

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, 2025

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: 001-39888

Affirm Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware

84-2224323

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

650 California Street

San Francisco, California

94108

(Address of principal executive offices)

(Zip Code)

(415) 960-1518

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value \$0.00001 per share	AFRM	The Nasdaq Global Select Market

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

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

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

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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

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

As of May 2, 2025, the number of shares of the registrant's Class A common stock outstanding was 281,825,613 and the number of shares of the registrant's Class B common stock outstanding was 40,774,346.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (“Form 10-Q”), as well as information included in oral statements or other written statements made or to be made by us, 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”), that involve substantial risks and uncertainties. All statements other than statements of historical fact contained in this Report, including statements regarding our future results of operations and financial condition, business strategy, and plans and objectives of management regarding future operations, are forward-looking statements. In some cases, forward-looking statements may be identified by words such as “anticipate,” “believe,” “continue,” “could,” “design,” “estimate,” “expect,” “intend,” “may,” “plan,” “potentially,” “predict,” “project,” “should,” “will,” “would,” or the negative of these terms or other similar expressions. These forward-looking statements include, but are not limited to, statements concerning the following:

- our expectations regarding our future revenue, expenses, and other operating results and key operating metrics;
- our ability to attract new merchant partners and commerce platforms and grow our relationships with existing merchant partners and commerce platforms;
- our ability to compete successfully in a highly competitive and evolving industry;
- our ability to attract new consumers and retain and grow our relationships with our existing consumers;
- our expectations regarding the development, innovation, introduction of, and demand for, our products;
- our ability to successfully maintain our relationship with existing originating bank partners and card issuing bank partners and engage additional originating bank partners and card issuing bank partners;
- our ability to maintain, renew or replace our existing funding arrangements and build and grow new funding relationships;
- the impact of any of our funding sources becoming unwilling or unable to provide funding to us on terms acceptable to us, or at all;
- our ability to effectively price and score credit risk using our proprietary risk model;
- the performance of loans facilitated and originated through our platform;
- the future growth rate of our revenue and related key operating metrics;
- our ability to achieve sustained profitability in the future;
- our ability, and the ability of our originating bank and other partners, to comply, and remain in compliance with, laws and regulations that currently apply or become applicable to our business or the businesses of such partners;
- our ability to protect our confidential, proprietary, or sensitive information;
- past and future acquisitions, investments, and other strategic investments;
- our ability to maintain, protect, and enhance our brand and intellectual property;
- litigation, investigations, regulatory inquiries, and proceedings;
- developments in our regulatory environment;
- the impact of macroeconomic conditions on our business, including the impacts of inflation, an elevated interest rate environment and corresponding elevated negotiated interest rate spreads, ongoing recessionary concerns, uncertainty relating to the magnitude, duration and impact of tariffs on global trade, and the potential impact of macroeconomic conditions on the stability of the financial institutions with whom we do business; and
- the size and growth rates of the markets in which we compete.

Forward-looking statements, including statements such as “we believe” and similar statements, are based on our management’s current beliefs, opinions and assumptions and on information currently available as of the date of this Report. Such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These forward-looking statements are subject to a number of known and unknown risks, uncertainties and assumptions, including risks described in the section titled “Risk Factors” and elsewhere in this Form 10-Q and in our most recently filed Annual Report on Form 10-K for the fiscal year ended June 30, 2024 (the “Annual Report”). Other sections of this Form 10-Q may include additional factors that could harm our business and financial performance. Moreover, we operate in a very competitive, heavily regulated and rapidly changing environment. New risks emerge from time to time, and it is not possible for our management to predict all risks that we may face, nor can we assess the impact of all risks on our business or the extent to which any risk, or combination of risks, may cause our actual results to differ from those contained in, or implied by, any forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable as of the date of this Report, we cannot guarantee future results, levels of activity, performance, achievements, events, outcomes, timing of results or circumstances. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this Report or to conform these statements to actual results or to changes in our expectations. You should read this Form 10-Q and the documents that we have filed as exhibits to this Report with the understanding that our actual future results, levels of activity, performance, outcomes, achievements and timing of results or outcomes may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

Investors and others should note that we may announce material business and financial information to our investors using our investor relations website (investors.affirm.com), our filings with the Securities and Exchange Commission (“SEC”), webcasts, press releases, conference calls, and social media. We use these mediums, including our website, to communicate with investors and the general public about our company, our products, and other issues. It is possible that the information that we make available on our website may be deemed to be material information. We therefore encourage investors and others interested in our Company to review the information that we make available on our website. The contents of our website are not incorporated into this filing. We have included our investor relations website address only as an inactive textual reference for convenience and do not intend it to be an active link to our website.

Part I - Financial Information

Item 1. Financial Statements

AFFIRM HOLDINGS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(in thousands, except shares and per share amounts)

	March 31, 2025	June 30, 2024
Assets		
Cash and cash equivalents	\$ 1,351,148	\$ 1,013,106
Restricted cash	384,811	282,293
Securities available for sale at fair value	780,170	1,131,628
Loans held for sale	1	36
Loans held for investment	6,630,446	5,670,056
Allowance for credit losses	(374,987)	(309,097)
Loans held for investment, net	6,255,459	5,360,959
Accounts receivable, net	220,279	353,028
Property, equipment and software, net	543,327	427,686
Goodwill	522,346	533,439
Intangible assets	12,416	13,502
Commercial agreement assets	65,178	104,602
Other assets	301,052	299,340
Total assets	\$ 10,436,187	\$ 9,519,619
Liabilities and stockholders' equity		
Liabilities:		
Accounts payable	\$ 41,057	\$ 41,019
Payable to third-party loan owners	176,996	159,643
Accrued interest payable	23,944	24,327
Accrued expenses and other liabilities	173,629	147,429
Convertible senior notes, net	1,152,019	1,341,430
Notes issued by securitization trusts	4,084,934	3,236,873
Funding debt	1,908,693	1,836,909
Total liabilities	7,561,272	6,787,630
Commitments and contingencies (Note 7)		
Stockholders' equity:		
Class A common stock, par value \$0.00001 per share: 3,030,000,000 shares authorized, 281,746,395 shares issued and outstanding as of March 31, 2025; 3,030,000,000 shares authorized, 267,305,456 shares issued and outstanding as of June 30, 2024	2	2
Class B common stock, par value \$0.00001 per share: 140,000,000 shares authorized, 40,774,346 shares issued and outstanding as of March 31, 2025; 140,000,000 authorized, 43,747,575 shares issued and outstanding as of June 30, 2024	1	1
Additional paid in capital	6,045,479	5,862,555
Accumulated deficit	(3,126,062)	(3,109,004)
Accumulated other comprehensive loss	(44,504)	(21,565)
Total stockholders' equity	2,874,916	2,731,989
Total liabilities and stockholders' equity	\$ 10,436,187	\$ 9,519,619

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

AFFIRM HOLDINGS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS, CONT.
(Unaudited)
(in thousands)

The following table presents the assets and liabilities of consolidated variable interest entities (“VIEs”), which are included in the interim 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. The liabilities in the table below include liabilities for which creditors do not have recourse to the general credit of the Company. Additionally, the assets and liabilities in the table below include third-party assets and liabilities of consolidated VIEs only and exclude intercompany balances that eliminate upon consolidation.

	March 31, 2025	June 30, 2024
Assets of consolidated VIEs, included in total assets above		
Restricted cash	\$ 134,459	\$ 145,829
Loans held for investment	6,426,888	5,461,660
Allowance for credit losses	(327,258)	(242,991)
Loans held for investment, net	6,099,629	5,218,669
Accounts receivable, net	2,988	2,961
Other assets	3,808	10,676
Total assets of consolidated VIEs	\$ 6,240,884	\$ 5,378,135
Liabilities of consolidated VIEs, included in total liabilities above		
Accounts payable	\$ 2,700	\$ 2,830
Accrued interest payable	21,847	24,220
Accrued expenses and other liabilities	4,300	11,115
Notes issued by securitization trusts	4,084,934	3,236,873
Funding debt	1,864,496	1,794,984
Total liabilities of consolidated VIEs	5,978,278	5,070,022
Total net assets of consolidated VIEs	\$ 262,606	\$ 308,113

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

AFFIRM HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(Unaudited)
(in thousands, except share and per share amounts)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Revenue				
Merchant network revenue	\$ 213,973	\$ 159,292	\$ 643,207	\$ 493,599
Card network revenue	58,572	35,676	164,194	108,421
Total network revenue	272,545	194,968	807,401	602,020
Interest income	402,701	315,712	1,189,132	866,737
Gain on sales of loans	75,838	40,183	264,739	127,170
Servicing income	32,050	25,294	86,723	67,887
Total revenue, net	\$ 783,135	\$ 576,157	\$ 2,347,995	\$ 1,663,814
Operating expenses				
Loss on loan purchase commitment	\$ 57,290	\$ 44,143	\$ 181,805	\$ 132,639
Provision for credit losses	147,252	122,443	460,056	343,019
Funding costs	107,631	90,449	319,539	248,997
Processing and servicing	118,398	88,209	329,504	254,083
Technology and data analytics	152,620	124,828	435,123	377,626
Sales and marketing	74,022	132,950	355,293	441,081
General and administrative	134,303	128,721	412,196	401,832
Restructuring and other	12	5,203	(184)	6,924
Total operating expenses	\$ 791,527	\$ 736,946	\$ 2,493,332	\$ 2,206,201
Operating loss	\$ (8,393)	\$ (160,789)	\$ (145,337)	\$ (542,387)
Other income, net	13,738	27,743	135,221	70,999
Income (loss) before income taxes	\$ 5,345	\$ (133,046)	\$ (10,116)	\$ (471,388)
Income tax expense	2,541	890	6,942	1,233
Net income (loss)	\$ 2,804	\$ (133,936)	\$ (17,058)	\$ (472,621)
Other comprehensive income (loss)				
Foreign currency translation adjustments	\$ 3,550	\$ (10,879)	\$ (23,573)	\$ (8,953)
Unrealized gain (loss) on securities available for sale, net	778	(30)	3,494	6,176
Gain (loss) on cash flow hedges	(1,279)	750	(2,860)	899
Net other comprehensive income (loss)	\$ 3,049	\$ (10,159)	\$ (22,939)	\$ (1,878)
Comprehensive income (loss)	\$ 5,853	\$ (144,095)	\$ (39,998)	\$ (474,499)
Per share data:				
Net income (loss) per share attributable to common stockholders for Class A and Class B				
Basic	\$ 0.01	\$ (0.43)	\$ (0.05)	\$ (1.53)
Diluted	\$ 0.01	\$ (0.43)	\$ (0.05)	\$ (1.53)
Weighted average common shares outstanding				
Basic	324,053,967	312,626,728	321,505,149	307,995,889
Diluted	344,224,332	312,626,728	321,505,149	307,995,889

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

AFFIRM HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(Unaudited)
(in thousands, except share amounts)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares ⁽¹⁾	Amount				
Balance as of June 30, 2024	311,053,031	\$ 3	\$ 5,862,555	\$ (3,109,004)	\$ (21,565)	\$ 2,731,989
Issuance of common stock upon exercise of stock options	432,277	—	3,596	—	—	3,596
Vesting of restricted stock units	2,492,095	—	—	—	—	—
Vesting of warrants for common stock	—	—	107,263	—	—	107,263
Stock-based compensation	—	—	143,711	—	—	143,711
Tax withholding on stock-based compensation	—	—	(63,208)	—	—	(63,208)
Foreign currency translation adjustments	—	—	—	—	8,346	8,346
Unrealized gain on securities available for sale	—	—	—	—	5,589	5,589
Loss on cash flow hedges	—	—	—	—	(1,492)	(1,492)
Net loss	—	—	—	(100,222)	—	(100,222)
Balance as of September 30, 2024	313,977,403	\$ 3	\$ 6,053,917	\$ (3,209,226)	\$ (9,122)	\$ 2,835,572
Issuance of common stock upon exercise of stock options	2,762,075	—	30,700	—	—	30,700
Issuance of common stock, employee share purchase plan	204,650	—	5,092	—	—	5,092
Repurchases of common stock	(3,526,590)	—	(250,000)	—	—	(250,000)
Vesting of restricted stock units	2,317,736	—	—	—	—	—
Vesting of warrants for common stock	—	—	86,776	—	—	86,776
Stock-based compensation	—	—	130,806	—	—	130,806
Tax withholding on stock-based compensation	—	—	(95,335)	—	—	(95,335)
Foreign currency translation adjustments	—	—	—	—	(35,469)	(35,469)
Unrealized loss on securities available for sale	—	—	—	—	(2,873)	(2,873)
Loss on cash flow hedges	—	—	—	—	(89)	(89)
Net income	—	—	—	80,360	—	80,360
Balance as of December 31, 2024	315,735,274	\$ 3	\$ 5,961,956	\$ (3,128,866)	\$ (47,553)	\$ 2,785,540
Issuance of common stock upon exercise of stock options	1,037,308	—	10,528	—	—	10,528
Issuance of common stock upon exercise of warrants	3,499,453	—	—	—	—	—
Vesting of restricted stock units	2,248,706	—	—	—	—	—
Vesting of warrants for common stock	—	—	36,062	—	—	36,062
Stock-based compensation	—	—	119,976	—	—	119,976
Tax withholding on stock-based compensation	—	—	(83,043)	—	—	(83,043)
Foreign currency translation adjustments	—	—	—	—	3,550	3,550
Unrealized gain on securities available for sale	—	—	—	—	778	778
Loss on cash flow hedges	—	—	—	—	(1,279)	(1,279)
Net income	—	—	—	2,804	—	2,804
Balance as of March 31, 2025	322,520,741	\$ 3	\$ 6,045,479	\$ (3,126,062)	\$ (44,504)	\$ 2,874,916

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

AFFIRM HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(Unaudited)
(in thousands, except share amounts)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares ⁽¹⁾	Amount				
Balance as of June 30, 2023	296,846,217	\$ 3	\$ 5,140,850	\$ (2,591,247)	\$ (15,423)	\$ 2,534,183
Issuance of common stock upon exercise of stock options	495,350	—	3,625	—	—	3,625
Vesting of restricted stock units	3,740,320	—	—	—	—	—
Vesting of warrants for common stock	—	—	95,910	—	—	95,910
Stock-based compensation	—	—	151,162	—	—	151,162
Tax withholding on stock-based compensation	—	—	(36,515)	—	—	(36,515)
Foreign currency translation adjustments	—	—	—	—	(11,898)	(11,898)
Unrealized gain on securities available for sale	—	—	—	—	1,353	1,353
Gain on cash flow hedges	—	—	—	—	763	763
Net loss	—	—	—	(171,783)	—	(171,783)
Balance as of September 30, 2023	301,081,887	\$ 3	\$ 5,355,032	\$ (2,763,030)	\$ (25,205)	\$ 2,566,800
Issuance of common stock upon exercise of stock options	1,922,621	—	17,419	—	—	17,419
Issuance of common stock, employee share purchase plan	333,847	—	4,137	—	—	4,137
Vesting of restricted stock units	2,195,991	—	—	—	—	—
Vesting of warrants for common stock	—	—	114,705	—	—	114,705
Stock-based compensation	—	—	119,821	—	—	119,821
Tax withholding on stock-based compensation	—	—	(39,159)	—	—	(39,159)
Foreign currency translation adjustments	—	—	—	—	13,824	13,824
Unrealized gain on securities available for sale	—	—	—	—	4,853	4,853
Loss on cash flow hedges	—	—	—	—	(614)	(614)
Net loss	—	—	—	(166,902)	—	(166,902)
Balance as of December 31, 2023	305,534,346	\$ 3	\$ 5,571,955	\$ (2,929,932)	\$ (7,142)	\$ 2,634,884
Issuance of common stock upon exercise of stock options	233,328	—	1,154	—	—	1,154
Vesting of restricted stock units	2,770,527	—	—	—	—	—
Vesting of warrants for common stock	—	—	95,974	—	—	95,974
Stock-based compensation	—	—	108,056	—	—	108,056
Tax withholding on stock-based compensation	—	—	(72,513)	—	—	(72,513)
Foreign currency translation adjustments	—	—	—	—	(10,879)	(10,879)
Unrealized loss on securities available for sale	—	—	—	—	(30)	(30)
Gain on cash flow hedges	—	—	—	—	750	750
Net loss	—	—	—	(133,936)	—	(133,936)
Balance as of March 31, 2024	308,538,201	\$ 3	\$ 5,704,626	\$ (3,063,868)	\$ (17,301)	\$ 2,623,460

⁽¹⁾ The share amounts listed above combine Class A and Class B stock.

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

AFFIRM HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(in thousands)

	Nine Months Ended March 31,	
	2025	2024
Cash flows from operating activities		
Net loss	\$ (17,058)	\$ (472,621)
Adjustments to reconcile net loss to net cash used in operating activities:		
Provision for losses	460,056	343,019
Amortization of premiums and discounts on loans	(171,827)	(137,683)
Gain on sales of loans	(264,739)	(127,170)
Gain on extinguishment of debt	(82,418)	(5,359)
Changes in fair value of assets and liabilities	5,456	(3,645)
Amortization of commercial agreement assets	39,424	58,969
Amortization of debt issuance costs	23,298	18,888
Amortization of discount on securities available for sale	(34,182)	(32,280)
Commercial agreement warrant expense	230,102	306,588
Stock-based compensation	255,938	279,598
Depreciation and amortization	161,081	103,655
Other	9,980	22,174
Change in operating assets and liabilities:		
Purchases and origination of loans held for sale	(3,051,742)	(3,136,368)
Proceeds from the sale of loans held for sale	3,051,803	3,163,048
Accounts receivable, net	123,897	(105,766)
Other assets	(17,992)	58,181
Accounts payable	39	6,622
Payable to third-party loan buyers	17,353	75,878
Accrued interest payable	(383)	9,613
Accrued expenses and other liabilities	(18,813)	(43,966)
Net cash provided by operating activities	719,272	381,375
Cash flows from investing activities		
Purchases and origination of loans held for investment	(22,727,969)	(15,557,208)
Proceeds from the sale of loans held for investment	8,122,806	4,180,019
Principal repayments and other loan servicing activity	13,649,667	10,314,290
Additions to property, equipment and software	(141,069)	(121,040)
Purchases of securities available for sale	(553,595)	(461,242)
Proceeds from maturities and repayments of securities available for sale	984,387	891,875
Other investing cash inflows/(outflows)	37,224	(34,210)
Net cash used in investing activities	(628,550)	(787,516)
Cash flows from financing activities		
Proceeds from the issuance of convertible notes	920,000	—
Proceeds from the issuance of funding debt	14,023,995	8,825,076
Payment of debt issuance costs	(42,759)	(19,188)
Principal repayments of funding debt	(13,932,542)	(8,964,832)
Extinguishment of convertible debt	(1,012,856)	(25,560)
Proceeds from issuance of notes and certificates by securitization trust	1,750,000	1,601,828
Principal repayments of notes issued by securitization trust	(900,000)	(528,279)
Proceeds from exercise of common stock options and warrants and contributions to ESPP	49,915	26,321
Repurchase of common stock	(250,000)	—
Payments of tax withholding for stock-based compensation	(241,586)	(148,186)
Net cash provided by financing activities	364,166	767,180
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(14,328)	(1,292)
Net increase in cash, cash equivalents and restricted cash	440,560	359,747
Cash, cash equivalents and restricted cash, beginning of period	1,295,399	1,259,944
Cash, cash equivalents and restricted cash, end of period	\$ 1,735,959	\$ 1,619,691

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

AFFIRM HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS, CONT.
(Unaudited)
(in thousands)

	Nine Months Ended March 31,	
	2025	2024
Reconciliation to amounts on consolidated balance sheets (as of period end)		
Cash and cash equivalents	1,351,148	1,272,760
Restricted cash	384,811	346,931
Total cash, cash equivalents and restricted cash	\$ 1,735,959	\$ 1,619,691

	Nine Months Ended March 31,	
	2025	2024
Supplemental disclosures of cash flow information		
Cash payments for interest expense	\$ 302,791	\$ 228,496
Cash paid for operating leases	12,501	11,947
Cash paid for income taxes	2,432	588
Supplemental disclosures of non-cash investing and financing activities		
Stock-based compensation included in capitalized internal-use software	138,555	99,441
Right of use assets obtained in exchange for operating lease liabilities	7,418	—
Securities retained under unconsolidated securitization transactions	41,940	—

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

1. Business Description

Affirm Holdings, Inc. (“Affirm,” the “Company,” “we,” “us,” or “our”), headquartered in San Francisco, California, provides consumers with a simpler, more transparent, and flexible alternative to traditional payment options. Our mission is to deliver honest financial products that improve lives. Through our next-generation commerce platform, agreements with originating banks, and capital markets partners, we enable consumers to confidently pay for a purchase over time. When a consumer applies for a loan through our platform, the loan is underwritten using our proprietary risk model, and once approved, the consumer selects their preferred repayment option. Loans are directly originated or funded and issued by our originating bank partners.

Merchants partner with us to transform the consumer shopping experience and to acquire and convert consumers more effectively through our frictionless point-of-sale payment solutions. Consumers get the flexibility to buy now and make simple regular payments for their purchases and merchants see increased average order value, repeat purchase rates, and an overall more satisfied consumer base. Unlike legacy payment options and our competitors’ product offerings, which charge deferred or compounding interest and unexpected costs, we disclose up-front to consumers exactly what they will owe — no hidden fees, no deferred interest, no penalties.

2. Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The accompanying interim condensed consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”), as contained in the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”), disclosure requirements for interim financial information, and the requirements of Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. The unaudited interim condensed consolidated financial statements should be read in conjunction with the audited financial statements and notes thereto for the fiscal year ended June 30, 2024. The balance sheet as of June 30, 2024 has been derived from the audited financial statements at that date. Management believes these interim condensed consolidated financial statements reflect all adjustments, including those of a normal and recurring nature, which are necessary for a fair presentation of the results for the interim periods presented. Within the interim condensed consolidated financial statements and tables presented in the accompanying notes, certain columns and rows may not sum due to the use of rounded numbers for disclosure purposes. The results of operations for the interim periods are not necessarily indicative of the results that may be expected for the full year or any other interim period.

