in connection with suspected fraudulent transactions. The Two-Way Messaging Service enables Cardholders to confirm transactions flagged by PRP rules, and such responses are communicated back to PRP for further processing.

2. Risk Services. Subject to Customer’s compliance with the terms of this Addendum, including the payment of applicable fees, Galileo will provide the Risk Services as described in Exhibit A in accordance with each executed Risk Services Order Form.

(a) Changes to Risk Services. Galileo may modify any aspect of the Risk Services, including any underlying logic, rules, or configurations, if Galileo determines, in its sole but reasonable discretion, [**]. Galileo will promptly notify Customer in advance in writing of any such changes. [**].

(b) Third Party Dependencies. The Risk Services rely on services provided by third party providers (“Third Party Providers”). If any Third Party Provider suspends, discontinues, blocks, or materially increases the cost of its services (a “Third Party Change”), Galileo will notify Customer and use commercially reasonable efforts to propose an alternative solution. If the parties cannot agree on a reasonable solution, Customer may terminate this Addendum upon [**] days’ prior written notice. Galileo will not be liable for any failure to provide the Risk Services resulting from a Third Party Change.

(c) Additional Terms. Galileo will comply with all laws applicable to its provision of the Risk Services under this Addendum.

3. Customer Obligations. Customer agrees to the following obligations:

(a) Customer will use the Risk Services, including Risk Output, in compliance with the terms of this Addendum and Legal Requirements, and as may be instructed by Galileo from time to time.

(b) [**].

(c) [**].

(d) [**].

(e) [**].

(f) [**].

(g) [**].

(h) [**].

(i) [**].

(j) [**].

(k) [**].

(l) [**].

(m) [**].

4. Risk Data Rights and Use. As between the parties, Customer owns all rights, title, and interest in the Risk Data. [**].

5. Prohibited Uses. Customer must not, and must not permit any third parties to:

(a) use Risk Services in any manner that violates this Addendum, any applicable industry standards, Association rules, third-party policies, any consumer protection laws or regulations (in connection with Customer's interactions with the account holders), the International Traffic in Arms Regulations (ITAR) maintained by the United States Department of State, or in any manner that breaches or causes breach of applicable export control laws, or applicable guidelines related to strong Customer authentication (SCA) for online payments, including the Revised Payment Services Directive (PSD2) as directed by the European Commission, or any other generally accepted industry standard associations or other industry standards;

(b) [**];

(c) use the Risk Services to discriminate based on race, gender, or other protected characteristics, or take any "adverse action" as defined in the FCRA or Equal Credit Opportunity Act, 15 U.S.C. §1681, et seq. and their implementing regulations;

(d) use the Risk Services to determine, in whole or in part, an individual's eligibility for any of the following products, services or transactions: credit or insurance to be used primarily for personal, family, or household purposes; employment purposes; benefits, tenancy (including without limitation, deciding whether to lease a commercial or residential property) or education admission considerations; or in connection with a business transaction initiated by an individual consumer for personal, family or household purposes, including whether an individual meets the terms of a Customer account; or any other product, service, or transaction in connection with which a consumer report may be used under applicable laws, including without limitation, check-cashing or opening of a deposit or transaction account;

(e) disclose, except as required by applicable law, download or store any information or materials related to the Risk Services;

(f) make any Risk Services available to, or use the Risk Services for the benefit of, anyone other than its authorized users, or permitted third party providers;

(g) falsify or alter any unique identifier, or otherwise obscure or alter the Risk Services;

(h) permit direct or indirect access to or use of any Risk Services in a way that circumvents any usage limits or violate or attempt to violate the security or technological features or threatens the integration, performance or availability of the Risk Services, or introduce any malicious code, such as Trojan horses, and other harmful or malicious files, scripts, agents, or programs into the Risk Services;

(i) transmit any material that is unlawful, harmful, threatening, defamatory, infringing, harassing, obscene or racially or ethnically offensive, facilitates illegal activity, or causes damage or injury to person or property; or

(j) use the Risk Services to evaluate transactions not processed through the Risk Services.

6. Fees and Payment.

(a) Fees. Customer agrees to pay the Fees in the Risk Services Order Form and Customer shall timely make such payments in accordance with such Risk Services Order Form and applicable payment terms in the Service Agreement. For clarity, the Fees in the Risk Services Order Forms are [**].

(b) Modifications. During the term of this Addendum Galileo reserves the right to modify [**].