Our interim condensed financial statements have been prepared on a consolidated basis. Under this basis of presentation, our financial statements consolidate all wholly owned subsidiaries and variable interest entities (“VIEs”), in which we have a controlling financial interest. These include various business trust entities and limited partnerships established to enter into warehouse credit agreements with certain lenders for funding debt facilities and certain asset-backed securitization transactions. All intercompany accounts and transactions have been eliminated in consolidation.

Our variable interest arises from contractual, ownership, or other monetary interests in the entity, which changes with fluctuations in the fair value of the entity’s net assets. We consolidate a VIE when we are deemed to be the primary beneficiary. We assess whether or not we are the primary beneficiary of a VIE on an ongoing basis.

Use of Estimates

The preparation of interim condensed consolidated financial statements in conformity with U.S. GAAP requires the use of estimates, judgments and assumptions that affect the reported amounts in the interim condensed consolidated financial statements and the accompanying notes. Material estimates that are particularly susceptible to significant change relate to determination of the allowance for credit losses, capitalized internal-use software development costs, valuation allowance for deferred tax assets, loss on loan purchase commitment, discount on

directly originated loans, the evaluation for impairment of intangible assets and goodwill, the fair value of available for sale debt securities including retained interests in our securitization trusts, the fair value of risk sharing arrangements, and stock-based compensation, including the fair value of warrants issued to nonemployees. We base our estimates on historical experience, current events, and other factors we believe to be reasonable under the circumstances. To the extent that there are material differences between these estimates and actual results, our financial condition or operating results will be materially affected.

These estimates are based on information available as of the date of the interim condensed consolidated financial statements; therefore, actual results could differ materially from those estimates.

Significant Accounting Policies

There were no material changes to our significant accounting policies as disclosed in Note 2. Summary of Significant Accounting Policies of our Annual Report on Form 10-K for the fiscal year ended June 30, 2024, which was filed with the SEC on August 28, 2024.

Recent Accounting Pronouncements Not Yet Adopted

Segment Reporting

In November 2023, the FASB issued Accounting Standards Update (“ASU”) 2023-07, “*Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*”. The new guidance modifies the existing annual and interim segment reporting disclosures. The purpose of the update is to enable investors to better understand an entity’s overall performance and assess potential future cash flows, primarily through enhanced disclosure requirements on significant segment expenses. The ASU is effective for annual reporting periods beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024, and should be applied retrospectively to all prior periods presented in the financial statements. Early adoption is permitted. We are in the process of evaluating the impact of adopting this accounting standard update on our consolidated financial statements and disclosures.

Income Taxes

In December 2023, the FASB issued ASU 2023-09, “*Income Taxes (Topic 740): Improvements to Income Tax Disclosures*”. The new guidance is expected to increase transparency and usefulness of income tax disclosures through improvements to the rate reconciliation, income taxes paid, and other disclosure requirements. The ASU is effective for fiscal years beginning after December 15, 2024 and should be applied on a prospective basis, although retrospective application is permitted. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance. We are in the process of evaluating the impact of adopting this accounting standard update on our consolidated financial statements and disclosures.

Reporting Comprehensive Income

In November 2024, the FASB issued ASU 2024-03, “*Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*”. Subsequent to the issuance of ASU 2024-03, the FASB issued ASU 2025-01 to clarify the effective date of ASU 2024-03. The new guidance requires disclosure, in the notes to the financial statements, specified information about certain income statement costs and expenses for each interim and annual reporting period. The ASU is effective for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027, and should be applied on a prospective basis, although retrospective application is permitted. Early adoption is permitted. We are in the process of evaluating the impact of adopting this accounting standard update on our consolidated financial statements and disclosures.

Debt with Conversion and Other Options

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*”. The new guidance clarifies the requirements for determining whether certain settlements of convertible debt should be accounted for as an induced conversion. The ASU is effective for fiscal years beginning after December 15, 2025 and interim periods within those annual reporting periods, and should be applied on a prospective basis, although retrospective application is permitted. Early adoption is permitted. We are in the process of evaluating the impact of adopting this accounting standard update on our consolidated financial statements and disclosures.

3. Revenue

The following table presents our revenue disaggregated by revenue source (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Merchant network revenue	\$ 213,973	\$ 159,292	\$ 643,207	\$ 493,599
Card network revenue	58,572	35,676	164,194	108,421
Interest income	402,701	315,712	1,189,132	866,737
Gain on sales of loans	75,838	40,183	264,739	127,170
Servicing income	32,050	25,294	86,723	67,887
Total revenue, net	<u>\$ 783,135</u>	<u>\$ 576,157</u>	<u>\$ 2,347,995</u>	<u>\$ 1,663,814</u>

Merchant Network Revenue — Revenue from Contracts with Customers

Merchant network revenue primarily consists of merchant fees. Merchant partners (or integrated merchants) are generally charged a fee based on gross merchandise volume (“GMV”) processed through the Affirm platform. The fees vary depending on the individual arrangement between us and each merchant and on the terms of the product offering. The fee is recognized at the point in time the merchant successfully confirms the transaction, which is when the terms of the executed merchant agreement are fulfilled.

Our contracts with merchants are defined at the transaction level and do not extend beyond the service already provided (i.e., each transaction represents a separate contract). The fees collected from merchants for each transaction are determined as a percentage of the value of the goods purchased by the consumer from merchants and consider a number of factors including the end consumer’s credit risk and financing term. We do not have any capitalized contract costs, and do not carry any material contract balances.

Our service comprises a single performance obligation to merchants to facilitate transactions with consumers. From time to time, we offer merchants incentives to promote our platform to their customers, such as fee reductions or rebates. These amounts are recorded as a reduction to merchant network revenue.

We may originate certain loans via our wholly-owned subsidiaries, with zero or below market interest rates. In these instances, the par value of the loans originated is in excess of the fair market value of such loans, resulting in a loss on loan origination, which we record as a reduction to merchant network revenue. In certain cases, the losses incurred on loans originated for a merchant may exceed the total merchant network revenue earned on those loans. We record the excess loss amounts as a sales and marketing expense.

A portion of merchant network revenue relates to affiliate network revenue, which is generated when a user makes a purchase on a merchant’s website after being directed from an advertisement on Affirm’s website or mobile application. We earn a fixed placement fee and/or commission as a percentage of the associated sale. Revenue is recognized at the point in time when the performance obligation has been fulfilled, which is when the sale occurs.

For the three and nine months ended March 31, 2025 and 2024, there were no merchants that individually exceeded 10% of total revenue.

Card Network Revenue — Revenue from Contracts with Customers

We have agreements with card-issuing partners to facilitate the issuance of physical and virtual cards to be used by consumers at checkout. Prior to purchase, consumers can apply at Affirm.com or via the Affirm app and, upon approval, use a physical or virtual card to complete their purchase online or in-store. The card is funded at the time a transaction is authorized using cash held by the card-issuing partner in a reserve fund. Eligible consumers can also use the Affirm Card, a card issued by a card-issuing partner to pay in full, via their linked bank account, or pay later, by using a unique post-purchase feature that allows them to instantly convert any eligible transaction into an installment loan. Where applicable, our originating bank partner, or wholly-owned subsidiaries, then originates a loan to the consumer after the transaction is confirmed by the merchant. The merchant is charged interchange fees for each successful card transaction, and a portion of this revenue is shared with us by our card-issuing partners.

Merchants may also elect to utilize our agreement with card-issuing partners as a means of integrating Affirm services. Similarly, for these arrangements with integrated merchants, the merchant is charged interchange fees for each successful card transaction and a portion of this revenue is shared with us. From time to time, we offer certain integrated merchants promotional incentives to promote our platform to their customers, such as rebates of interchange fees incurred by the merchant. These amounts are recorded as a reduction of card network revenue.

Our contracts with our card-issuing partners are defined at the transaction level and do not extend beyond the service already provided. The revenue collected from card-issuing partners for each transaction are determined as a percentage of the interchange fees charged on transactions facilitated on the payment processor network, and revenue is recognized at the point in time the transaction is completed successfully. The amounts collected are presented in revenue, net of associated transaction-related processing fees paid to our card-issuing partners. We have concluded that the revenue collected does not give rise to a future material right because the pricing of each transaction does not depend on the volume of prior successful transactions. We do not have any capitalized contract costs, and do not carry any material contract balances.

Our service comprises a single performance obligation to the card-issuing partner to facilitate transactions with consumers.

A portion of card network revenue relates to incentive payments from card network partners, which we are eligible to receive for reaching certain cumulative volume targets on program cards issued by our card-issuing partners. We earn incentive revenue as a percentage of each associated transaction and estimate the applicable percentage based on observed cumulative volume on program cards. Revenue is recognized at the point in time when the performance obligation has been fulfilled, which is when the transaction is completed successfully.

Interest Income

Interest income consisted of the following components (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Contractual interest income on unpaid principal balance	\$ 369,671	\$ 273,581	\$ 1,082,744	\$ 747,955
Amortization of discount on loans	65,639	53,960	186,450	150,102
Amortization of premiums on loans	(5,108)	(4,256)	(14,623)	(12,419)
Interest receivable charged-off, net of recoveries	(27,501)	(7,573)	(65,439)	(18,901)
Total interest income	\$ 402,701	\$ 315,712	\$ 1,189,132	\$ 866,737

We accrue interest income using the effective interest method, which includes the amortization of any discounts or premiums on loan receivables created upon the purchase of a loan from our originating bank partners or upon the origination of a loan. Interest income on a loan is accrued daily, based on the finance charge disclosed to the consumer, over the term of the loan based upon the principal outstanding. The accrual of interest on a loan is suspended if a formal dispute with the consumer involving either Affirm or the merchant of record is opened, or a loan is 120 days past due. Upon the resolution of a dispute with the consumer, the accrual of interest is resumed, and any interest that would have been earned during the disputed period is retroactively accrued. As of March 31, 2025 and June 30, 2024, the balance of loans held for investment on non-accrual status was \$5.1 million and \$2.6 million, respectively.

The account is charged-off in the period if the account becomes 120 days past due or meets other charge-off policy requirements. Past due status is based on the contractual terms of the loans. Previously recognized interest receivable from charged-off loans that is accrued but not collected from the consumer is charged-off.

Gain on Sales of Loans

We sell certain loans we originate or purchase from our originating bank partners directly to third-party investors or to securitizations. We recognize a gain or loss on sale of loans sold to third parties or to unconsolidated securitizations by calculating the difference between the proceeds received and the carrying value of the loan. This amount is adjusted for the initial recognition of any assets or liabilities incurred upon sale. These generally include a net servicing asset or liability in connection with our ongoing obligation to continue to service the loans and a liability in connection with our loan repurchase obligation for loans that do not meet certain contractual requirements and such information about the loan was unknown at the time of sale.

Additionally, we recognize a risk sharing asset or liability in certain arrangements where payments are made or received based on the actual versus expected loan performance, as contractually agreed upon with the third party. Refer to Note 12. Fair Value of Financial Assets and Liabilities for further discussion of risk sharing arrangements.

Servicing Income

Servicing income includes contractual fees specified in our servicing agreements with third-party loan owners and unconsolidated securitizations that are earned from providing professional services to manage loan portfolios on their behalf. The servicing fee is calculated on a daily basis by multiplying a set fee percentage (as outlined in the executed agreements with third-party loan owners) by the outstanding loan principal balance. Servicing income also includes fair value adjustments for servicing assets and servicing liabilities.

4. Loans Held for Investment and Allowance for Credit Losses

Loans held for investment consisted of the following (in thousands):

	March 31, 2025	June 30, 2024
Unpaid principal balance	\$ 6,656,169	\$ 5,697,965
Accrued interest receivable	68,997	62,796
Premiums on loans held for investment	9,897	7,822
Less: Discount due to loss on loan purchase commitment	(77,000)	(63,682)
Less: Discount due to loss on directly originated loans	(27,612)	(34,829)
Less: Fair value adjustment on loans acquired through business combination	(5)	(16)
Total loans held for investment	<u>\$ 6,630,446</u>	<u>\$ 5,670,056</u>

Loans held for investment includes loans originated through our originating bank partners and directly originated loans. The majority of the loans that are underwritten using our technology platform and originated by our originating bank partners are later purchased by us. We purchased loans from our originating bank partners in the amount of \$7.1 billion and \$21.6 billion during the three and nine months ended March 31, 2025, respectively, and \$5.1 billion and \$15.6 billion during the three and nine months ended March 31, 2024, respectively. We directly originated \$1.5 billion and \$4.5 billion of loans during the three and nine months ended March 31, 2025, respectively, and \$1.1 billion and \$3.3 billion of loans during the three and nine months ended March 31, 2024, respectively.

Our portfolio consists of interest bearing and non-interest bearing consumer loans with original term lengths of up to sixty months originated in markets including the U.S., U.K., and Canada, with the majority of loans originated within the U.S. Given that our loan portfolio focuses on one product segment, unsecured consumer installment loans, we generally evaluate the entire portfolio as a single homogeneous loan portfolio to predict future losses, considering factors such as country of origin, loan product, origination channel, merchant and various borrower characteristics.

We closely monitor credit quality for our loan receivables to manage and evaluate our related exposure to credit risk. Credit risk management begins with initial underwriting, where loan applications are assessed against the credit underwriting policy and procedures for our directly originated loans and originating bank partner loans, and continues through to full repayment of a loan. To assess a consumer who requests a loan, we use, among other indicators, internally developed risk models using detailed information from external sources, such as credit bureaus where available, and internal historical experience, including the consumer's prior repayment history on our platform as well as other measures. We combine these factors to establish a proprietary score as a credit quality indicator.

Our proprietary score ("ITACs") is assigned to most loans facilitated through our technology platform, ranging from zero to 100, with 100 representing the highest credit quality and therefore the lowest likelihood of loss. The ITACs model analyzes the characteristics of a consumer's attributes that are shown to be predictive of both willingness and ability to repay including, but not limited to: basic features of a consumer's credit profile, a consumer's prior repayment performance with other creditors, current credit utilization, and legal and policy changes. When a consumer passes both fraud and credit policy checks, the application is assigned an ITACs score. ITACs is also used for portfolio performance monitoring. Our credit risk team closely tracks the distribution of ITACs at the portfolio level, as well as ITACs at the individual loan level to monitor for signs of a changing credit profile within the portfolio. Repayment performance within each ITACs band is also monitored to support both the integrity of the risk scoring models and to measure possible changes in consumer behavior amongst various credit tiers.

The following tables present an analysis of the credit quality, by ITACs score, of the amortized cost basis excluding accrued interest receivable, by fiscal year of origination on loans held for investment and loans held for sale as of March 31, 2025 and June 30, 2024 (in thousands):

March 31, 2025							
Amortized Costs Basis by Fiscal Year of Origination							
	2025	2024	2023	2022	2021	Prior	Total
96+	\$ 3,953,857	\$ 471,228	\$ 61,195	\$ 5,628	\$ 111	\$ 10	\$ 4,492,029
94 – 96	1,609,232	144,301	2,469	483	7	5	1,756,497
90 – 94	221,523	21,598	485	276	3	1	243,886
<90	44,130	3,059	3	62	1	1	47,256
No score ⁽¹⁾	2,061	4,503	13,436	1,674	89	19	21,782
Total amortized cost basis	\$ 5,830,803	\$ 644,689	\$ 77,588	\$ 8,123	\$ 211	\$ 36	\$ 6,561,450

June 30, 2024							
Amortized Costs Basis by Fiscal Year of Origination							
	2024	2023	2022	2021	2020	Prior	Total
96+	\$ 3,438,135	\$ 183,210	\$ 10,026	\$ 186	\$ 10	\$ 5	\$ 3,631,572
94 – 96	1,509,125	29,227	463	8	2	4	1,538,829
90 – 94	287,499	3,575	263	3	1	1	291,342
<90	45,009	46	309	2	1	—	45,367
No score ⁽¹⁾	20,680	66,680	12,391	217	94	124	100,186
Total amortized cost basis	\$ 5,300,448	\$ 282,738	\$ 23,452	\$ 416	\$ 108	\$ 134	\$ 5,607,296

⁽¹⁾ This balance represents loan receivables without sufficient data available for use by the Affirm scoring methodology including new markets and certain developing products.

The following table presents net charge-offs by fiscal year of origination as of March 31, 2025 (in thousands):

March 31, 2025							
Net Charge-offs by Fiscal Year of Origination							
	2025	2024	2023	2022	2021	Prior	Total
Current period charge-offs	(92,359)	(295,661)	(19,445)	(1,312)	(214)	(161)	(409,152)
Current period recoveries	2,089	15,593	9,901	4,011	833	268	32,695
Current period net charge-offs	(90,270)	(280,068)	(9,544)	2,699	619	107	(376,457)

Loan receivables are defined as past due if either the principal or interest have not been received within four calendars days of when they are due in accordance with the agreed upon contractual terms. The following table presents an aging analysis of the amortized cost basis excluding accrued interest receivable of loans held for investment and loans held for sale by delinquency status (in thousands):

	March 31, 2025	June 30, 2024
Non-delinquent loans	\$ 6,234,157	\$ 5,331,462
4 – 29 calendar days past due	153,587	134,434
30 – 59 calendar days past due	66,927	55,021
60 – 89 calendar days past due	57,469	47,764
90 – 119 calendar days past due ⁽¹⁾	49,310	38,615
Total amortized cost basis	<u>\$ 6,561,450</u>	<u>\$ 5,607,296</u>

⁽¹⁾ Includes \$49.1 million and \$38.6 million of loan receivables as of March 31, 2025 and June 30, 2024, respectively, that are 90 days or more past due, but are not on non-accrual status.

We maintain an allowance for credit losses at a level sufficient to absorb expected credit losses based on evaluating known and inherent risks in our loan portfolio. The allowance for credit losses reflects our estimate of expected lifetime credit losses, which consider the remaining contractual term, historical credit losses, consumer payment trends, estimated recoveries, and future payment expectations as of each balance sheet date. Adjustments to the allowance for changes in our estimate of lifetime expected credit losses are recognized in earnings through the provision for credit losses presented on our interim condensed consolidated statements of operations and comprehensive income (loss). When available information confirms that specific loans or portions thereof are uncollectible, identified amounts are charged off against the allowance for credit losses. Loans are charged off in accordance with our charge-off policy, as the contractual principal becomes 120 days past due. Subsequent recoveries of the unpaid principal balance, if any, are credited to the allowance for credit losses.

The following table details activity in the allowance for credit losses, including charge-offs, recoveries and provision for loan losses (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Balance at beginning of period	\$ 363,831	\$ 262,204	\$ 309,097	\$ 204,531
Provision for loan losses	142,001	117,271	445,313	325,914
Charge-offs	(144,792)	(99,181)	(409,152)	(261,657)
Recoveries of charged-off receivables	15,475	9,245	32,695	20,406
Other ⁽¹⁾	(1,528)	(451)	(2,966)	(106)
Balance at end of period	<u>\$ 374,987</u>	<u>\$ 289,088</u>	<u>\$ 374,987</u>	<u>\$ 289,088</u>

⁽¹⁾ Primarily represents foreign currency translation adjustments and the initial allowance for purchased credit-deteriorated (PCD) loans.

Loan Modifications for Borrowers Experiencing Financial Difficulty

We have a loan modification program for borrowers experiencing financial difficulty if certain eligibility criteria are met. A loan is evaluated for modification program eligibility when a borrower self-reports financial hardship, either when a borrower contacts us directly or upon making contact with the borrower to determine eligibility when a loan payment is past due. The objectives of the loan modification program are to offer borrowers assistance during times of financial stress, increase collections, and minimize losses.

We have two primary loan modification strategies: payment deferrals and loan re-amortization. A payment deferral provides the borrower relief by extending the due date for the next payment due. While a borrower may obtain more than one deferral, the total deferral period may not exceed three months. A loan re-amortization provides the borrower relief by lowering monthly payments through extending the term length of the loan; however, the total remaining term may not exceed twenty-four months. In addition, the total interest due from the consumer will not exceed the initial total interest due prior to modification, and a loan may not be re-amortized more than once.

The following tables present the amortized cost basis of loans excluding accrued interest receivable that were modified for borrowers experiencing financial difficulty during the three and nine months ended March 31, 2025 and 2024, by type of modification (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024 ⁽¹⁾	2025	2024 ⁽¹⁾
Payment deferral	\$ 5,749	\$ 32,015	\$ 13,110	\$ 43,282
Loan re-amortization	116	1,075	250	1,630
Total	\$ 5,865	\$ 33,090	\$ 13,360	\$ 44,912
% of total loan receivables outstanding	0.09 %	0.61 %	0.20 %	0.83 %

⁽¹⁾ Amounts previously disclosed excluded modifications made to borrowers where the loan was less than 30 days delinquent at the time of modification.

With respect to borrowers who received payment deferrals during the three and nine months ended March 31, 2025 and 2024, the length of each deferral period was one month.

With respect to borrowers who received a loan re-amortization during the three and nine months ended March 31, 2025 and 2024, the payment amount was reduced by half and the term of the loan was extended between one month and twelve months.

During the modification process, the loans are made current, and payment schedules for these loans are updated according to the modified terms. We closely monitor the performance of loans that are modified for borrowers experiencing financial difficulty to understand the effectiveness of our modification efforts. We hold an allowance for credit losses for modified loans classified as held for investment. Our allowance estimate considers whether a loan has been modified, the delinquency status of the loan on the date of modification, and the increased likelihood that such loan may become delinquent or charge-off in the future.

The following tables present the delinquency status as of March 31, 2025 and 2024, by amortized cost basis excluding accrued interest receivable, of loan receivables that have been modified within the last 12 months where the borrower was experiencing financial difficulty at the time of modification (in thousands):

	March 31, 2025		
	Payment Deferral	Loan Re-amortization	Total
Non-delinquent loans	\$ 7,761	\$ 154	\$ 7,915
4 – 29 calendar days past due	2,123	40	2,163
30 – 59 calendar days past due	1,398	20	1,418
60 – 89 calendar days past due	1,211	26	1,237
90 – 119 calendar days past due	1,224	20	1,244
Total amortized cost basis	\$ 13,717	\$ 260	\$ 13,977

	March 31, 2024 ⁽¹⁾		
	Payment Deferral	Loan Re-amortization	Total
Non-delinquent loans	\$ 28,880	\$ 868	\$ 29,748
4 – 29 calendar days past due	7,178	396	7,574
30 – 59 calendar days past due	3,235	179	3,414
60 – 89 calendar days past due	2,171	100	2,271
90 – 119 calendar days past due	2,014	91	2,105
Total amortized cost basis	\$ 43,478	\$ 1,634	\$ 45,112

⁽¹⁾ Amounts previously disclosed excluded modifications made to borrowers where the loan was less than 30 days delinquent at the time of modification

With respect to modifications during the 12 months preceding March 31, 2025 and 2024, respectively, where the borrower was experiencing financial difficulty at the time of modification, the amortized cost basis of loans which have been charged off was \$10.4 million and \$7.8 million, respectively.

5. Balance Sheet Components

Accounts Receivable, net

Our accounts receivable consist primarily of amounts due from payment processors, merchant partners, affiliate network partners and servicing fees due from third-party loan owners. For each of these groups, we evaluate accounts receivable to determine management's current estimate of expected credit losses based on historical experience and future expectations and record an allowance for credit losses. Our allowance for credit losses with respect to accounts receivable was \$18.2 million and \$14.9 million as of March 31, 2025 and June 30, 2024, respectively.

Property, Equipment and Software, net

Property, equipment and software, net consisted of the following (in thousands):

	March 31, 2025	June 30, 2024
Internally developed software	\$ 898,459	\$ 630,129
Leasehold improvements	21,213	21,023
Computer equipment	10,979	9,827
Furniture and equipment	8,997	8,913
Total property, equipment and software, at cost	\$ 939,648	\$ 669,892
Less: Accumulated depreciation and amortization	(396,321)	(242,206)
Total property, equipment and software, net	\$ 543,327	\$ 427,686

Depreciation and amortization expense on property, equipment and software was \$59.4 million and \$159.8 million for the three and nine months ended March 31, 2025, respectively, and \$43.2 million and \$105.7 million for the three and nine months ended March 31, 2024, respectively.

No impairment losses related to property, equipment and software were recorded during the three and nine months ended March 31, 2025 and 2024.

Goodwill and Intangible Assets

The changes in the carrying amount of goodwill during the nine months ended March 31, 2025 were as follows (in thousands):

Balance as of June 30, 2024	\$	533,439
Adjustments ⁽¹⁾		(11,093)
Balance as of March 31, 2025	\$	522,346

⁽¹⁾ Adjustments to goodwill during the nine months ended March 31, 2025 pertained to foreign currency translation adjustments.

No impairment losses related to goodwill were recorded during the three and nine months ended March 31, 2025. There were no impairment losses during the three months ended March 31, 2024. During the nine months ended March 31, 2024, we recognized goodwill disposal losses of \$1.0 million included in general and administrative expenses within the interim condensed consolidated statements of operations and comprehensive income (loss).

Intangible assets consisted of the following (in thousands):

	March 31, 2025				Weighted Average Remaining Useful Life (in years)
	Gross	Accumulated Amortization	Net		
Merchant relationships	\$ 37,430	\$ (37,430)	\$ —		0.0
Developed technology	39,176	(39,087)	89		0.0
Assembled workforce	12,490	(12,490)	—		0.0
Trademarks and domains, definite	1,406	(1,270)	136		0.5
Trademarks, licenses and domains, indefinite	11,841	—	11,841		Indefinite
Other intangibles	350	—	350		Indefinite
Total intangible assets	\$ 102,693	\$ (90,277)	\$ 12,416		

	June 30, 2024				Weighted Average Remaining Useful Life (in years)
	Gross	Accumulated Amortization	Net		
Merchant relationships	\$ 37,847	\$ (36,741)	\$ 1,106		0.1
Developed technology	39,444	(39,311)	133		0.0
Assembled workforce	12,490	(12,490)	—		0.0
Trademarks and domains, definite	1,450	(1,165)	285		1.0
Trademarks, licenses and domains, indefinite	11,628	—	11,628		Indefinite
Other intangibles	350	—	350		Indefinite
Total intangible assets	\$ 103,209	\$ (89,707)	\$ 13,502		

Amortization expense for intangible assets was \$0.1 million and \$1.3 million for the three and nine months ended March 31, 2025, respectively, and \$2.0 million and \$19.0 million for the three and nine months ended

March 31, 2024, respectively. No impairment losses related to intangible assets were recorded during the three and nine months ended March 31, 2025 and 2024.

The expected future amortization expense of these intangible assets as of March 31, 2025 is as follows, by fiscal year (in thousands):

2025 (remaining three months)	\$	60
2026		150
2027		15
2028		—
2029 and thereafter		—
Total amortization expense	\$	<u>225</u>

Commercial Agreement Assets

In November 2021, we granted warrants in connection with our commercial agreements with certain subsidiaries of Amazon.com, Inc. (“Amazon”). The warrants were granted in exchange for certain performance provisions and the benefit of acquiring new users. We recognized an asset of \$133.5 million associated with the portion of the warrants that were fully vested upon grant. The asset was valued based on the fair value of the warrants and represents the probable future economic benefit to be realized over the expected benefit period of four years. For the three and nine months ended March 31, 2025, we recognized amortization expense of \$5.1 million and \$15.6 million, respectively, and \$6.9 million and \$27.8 million for the three and nine months ended March 31, 2024, respectively, in our interim condensed consolidated statements of operations and comprehensive income (loss) as a component of sales and marketing expense. Refer to Note 13. Stockholders’ Equity for further discussion of the warrants.

In July 2020, we recognized an asset in connection with a commercial agreement with Shopify Inc. (“Shopify”), in which we granted warrants in exchange for the opportunity to acquire new merchant partners. This asset represents the probable future economic benefit to be realized over the expected benefit period and is valued based on the fair value of the warrants on the grant date. We recognized an asset of \$270.6 million associated with the fair value of the warrants, which were fully vested as of March 31, 2025. During fiscal year 2025, the expected benefit period was extended from six to nine years upon execution of a commercial agreement, which superseded and replaced the previous commercial agreement. The benefit period is reevaluated each reporting period. For the three and nine months ended March 31, 2025, we recorded amortization expense related to the commercial agreement asset of \$5.8 million and \$23.9 million respectively, and \$8.9 million and \$27.0 million for the three and nine months ended March 31, 2024, respectively, in our interim condensed consolidated statements of operations and comprehensive income (loss) as a component of sales and marketing expense.

Other Assets

Other assets consisted of the following (in thousands):

	March 31, 2025	June 30, 2024
Processing reserves	\$ 75,717	\$ 55,754
Prepaid expenses	46,082	28,799
Risk sharing asset	43,739	33,884
Equity securities, at cost	42,316	37,806
Prepaid payroll taxes for stock-based compensation	31,163	21,395
Operating lease right-of-use assets	21,428	21,863
Foreign deferred tax asset	15,333	21,206
Other receivables	11,639	18,263
Derivative instruments	3,808	17,207
Fixed term deposit	—	35,203
Other assets	9,827	7,960
Total other assets	<u>\$ 301,052</u>	<u>\$ 299,340</u>

Accrued Expenses and Other Liabilities

Accrued expenses and other liabilities consisted of the following (in thousands):

	March 31, 2025	June 30, 2024
Accrued expenses	\$ 78,927	\$ 59,613
Operating lease liability	35,640	39,493
Collateral held for derivative instruments	4,290	17,643
Other liabilities	54,772	30,680
Total accrued expenses and other liabilities	<u>\$ 173,629</u>	<u>\$ 147,429</u>

6. Leases

We lease facilities under operating leases with various expiration dates through 2032. We have the option to renew or extend our leases. Certain lease agreements include the option to terminate the lease with prior written notice ranging from nine months to one year. As of March 31, 2025, we have not considered such provisions in the determination of the lease term, as it is not reasonably certain these options will be exercised. Leases have remaining terms that range from less than one year to eight years.

Several leases require us to obtain standby letters of credit, naming the lessor as a beneficiary. These letters of credit act as security for the faithful performance by us of all terms, covenants and conditions of the lease agreement. We are required to post collateral for the letters of credit in the form of cash or eligible securities. As of March 31, 2025, the collateral totaled \$5.7 million, which was in the form of securities that have been classified as securities available for sale at fair value in the interim condensed consolidated balance sheets. As of June 30, 2024, the collateral totaled \$8.8 million, of which \$2.0 million was in the form of cash that was classified as restricted cash, and \$6.8 million was in the form of securities which was classified as securities available for sale at fair value on our consolidated balance sheets.

No impairment charge was incurred related to leases during the three and nine months ended March 31, 2025. No impairment charge was incurred related to leases during the three months ended March 31, 2024. During the nine months ended March 31, 2024, we subleased a portion of our leased office space in San Francisco, resulting in an impairment charge of \$0.8 million, included in general and administrative expense on our interim condensed consolidated statements of operations and comprehensive income (loss).

Operating lease expense is as follows (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Operating lease expense ⁽¹⁾	\$2,915	\$2,894	\$8,633	\$8,826

⁽¹⁾ Lease expenses for our short-term leases were immaterial for the periods presented.

We have subleased a portion of our leased facilities. Sublease income totaled \$0.9 million and \$3.4 million during the three and nine months ended March 31, 2025, respectively, and \$1.3 million and \$3.3 million during the three and nine months ended March 31, 2024, respectively.

Lease term and discount rate information are summarized as follows:

	March 31, 2025
Weighted average remaining lease term (in years)	4.2
Weighted average discount rate	5.6%

As of March 31, 2025, future minimum lease payments are as follows, by fiscal year (in thousands):

2025 (remaining three months)	\$	4,209
2026		16,553
2027		4,425
2028		3,563
2029		3,618
Thereafter		8,185
Total lease payments		40,553
Less imputed interest		(4,913)
Present value of total lease liabilities	\$	35,640

7. Commitments and Contingencies

Loan Repurchase Obligations

Under the normal terms of our whole loan sales to third-party investors, we may become obligated to repurchase loans from investors in certain instances where a breach in representations and warranties is identified. Generally, a breach in representations and warranties could occur where a loan has been identified as subject to verified or suspected fraud, or in cases where a loan was serviced or originated in violation of Affirm's guidelines. We would only experience a loss if the contractual repurchase price of the loan exceeds the fair value on the repurchase date. As of March 31, 2025, the aggregate outstanding balance of loans held by third-party investors or unconsolidated VIEs was \$6.8 billion, of which we have recorded a repurchase liability of \$8.3 million within accrued expenses and other liabilities in our interim condensed consolidated balance sheets.

Legal Proceedings

From time to time, we are subject to legal proceedings and claims in the ordinary course of business. The results of such matters often cannot be predicted with certainty. In accordance with applicable accounting guidance, we establish an accrued liability for legal proceedings and claims when those matters present loss contingencies which are both probable and reasonably estimable.

Kusnier v. Affirm Holdings, Inc.

On December 8, 2022, plaintiff Mark Kusnier filed a putative class action lawsuit against Affirm, Max Levchin, and Michael Linford in the U.S. District Court for the Northern District of California (the “Kusnier action”). On May 5, 2023, plaintiffs Kusnier and Chris Meinsen filed their first amended complaint alleging that the defendants (i) caused Affirm to make materially false and/or misleading statements and/or failed to disclose that Affirm’s BNPL service facilitated excessive consumer debt (including with respect to certain for-profit educational institutions), regulatory arbitrage, and data harvesting; (ii) made false and/or misleading statements about certain public regulatory actions; and (iii) made false and/or misleading statements about whether Affirm’s business model was vulnerable to interest rate changes. On December 20, 2023, the Court granted Affirm’s motion to dismiss the first amended complaint with leave to amend. On January 19, 2024, plaintiffs filed their second amended complaint, which contains only the allegations from the first amended complaint relating to false and/or misleading statements about whether Affirm’s business model was vulnerable to interest rate changes. In light of the above, plaintiffs assert that Affirm violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder, and that Levchin and Linford violated Section 20(a) of the Exchange Act. Plaintiffs seek class certification, unspecified compensatory and punitive damages, and costs and expenses. Affirm filed its motion to dismiss the second amended complaint on February 2, 2024. On August 26, 2024, the Court granted Affirm’s motion to dismiss with leave to amend. On September 23, 2024, plaintiffs filed a motion for leave to file a motion for reconsideration of the Court’s Order granting Affirm’s motion to dismiss.

Quiroga v. Levchin, et al.

On March 29, 2023, plaintiff John Quiroga filed a shareholder derivative lawsuit in the U.S. District Court for the Northern District of California (the “Quiroga action”) against Affirm, as a nominal defendant, and certain of Affirm’s current officers and directors as defendants based on allegations substantially similar to those in the Kusnier action at the time of filing. The Quiroga complaint purports to assert claims on Affirm’s behalf for contribution under the federal securities laws, breaches of fiduciary duty, unjust enrichment, and waste of corporate assets, and seeks corporate reforms, unspecified damages and restitution, and fees and costs. On May 1, 2023, the action was stayed by agreement of the parties. The stay can be lifted at the request of either party or upon certain conditions relating to the resolution of the Kusnier action.

Jeffries v. Levchin, et al.

On May 24, 2023, plaintiff Sabrina Jeffries filed a shareholder derivative lawsuit in the U.S. District Court for the Northern District of California (the “Jeffries action”) against Affirm, as a nominal defendant, and certain of Affirm’s current officers and directors as defendants based on allegations substantially similar to those in the Kusnier and Quiroga actions at the time of filing. The Jeffries complaint purports to assert claims on Affirm’s behalf for breach of fiduciary duties, making false statements under federal securities law, unjust enrichment, waste of corporate assets, and aiding and abetting breach of fiduciary duties, and seeks unspecified damages, equitable relief, and fees and costs. On August 15, 2023, the action was stayed by agreement of the parties. The stay can be lifted at the request of either party or upon certain conditions relating to the resolution of the Kusnier action.

Vallieres v. Levchin, et al.

On September 14, 2023, plaintiff Michael Vallieres filed a shareholder derivative lawsuit in the U.S. District Court for the District of Delaware against Affirm, as a nominal defendant, and certain of Affirm’s current officers and directors as defendants based on allegations substantially similar to those in the Kusnier, Quiroga, and Jeffries actions at the time of filing. The Vallieres complaint purports to assert claims on Affirm’s behalf for breach of fiduciary duties, gross management, abuse of control, unjust enrichment, and contribution, and seeks unspecified damages, equitable relief, and fees and costs. On November 30, 2023, the case was stayed by agreement of the parties.

We have determined, based on current knowledge, that the aggregate amount or range of losses that are estimable with respect to our legal proceedings, including the matters described above, would not have a material

adverse effect on our consolidated financial position, results of operations or cash flows. Amounts accrued as of March 31, 2025 were not material. The ultimate outcome of legal proceedings involves judgments, estimates and inherent uncertainties, and cannot be predicted with certainty.

8. Debt

Debt outstanding as of March 31, 2025 includes amounts classified on our interim condensed consolidated balance sheets as funding debt, notes issued by securitization trusts, and convertible senior notes. Secured debt includes borrowings from our warehouse facilities, variable funding notes, notes issued by securitization trusts and sale and repurchase agreements, unsecured debt includes outstanding convertible senior notes. Our unsecured revolving credit facility did not have any borrowings outstanding as of March 31, 2025.

The following table summarizes the components and terms of our secured and unsecured debt as of March 31, 2025 (in thousands):

	Borrowing Capacity	Interest Rate Spread ⁽²⁾		Unused Commitment Fees	Maturity by Fiscal Year	Debt Outstanding	Debt Outstanding net of unamortized premiums and discount
		Min - Max	Weighted Average				
Secured debt							
Funding debt							
US warehouse facilities	4,550,000	1.65% - 2.00%	1.66%	0.20% - 0.50%	2026 - 2032	1,467,383	1,453,698
International warehouse facilities ⁽¹⁾	588,110	1.25% - 1.75%	1.69%	0.30% - 0.45%	2028 - 2030	364,062	362,964
Variable funding notes	1,150,000	1.50%	—	0.30%	2032	51,131	47,813
Sales and repurchase agreements	—	5.82% - 8.89%	6.36%	—	2028 - 2029	44,218	44,218
Notes issued by securitization trusts	4,100,000	4.62% - 11.32%	5.89%	—	2028 - 2033	4,100,000	4,084,934
	<u>\$ 10,388,110</u>					<u>\$ 6,026,795 ⁽³⁾</u>	<u>\$ 5,993,628</u>
Unsecured debt							
Convertible senior notes:							
2026 Notes	—	—%	—	—	2027	248,704	247,730
2029 Notes	—	0.75%	—	—	2030	920,000	904,289
Revolving credit facility ⁽⁴⁾	330,000	0.75% - 1.75%	—	0.20%	2027	—	—
	<u>\$ 330,000</u>					<u>\$ 1,168,704</u>	<u>\$ 1,152,019</u>
Total						<u>\$ 7,195,499</u>	<u>\$ 7,145,646</u>

⁽¹⁾ As of March 31, 2025, international facilities finance the origination of loan receivables in Canada and are denominated in CAD.

⁽²⁾ Reference rates as of March 31, 2025 under our U.S. facilities bear interest at an annual benchmark rate of Secured Overnight Financing Rate (“SOFR”) or an alternative commercial paper rate plus an applicable spread. Reference rates as of March 31, 2025 under our international facilities bear interest at an annual benchmark rate of the Canadian Overnight Repo Rate Average (“CORRA”), Government of Canadian benchmark bond yields, or an alternative commercial paper rate plus an applicable spread. As debt arrangements are renewed, the reference rate and/or spread are subject to change.

⁽³⁾ Certain loans are pledged as collateral for borrowings in our facilities, except for our sales and repurchase agreements which are collateralized by the retained securitization notes receivables. The carrying value of these pledged assets was \$6.6 billion as of March 31, 2025.

⁽⁴⁾ This facility bears interest at a rate equal to, either (a) for SOFR borrowing, a SOFR rate determined by reference to the forward-looking term SOFR rate for the interest period, plus an applicable margin of 1.75% per annum or (b) for alternative base rate borrowings, a base rate determined by reference to the highest of (i) the federal funds rate plus 0.50% per annum, (ii) the rate last quoted by the Wall Street Journal as the U.S. prime rate and (iii) the one-month forward-looking term SOFR rate plus 1.00% per annum, in each case, plus an applicable margin of 0.75% per annum.

Funding Debt

Warehouse Credit Facilities

Through certain consolidated subsidiaries, which are typically trusts, we enter into secured borrowing arrangements with banks and other financial institutions. Through each of these subsidiaries we enter into a loan or credit and security agreement where we borrow against loans pledged as collateral. Financing terms, including the advance rate and financing spread, vary across these revolving facilities and generally depend on the types of collateral that may be pledged and respective concentration limits. The revolving period for each facility generally ends 4 - 12 months prior to the final maturity date, after which additional borrowings are not permitted. Advance rates range from 70% to 86% of the collateralized balance with respect to U.S. borrowing facilities and 67% to 88% of the collateralized balance with respect to facilities used to finance loans originated outside of the U.S., including Canada.

Borrowings under these agreements are classified as funding debt within our interim condensed consolidated balance sheets and proceeds from the borrowings can only be used for the purposes of facilitating loan funding and origination. These borrowing facilities are bankruptcy-remote special-purpose vehicles in which creditors do not have recourse against the general credit of Affirm.

Our funding debt agreements contain certain customary negative covenants and financial covenants including maintaining certain levels of minimum liquidity, maximum leverage, and minimum tangible net worth. As of March 31, 2025, we were in compliance with all applicable covenants in the agreements.

Variable Funding Note

We entered into a syndicated revolving loan agreement through a securitization master trust which is utilized to fund the purchase and origination of loans. In connection with the loan agreement, the master trust issued a variable funding note ("VFN"), where borrowings will be secured by loan collateral sold to the master trust. Throughout the reinvestment period of the VFN, the master trust periodically issues asset-backed securitization notes, where securitization note proceeds affects the level of utilization of the VFN. Outstanding borrowings under the VFN are classified as funding debt within our interim condensed consolidated balance sheets.

Sale and Repurchase Agreements

We entered into certain sale and repurchase agreements pursuant to our retained interests in our off-balance sheet securitizations where we have sold these securities to a counterparty with an obligation to repurchase at a future date and price. These repurchase agreements have a term equaling the contractual life of the securitization notes pledged. We record the debt outstanding under our sale and repurchase agreements within our funding debt in the interim condensed consolidated balance sheets.

Notes Issued by Securitization Trusts

We issue asset-backed notes through securitization trusts using a combination of term, amortizing and revolving structures. Each trust may issue one or more classes of notes, which will be repaid through collections on the loans in accordance with the trust priority of payments. For consolidated securitization trusts, asset-backed notes held by third-party investors are classified as notes issued by securitization trusts in the interim condensed consolidated balance sheets. Refer to Note 9 Securitization and Variable Interest Entities for additional information.

Convertible Senior Notes

2029 Notes

On December 20, 2024, we issued approximately \$920 million in aggregate principal amount of 0.75% convertible senior notes due 2029 (the “2029 Notes”) in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. The total net proceeds from this offering, after deducting debt issuance costs, were approximately \$903 million. The 2029 Notes represent senior unsecured obligations of the Company. The 2029 Notes will bear interest at a fixed rate of 0.75% per year, payable semiannually in arrears on June 15 and December 15 of each year, beginning on June 15, 2025. The 2029 Notes mature on December 15, 2029, unless such Notes are earlier converted, redeemed or repurchased in accordance with their terms.