(c) Other Fees. In addition to the Fees set forth in a Risk Services Order Form, Galileo reserves the right to charge Customer for [**].

7. Term. The term of this Addendum begins on the Addendum Effective Date and shall run concurrently with the term of the Agreement, including any renewals.

8. Additional Disclaimers. CUSTOMER ACKNOWLEDGES AND AGREES THAT (i) GALILEO AND THE RISK SERVICES ONLY PROVIDE INFORMATION TO ASSIST CUSTOMER IN PERFORMING FRAUD AND ANOMALY DETECTION; (ii) [**].

9. Limitation of Liability. To the extent not arising out of or resulting from Galileo's failure to comply with this Addendum and the Agreement or any errors, omissions, negligence or misconduct of Galileo: Customer understands and agrees that Customer is responsible and liable for its Fraud Strategy and configurations to such Fraud Strategy as well as Customer's decisions based on such configurations. [**]. Customer agrees that in using the Risk Services, Customer: [**].

10. Customer's Additional Indemnification. To the extent not arising out of or resulting from Galileo's failure to comply with this Addendum and the Agreement or any errors, omissions, negligence or misconduct of Galileo, in addition to Customer's indemnification obligations set forth in the Service Agreement, Customer shall defend, indemnify, and hold harmless Galileo and its associated indemnified parties (as set forth in Section 5.3(a) of the Service Agreement) from and against any and all Claims arising out of or resulting from: [**].

11. Galileo's Additional Indemnification. To the extent not arising out of or resulting from Customer's failure to comply with this Addendum and the Agreement or any errors, omissions, negligence, or misconduct of Customer, in addition to Galileo's indemnification obligations set forth in the Service Agreement, Galileo shall defend, indemnify, and hold harmless the Customer and its associated indemnified parties (as set forth in Section 5.3(b) of the Service Agreement) from and against any and all Claims arising out of or resulting from [**].

12. Miscellaneous.

(a) Interpretation. Except as explicitly modified by this Addendum, all of the terms and conditions of the Service Agreement shall remain in full force and effect. To the extent any terms of this Addendum and the Service Agreement are in conflict, the terms of this Addendum shall govern any

issue related to the Risk Services and the terms of Section 6.1 (Limitation of Liability) of the Service Agreement shall govern any issue related thereto.

(b) Entire Agreement; Modification. This Addendum constitutes the entire understanding between Customer and Galileo with respect to the subject matter hereto and Galileo makes no representations to Customer except as expressly set forth herein. This Addendum shall not be deemed or construed to be modified, amended, or waived, in whole or in part, except by written agreement of the parties hereto.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, this Addendum is made and entered into as of the Addendum Effective Date.

Dave Operating LLC

By: /s/ Kyle Beilman

Name: Kyle Beilman

Its: Chief Financial Officer

Date: 1/21/2026

Galileo Financial Technologies, LLC

By: /s/ William Kennedy

Name: William Kennedy

Its: Chief Financial Officer

Date: 1/23/2026

Exhibit A

Risk Services Schedule

Capability	Descriptions
PRP Fraud Detection	Allows Customer to detect risky customer behavior in PRP for suspected fraud.
Two-Way Messaging Service	Enables real-time messaging to Cardholders (currently via SMS) when PRP rules detect potentially fraudulent activity. Cardholders may confirm flagged transactions, and their responses are fed back into PRP for fraud decisioning and further transactions processing.

Exhibit B

Risk Services Order Form #1

[**]

Exhibit 31.1

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jason Wilk, certify that:

1) I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2026 of Dave Inc.;

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 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 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: May 5, 2026

/s/ Jason Wilk
Chief Executive Officer
(principal executive officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Kyle Beilman, certify that:

1) I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2026 of Dave Inc.;

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 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 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: May 5, 2026

/s/ Kyle Beilman
Chief Financial Officer and Chief Operating Officer
(principal financial officer)

EXHIBIT 32.1

CERTIFICATIONS PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, Jason Wilk, Chief Executive Officer, and Kyle Beilman, Chief Financial Officer and Chief Operating Officer of Dave Inc. (the "Company"), hereby certify as of the date hereof, solely for the purposes of 18 U.S.C. §1350, that:

(i) the Quarterly Report on Form 10-Q for the period ended March 31, 2026 of the Company (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

Date: May 5, 2026

/s/ Jason Wilk
Chief Executive Officer

/s/ Kyle Beilman
Chief Financial Officer and Chief Operating Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.