Each \$1,000 of principal of the 2029 Notes will initially be convertible into 9.8992 shares of our common stock, which is equivalent to an initial conversion price of approximately \$101.02 per share, subject to adjustment upon the occurrence of certain specified events set forth in the indenture governing the 2029 Notes (the “2029 Indenture”). Holders of the 2029 Notes may convert their 2029 Notes at their option at any time on or after September 15, 2029 until close of business on the second scheduled trading day immediately preceding the maturity date of December 15, 2029. Further, holders of the 2029 Notes may convert all or any portion of their 2029 Notes at their option prior to the close of business on the business day immediately preceding September 15, 2029, only under the following circumstances:

- 1) during any calendar quarter commencing after the calendar quarter ending on March 31, 2025 (and only during such calendar quarter), if the last reported sale price of the Class A common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day;
- 2) during the five business day period after any five consecutive trading day period (the measurement period) in which the trading price (as defined in the indenture governing the 2029 Notes) per \$1,000 principal amount of the 2029 Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of the Company’s Class A common stock and the conversion rate on each such trading day;
- 3) if the Company calls any or all of the notes for redemption, at any time prior to the close of business on the scheduled trading day immediately preceding the redemption date; or
- 4) upon the occurrence of certain specified corporate events.

Upon conversion of the 2029 Notes, the Company will pay cash up to the aggregate principal amount of the notes to be converted and pay or deliver, as the case may be, cash, shares of our common stock or a combination of cash and shares of our common stock, at the Company’s election, in respect of the remainder, if any, of the conversion obligation in excess of the aggregate principal amount of the notes being converted. If we satisfy our conversion obligation solely in cash or through payment and delivery, as the case may be, of a combination of cash and shares of our common stock, the amount of cash and shares of common stock, if any, due upon conversion will be based on a daily conversion value (as set forth in the “2029 Indenture”) calculated on a proportionate basis for each trading day in a 40 trading day observation period.

No sinking fund is provided for the 2029 Notes. We may redeem for cash all or part of the 2029 Notes on or after December 20, 2027 if the last reported sale price of our Class A common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day

immediately preceding the date on which we provide notice of redemption at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest, if any.

If a fundamental change (as defined in the 2029 Indenture) occurs prior to the maturity date, holders of the 2029 Notes may require us to repurchase all or a portion of their notes for cash at a repurchase price equal to 100% of the principal amount of the 2029 Notes, plus any accrued and unpaid interest to, but excluding, the repurchase date. In addition, if specific corporate events occur prior to the maturity date of the 2029 Notes, we will be required to increase the conversion rate for holders who elect to convert their 2029 Notes in connection with such corporate events.

2026 Notes

On November 23, 2021, we issued \$1,725 million in aggregate principal amount of 0% convertible senior notes due 2026 (the “2026 Notes”) in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. The total net proceeds from this offering, after deducting debt issuance costs, were approximately \$1,704 million. The 2026 Notes represent senior unsecured obligations of the Company. The 2026 Notes do not bear interest except in special circumstances described below, and the principal amount of the 2026 Notes does not accrete. The 2026 Notes mature on November 15, 2026.

Each \$1,000 of principal of the 2026 Notes will initially be convertible into 4.6371 shares of our common stock, which is equivalent to an initial conversion price of approximately \$215.65 per share, subject to adjustment upon the occurrence of certain specified events set forth in the indenture governing the 2026 Notes (the “2026 Indenture”). Holders of the 2026 Notes may convert their 2026 Notes at their option at any time on or after August 15, 2026 until close of business on the second scheduled trading day immediately preceding the maturity date of November 15, 2026. Further, holders of the 2026 Notes may convert all or any portion of their 2026 Notes at their option prior to the close of business on the business day immediately preceding August 15, 2026, only under the following circumstances:

- 1) during any calendar quarter commencing after March 31, 2022 (and only during such calendar quarter), if the last reported sale price of the Class A common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day;
- 2) during the five business day period after any five consecutive trading day period (the measurement period) in which the trading price (as defined in the indenture governing the 2026 Notes) per \$1,000 principal amount of the 2026 Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of the Company’s Class A common stock and the conversion rate on each such trading day;
- 3) if the Company calls any or all of the notes for redemption, at any time prior to the close of business on the scheduled trading day immediately preceding the redemption date; or
- 4) upon the occurrence of certain specified corporate events.

Upon conversion of the 2026 Notes, the Company will pay cash up to the aggregate principal amount of the notes to be converted and pay or deliver, as the case may be, cash, shares of our common stock or a combination of cash and shares of our common stock, at the Company’s election, in respect of the remainder, if any, of the conversion obligation in excess of the aggregate principal amount of the notes being converted. If we satisfy our conversion obligation solely in cash or through payment and delivery, as the case may be, of a combination of cash and shares of our common stock, the amount of cash and shares of common stock, if any, due upon conversion will be based on a daily conversion value (as set forth in the “2026 Indenture”) calculated on a proportionate basis for each trading day in a 40 trading day observation period.

No sinking fund is provided for the 2026 Notes. We may not redeem the notes prior to November 20, 2024. We may redeem for cash all or part of the notes on or after November 20, 2024 if the last reported sale price of our Class A common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which we provide notice of redemption at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid special interest, if any.

If a fundamental change (as defined in the 2026 Indenture) occurs prior to the maturity date, holders of the 2026 Notes may require us to repurchase all or a portion of their notes for cash at a repurchase price equal to 100% of the principal amount of the 2026 Notes, plus any accrued and unpaid interest to, but excluding, the repurchase date. In addition, if specific corporate events occur prior to the maturity date of the 2026 Notes, we will be required to increase the conversion rate for holders who elect to convert their 2026 Notes in connection with such corporate events.

Repurchase of a Portion of the 2026 Notes

On December 6, 2023, the Board of Directors authorized the repurchase of up to \$800 million in aggregate principal amount of the 2026 Notes through open market purchases, privately negotiated purchases, purchase plans under Rule 10b5-1 of the Securities Exchange Act of 1934, as amended (“Rule 10b5-1”), or through a combination thereof, through December 31, 2024. On December 13, 2024, the Board of Directors replaced the December 2023 authorization with an authorization to repurchase up to \$960 million in aggregate principal amount of the 2026 Notes through December 31, 2024. In connection with these authorizations, during the nine months ended March 31, 2025, we paid \$1.0 billion in cash for the repurchase of \$1.1 billion aggregate principal amount of our 2026 Notes. The carrying amount of the extinguished 2026 Notes was approximately \$1.1 billion resulting in a \$82.4 million gain on early extinguishment of debt for the nine months ended March 31, 2025 which is reported as a component of other income, net within our interim consolidated statements of operations and comprehensive income (loss). The repurchased 2026 Notes were received and canceled. We utilized a combination of cash on hand and the net proceeds from the issuance of the 2029 Notes for these repurchases. During both the three and nine months ended March 31, 2024, we paid \$25.5 million in cash for the repurchase of \$31.1 million aggregate principal amount of our 2026 Notes under the December 2023 authorization. The carrying amount of the extinguished 2026 Notes was approximately \$30.9 million resulting in a \$5.4 million gain on early extinguishment of debt, which is reported as a component of other income, net within our interim consolidated statements of operations and comprehensive income (loss).

On November 5, 2024, the Board of Directors authorized the repurchase of up to \$500 million in aggregate principal amount of the 2026 Notes. Note repurchases under the November 2024 authorization may be made from time to time during the period commencing January 1, 2025 through December 31, 2025 through open market purchases, privately negotiated purchases, purchase plans under Rule 10b5-1, or through a combination thereof. Repurchases are subject to available liquidity, general market and economic conditions, alternate uses for the capital, and other factors, and there is no minimum principal amount of 2026 Notes that the Company is obligated to repurchase. In connection with this authorization, there were no repurchases of 2026 Notes during the three months ended March 31, 2025. As of March 31, 2025, \$248.7 million in aggregate principal amount of the 2026 Notes remains outstanding.

The following table summarizes the interest expense recognized related to the convertible senior notes (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Amortization of debt issuance costs ⁽¹⁾				
2026 Notes	\$ 148	\$ 857	\$ 1,575	\$ 2,602
2029 Notes	823	—	932	—
Total amortization of debt issuance costs	\$ 970	\$ 857	\$ 2,507	\$ 2,602
Coupon interest expense ^{(1) (2)}	1,706	—	1,933	—
Total interest expenses related to the convertible notes	\$ 2,676	\$ 857	\$ 4,440	\$ 2,602

⁽¹⁾ Included in our interim condensed consolidated statement of operations and comprehensive income (loss) within other income, net.

⁽²⁾ The coupon interest expense is related to the 2029 Notes.

As of March 31, 2025, the remaining life of the 2026 Notes and 2029 Notes is approximately 20 months and 56 months, respectively.

Revolving Credit Facility

On December 16, 2024, we entered into an amendment to our Revolving Credit Agreement in order to permit the incurrence of indebtedness pursuant to the 2029 Senior Convertible Notes. The facility contains certain financial covenants which may result in an acceleration of the maturity if not maintained, and requires payment of a monthly unused commitment fee of 0.20% per annum on the undrawn balance available. As of March 31, 2025, we were in compliance with all applicable covenants in the agreements.

The aggregate future maturities of our funding debt, notes issued by securitization trusts and convertible notes consists of the following (in thousands):

Maturity Fiscal Year	March 31, 2025
2025	\$ —
2026	674,875
2027 ⁽¹⁾	331,468
2028	555,996
2029	2,403,923
Thereafter ⁽¹⁾	3,229,237
Total	\$ 7,195,499
Deferred debt issuance costs	(49,853)
Total funding debt, net of deferred debt issuance costs	\$ 7,145,646

⁽¹⁾ As of March 31, 2025, includes convertible senior notes due 2026 and 2029 with a carrying amounts of \$248.7 million and \$920.0 million, respectively.

9. Securitization and Variable Interest Entities

Consolidated VIEs

Warehouse Credit Facilities

We established certain entities, deemed to be VIEs, to enter into warehouse credit facilities for the purpose of purchasing loans from our originating bank partners and funding directly originated loans. Refer to Note 8. Debt for additional information. The creditors of the VIEs have no recourse to the general credit of Affirm and the liabilities of the VIEs can only be settled by the respective VIEs' assets; however, as the servicer of the loans pledged to our funding facilities, we have the power to direct the activities that most significantly impact the VIEs' economic performance. In addition, we retain significant economic exposure to the pledged loans and therefore, we are the primary beneficiary.

Securitizations

We finance the origination and purchase of loans through our asset-backed securitization program using a combination of amortizing, revolving and variable funding structures. In connection with our program, we sponsor and establish trusts (deemed to be VIEs) which issue securities collateralized by the loans we sell to the trust. Securities issued from our asset-backed securitizations are senior or subordinated, based on the waterfall criteria of loan payments to each security class. The subordinated residual interests issued from these transactions are first to absorb credit losses in accordance with the waterfall criteria. For these VIEs, the creditors have no recourse to the general credit of Affirm and the liabilities of the VIEs can only be settled by the respective VIEs' assets. Additionally, the assets of the VIEs can be used only to settle obligations of the VIEs.

We consolidate securitization VIEs when we are deemed to be the primary beneficiary. For these VIEs, it is determined that we have the power to direct the activities that most significantly affect the VIEs' economic performance and the obligation to absorb losses or right to receive benefits that could potentially be significant to the VIEs. Through our role as the servicer, we have the power to direct the activities that most significantly affect the VIEs' economic performance. In evaluating whether we have a variable interest that could potentially be significant to the VIE, we consider our retained interests. We also earn a servicing fee which has a senior distribution priority in the payment waterfall. The servicing fees earned from these arrangements are considered variable interests when we also hold significant retained interests in the VIEs and they would absorb losses or receive benefits that are more than an insignificant amount of the VIEs' expected performance.

In evaluating whether we are the primary beneficiary, management considers both qualitative and quantitative factors regarding the nature, size and form of our involvement with the VIEs. We perform reassessments on an ongoing basis to evaluate whether we are the primary beneficiary of the VIEs.

Where we consolidate the securitization trusts, the loans held in the securitization trusts are included in loans held for investment, and the notes sold to third-party investors are recorded in notes issued by securitization trusts in the interim condensed consolidated balance sheets.

For each securitization, the residual trust certificates represent the right to receive excess cash on the loans each collection period after all fees and required distributions have been made to the note holders on the related payment date. In addition to the retained residual trust certificates, our continued involvement includes loan servicing responsibilities over the life of the underlying loans.

We defer and amortize debt issuance costs for consolidated securitization trusts on a straight-line basis over the expected life of the notes.

The following tables present the aggregate carrying value of financial assets and liabilities from our involvement with consolidated VIEs (in thousands):

	March 31, 2025		
	Assets	Liabilities	Net Assets
Warehouse credit facilities	\$ 2,044,461	\$ 1,831,884	\$ 212,577
Securitizations ⁽¹⁾	4,196,423	4,146,394	50,029
Total consolidated VIEs	<u>\$ 6,240,884</u>	<u>\$ 5,978,278</u>	<u>\$ 262,606</u>

	June 30, 2024		
	Assets	Liabilities	Net Assets
Warehouse credit facilities	\$ 2,052,881	\$ 1,823,794	\$ 229,087
Securitizations	3,325,254	3,246,228	79,026
Total consolidated VIEs	<u>\$ 5,378,135</u>	<u>\$ 5,070,022</u>	<u>\$ 308,113</u>

⁽¹⁾ As of March 31, 2025, liabilities include \$47.8 million of VFN classified as funding debt and \$4.1 billion of asset-backed notes classified as notes issued from securitization trusts.

Unconsolidated VIEs

Our transactions with unconsolidated VIEs include securitization trusts where we did not retain significant economic exposure through our variable interests and therefore we determined that we are not the primary beneficiary as of March 31, 2025.

The following information pertains to unconsolidated VIEs where we hold a variable interest but are not the primary beneficiary (in thousands):

	March 31, 2025			
	Assets	Liabilities	Net Assets	Maximum Exposure to Losses
Securitizations	\$ 952,709	\$ 914,730	\$ 37,979	\$ 51,394
Total unconsolidated VIEs	<u>\$ 952,709</u>	<u>\$ 914,730</u>	<u>\$ 37,979</u>	<u>\$ 51,394</u>

	June 30, 2024			
	Assets	Liabilities	Net Assets	Maximum Exposure to Losses
Securitizations	\$ 967,256	\$ 920,004	\$ 47,252	\$ 51,861
Total unconsolidated VIEs	<u>\$ 967,256</u>	<u>\$ 920,004</u>	<u>\$ 47,252</u>	<u>\$ 51,861</u>

Maximum exposure to losses represents our exposure through our continuing involvement as servicer and through our retained interests. For unconsolidated VIEs, this includes \$50.9 million in retained notes and residual trust certificates disclosed within securities available for sale at fair value in our interim condensed consolidated balance sheets and \$0.5 million related to our net servicing assets disclosed within our interim condensed consolidated balance sheets as of March 31, 2025.

Additionally, we may experience a loss due to future repurchase obligations resulting from breaches in representations and warranties in our securitization and third-party sale agreements. This amount was not material as of March 31, 2025.

Retained Beneficial Interests in Unconsolidated VIEs

The investors of the securitizations have no direct recourse to the assets of Affirm, and the timing and amount of beneficial interest payments is dependent on the performance of the underlying loan assets held within each trust. We have classified our retained beneficial interests in unconsolidated securitization trusts as “available for sale” and as such they are disclosed at fair value in our interim condensed consolidated balance sheets.

Refer to Note 12. Fair Value of Financial Assets and Liabilities for additional information on the fair value sensitivity of the notes receivable and residual trust certificates. Additionally, as of March 31, 2025, we have pledged certain of our retained beneficial interests as collateral in a sale and repurchase agreement as described in Note 8. Debt.

10. Investments

Marketable Securities

Marketable securities include certain investments classified as cash and cash equivalents and securities available for sale, at fair value, and consist of the following as of each date presented within the interim condensed consolidated balance sheets (in thousands):

	March 31, 2025	June 30, 2024
Cash and cash equivalents:		
Money market funds	\$ 69,419	\$ 63,389
Commercial paper	61,883	57,964
Government bonds - US	19,889	3,492
Securities available for sale:		
Certificates of deposit	8,746	34,473
Corporate bonds	242,800	242,660
Commercial paper	86,088	239,882
Agency bonds	13,444	15,159
Municipal bonds	5,180	3,953
Government bonds		
Non-US	5,286	5,275
US ⁽¹⁾	367,769	538,556
Securitization notes receivable and certificates ⁽²⁾	50,857	51,670
Total marketable securities:	<u>\$ 931,361</u>	<u>\$ 1,256,473</u>

⁽¹⁾ As of March 31, 2025 and June 30, 2024, these securities include \$74.7 million and \$54.1 million, respectively, pledged as collateral in connection with our standby letters of credit for office leases and certain commercial agreements.

⁽²⁾ These securities include \$49.6 million and \$46.7 million as of March 31, 2025 and June 30, 2024, respectively, pledged as collateral in connection with sale and repurchase agreements as discussed within Note 8. Debt.

Securities Available for Sale, at Fair Value

The amortized cost, gross unrealized gains and losses, allowance for credit losses, and fair value of securities available for sale as of March 31, 2025 and June 30, 2024 were as follows (in thousands):

	March 31, 2025				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
Certificates of deposit	\$ 8,741	\$ 5	\$ —	\$ —	\$ 8,746
Corporate bonds	242,249	715	(164)	—	242,800
Commercial paper ⁽¹⁾	147,977	5	(11)	—	147,971
Agency bonds	13,447	5	(8)	—	13,444
Municipal bonds	5,162	18	—	—	5,180
Government bonds					
Non-US	5,284	5	(3)	—	5,286
US ⁽¹⁾⁽²⁾	387,267	495	(104)	—	387,658
Securitization notes receivable and certificates ⁽³⁾	51,348	545	(56)	(980)	50,857
Total securities available for sale	\$ 861,475	\$ 1,793	\$ (346)	\$ (980)	\$ 861,942

	June 30, 2024				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
Certificates of deposit	\$ 34,468	\$ 9	\$ (4)	\$ —	\$ 34,473
Corporate bonds	243,639	95	(1,074)	—	242,660
Commercial paper ⁽¹⁾	298,005	7	(166)	—	297,846
Agency bonds	15,283	—	(124)	—	15,159
Municipal bonds	3,943	10	—	—	3,953
Government bonds					
Non-US	5,310	—	(35)	—	5,275
US ⁽¹⁾⁽²⁾	543,421	33	(1,406)	—	542,048
Securitization notes receivable and certificates ⁽³⁾	51,726	699	(91)	(664)	51,670
Total securities available for sale	\$ 1,195,795	\$ 853	\$ (2,900)	\$ (664)	\$ 1,193,084

- ⁽¹⁾ As of March 31, 2025 and June 30, 2024, Commercial paper and US government bonds included \$81.8 million and \$61.5 million, respectively, classified as cash and cash equivalents within the interim condensed consolidated balance sheets.
- ⁽²⁾ As of March 31, 2025 and June 30, 2024, these securities include \$74.7 million and \$54.1 million, respectively, pledged as collateral in connection with our standby letters of credit for office leases and certain commercial agreements.
- ⁽³⁾ Approximately \$49.6 million and \$46.7 million as of March 31, 2025 and June 30, 2024, respectively, of these securities have been pledged as collateral in connection with sale and repurchase agreements discussed within Note 8. Debt.

As of March 31, 2025 and June 30, 2024, there were no material reversals of prior period allowance for credit losses recognized for available for sale securities.

A summary of securities available for sale with unrealized losses for which an allowance for credit losses has not been recorded, aggregated by investment category and the length of time that individual securities have been in a continuous loss position as of March 31, 2025 and June 30, 2024, are as follows (in thousands):

	March 31, 2025					
	Less than or equal to 1 year		Greater than 1 year		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Corporate bonds	\$ 59,459	\$ (74)	\$ 34,095	\$ (90)	\$ 93,554	\$ (164)
Commercial paper	92,109	(11)	—	—	92,109	(11)
Agency bonds	4,916	(8)	—	—	4,916	(8)
Government bonds						
Non-US	3,127	(3)	—	—	3,127	(3)
US	126,929	(69)	31,157	(35)	158,086	(104)
Total securities available for sale ⁽¹⁾	<u>\$ 286,540</u>	<u>\$ (165)</u>	<u>\$ 65,252</u>	<u>\$ (125)</u>	<u>\$ 351,792</u>	<u>\$ (290)</u>

	June 30, 2024					
	Less than or equal to 1 year		Greater than 1 year		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Certificates of deposit	\$ 9,647	\$ (4)	\$ —	\$ —	\$ 9,647	\$ (4)
Corporate bonds	119,353	(252)	57,846	(822)	177,199	(1,074)
Commercial paper	245,536	(166)	—	—	245,536	(166)
Agency bonds	10,417	(41)	4,743	(83)	15,160	(124)
Government bonds						
Non-US	—	—	5,275	(35)	5,275	(35)
US	251,113	(185)	123,633	(1,221)	374,746	(1,406)
Total securities available for sale ⁽¹⁾	<u>\$ 636,066</u>	<u>\$ (648)</u>	<u>\$ 191,497</u>	<u>\$ (2,161)</u>	<u>\$ 827,563</u>	<u>\$ (2,809)</u>

⁽¹⁾ The number of positions with unrealized losses for which an allowance for credit losses has not been recorded totaled 70 and 137 as of March 31, 2025 and June 30, 2024, respectively.

The length of time to contractual maturities of securities available for sale as of March 31, 2025 and June 30, 2024 were as follows (in thousands):

	March 31, 2025					
	Within 1 year		Greater than 1 year, less than or equal to 5 years		Total	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Certificates of deposit	\$ 8,741	\$ 8,746	\$ —	\$ —	\$ 8,741	\$ 8,746
Corporate bonds	130,494	130,651	111,755	112,149	242,249	242,800
Commercial paper ⁽¹⁾	147,977	147,971	—	—	147,977	147,971
Agency bonds	13,447	13,444	—	—	13,447	13,444
Municipal bonds	3,908	3,917	1,254	1,263	5,162	5,180
Government bonds						
Non-US	3,130	3,127	2,154	2,159	5,284	5,286
US ⁽¹⁾	310,906	311,075	76,361	76,583	387,267	387,658
Securitization notes receivable and certificates ⁽²⁾	—	—	51,348	50,857	51,348	50,857
Total securities available for sale	\$ 618,603	\$ 618,931	\$ 242,872	\$ 243,011	\$ 861,475	\$ 861,942

	June 30, 2024					
	Within 1 year		Greater than 1 year, less than or equal to 5 years		Total	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Certificates of deposit	\$ 34,468	\$ 34,473	\$ —	\$ —	\$ 34,468	\$ 34,473
Corporate bonds	118,547	118,039	125,092	124,621	243,639	242,660
Commercial paper ⁽¹⁾	298,005	297,846	—	—	298,005	297,846
Agency bonds	10,457	10,416	4,826	4,743	15,283	15,159
Municipal bonds	—	—	3,943	3,953	3,943	3,953
Government bonds						
Non-US	2,150	2,150	3,160	3,125	5,310	5,275
US ⁽¹⁾	465,338	464,298	78,083	77,750	543,421	542,048
Securitization notes receivable and certificates ⁽²⁾	—	—	51,726	51,670	51,726	51,670
Total securities available for sale	\$ 928,965	\$ 927,222	\$ 266,830	\$ 265,862	\$ 1,195,795	\$ 1,193,084

⁽¹⁾ As of March 31, 2025 and June 30, 2024, Commercial paper and US government bonds included \$81.8 million and \$61.5 million, respectively, classified as cash and cash equivalents within the interim condensed consolidated balance sheets.

⁽²⁾ Based on weighted average life of expected cash flows as of March 31, 2025 and June 30, 2024.

Gross proceeds from matured or redeemed securities were \$283.9 million and \$990.4 million for the three and nine months ended March 31, 2025, respectively, and \$465.7 million and \$1,191.7 million for the three and nine months ended March 31, 2024, respectively.

For available for sale securities, realized gains and losses were immaterial for the three and nine months ended March 31, 2025 and March 31, 2024.

Non-marketable Equity Securities

Equity investments without a readily determinable fair value held at cost were \$42.3 million and \$37.8 million as of March 31, 2025 and June 30, 2024, respectively, and are included in other assets within the interim condensed consolidated balance sheets.

We did not record any impairment during the three months ended March 31, 2025 and 2024. We recognized an impairment of \$3.0 million for the nine months ended March 31, 2025 within other income, net in the interim consolidated statements of operations and comprehensive income (loss) in connection with one of our non-marketable equity security investments. The fair value of the investment was determined utilizing a methodology based on significant unobservable inputs, including management estimates and assumptions, and thus represent Level 3 measurements. During the nine months ended March 31, 2024, we recognized an impairment of \$14.1 million within other income, net in the interim consolidated statements of operations in connection with one of our non-marketable equity security investments.

For the three and nine months ended March 31, 2025, we recognized an upward adjustment of \$0.1 million and \$2.6 million, respectively, within other income, net in the interim consolidated statement of operations and comprehensive income (loss). For the three and nine months ended March 31, 2024, there were no upward or downward adjustments due to observable changes in orderly transactions.

Fixed Term Deposits

Our fixed term deposits matured as of March 31, 2025. For the period ending June 30, 2024, fixed term deposits were \$35.2 million. Fixed term deposits consisted of interest bearing deposits held at financial institutions with original maturities greater than three months but no more than twelve months. These deposits were carried at cost, which approximates fair value, and were included in other assets within the interim condensed consolidated balance sheets.

11. Derivative Financial Instruments

The following table summarizes the total fair value, including interest accruals, and outstanding notional amounts of derivative instruments as of March 31, 2025 and June 30, 2024 (in thousands):

	March 31, 2025			June 30, 2024		
	Notional Amount	Derivative Assets	Derivative Liabilities	Notional Amount	Derivative Assets	Derivative Liabilities
Derivatives designated as cash flow hedges						
Interest rate contracts - cash flow hedges	\$ —	\$ —	\$ —	\$ 150,000	\$ 4	\$ —
Derivatives not designated as hedges						
Interest rate contracts	412,489	3,808	86	854,589	17,203	38
Total gross derivative assets/liabilities	<u>\$ 412,489</u>	<u>\$ 3,808</u>	<u>\$ 86</u>	<u>\$ 1,004,589</u>	<u>\$ 17,207</u>	<u>\$ 38</u>

The following table summarizes the impact of the cash flow hedges on Accumulated Other Comprehensive Income (“AOCI”) (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Balance at beginning of period	\$ (174)	\$ 900	\$ 1,407	\$ 751
Changes in fair value	(1,205)	1,085	(2,478)	1,996
Amounts reclassified into earnings ⁽¹⁾	(74)	(335)	(382)	(1,097)
Balance at end of period ⁽²⁾	<u>\$ (1,453)</u>	<u>\$ 1,650</u>	<u>\$ (1,453)</u>	<u>\$ 1,650</u>

⁽¹⁾ The amounts reclassified into earnings are presented in the interim consolidated statements of income within funding costs.

⁽²⁾ As of March 31, 2025, we estimated that \$0.1 million of net derivative losses included in AOCI are expected to be reclassified into earnings within the next 12 months.

The following table summarizes the impact of the derivative instruments on income and indicates where within the interim consolidated statements of operations and comprehensive income (loss) such impact is reported (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
The effects of cash flow hedging				
Funding costs	\$ 74	\$ 335	\$ 382	\$ 1,097
The effects of derivatives not designated in hedging relationships				
Other income, net	(2,154)	4,671	(3,403)	2,942

12. Fair Value of Financial Assets and Liabilities

Financial Assets and Liabilities Recorded at Fair Value

The following tables present information about our assets and liabilities that are measured at fair value on a recurring basis as of March 31, 2025 and June 30, 2024 (in thousands):

	March 31, 2025			
	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents:				
Money market funds	\$ 69,419	\$ —	\$ —	\$ 69,419
Commercial paper	—	61,883	—	61,883
Government bonds- US	—	19,889	—	19,889
Securities, available for sale:				
Certificates of deposit	—	8,746	—	8,746
Corporate bonds	—	242,800	—	242,800
Commercial paper	—	86,088	—	86,088
Agency bonds	—	13,444	—	13,444
Municipal bonds	—	5,180	—	5,180
Government bonds:				
Non-US	—	5,286	—	5,286
US	—	367,769	—	367,769
Securitization notes receivable and residual trust certificates	—	—	50,857	50,857
Servicing assets	—	—	595	595
Derivative instruments	—	3,808	—	3,808
Risk sharing asset	—	—	43,739	43,739
Total assets	\$ 69,419	\$ 814,893	\$ 95,191	\$ 979,503
Liabilities:				
Servicing liabilities	\$ —	\$ —	\$ 103	\$ 103
Performance fee liability	—	—	1,770	1,770
Profit share liability	—	—	5,425	5,425
Risk sharing liability	—	—	413	413
Derivative instruments	—	86	—	86
Total liabilities	\$ —	\$ 86	\$ 7,711	\$ 7,797

	June 30, 2024			
	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents:				
Money market funds	\$ 63,389	\$ —	\$ —	\$ 63,389
Commercial paper	—	57,964	—	57,964
Government bonds- US	—	3,492	—	3,492
Securities, available for sale:				
Certificates of deposit	—	34,473	—	34,473
Corporate bonds	—	242,660	—	242,660
Commercial paper	—	239,882	—	239,882
Agency bonds	—	15,159	—	15,159
Municipal bonds	—	3,953	—	3,953
Government bonds:				
Non-US	—	5,275	—	5,275
US	—	538,556	—	538,556
Securitization notes receivable and residual trust certificates	—	—	51,670	51,670
Servicing assets	—	—	574	574
Derivative instruments	—	17,207	—	17,207
Risk sharing asset	—	—	33,884	33,884
Total assets	\$ 63,389	\$ 1,158,621	\$ 86,128	\$ 1,308,138
Liabilities:				
Servicing liabilities	\$ —	\$ —	\$ 743	\$ 743
Performance fee liability	—	—	1,503	1,503
Profit share liability	—	—	1,974	1,974
Risk sharing liability	—	—	918	918
Derivative Instruments	—	38	—	38
Total liabilities	\$ —	\$ 38	\$ 5,138	\$ 5,176

As of March 31, 2025 and June 30, 2024, there were no transfers between levels.

Assets and Liabilities Measured at Fair Value on a Recurring Basis (Level 2)

Marketable Securities

As of March 31, 2025, we held marketable securities classified as cash and cash equivalents and securities available for sale. Management obtains pricing from one or more third-party pricing services for the purpose of determining fair value. Whenever available, the fair value is based on quoted bid prices as of the end of the trading day. When quoted prices are not available, other methods may be utilized including evaluated prices provided by third-party pricing services.

Derivative Instruments

As of March 31, 2025 and June 30, 2024, we used a combination of interest rate cap agreements and interest rate swaps to manage interest costs and the risks associated with variable interest rates. These derivative instruments are classified as Level 2 within the fair value hierarchy, and the fair value is estimated by using third-party pricing models, which contain certain assumptions based on readily observable market-based inputs. We validate the valuation output on a monthly basis. Refer to Note 11. Derivative Financial Instruments in the notes to the interim condensed consolidated financial statements for further details on our derivative instruments.

Assets and Liabilities Measured at Fair Value on a Recurring Basis using Significant Unobservable Inputs (Level 3)

We evaluate our assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level at which to classify them each reporting period. Since our servicing assets and liabilities, performance fee liability, securitization notes and residual trust certificates, profit share liability, and risk sharing arrangements do not trade in an active market with readily observable prices, we use significant unobservable inputs to measure fair value and have classified as level 3 within the fair value hierarchy. This determination requires significant judgments to be made.

Servicing Assets and Liabilities

We sold loans with an unpaid principal balance of \$3.6 billion and \$11.0 billion for the three and nine months ended March 31, 2025, respectively, \$2.1 billion and \$7.3 billion for the three and nine months ended March 31, 2024, respectively, for which we retained servicing rights.

As of March 31, 2025 and June 30, 2024, we serviced loans which we sold with a remaining unpaid principal balance of \$6.8 billion and \$5.1 billion, respectively.

We use discounted cash flow models to arrive at an estimate of fair value. Significant assumptions used in the valuation of our servicing rights are as follows:

Adequate Compensation

We estimate adequate compensation as the rate a willing market participant would require for servicing loans with similar characteristics as those in the serviced portfolio.

Discount Rate

Estimated future payments to be received under servicing agreements are discounted as a part of determining the fair value of the servicing rights. For servicing rights on loans, the discount rate reflects the time value of money and a risk premium intended to reflect the amount of compensation market participants would require.

Gross Default Rate

We estimate the timing and probability of early loan payoffs, loan defaults and write-offs, thus affecting the projected unpaid principal balance and expected term of the loan, which are used to project future servicing revenue and expenses.

We earned \$32.1 million and \$86.7 million of servicing income for the three and nine months ended March 31, 2025, respectively, and \$25.3 million and \$67.9 million for the three and nine months ended March 31, 2024, respectively.

As of both March 31, 2025 and June 30, 2024, the aggregate fair value of the servicing assets was measured at \$0.6 million and presented within other assets in the interim condensed consolidated balance sheets. As of March 31, 2025 and June 30, 2024, the aggregate fair value of the servicing liabilities was measured at \$0.1 million and \$0.7 million, respectively, and presented within accrued expenses and other liabilities in the interim condensed consolidated balance sheets.

The following table summarizes the activity related to the aggregate fair value of our servicing assets (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Fair value at beginning of period	\$ 806	\$ 365	\$ 574	\$ 880
Initial transfers of financial assets	—	—	230	—
Subsequent changes in fair value	(211)	(145)	(209)	(660)
Fair value at end of period	<u>\$ 595</u>	<u>\$ 220</u>	<u>\$ 595</u>	<u>\$ 220</u>

The following table summarizes the activity related to the aggregate fair value of our servicing liabilities (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Fair value at beginning of period	\$ 237	\$ 2,531	\$ 743	\$ 1,392
Initial transfers of financial liabilities	—	1,085	—	4,176
Subsequent changes in fair value	(134)	(1,124)	(640)	(3,076)
Fair value at end of period	<u>\$ 103</u>	<u>\$ 2,492</u>	<u>\$ 103</u>	<u>\$ 2,492</u>

The following tables present quantitative information about the significant unobservable inputs used for our Level 3 fair value measurement of servicing assets and liabilities as of March 31, 2025 and June 30, 2024:

		March 31, 2025		
	Unobservable Input	Minimum	Maximum	Weighted Average ⁽³⁾
Servicing assets	Discount rate	30.00 %	30.00 %	30.00 %
	Adequate compensation ⁽¹⁾	2.00 %	2.00 %	2.00 %
	Gross default rate ⁽²⁾	11.83 %	14.84 %	12.86 %
Servicing liabilities	Discount rate	30.00 %	30.00 %	30.00 %
	Adequate compensation ⁽¹⁾	2.00 %	2.00 %	2.00 %
	Gross default rate ⁽²⁾	3.34 %	5.34 %	4.28 %

	June 30, 2024			
	Unobservable Input	Minimum	Maximum	Weighted Average ⁽³⁾
Servicing assets	Discount rate	30.00 %	30.00 %	30.00 %
	Adequate compensation ⁽¹⁾	2.00 %	2.00 %	2.00 %
	Gross default rate ⁽²⁾	9.89 %	22.72 %	10.84 %
Servicing liabilities	Discount rate	30.00 %	30.00 %	30.00 %
	Adequate compensation ⁽¹⁾	2.00 %	2.00 %	2.00 %
	Gross default rate ⁽²⁾	2.58 %	4.12 %	3.00 %

⁽¹⁾ Estimated annual cost of servicing a loan as a percentage of unpaid principal balance

⁽²⁾ Annualized estimated gross charge-offs as a percentage of unpaid principal balance

⁽³⁾ Unobservable inputs were weighted by relative fair value

The following table summarizes the effect that adverse changes in estimates would have on the fair value of the servicing assets and liabilities given hypothetical changes in significant unobservable inputs (in thousands):

	March 31, 2025	June 30, 2024
<i>Servicing assets</i>		
Gross default rate assumption:		
Gross default rate increase of 25%	\$ 1	\$ 1
Gross default rate increase of 50%	\$ 1	\$ 1
Adequate compensation assumption:		
Adequate compensation increase of 10%	\$ (923)	\$ (980)
Adequate compensation increase of 20%	\$ (1,846)	\$ (1,961)
Discount rate assumption:		
Discount rate increase of 25%	\$ (22)	\$ (23)
Discount rate increase of 50%	\$ (43)	\$ (44)
<i>Servicing liabilities</i>		
Gross default rate assumption:		
Gross default rate increase of 25%	\$ —	\$ (1)
Gross default rate increase of 50%	\$ —	\$ (1)
Adequate compensation assumption:		
Adequate compensation increase of 10%	\$ 4,358	\$ 3,153
Adequate compensation increase of 20%	\$ 8,715	\$ 6,305
Discount rate assumption:		
Discount rate increase of 25%	\$ (2)	\$ (19)
Discount rate increase of 50%	\$ (3)	\$ (37)

Performance Fee Liability

In accordance with our agreements with our originating bank partners, we pay a fee for each loan that is fully repaid by the consumer, due at the end of the period in which the loan is fully repaid. We recognize a liability upon the purchase of a loan for the expected future payment of the performance fee. This liability is measured using a discounted cash flow model and recorded at fair value and presented within accrued expenses and other liabilities in the interim condensed consolidated balance sheets. Any changes in the fair value of the liability are reflected in other income, net, in the interim condensed consolidated statements of operations and comprehensive income (loss).

The following table summarizes the activity related to the fair value of the performance fee liability (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Fair value at beginning of period	\$ 1,773	\$ 1,594	\$ 1,503	\$ 1,581
Purchases of loans	520	424	1,609	1,293
Settlements paid	(510)	(493)	(1,488)	(1,485)
Subsequent changes in fair value	(13)	(9)	146	127
Fair value at end of period	<u>\$ 1,770</u>	<u>\$ 1,516</u>	<u>\$ 1,770</u>	<u>\$ 1,516</u>

Significant unobservable inputs used for our Level 3 fair value measurement of the performance fee liability are the discount rate, refund rate, and default rate. Significant increases or decreases in any of the inputs in isolation could result in a significantly lower or higher fair value measurement.

The following tables present quantitative information about the significant unobservable inputs used for our Level 3 fair value measurement of the performance fee liability as of March 31, 2025 and June 30, 2024:

Unobservable Input	March 31, 2025		
	Minimum	Maximum	Weighted Average
Discount rate	7.75%	10.00%	9.39%
Refund rate	1.50%	1.50%	1.50%
Default rate	0.92%	4.65%	3.04%

Unobservable Input	June 30, 2024		
	Minimum	Maximum	Weighted Average
Discount rate	8.50%	10.00%	9.81%
Refund rate	1.50%	1.50%	1.50%
Default rate	1.38%	4.65%	2.94%

⁽¹⁾ Unobservable inputs were weighted by remaining principal balances

Retained Beneficial Interests in Unconsolidated VIEs

As of March 31, 2025, we held notes receivable and residual trust certificates with an aggregate fair value of \$50.9 million in connection with unconsolidated securitizations. The balances correspond to the 5% economic risk retention we are required to maintain as the securitization sponsor.

These assets are measured at fair value using a discounted cash flow model, and presented within securities available for sale at fair value in the interim condensed consolidated balance sheets. Changes in the fair value, other than declines in fair value due to credit recognized as an allowance, are reflected in other comprehensive income in the interim condensed consolidated statements of operations and comprehensive income (loss). Declines in fair value due to credit are reflected in other income, net in the interim condensed consolidated statements of operations and comprehensive income (loss).

The following table summarizes the activity related to the fair value of the notes and residual trust certificates (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Fair value at beginning of period	\$ 69,051	\$ 32,411	\$ 51,670	\$ 18,913
Additions	—	—	41,940	22,187
Cash received (due to payments)	(19,982)	(9,697)	(46,401)	(19,052)
Change in unrealized gain (loss)	454	360	(84)	625
Accrued interest	1,072	622	4,048	1,233
Reversal of (impairment on) securities available for sale	262	120	(316)	(90)
Fair value at end of period	<u>\$ 50,857</u>	<u>\$ 23,816</u>	<u>\$ 50,857</u>	<u>\$ 23,816</u>

Significant unobservable inputs used for our Level 3 fair value measurement of the notes and residual trust certificates are the discount rate, loss rate, and prepayment rate. Significant increases or decreases in any of the inputs in isolation could result in a significantly lower or higher fair value measurement.

The following tables present quantitative information about the significant unobservable inputs used for our Level 3 fair value measurement of the notes receivable and residual trust certificates as of March 31, 2025 and June 30, 2024:

Unobservable Input	March 31, 2025		Weighted Average
	Minimum	Maximum	
Discount rate	2.26%	30.29%	6.89%
Loss rate	0.90%	8.60%	7.20%
Prepayment rate	18.25%	23.00%	22.52%

Unobservable Input	June 30, 2024		Weighted Average ⁽¹⁾
	Minimum	Maximum	
Discount rate	5.73%	41.41%	8.93%
Loss rate	0.95%	6.98%	6.17%
Prepayment rate	12.40%	27.70%	23.33%

⁽¹⁾ Unobservable inputs were weighted by relative fair value

The following table summarizes the effect that adverse changes in estimates would have on the fair value of the notes receivable and residual trust certificates given hypothetical changes in significant unobservable inputs (in thousands):

	March 31, 2025	June 30, 2024
Discount rate assumption:		
Discount rate increase of 25%	\$ (482)	\$ (623)
Discount rate increase of 50%	\$ (948)	\$ (1,223)
Loss rate assumption:		
Loss rate increase of 25%	\$ (2,238)	\$ (705)
Loss rate increase of 50%	\$ (2,846)	\$ (1,321)
Prepayment rate assumption:		
Prepayment rate decrease of 25%	\$ 75	\$ 58
Prepayment rate decrease of 50%	\$ 150	\$ 116

Profit Share Liability

On January 1, 2021, we entered into a commercial agreement with an enterprise partner, in which we are obligated to share in the profitability of transactions facilitated by our platform. Upon capture of a loan under this program, we record a liability associated with the estimated future profit to be shared over the life of the loan based on estimated program profitability levels. This liability is measured using a discounted cash flow model and recorded at fair value and presented within accrued expenses and other liabilities in the interim condensed consolidated balance sheets.

The following table summarizes the activity related to the fair value of the profit share liability (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Fair value at beginning of period	\$ 6,111	\$ 1,544	\$ 1,974	\$ 1,832
Facilitation of loans	2,487	521	7,952	2,609
Actual performance	(4,270)	(2,634)	(10,569)	(2,128)
Subsequent changes in fair value	1,097	1,705	6,068	(1,177)
Fair value at end of period	<u>\$ 5,425</u>	<u>\$ 1,136</u>	<u>\$ 5,425</u>	<u>\$ 1,136</u>

Significant unobservable inputs used for our Level 3 fair value measurement of the profit share liability are the discount rate and estimated program profitability. Significant increases or decreases in any of the inputs in isolation could result in a significantly lower or higher fair value measurement.

The following tables present quantitative information about the significant unobservable inputs used for our Level 3 fair value measurement of the profit sharing liability as of March 31, 2025 and June 30, 2024:

Unobservable Input	March 31, 2025		
	Minimum	Maximum	Weighted Average ⁽¹⁾
Discount rate	30.00%	30.00%	30.00%
Program profitability	1.09%	2.19%	1.94%

Unobservable Input	June 30, 2024		
	Minimum	Maximum	Weighted Average ⁽¹⁾
Discount rate	30.00%	30.00%	30.00%
Program profitability	0.32%	1.01%	0.96%

⁽¹⁾ Unobservable inputs were weighted by relative fair value

Risk Sharing Arrangements

In connection with certain capital funding arrangements with third party loan buyers, we have entered into risk sharing agreements where we may be required to make a payment to the loan buyer or are entitled to receive a payment from the loan buyer, depending on the actual versus expected loan performance as contractually agreed to with the counterparty, and subject to a cap based on a percentage of the principal balance of loans sold. Loan performance is evaluated at a cohort level based on the month loans were sold. As of March 31, 2025 and June 30, 2024, we have sold \$7.8 billion and \$4.2 billion, respectively, unpaid principal balance of loans under these risk sharing arrangements, of which our maximum exposure to losses is \$94.3 million and \$81.2 million, respectively. This amount includes our maximum potential loss with respect to risk sharing liabilities of \$33.1 million and risk sharing assets of \$61.2 million, as of March 31, 2025.

We account for these arrangements as derivatives measured at fair value with gains and losses recognized in gain on sales of loans in our interim condensed consolidated statements of operations and comprehensive income (loss). For each counterparty, we have recognized a net asset or net liability based on the estimated fair value of future payments we expect to receive from or make to the counterparty. As of March 31, 2025 and June 30, 2024, we held assets related to these arrangements of \$43.7 million and \$33.9 million, respectively, and liabilities of \$0.4 million and \$0.9 million, respectively.

As of March 31, 2025, we estimated the fair value of future settlements using a discounted cash flow model. Significant assumptions used in the valuation of our risk sharing assets and liabilities are as follows:

Discount Rate

We estimate future cash flows to be received or paid under the agreements are discounted as a part of determining the fair value of the risk sharing arrangements. The discount rate reflects the time value of money and a risk premium intended to reflect the amount of compensation market participants would require.

Loss Rate

We estimate the loss rate as the probability of loan defaults and write-offs, which are used to project future risk-sharing cash flows.

Prepayment Rate

We estimate the annualized prepayment rate as the expected excess loan payment received in a given month as a percentage of the outstanding principal balance at the beginning of the month minus the scheduled principal payment.

The following table summarizes the activity related to the fair value of the risk sharing assets (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Fair value at beginning of period	\$ 44,969	\$ 16,690	\$ 33,884	\$ —
Initial transfers of financial assets	3,605	6,317	19,173	20,880
Cash settlements	(7,665)	—	(13,489)	—
Subsequent changes in fair value	2,830	2,019	4,171	4,146
Fair value at end of period	<u>\$ 43,739</u>	<u>\$ 25,026</u>	<u>\$ 43,739</u>	<u>\$ 25,026</u>

The following table summarizes the activity related to the fair value of the risk sharing liabilities (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Fair value at beginning of period	\$ 1,498	\$ 512	\$ 918	\$ —
Cash settlements	(909)	—	(1,354)	—
Subsequent changes in fair value	(176)	95	849	607
Fair value at end of period	<u>\$ 413</u>	<u>\$ 607</u>	<u>\$ 413</u>	<u>\$ 607</u>

The following tables present quantitative information about the significant unobservable inputs used for our Level 3 fair value measurement of the risk sharing arrangements as of March 31, 2025:

		March 31, 2025		
	Unobservable Input	Minimum	Maximum	Weighted Average ⁽¹⁾
Risk sharing assets	Discount rate	20.00%	20.00%	20.00%
	Loss rate	3.31%	4.81%	4.06%
	Prepayment rate	20.38%	24.98%	22.85%
Risk sharing liabilities	Discount rate	20.00%	20.00%	20.00%
	Loss rate	3.46%	5.14%	4.37%

		June 30, 2024		
	Unobservable Input	Minimum	Maximum	Weighted Average ⁽¹⁾
Risk sharing assets	Discount rate	20.00%	20.00%	20.00%
	Loss rate	3.00%	4.69%	3.66%
	Prepayment rate	23.36%	33.29%	28.48%
Risk sharing liabilities	Discount rate	20.00%	20.00%	20.00%
	Loss rate	3.25%	5.29%	4.28%

⁽¹⁾ Unobservable inputs were weighted by principal balance of loans sold under each cohort

The following table summarizes the effect that adverse changes in estimates would have on the fair value of the risk sharing assets and liabilities given hypothetical changes in significant unobservable inputs (in thousands):

	March 31, 2025	June 30, 2024
Risk sharing assets ⁽¹⁾		
Prepayment rate assumption:		
Prepayment rate increase of 25%	\$ 1,463	\$ 572
Prepayment rate increase of 50%	\$ 2,837	\$ 1,131
Loss rate assumption:		
Loss rate increase of 25%	\$ (12,917)	\$ (7,315)
Loss rate increase of 50%	\$ (25,791)	\$ (14,528)
Discount rate assumption:		
Discount rate increase of 25%	\$ (1,038)	\$ (1,211)
Discount rate increase of 50%	\$ (2,001)	\$ (2,323)
Risk sharing liabilities ⁽¹⁾		
Loss rate assumption:		
Loss rate increase of 25%	\$ 21,671	\$ 22,333
Loss rate increase of 50%	\$ 30,243	\$ 41,677
Discount rate assumption:		
Discount rate increase of 25%	\$ (2)	\$ (19)
Discount rate increase of 50%	\$ (3)	\$ (37)

Financial Assets and Liabilities Not Recorded at Fair Value

The following table presents the fair value and our assessment of the classification of this measurement within the fair value hierarchy for financial assets and liabilities held at amortized cost as of March 31, 2025 and June 30, 2024 (in thousands):

	March 31, 2025				Balance at Fair Value
	Carrying Amount	Level 1	Level 2	Level 3	
Assets:					
Loans held for sale ⁽¹⁾	\$ 1	\$ —	\$ 1	\$ —	\$ 1
Loans held for investment, net	6,255,459	—	—	6,682,131	6,682,131
Other assets ⁽¹⁾	7,269	—	7,269	—	7,269
Total assets	<u>\$ 6,262,729</u>	<u>\$ —</u>	<u>\$ 7,270</u>	<u>\$ 6,682,131</u>	<u>\$ 6,689,401</u>
Liabilities:					
Convertible senior notes, net ⁽²⁾	\$ 1,152,019	\$ —	\$ 1,044,657	\$ —	\$ 1,044,657
Notes issued by securitization trusts	4,084,934	—	—	4,113,689	4,113,689
Funding debt ⁽³⁾	1,926,795	—	—	1,926,979	1,926,979
Total liabilities	<u>\$ 7,163,748</u>	<u>\$ —</u>	<u>\$ 1,044,657</u>	<u>\$ 6,040,669</u>	<u>\$ 7,085,326</u>

	June 30, 2024				
	Carrying Amount	Level 1	Level 2	Level 3	Balance at Fair Value
Assets:					
Loans held for sale ⁽¹⁾	\$ 36	\$ —	\$ 36	\$ —	\$ 36
Loans held for investment, net	5,360,959	—	—	5,616,973	5,616,973
Other assets ⁽¹⁾	43,212	—	43,212	—	43,212
Total assets	\$ 5,404,207	\$ —	\$ 43,248	\$ 5,616,973	\$ 5,660,221
Liabilities:					
Convertible senior notes, net ⁽²⁾	\$ 1,341,430	\$ —	\$ 1,124,773	\$ —	\$ 1,124,773
Notes issued by securitization trusts	3,236,873	—	—	2,506,929	2,506,929
Funding debt ⁽³⁾	1,851,699	—	—	1,851,685	1,851,685
Total liabilities	\$ 6,430,002	\$ —	\$ 1,124,773	\$ 4,358,614	\$ 5,483,387

⁽¹⁾ Amortized cost approximates fair value for loans held for sale and other assets.

⁽²⁾ As of March 31, 2025, includes convertible senior notes due 2026 with a carrying amount and fair value of \$247.7 million and \$230.5 million, respectively, and convertible senior notes due 2029 with a carrying amount and fair value of \$904.3 million and \$814.1 million, respectively. As of June 30, 2024, includes convertible senior notes due 2026 with a carrying amount and fair value of \$1.3 billion and \$1.1 billion, respectively. The estimated fair value of the convertible senior notes is determined based on a market approach, using the estimated or actual bids and offers of the notes in an over-the-counter market on the last business day of the period.

⁽³⁾ As of March 31, 2025 and June 30, 2024, debt issuance costs in the amount of \$18.1 million and \$14.8 million, respectively, was included within funding debt.

13. Stockholders' Equity

Common Stock

We had shares of common stock reserved for issuance as follows:

	March 31, 2025	June 30, 2024
Available outstanding under equity compensation plans	42,923,080	47,622,117
Available for future grant under equity compensation plans	52,455,797	43,492,755
Total	95,378,877	91,114,872

The common stock is not redeemable. We have two classes of common stock: Class A common stock and Class B common stock. Each holder of Class A common stock has the right to one vote per share of common stock. Each holder of Class B common stock has the right to 15 votes and can be converted at any time into one share of Class A common stock. Holders of Class A and Class B common stock are entitled to notice of any stockholders' meeting in accordance with the bylaws of the corporation, and are entitled to vote upon such matters and in such manner as may be provided by law. Subject to the prior rights of holders of all classes of stock at the time outstanding having prior rights as to dividends, the holders of the common stock are entitled to receive, when and as declared by the Board of Directors, out of any assets of the corporation legally available therefore, such dividends as may be declared from time to time by the Board of Directors.

Common Stock Warrants

Common stock warrants are included as a component of additional paid in capital within the interim condensed consolidated balance sheets.

In November 2021, we granted warrants to purchase 22,000,000 shares of common stock in connection with our commercial agreements with Amazon. 7,000,000 of the warrant shares have an exercise price of \$0.01 per share and originally had a term of 3.5 years. A portion of these warrants were fully vested at the grant date and the remainder were fully vested as of December 31, 2024. As of March 31, 2025, 3,500,000 of these warrants have been exercised. In February 2025, the term for the remaining unexercised warrant shares were extended for an additional 4.0 years. The remaining 15,000,000 warrant shares have an exercise price of \$100 per share and a term of 7.5 years. We valued the warrants at the grant date using the Black-Scholes-Merton option pricing model. Refer to Note 5. Balance Sheet Components for more information on the asset and related amortization during the period. The remaining grant-date fair value of the warrants will be recognized within our interim condensed consolidated statements of operations and comprehensive income (loss) as a component of sales and marketing expense as the warrants vest, based upon Amazon's satisfaction of the vesting conditions.

During the three and nine months ended March 31, 2025, a total of \$41.2 million and \$245.7 million, respectively, was recognized within sales and marketing expense, which included \$5.1 million and \$15.6 million, respectively, in amortization expense of the commercial agreement asset and \$36.1 million and \$230.1 million, respectively, in expense based upon the grant-date fair value of the warrant shares that vested. During the three and nine months ended March 31, 2024, a total of \$102.9 million and \$334.4 million, respectively, was recognized within sales and marketing expense, which included \$6.9 million and \$27.8 million, respectively, in amortization expense of the commercial agreement asset and \$96.0 million and \$306.6 million, respectively, in expense based upon the grant-date fair value of the warrant shares that vested.

Share Repurchases

In connection with the offering of the 2029 Notes, in December 2024, the Board of Directors authorized the repurchase of up to \$350.0 million of common stock through open market purchases, privately negotiated transactions or through a combination thereof. The authorization terminated on December 31, 2024 and did not obligate the Company to acquire any particular amount of its common stock. Pursuant to this authorization, we utilized net proceeds from the offering, as well as cash on hand, to complete the repurchase of 3.5 million shares of Class A common stock from certain holders of the 2026 notes in privately negotiated transactions for an aggregate purchase price of approximately \$250.0 million. Refer to Note 8. Debt in the notes to the interim condensed consolidated financial statements for more information on the 2029 Notes.

We record share repurchases on the settlement date. Repurchased shares are subsequently retired and returned to the status of authorized but unissued. Our policy for share retirements is to deduct the par value from common stock and to reflect any excess of cost over par value as a deduction from additional paid-in capital.

There were no share repurchases during the three or nine month periods ended March 31, 2024.

14. Equity Incentive Plans

2012 Stock Plan

Under our Amended and Restated 2012 Stock Plan (the "Plan"), we may grant incentive and nonqualified stock options, restricted stock, and restricted stock units ("RSUs") to employees, officers, directors, and consultants. As of March 31, 2025, the maximum number of shares of common stock which may be issued under the Plan is 176,604,160 Class A shares. As of March 31, 2025 and June 30, 2024, there were 52,455,797 and 43,492,755 shares of Class A common stock, respectively, available for future grants under the Plan.

Stock Options

For stock options granted before our IPO in January 2021, the minimum expiration period is seven years after termination of employment or 10 years from the date of grant. For stock options granted after our IPO, the minimum expiration period is three months after termination of employment or 10 years from the date of grant.

Stock options generally vest over a period of four years or with 25% vesting on the 12 month anniversary of the vesting commencement date, and the remainder vesting on a pro-rata basis each month over the next three years.

The following table summarizes our stock option activity for the nine months ended March 31, 2025:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (in thousands)
Balance as of June 30, 2024	16,794,697	\$ 15.84	5.63	
Granted	677,433	44.66		
Exercised	(4,230,110)	10.65		
Forfeited, expired or cancelled	(32,019)	34.21		
Balance as of March 31, 2025	13,210,001	18.93	5.40	
Vested and exercisable, March 31, 2025	10,562,612	\$ 16.23	4.66	\$ 315,906
Vested and exercisable, and expected to vest thereafter ⁽¹⁾ March 31, 2025	13,129,573	\$ 18.79	5.37	\$ 358,087

⁽¹⁾ Options expected to vest reflect the application of an estimated forfeiture rate.

The weighted-average grant date fair value of options granted during the nine months ended March 31, 2025 was \$31.74. As of March 31, 2025, unrecognized compensation expense related to unvested stock options was approximately \$44.1 million, which is expected to be recognized over a remaining weighted-average period of 2.3 years.

Value Creation Award

In November 2020, the Company's Board of Directors approved a long-term, multi-year performance-based stock option grant providing Mr. Levchin with the opportunity to earn the right to purchase up to 12,500,000 shares of the Company's Class A common stock (the "Value Creation Award"). We recognize stock-based compensation on these awards based on the grant date fair value using an accelerated attribution method over the requisite service period, and only if performance-based conditions are considered probable of being satisfied. We incurred stock-based compensation expense of \$6.4 million and \$31.1 million during the three and nine months ended March 31, 2025, respectively, and \$13.3 million and \$52.4 million during the three and nine months ended March 31, 2024, respectively, associated with the Value Creation Award as a component of general and administrative expense within the interim condensed consolidated statements of operations and comprehensive income (loss).

As of March 31, 2025, unrecognized compensation expense related to the Value Creation Award was approximately \$17.3 million, which is expected to be recognized over a remaining weighted-average period of 0.8 years.

Restricted Stock Units

RSUs granted prior to the IPO were subject to two vesting conditions: a service-based vesting condition (i.e., employment over a period of time) and a performance-based vesting condition (i.e., a liquidity event in the form of either a change of control or an initial public offering, each as defined in the Plan), both of which must be met in order to vest. The performance-based condition was met upon the IPO. We record stock-based compensation expense for those RSUs on an accelerated attribution method over the requisite service period, which is generally four years. RSUs granted after IPO are subject to a service-based vesting condition. We record stock-based compensation expense for service-based RSUs on a straight-line basis over the requisite service period, which is generally one to four years.

The following table summarizes our RSU activity during the nine months ended March 31, 2025:

	Number of Shares	Weighted Average Grant Date Fair Value
Non-vested at June 30, 2024	18,327,420	\$ 27.68
Granted	11,688,123	34.14
Vested	(11,166,064)	30.13
Forfeited, expired or cancelled	(1,636,400)	27.81
Non-vested at March 31, 2025	17,213,079	\$ 30.46

As of March 31, 2025, unrecognized compensation expense related to unvested RSUs was approximately \$485.4 million, which is expected to be recognized over a remaining weighted-average period of 1.7 years.

2020 Employee Stock Purchase Plan

On November 18, 2020, our Board of Directors adopted and approved the 2020 Employee Stock Purchase Plan (“ESPP”). The purpose of the ESPP is to secure the services of new employees, to retain the services of existing employees and to provide incentives for such individuals to exert maximum effort towards the success of the Company and that of its affiliates. A total of 16.1 million shares of Class A common stock are reserved and available for issuance under the ESPP and 1.9 million shares have been issued as of March 31, 2025. The ESPP provides for six-month offering periods beginning December 1 and June 1 of each year. At the end of each offering period, shares of our Class A common stock are purchased on behalf of each ESPP participant at a price per share equal to 85% of the lesser of (1) the fair market value of the Class A common stock on first day of the offering period (the grant date) or (2) the fair market value of the Class A common stock on the last day of the offering period (the purchase date). We use the Black-Scholes-Merton option pricing model to measure the fair value of the purchase rights issued under the ESPP at the first day of the offering period, which represents the grant date. We record stock-based compensation expense on a straight-line basis over each six-month offering period, the requisite service period of the award.

Stock-Based Compensation Expense

The following table presents the components and classification of stock-based compensation (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
General and administrative	\$ 50,344	\$ 51,947	\$ 170,868	\$ 184,070
Technology and data analytics	21,309	21,105	70,957	78,808
Sales and marketing	3,749	3,858	13,426	13,628
Processing and servicing	205	165	687	3,092
Total stock-based compensation in operating expenses	75,607	77,075	255,938	279,598
Capitalized into property, equipment and software, net	44,369	30,981	138,555	99,441
Total stock-based compensation	\$ 119,976	\$ 108,056	\$ 394,493	\$ 379,039

15. Restructuring and other

In February 2023, we committed to a restructuring plan (the “February 2023 Plan”) that included reducing our workforce and vacating a portion of our San Francisco office. The February 2023 Plan was completed during fiscal 2024, and we do not expect future costs or payments related to the plan.

As of March 31, 2025, we had no outstanding liability related to previously accrued exit and disposal costs. For the three and nine months ended March 31, 2024, exit and disposal costs were \$5.2 million and \$6.9 million, respectively.

16. Income Taxes

The quarterly provision for income taxes is based on the current estimate of the annual effective income tax rate and the tax effect of discrete items occurring during the quarter. Our quarterly provision and the estimate of the annual effective tax rate are subject to significant variation due to several factors, including variability in the pre-tax jurisdictional mix of earnings and the impact of discrete items.

For the three and nine months ended March 31, 2025, we recorded income tax expense (benefit) of \$2.5 million and \$6.9 million, respectively, which was primarily attributable to various U.S. state and foreign income taxes. For the three and nine months ended March 31, 2024, we recorded income tax expense (benefit) of \$0.9 million and \$1.2 million, respectively, which was primarily attributable to deferred taxes recognized by certain foreign subsidiaries, various U.S. state and other foreign income taxes, and the tax amortization of certain intangibles.

As of March 31, 2025, we continue to recognize a full valuation allowance against our U.S. federal and state and certain foreign net deferred tax assets. This determination was based on the assessment of the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to utilize the existing deferred tax assets. A significant piece of objective negative evidence evaluated was the cumulative loss incurred by us for the prior three fiscal years. The presence of a three-year cumulative loss limits the ability to consider other subjective evidence, such as our expectations of future taxable income and projections for growth.

17. Net Income (Loss) per Share Attributable to Common Stockholders

The following table presents basic and diluted net loss per share attributable to common stockholders for Class A and Class B common stock (in thousands, except share and per share data):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025		2025	
	Class A	Class B	Class A	Class B
Numerator:				
Net income (loss) attributable to common stockholders - basic	\$ 2,451	\$ 353	\$ (14,834)	\$ (2,224)
Net income (loss) attributable to common stockholders - diluted	\$ 2,472	\$ 332	\$ (14,834)	\$ (2,224)
Denominator:				
Weighted average shares of common stock - basic	283,262,753	40,791,214	279,578,539	41,926,610
Dilutive effect of stock equivalents:				
Restricted stock units	10,646,113	—	—	—
Stock options, including early exercise of options	8,801,161	—	—	—
Value creation award vested shares	691,983	—	—	—
Employee stock purchase plan shares	31,108	—	—	—
Weighted average shares of common stock - diluted	303,433,118	40,791,214	279,578,539	41,926,610
Net income (loss) per share:				
Basic	\$ 0.01	\$ 0.01	\$ (0.05)	\$ (0.05)
Diluted	\$ 0.01	\$ 0.01	\$ (0.05)	\$ (0.05)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2024		2024	
	Class A	Class B	Class A	Class B
Numerator:				
Net loss attributable to common stockholders - basic	\$ (114,116)	\$ (19,820)	\$ (388,902)	\$ (83,719)
Net loss attributable to common stockholders - diluted	\$ (114,116)	\$ (19,820)	\$ (388,902)	\$ (83,719)
Denominator:				
Weighted average shares of common stock - basic	266,363,196	46,263,532	253,437,891	54,557,998
Weighted average shares of common stock - diluted	266,363,196	46,263,532	253,437,891	54,557,998
Net loss per share:				
Basic	\$ (0.43)	\$ (0.43)	\$ (1.53)	\$ (1.53)
Diluted	\$ (0.43)	\$ (0.43)	\$ (1.53)	\$ (1.53)

The following common stock equivalents were excluded from the calculation of diluted net income (loss) per share attributable to common stockholders because their inclusion would have been anti-dilutive:

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Restricted stock units	677,495	17,660,162	17,213,079	17,660,162
Stock options, including early exercise of options	953,308	16,886,267	13,210,001	16,886,267
Common stock warrants	6,753,922	5,760,721	6,753,922	5,760,721
Value creation award	—	—	4,000,000	—
Employee stock purchase plan shares	—	214,364	223,996	214,364
Total	8,384,725	40,521,514	41,400,998	40,521,514

Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the interim condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q (“Form 10-Q”) and our audited consolidated financial statements and the related notes and the discussion under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations” for the fiscal year ended June 30, 2024 included in our Annual Report on Form 10-K. Some of the information contained in this discussion and analysis, including information with respect to our planned investments to drive future growth, includes forward-looking statements that involve risks and uncertainties. You should review the sections titled “Cautionary Note Regarding Forward-Looking Statements” and “Risk Factors” of this Form 10-Q and our most recently filed Annual Report on Form 10-K for a discussion of forward-looking statements and important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

We are building the next generation payment network. We believe that by using modern technology, strong engineering talent, and a mission-driven approach, we can reinvent payments and commerce. Our solutions, which are built on trust and transparency, are designed to make it easier for consumers to spend responsibly and with confidence, easier for merchants and commerce platforms to convert sales and grow, and easier for commerce to thrive.

Our point-of-sale solutions allow consumers to pay for purchases in fixed amounts without deferred interest, late fees, or penalties. We empower consumers to pay over time rather than paying for a purchase entirely upfront. This increases consumers’ purchasing power and gives them more control and flexibility. Our platform facilitates both true 0% APR payment options and interest-bearing loans. On the merchant side, we offer commerce enablement, demand generation, and consumer acquisition tools. Our solutions empower merchants to more efficiently promote and sell their products, optimize their consumer acquisition strategies, and drive incremental sales. We also provide valuable product-level data and insights — information that merchants cannot easily get elsewhere — to better inform their strategies. Finally, for consumers, our app unlocks the full suite of Affirm products for a delightful end-to-end consumer experience. Consumers can use our app to apply for installment loans, and upon approval, they can use the Affirm Card digitally online or in-stores to complete a purchase. Additionally, consumers can manage the pre and post purchase split of Affirm Card transactions into a loan, manage payments, open a high-yield savings account, and access a personalized marketplace.

Our Company is predicated on the principles of simplicity, transparency, and putting people first. By adhering to these principles, we have built enduring, trust-based relationships with consumers and merchants that we believe will set us up for long-term, sustainable success. We believe our innovative approach uniquely positions us to define the future of commerce and payments.

Technology and data are at the core of everything we do. Our expertise in sourcing, aggregating, and analyzing data has been what we believe to be the key competitive advantage of our platform since our founding. We believe our proprietary technology platform and data give us a unique advantage in pricing risk. We use data to inform our risk scoring in order to generate value for our consumers, merchants, and capital partners. We also prioritize building our own technology and investing in product and engineering talent as we believe these are enduring competitive advantages that are difficult to replicate. Our solutions use the latest in machine learning, artificial intelligence, cloud-based technologies, and other modern tools to create differentiated and scalable products.

	Three Months Ended March 31,				Nine Months Ended March 31,			
	2025	2024	\$	%	2025	2024	\$	%
(in thousands, except percentages)								
Total revenue, net	\$ 783,135	\$ 576,157	\$ 206,978	36 %	\$ 2,347,995	\$ 1,663,814	\$ 684,181	41 %
Total operating expenses	791,527	736,946	54,581	7 %	2,493,332	2,206,201	287,131	13 %
Operating loss	\$ (8,393)	\$ (160,789)	\$ 152,396	(95) %	\$ (145,337)	\$ (542,387)	\$ 397,050	(73) %
Other income, net	13,738	27,743	(14,005)	(50) %	135,221	70,999	64,222	90 %
Income (loss) before income taxes	\$ 5,345	\$ (133,046)	\$ 138,391	(104) %	\$ (10,116)	\$ (471,388)	\$ 461,272	(98) %
Income tax expense	2,541	890	1,651	186 %	6,942	1,233	5,709	463 %
Net income (loss)	\$ 2,804	\$ (133,936)	\$ 136,740	(102) %	\$ (17,058)	\$ (472,621)	\$ 455,563	(96) %

Our Financial Model

Our Revenue Model

We have three main loan product offerings: Pay-in-X, 0% annual percentage rate (“APR”) monthly installment loans and interest-bearing monthly installment loans. Pay-in-X consists of short-term payment plans with one to four 0% APR installments.

From merchants, we typically earn a fee when we help them convert a sale and facilitate a transaction. Merchant fees depend on the individual arrangement between us and each merchant and vary based on the terms of the product offering; we generally earn larger merchant fees on 0% APR financing products. For the three and nine months ended March 31, 2025, Pay-in-X represented 15% and 14%, respectively, of total GMV facilitated through our platform while 0% APR installment loans represented 13% and 12%, respectively. For the three and nine months ended March 31, 2024, Pay-in-X represented 14% and 15%, respectively, of total GMV facilitated through our platform while 0% APR installment loans represented 13% and 11%, respectively.

From consumers, we earn interest income on the simple interest loans that we originate or purchase from our originating bank partners. Interest rates charged to our consumers vary depending on the transaction risk, creditworthiness of the consumer, the repayment term selected by the consumer, the amount of the loan, and the individual arrangement with a merchant. Because our consumers are never charged deferred or compounding interest, late fees, or penalties on the loans, we are not incentivized to profit from our consumers’ hardships. In addition, interest income includes the amortization of any discounts or premiums on loan receivables created upon either the purchase of a loan from one of our originating bank partners or our direct origination of a loan. For the three and nine months ended March 31, 2025, interest bearing loans represented 72% and 74%, respectively, of total GMV facilitated through our platform. For both the three and nine months ended March 31, 2024, interest bearing loans represented 72% of total GMV facilitated through our platform.

In order to accelerate our ubiquity, we facilitate the issuance of virtual cards directly to consumers through our app, allowing them to shop with merchants that may not yet be fully integrated with Affirm. Similarly, we also facilitate the issuance of the Affirm Card, a card that can be used physically or virtually and which allows consumers to link a bank account to pay in full, or pay later by accessing credit through the Affirm App. When these cards are used over established card networks, we earn a portion of the interchange fee from the transaction.

Our Loan Origination and Servicing Model

When a consumer applies for a loan through our platform, the loan is underwritten using our proprietary risk model. Once approved for the loan, the consumer then selects their preferred repayment option. A portion of these loans are funded and issued by our originating bank partners, which include Cross River Bank, an FDIC-insured New Jersey state-chartered bank, Celtic Bank, an FDIC-insured Utah state-chartered industrial bank, and

Lead Bank, an FDIC-insured Missouri state-chartered bank. These partnerships allow us to benefit from our partners' ability to originate loans under their banking licenses while complying with various federal, state, and other laws. Under this arrangement, we must comply with our originating bank partners' credit policies and underwriting procedures, and our originating bank partners maintain ultimate authority to decide whether to originate a loan or not. When an originating bank partner originates a loan, it funds the loan through its own funding sources and may subsequently offer and sell the loan to us. Pursuant to our agreements with these partners, we are obligated to purchase the loans facilitated through our platform that such partner offers us and our obligation is secured by cash deposits. To date, we have purchased all of the loans facilitated through our platform and originated by our originating bank partners. When we purchase a loan from an originating bank partner, the purchase price is equal to the outstanding principal balance of the loan, plus a fee and any accrued interest. The originating bank partner also retains an interest in the loans purchased by us through a loan performance fee that is payable by us on the aggregate principal amount of a loan that is paid by a consumer. Refer to Note 12. Fair Value of Financial Assets and Liabilities in the notes to the interim condensed consolidated financial statements for more information on the performance fee liability.

We are also able to originate loans directly under our lending, servicing, and brokering licenses in Canada, the U.K, and across several states in the U.S. through our consolidated subsidiaries. For the three and nine months ended March 31, 2025, we directly originated approximately \$1.5 billion, or 17%, and \$4.5 billion, or 17%, respectively, of loans compared to approximately \$1.1 billion, or 17%, and \$3.3 billion, or 17%, for the same period in 2024.

We act as the servicer on all loans that we originate directly or purchase from our originating bank partners and earn a servicing fee on loans held by third parties, including bank partners prior to loan purchase and third party loan buyers if subsequently sold as part of our funding strategy. In the normal course of business, we do not sell the servicing rights on any of the loans. To allow for flexible staffing to support overflow and seasonal traffic, we partner with several sub-servicers to manage consumer care, first priority collections, and third-party collections in accordance with our policies and procedures.

Factors Affecting Our Performance

Our performance has been and may continue to be affected by many factors, including those identified below, as well as the factors discussed in the section titled "Risk Factors" in this Form 10-Q and in our most recently filed Annual Report on Form 10-K for the fiscal year ended June 30, 2024, as updated from time to time in our filings with the SEC.

Expanding our Network, Diversity, and Mix of Funding Relationships

Our capital efficient funding model is integral to the success of our platform. As we scale the number of transactions on our network and grow GMV, we maintain a variety of funding relationships in order to support our network. Our diversified funding relationships include warehouse facilities, securitization trusts, forward flow arrangements, and partnerships with banks. Given the short duration and strong performance of our assets, funding can be recycled quickly, resulting in a high-velocity, capital efficient funding model. As of March 31, 2025 and June 30, 2024, our equity capital as a percentage of our total platform portfolio has remained relatively unchanged at 5%. The mix of on-balance sheet and off-balance sheet funding is a function of how we choose to allocate loan volume, which is determined by the economic arrangements and supply of capital available to us, both of which may also impact our results in any given period.

Mix of Business on Our Platform

The shifts in merchant volumes and products offered in any period affect our operating results. These shifts impact GMV, revenue, our financial results, and our key operating metric performance for that period. Differences in loan product mix result in varying loan durations, APR, and mix of 0% APR and interest-bearing financings.

Product and economic terms of commercial agreements vary among our merchants, which may impact our results. For example, our low average order value ("AOV") products generally benefit from shorter duration, but

also have lower revenue as a percentage of GMV when compared to high AOV products. Merchant mix shifts are driven in part by the products offered by the merchant, the economic terms negotiated with the merchant, merchant-side activity relating to the marketing of their products, whether or not the merchant is fully integrated within our network, and general economic conditions affecting consumer demand. Our revenue as a percentage of GMV in any given period varies across products. As such, as we continue to expand our network to include more merchants and product offerings, revenue as a percentage of GMV may vary.

Additionally, our commercial agreements with our platform partners, the expansion of our consumer eligibility criteria, along with the growing repeat usage of our Affirm Card offerings, are driving an increase in low AOV transactions. As a result, while we expect that transactions per active consumer may increase, revenue as a percentage of GMV may decline in the medium term to the extent that a greater portion of our GMV comes from Affirm Card and other low-AOV offerings.

Seasonality

We experience seasonal fluctuations in our business as a result of consumer spending patterns, including Affirm Card, which we expect to mimic the seasonality of our general business in the near term. Historically, our GMV has been the strongest during our fiscal second quarter due to increases in retail commerce during the holiday season and our loan delinquencies are at their lowest during our fiscal third and fourth quarter, as consumer savings benefit from tax refunds. Adverse events that occur during our second fiscal quarter could have a disproportionate effect on our financial results for the fiscal year.

Macroeconomic Environment

We regularly monitor the direct and indirect impacts of the current macroeconomic conditions on our business, financial condition, and results of operations. Starting in fiscal 2023, the macroeconomic environment began to present a number of challenges to our business. In response to continued inflationary pressure, the U.S. Federal Reserve rapidly raised the federal funds interest rate from March 2022 through July 2023. Despite the Federal Reserve's decision to begin to decrease the federal funds interest rate in September 2024, uncertainty remains as to whether and to what extent the federal funds interest rate will remain at current levels, increase or decrease in future periods. Simultaneously, economic uncertainty, including the prospect of economic recession and the magnitude, duration and impact of tariffs on global trade, has impacted and may continue to impact consumer spending. These challenges have affected, and may continue to affect, our business and results of operations in the following ways:

- ***Shifts in consumer demand:*** Over the past two fiscal years, we have experienced varying levels of consumer demand across different categories of merchandise. This is due to economic uncertainty, recessionary concerns, inflationary pressures and elevated interest rates. If macroeconomic conditions deteriorate in future periods, consumer demand may be negatively impacted.
- ***Increased borrowing costs:*** The Federal Reserve began decreasing the federal funds interest rate in late 2024, leading to a decline in our average funding costs. Despite this, the overall interest rate environment remains elevated compared to historical levels, and there is continued uncertainty as to whether and to what extent the Federal Reserve may decrease the federal funds rate further in the future. As a result, we may continue to experience higher transaction costs.
- ***Volatile capital markets:*** Since fiscal 2024, capital markets have shown improvement against recent periods, which has been evidenced by substantial additions across our funding channels due to our strong loan performance. However, despite these improvements, uncertainties remain in the macroeconomic environment, especially with regard to inflation, the prospect of recession, the magnitude, duration and impact of tariffs on global trade, and the potential for increased unemployment. To address these uncertainties, we leverage our diverse funding channels and counterparties, which contribute to our resilience across various macroeconomic conditions and economic cycles.

Consumer Credit Optimization and Loan Performance

We continue to optimize our underwriting and take other actions to manage consumer loan repayment, increase collections and minimize losses. For example, we offer loan modifications to borrowers experiencing financial difficulty to provide greater flexibility for consumers to repay their obligations, through payment deferrals or loan re-amortizations. A payment deferral extends the next payment due date, and while a consumer may receive more than one deferral, the total deferral period may not exceed three months. A loan re-amortization lowers the monthly payments by extending the term, which may not exceed twenty-four months.

These loan modification programs also impact our delinquency rates, and such impact can vary over time. As disclosed in Note 4. Loans Held for Investment and Allowance for Credit Losses in the notes to the interim condensed consolidated financial statements, in fiscal 2024, we expanded the eligibility of our loan modification programs, which resulted in a modest benefit to delinquency rates for loans held for investment during that period. The volume of loan modifications during the fiscal quarter ended March 31, 2025 decreased compared to the same period in 2024. Loans modified during the three and twelve months ended March 31, 2025, represent 0.09% and 0.21%, respectively, of the outstanding principal balance of loans held on our balance sheet. Our reported delinquency and charge off rates include loans which have become past due or have charged off subsequent to modification. An unknown percentage of loans which have been modified and are current as of March 31, 2025 may become delinquent or charge off in the future. We continue to evaluate the effectiveness of these programs and may modify, expand, or contract their usage, which may affect the timing of reported delinquencies and charge offs in future periods.

Regulatory Developments

We are subject to the regulatory and enforcement authority of the Consumer Financial Protection Bureau (the “CFPB”) as a facilitator, servicer, acquirer or originator of consumer credit. As such, the CFPB has in the past requested reports concerning our organization, business conduct, markets, and activities, and we expect that the CFPB will continue to do so from time to time in the future. In addition, we are supervised by the CFPB, which enables it, among other things, to conduct comprehensive and rigorous examinations to assess our compliance with consumer financial protection laws, which in turn could result in matters requiring attention, enforcement investigations and actions, regulatory fines and mandated changes to our business products, policies and procedures.

Key Operating Metrics

We focus on several key operating metrics to measure the performance of our business and help determine our strategic direction. In addition to revenue, net income (loss), and other results under U.S. GAAP, the following tables set forth key operating metrics we use to evaluate our business.

	Three Months Ended March 31,			Nine Months Ended March 31,		
	2025	2024	% Change	2025	2024	% Change
	(in billions)					
GMV	\$ 8.6	\$ 6.3	36 %	\$ 26.3	\$ 19.4	36 %

GMV

We measure GMV to assess the volume of transactions that take place on our platform. We define GMV as the total dollar amount of all transactions on the Affirm platform during the applicable period, net of refunds. GMV does not represent revenue earned by us; however, it is an indicator of the success of our merchants and the strength of our platform.

For the three and nine months ended March 31, 2025, GMV was \$8.6 billion and \$26.3 billion, respectively, which represented an increase of approximately 36%, as compared to the same periods in 2024. The increase in GMV was driven by growth in several key areas including our top five merchants and platform partners, our direct to consumer products, such as Affirm Card, and overall increases in our active merchant base, active consumers and average transactions per consumer.

During the three and nine months ended March 31, 2025, GMV growth was diversified across categories and loan products, primarily driven by our general merchandise and electronics categories as well as our 0% APR installment loans. General merchandise grew 38% and 41% and electronics grew 34% and 34% for the three and nine months ended March 31, 2025, respectively. GMV across our travel and ticketing, equipment and auto, and other categories grew more than 20% year over year. Additionally, GMV growth from 0% APR installment loans was 44% and 52% during the three and nine months ended March 31, 2025, respectively, when compared to the same periods in 2024.

For the three and nine months ended March 31, 2025, our top five merchants and platform partners represented approximately 45% and 48%, respectively, of total GMV, as compared to 42% and 45%, respectively, for the three and nine months ended March 31, 2024. GMV attributable to Amazon during the three and nine months ended March 31, 2025 represented 21% and 23%, respectively, of total GMV. GMV attributable to Amazon during both the three and nine months ended March 31, 2024 represented 20% of total GMV.

	March 31, 2025	March 31, 2024	% Change
	(in thousands, except per consumer data)		
Active consumers	21,888	18,134	21 %
Transactions per active consumer	5.6	4.6	20 %

Active Consumers

We assess consumer adoption and engagement by the number of active consumers across our platform. Active consumers are the primary measure of the size of our network. We define an active consumer as a consumer who completes at least one transaction on our platform during the 12 months prior to the measurement date.

As of March 31, 2025, we had approximately 21.9 million active consumers, which represented an increase of 21% compared to approximately 18.1 million active consumers as of March 31, 2024. The increase was primarily due to a high retention rate of existing consumers, as well as continued adoption of the Affirm Card, and the acquisition of new consumers through an expansion in active merchants and platform partnerships.

Transactions per Active Consumer

We believe the value of our network is amplified with greater consumer engagement and repeat usage, highlighted by increased transactions per active consumer. Transactions per active consumer is defined as the average number of transactions that an active consumer has conducted on our platform during the 12 months prior to the measurement date.

As of March 31, 2025, we had approximately 5.6 transactions per active consumer, an increase of 20% compared to March 31, 2024. The increase was primarily due to platform growth, a higher frequency of repeat users driven by consumer engagement, and growth of Affirm Card active consumers. As of March 31, 2025, Affirm Card represented approximately 10% of the total number of transactions compared to approximately 6% as of March 31, 2024.

Results of Operations

The following tables set forth selected interim condensed consolidated statements of operations and comprehensive income (loss) data for each of the periods presented:

	Three Months Ended March 31,				Nine Months Ended March 31,			
	2025	2024	\$	%	2025	2024	\$	%
(in thousands, except percentages)								
Revenue								
Merchant network revenue	\$ 213,973	\$ 159,292	\$ 54,681	34 %	\$ 643,207	\$ 493,599	\$ 149,608	30 %
Card network revenue	58,572	35,676	22,896	64 %	164,194	108,421	55,773	51 %
Total network revenue	272,545	194,968	77,577	40 %	807,401	602,020	205,381	34 %
Interest income ⁽¹⁾	402,701	315,712	86,989	28 %	1,189,132	866,737	322,395	37 %
Gain on sales of loans ⁽¹⁾	75,838	40,183	35,655	89 %	264,739	127,170	137,569	108 %
Servicing income	32,050	25,294	6,756	27 %	86,723	67,887	18,836	28 %
Total revenue, net	783,135	576,157	206,978	36 %	2,347,995	1,663,814	684,181	41 %
Operating expenses ⁽²⁾								
Loss on loan purchase commitment	57,290	44,143	13,147	30 %	181,805	132,639	49,166	37 %
Provision for credit losses	147,252	122,443	24,809	20 %	460,056	343,019	117,037	34 %
Funding costs	107,631	90,449	17,182	19 %	319,539	248,997	70,542	28 %
Processing and servicing	118,398	88,209	30,189	34 %	329,504	254,083	75,421	30 %
Technology and data analytics	152,620	124,828	27,792	22 %	435,123	377,626	57,497	15 %
Sales and marketing	74,022	132,950	(58,928)	(44) %	355,293	441,081	(85,788)	(19) %
General and administrative	134,303	128,721	5,582	4 %	412,196	401,832	10,364	3 %
Restructuring and other	12	5,203	(5,191)	(100) %	(184)	6,924	(7,108)	(103) %
Total operating expenses	791,527	736,946	54,581	7 %	2,493,332	2,206,201	287,131	13 %
Operating loss	\$ (8,393)	\$ (160,789)	\$ 152,396	(95) %	\$ (145,337)	\$ (542,387)	\$ 397,050	(73) %
Other income, net	13,738	27,743	(14,005)	(50) %	135,221	70,999	64,222	90 %
Income (loss) before income taxes	\$ 5,345	\$ (133,046)	\$ 138,391	(104) %	\$ (10,116)	\$ (471,388)	\$ 461,272	(98) %
Income tax expense	2,541	890	1,651	186 %	6,942	1,233	5,709	463 %
Net income (loss)	\$ 2,804	\$ (133,936)	\$ 136,740	(102) %	\$ (17,058)	\$ (472,621)	\$ 455,563	(96) %

- ⁽¹⁾ Upon purchase of a loan from our originating bank partners at a price above the fair market value of the loan or upon the origination of a loan with a par value in excess of the fair market value of the loan, a discount is included in the amortized cost basis of the loan. For loans held for investment, this discount is amortized over the life of the loan into interest income. When a loan is sold to a third-party loan buyer or off-balance sheet securitization trust, the unamortized discount is released in full at the time of sale and recognized as part of the gain or loss on sales of loans. However, the cumulative value of the loss on loan purchase commitment or loss on origination, the interest income recognized over time from the amortization of discount while retained, and the release of discount into gain on sales of loans, together net to zero over the life of the loan. The following table details activity for the discount, included in loans held for investment, for the periods indicated:

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
	(in thousands)			
Balance at the beginning of the period	\$ 103,433	\$ 100,900	\$ 98,527	\$ 96,576
Additions from loans purchased or originated, net of refunds	86,723	69,545	265,676	200,641
Amortization of discount	(65,639)	(53,960)	(186,450)	(150,102)
Unamortized discount released on loans sold	(19,939)	(12,493)	(71,826)	(43,003)
Impact of foreign currency translation	39	(779)	(1,310)	(899)
Balance at the end of the period	<u>\$ 104,617</u>	<u>\$ 103,213</u>	<u>\$ 104,617</u>	<u>\$ 103,213</u>

(2) Amounts include stock-based compensation as follows:

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
	(in thousands)			
General and administrative	\$ 50,344	\$ 51,947	\$ 170,868	\$ 184,070
Technology and data analytics	21,309	21,105	70,957	78,808
Sales and marketing	3,749	3,858	13,426	13,628
Processing and servicing	205	165	687	3,092
Total stock-based compensation in operating expenses	<u>75,607</u>	<u>77,075</u>	<u>255,938</u>	<u>279,598</u>
Capitalized into property, equipment and software, net	44,369	30,981	138,555	99,441
Total stock-based compensation	<u>\$ 119,976</u>	<u>\$ 108,056</u>	<u>\$ 394,493</u>	<u>\$ 379,039</u>

Comparison of the Three and Nine Months Ended March 31, 2025 and 2024

Merchant network revenue

Merchant network revenue is impacted by both GMV and the mix of loans originated on our platform as merchant fees vary based on loan characteristics. In particular, merchant network revenue as a percentage of GMV typically increases with longer-term, non interest-bearing loans with higher AOVs, and decreases with shorter-term, interest-bearing loans with lower AOVs.

Merchant network revenue increased by \$54.7 million, or 34%, and \$149.6 million, or 30%, for the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024. The increase is primarily attributed to an increase of \$2.3 billion, or 36%, and \$6.9 billion, or 36%, in GMV for the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024. The increase in GMV is a result of continued growth at our top five merchants and platform partners representing approximately 45% and 48% for the three and nine months ended March 31, 2025, respectively, compared to 42% and 45% for the three and nine months ended March 31, 2024, respectively. Our active merchant base and the number of active consumers also grew, reaching approximately 358 thousand and 21.9 million, respectively, as of March 31, 2025, up from approximately 292 thousand and 18.1 million, respectively, as of March 31, 2024.

With respect to the frequency and mix of transactions, the transactions per active consumer increased from 4.6 as of March 31, 2024 to 5.6 as of March 31, 2025. The increase in active consumers and transactions per active consumer is partially offset by a decrease in AOV. For both the three and nine months ended March 31, 2025, AOV was \$273, down from \$293 and \$292 for the same period in 2024. The decrease in AOV is driven by the diversification of our merchant base, with accelerated growth in some of our largest interest bearing merchant programs, and our ongoing initiative to drive repeat usage of our platform beyond one-time high AOV purchases.

Card network revenue

Card network revenue increased by \$22.9 million, or 64%, and \$55.8 million, or 51%, for the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024. Card network revenue growth is correlated with the growth of GMV processed by our card-issuing partners. As such, the increase is primarily driven by \$2.9 billion and \$8.4 billion of GMV processed through our card-issuing partners, an increase of 44% and 42% for the three and nine months ended March 31, 2025, respectively, as compared to the same periods in 2024. This was driven by increased card activity primarily through our single use virtual cards and Affirm Card, as well as growth in existing and new merchants utilizing our agreement with card-issuing partners as a means of integrating Affirm services, which grew from approximately 1,700 merchants as of March 31, 2024 to 35,000 merchants as of March 31, 2025. Card network revenue is also impacted by the mix of merchants as different merchants can have different interchange rates depending on their industry or size, among other factors.

Interest income

Interest income increased by \$87.0 million, or 28%, and \$322.4 million, or 37%, for the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024. Generally, interest income is correlated with the changes in the average balance of loans held for investment, which increased by 25% to \$6.7 billion and 29% to \$6.4 billion for the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024. As a result, interest income from interest-bearing loans increased by \$96.1 million, or 35%, and \$334.8 million, or 45%, for the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024.

Gain on sales of loans

Gain on sales of loans increased by \$35.7 million, or 89%, and \$137.6 million, or 108%, for the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024. The increase is driven by higher loan sale volume to third-party loan buyers and favorable transaction economics which are impacted by the composition of our loan portfolio sold and other market factors. We sold loans with an unpaid principal balance of \$3.6 billion and \$11.0 billion for the three and nine months ended March 31, 2025, respectively, compared to \$2.1 billion and \$7.3 billion for the same period in 2024.

Servicing income

Servicing income includes net servicing fee revenue and fair value adjustments for servicing assets and liabilities, and is recognized for loan portfolios sold to third-party loan buyers and for loans held within our off-balance sheet securitizations. Servicing fee revenue varies by contractual servicing fee arrangement and is earned as a percentage of the average unpaid principal balance of loans held by each counterparty where we have a servicing agreement. We reduce servicing income for certain fees we are required to pay per our contractual servicing arrangement.

With respect to fair value adjustments, we remeasure the fair value of servicing assets and liabilities each period and recognize the change in fair value in servicing income. We utilize a discounted cash flow approach to remeasure the fair value of servicing rights. Because we earn servicing income based on the outstanding principal balance of the portfolio, fair value adjustments are impacted by the timing and amount of loan repayments. As such, over the term of each loan portfolio sold, fair value adjustments for servicing assets will decrease servicing income and fair value adjustments for servicing liabilities will increase servicing income. We discuss our valuation methodology and significant Level 3 inputs for servicing assets and liabilities within Note 12. Fair Value of Financial Assets and Liabilities in the notes to the interim condensed consolidated financial statements.

Servicing income increased by \$6.8 million, or 27%, and \$18.8 million, or 28%, for the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024. The increase is primarily due to an increase in net servicing fee revenue which is calculated as a percentage of the unpaid principal balance of off-balance sheet loans. The average unpaid principal balance of off-balance sheet loans increased from \$5.1 billion and

\$4.7 billion during the three and nine months ended March 31, 2024, respectively, to \$7.1 billion and \$6.3 billion, respectively, during the same period in 2025, an increase of 40% and 32%, respectively.

Loss on loan purchase commitment

We purchase certain loans from our originating bank partners that are processed through our platform and put back to us by our originating bank partners. Under the terms of the agreements with our originating bank partners, we are generally required to pay the principal amount plus accrued interest for such loans and fees. In certain instances, our originating bank partners may originate loans with zero or below market interest rates that we are required to purchase. In these instances, we may be required to purchase the loan for a price in excess of the fair market value of such loans, which results in a loss. These losses are recognized as loss on loan purchase commitment in our interim condensed consolidated statements of operations and comprehensive income (loss). These costs are incurred on a per loan basis.

Loss on loan purchase commitment increased by \$13.1 million, or 30%, and \$49.2 million, or 37%, for the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024, primarily due to an increase in total volume of loans purchased. During the three and nine months ended March 31, 2025, we purchased \$7.1 billion and \$21.6 billion, respectively, of loans from our originating bank partners, compared to \$5.1 billion and \$15.6 billion, respectively, in the same period in 2024, representing an increase of 38% for both periods, respectively. Of the total loans purchased during the three and nine months ended March 31, 2025, \$337.1 million and \$1.1 billion represented 0% APR installment loans, respectively, an increase of 46% and 57%, compared to the same periods in 2024.

Provision for credit losses

Provision for credit losses generally represents the amount of expense required to maintain the allowance for credit losses on our interim condensed consolidated balance sheet, which represents management's estimate of future losses. In the event that our loans outperform expectation and/or we reduce our expectation of credit losses in future periods, we may release reserves and thereby reduce the allowance for credit losses, yielding income in the provision for credit losses. The provision is determined based on our estimate of expected future losses on loans originated during the period and held for investment on our balance sheet, changes in our estimate of future losses on loans outstanding as of the end of the period and the net charge-offs incurred in the period.

Provision for credit losses increased by \$24.8 million, or 20%, and \$117.0 million, or 34%, for the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024, primarily driven by growth in the volume of loans held for investment. For the three and nine months ended March 31, 2025 and March 31, 2024, the average balance of loans held for investment was \$6.7 billion, an increase of \$1.4 billion, or 25%, and \$6.4 billion, an increase of \$1.4 billion, or 29%, respectively, as compared to the same periods in 2024. The allowance for credit losses as a percentage of loans held for investment was 5.7% as of March 31, 2025, 5.5% as of June 30, 2024, and 5.3% as of March 31, 2024. The increase in the allowance rate from March 31, 2024 is primarily driven by adjustments in our credit criteria in light of increasing interest income generated by our loans and changes in the loan mix.

Funding costs

Funding costs consist of interest expense and the amortization of fees for certain borrowings collateralized by our loans including warehouse credit facilities and consolidated securitizations, sale and repurchase agreements collateralized by our retained securitization interests, and other costs incurred in connection with funding the purchases and originations of loans. Funding costs for a given period are driven by the average outstanding balance of funding debt and notes issued by securitization trusts as well as our contractual interest rate and distribution of loans across funding facilities, net of the impact of any designated cash flow hedges.

Funding costs increased by \$17.2 million, or 19%, and \$70.5 million, or 28%, for the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024. The increase is primarily due to an increase of funding debt and notes issued by securitization trusts during the three and nine months ended March 31, 2025. The average total of funding debt from warehouses and securitizations for the three and nine months ended

March 31, 2025 was \$6.1 billion and \$5.7 billion, respectively, compared to \$4.8 billion and \$4.4 billion, respectively, during the same period in 2024, an increase of \$1.3 billion, or 28%, and \$1.4 billion, or 31%, respectively. The increase was also attributable to a larger volume of on-balance sheet loans being retained during the period. The average on-balance sheet loan balance was \$6.7 billion and \$6.4 billion for the three and nine months ended March 31, 2025, respectively, an increase of 25% and 29% compared to \$5.4 billion and \$4.9 billion during the same period in 2024, respectively.

Processing and servicing

Processing and servicing expense consists primarily of payment processing fees, third-party customer support and collection expense, salaries and personnel-related costs of our customer care team, platform fees, and allocated overhead.

Processing and servicing expense increased by \$30.2 million, or 34%, and \$75.4 million, or 30%, for the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024. This increase is driven primarily by an increase in payment processing fees of \$16.9 million, or 32%, and \$49.3 million, or 35%, related to increased payment volume for the three and nine months ended March 31, 2025, respectively. During the three and nine months ended March 31, 2025, our platform fees increased by \$5.2 million, or 28%, and \$20.1 million, or 35%, respectively, due to an increase in volume with a large enterprise partner. Additionally, our customer service and collection costs increased by \$5.4 million, or 44%, and \$13.0 million, or 36%, for the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024. This is driven by growth in our overall loan portfolio, including both loans held for investment and loans serviced for third parties, due to the increase in the number of consumer transactions. The number of consumer transactions increased by 46% during the three and nine months ended March 31, 2025, from continued growth at our merchants and platform partners.

Technology and data analytics

Technology and data analytics expense consists primarily of the salaries, stock-based compensation, and personnel-related costs of our engineering, product, and credit and analytics employees, as well as the amortization of internally-developed software and technology intangible assets, and our infrastructure and hosting costs.

Technology and data analytics expense increased by \$27.8 million, or 22%, and \$57.5 million, or 15%, for the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024. The increase is primarily driven by amortization of internally-developed software which increased by \$14.9 million, or 35%, and \$43.9 million, or 39%, for the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024, as a result of an increase in the number of capitalized projects. Capitalized projects in service grew by 88% from approximately 760 projects as of March 31, 2024 to 1,430 projects as of March 31, 2025. Data infrastructure and hosting costs increased by \$7.4 million, or 36%, and \$14.2 million, or 22%, for the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024. The increase in data infrastructure and hosting costs was primarily driven by an increase in the number of consumer transactions. During the three and nine months ended March 31, 2025, the number of consumer transactions increased by 46% from continued growth at our merchants and platform partners. Stock-based compensation and payroll and personnel-related costs increased by \$3.9 million, or 8%, for the three months ended March 31, 2025, compared to the same period in 2024, primarily due to an increase in headcount. For the nine months ended March 31, 2025, the increases were partially offset by a decrease of \$4.2 million, or 2%, in stock-based compensation and payroll and personnel-related costs, compared to the same period in 2024, primarily due to higher capitalized compensation costs related to internally-developed software.

Sales and marketing

Sales and marketing costs consist of the expense related to warrants and other share-based payments granted to our enterprise partners, salaries and personnel-related costs, costs of marketing and promotional activities.

Sales and marketing expense decreased by \$58.9 million, or 44%, and \$85.8 million, or 19% during the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024. The decrease was primarily driven by a \$59.9 million, or 62%, and \$76.5 million, or 25%, decrease in Amazon warrant expense during the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024, primarily due to a portion of the warrants becoming fully vested as of December 2024. Additionally, amortization expense related to the Amazon commercial agreement decreased by \$1.8 million, or 26%, and \$12.2 million, or 44%, during the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024, primarily due to the renewal of the commercial partnership agreement in February 2024, which extended the amortization period of the commercial agreement asset.

General and administrative

General and administrative expenses consist primarily of expenses related to our finance, legal, risk operations, human resources, and administrative personnel. General and administrative expenses also include costs related to fees paid for professional services, including legal, tax and accounting services, allocated overhead, and certain discretionary expenses incurred from operating our technology platform.

General and administrative expense increased by \$5.6 million, or 4%, and \$10.4 million, or 3%, during the three and nine months ended March 31, 2025, respectively, compared to the same periods in 2024. The increase is primarily due to increases in payroll and personnel costs, employee benefit expenses, professional services, related to consulting and legal fees, as well as, software and subscriptions.

Other income, net

Other income, net includes interest earned on our money market funds included in cash and cash equivalents and restricted cash, interest earned on securities available for sale, impairment or other adjustments to the cost basis of non-marketable equity securities held as cost, gains and losses on derivative agreements not designated within a hedging relationship, amortization of convertible debt issuance cost as well as gains (losses) on extinguishment, revolving credit facility issuance costs, fair value adjustments related to contingent liabilities, and other income or expense arising from activities that are unrelated to our primary business.

Other income, net, decreased by \$14.0 million, or 50%, during the three months ended March 31, 2025, compared to the same period in 2024. The decrease for the three months ended March 31, 2025, was primarily driven by a \$6.8 million, or 146%, adjustment to the fair value of our derivative instruments not designated as hedges. We recognized a gain of \$5.4 million on the early extinguishment of convertible debt during the three months ended March 31, 2024, compared to no activity during the three months ended March 31, 2025. Additionally, during the three months ended March 31, 2025, interest income on our marketable securities decreased by \$5.0 million, or 22%, compared to the same period in 2024.

Other income, net, increased by \$64.2 million, or 90%, during the nine months ended March 31, 2025, compared to the same period in 2024. The increase for the nine months ended March 31, 2025, was primarily driven by a \$77.1 million gain on the early extinguishment of convertible debt compared to gain of \$5.4 million during the nine months ended March 31, 2024. The increase, is partially offset by a decrease of \$6.3 million, or 216%, adjustment to the fair value of our derivative instruments not designated as hedges. Additionally, the increase is partially offset by a decrease of \$7.1 million, or 67%, in other non-operating income related to the wind-down of the Returnly business and our partnership with a third-party return provider during the nine months ended March 31, 2024.

Liquidity and Capital Resources

Sources and Uses of Funds

We maintain a capital-efficient model through a diverse set of funding sources. When we originate a loan directly or purchase a loan originated by our originating bank partners, we often utilize warehouse credit facilities with certain lenders to finance our lending activities or loan purchases. We sell the loans we originate or purchase from our originating bank partners to whole loan buyers and securitization investors through forward flow arrangements and securitization transactions, and earn servicing fees from continuing to act as the servicer on the loans. We proactively manage the allocation of loans on our platform across various funding channels based on several factors including, but not limited to, internal risk limits and policies, capital market conditions and channel economics. Our excess funding capacity and committed and long-term relationships with a diverse group of existing funding partners help provide flexibility as we optimize our funding to support the growth in loan volume.

Our principal sources of liquidity are cash and cash equivalents, available for sale securities, available capacity from warehouse and revolving credit facilities, securitization trusts, forward flow loan sale arrangements, and certain cash flows from our operations. As of March 31, 2025, we had \$2.1 billion in cash and cash equivalents and available for sale securities, \$4.4 billion in available funding debt capacity, excluding our purchase commitments from third party loan buyers, and \$330.0 million in borrowing capacity available under our revolving credit facility. We believe our principal sources of liquidity are sufficient to meet both our existing operating, working capital, and capital expenditure requirements and our currently planned growth for at least the next 12 months.

The following table summarizes our cash, cash equivalents and investments in debt securities (in thousands):

	March 31, 2025	June 30, 2024
Cash and cash equivalents ⁽¹⁾	\$ 1,351,148	\$ 1,013,106
Investments in short-term debt securities ⁽²⁾	537,159	865,766
Investments in long-term debt securities ⁽²⁾	243,011	265,862
Cash, cash equivalent and investments in debt securities	<u>\$ 2,131,318</u>	<u>\$ 2,144,734</u>

⁽¹⁾ Cash and cash equivalents consist of checking, money market and savings accounts held at financial institutions and short-term highly liquid marketable securities, including money market funds, commercial paper, government bonds, and other corporate securities purchased with an original maturity of three months or less.

⁽²⁾ Securities available for sale at fair value primarily consist of certificates of deposits, corporate bonds, municipal bonds, commercial paper, agency bonds, and government bonds. Short-term securities have maturities less than or equal to one year, and long-term securities range from greater than one year to less than five years.

Debt

Debt as of March 31, 2025 primarily includes funding debt, notes issued by securitization trust, convertible senior notes and our revolving credit facilities. A detailed description of each of our borrowing arrangements is included in Note 8. Debt in the notes to the interim condensed consolidated financial statements.

The following table summarizes the future maturities of our warehouse credit facilities and notes issued by securitizations trusts as of March 31, 2025:

Maturity Fiscal Year	Borrowing Capacity	Principal Outstanding
	(in thousands)	
2025	\$ —	\$ —
2026	1,900,000	674,875
2027	150,000	82,764
2028	783,203	555,996
2029	2,363,306	2,403,923
Thereafter	5,191,602	2,309,237
Total	\$ 10,388,111	\$ 6,026,795

Warehouse Credit Facilities

Our warehouse credit facilities allow us to borrow up to an aggregate of \$4.6 billion, mature between 2026 and 2032 and subject to covenant compliance, generally permit borrowings up to 4 - 12 months prior to the final maturity date. As of March 31, 2025, we have drawn an aggregate of \$1.5 billion on our warehouse credit facilities. As of March 31, 2025, we were in compliance with all applicable covenants in the agreements.

We use various credit facilities to finance the origination of loan receivables in Canada. Similar to our U.S. warehouse credit facilities, borrowings under these agreements are referred to as funding debt, and proceeds from the borrowings may only be used for the purposes of facilitating loan funding and origination. These facilities are secured by Canadian loan receivables pledged to the respective facility as collateral, maturing between 2028 and 2030. As of March 31, 2025, the aggregate commitment amount of these facilities was \$588.1 million on a revolving basis, of which \$364.1 million was drawn.

As we continue to expand in new geographies, we intend to add the necessary funding capacity to support our growth objectives.

Variable Funding Note

We have entered into a syndicated revolving loan agreement through a securitization master trust which is utilized to fund the purchase and origination of loans. In connection with the loan agreement, the master trust issued a variable funding note ("VFN"), where borrowings will be secured by loan collateral sold to the master trust. Our VFN allows us to borrow up to an aggregate of \$1.2 billion and matures in 2032. As of March 31, 2025, we have drawn an aggregate of \$0.1 billion on our VFN and have an aggregate of \$1.1 billion available. As of March 31, 2025, we were in compliance with all applicable covenants in the agreements.

Sale and Repurchase Agreements

We entered into various sale and repurchase agreements pursuant to our retained interests in our off-balance sheet securitizations where we have sold these securities to a counterparty with an obligation to repurchase at a future date and price. These repurchase agreements have a term equaling the contractual life of the securitization notes pledged. We had \$44.2 million in debt outstanding under our sale and repurchase agreements disclosed within funding debt in the interim condensed consolidated balance sheets as of March 31, 2025.

Securitizations

We finance the origination and purchase of loans through our asset-backed securitization program using a combination of amortizing, revolving and variable funding structures. In connection with our program, we sponsor and establish trusts (deemed to be VIEs) which issue securities collateralized by the loans we sell to the trust. Securities issued from our asset-backed securitizations are senior or subordinated, based on the waterfall criteria of loan payments to each security class. The subordinated residual interests issued from these transactions are first to absorb credit losses in accordance with the waterfall criteria. For these VIEs, the creditors have no recourse to the

general credit of Affirm and the liabilities of the VIEs can only be settled by the respective VIEs' assets. Additionally, the assets of the VIEs can be used only to settle obligations of the VIEs. Refer to Note 9. Securitization and Variable Interest Entities in the notes to the interim condensed consolidated financial statements for further details.

Revolving Credit Facility

On December 16, 2024, we entered into an amendment to our revolving credit facility in order to permit the incurrence of indebtedness pursuant to the 2029 Senior Convertible Notes. Our revolving credit facility, has an aggregate commitment amount of \$330.0 million, with a final maturity date of June 26, 2027. As of March 31, 2025, there are no borrowings outstanding under the facility. The facility contains certain covenants and restrictions, including certain financial maintenance covenants. As of March 31, 2025, we were in compliance with all applicable covenants in the agreements. Refer to Note 8. Debt in the notes to the interim condensed consolidated financial statements for further details on our revolving credit facility.

Convertible Senior Notes

Our convertible senior notes have an aggregate principal balance of \$1.2 billion, and bear no interest, in the case of the 2026 Notes, and 0.75% per year, in the case of the 2029 Notes, which is payable semiannually. The 2026 Notes mature on November 15, 2026, and the 2029 Notes mature on December 15, 2029, in each case unless earlier converted, redeemed, or repurchased in accordance with their terms. Refer to Note 8. Debt in the notes to the interim condensed consolidated financial statements for further details.

Other Funding Sources

Forward Flow Loan Sale Arrangements

We have forward flow loan sale arrangements that facilitate the sale of whole loans across a diverse third-party investor base. Forward flow arrangements are generally fixed term in nature, with term lengths ranging between one to three years, during which we periodically sell loans to each counterparty based on the terms of our negotiated agreement.

Cash Flow Analysis

The following table provides a summary of cash flow data during the periods indicated:

	Nine Months Ended March 31,	
	2025	2024
	(in thousands)	
Net cash provided by operating activities	719,272	381,375
Net cash used in investing activities	(628,550)	(787,516)
Net cash provided by financing activities	364,166	767,180

Cash Flows from Operating Activities

Our largest sources of operating cash are fees charged to merchant partners on transactions processed through our platform and interest income from consumers' loans. Our primary uses of cash from operating activities are for general and administrative, technology and data analytics, funding costs, processing and servicing, and sales and marketing expenses.

Net cash provided by operating activities was \$719.3 million for the nine months ended March 31, 2025. Net loss of \$17.1 million was adjusted for the add back of non-cash items and other adjustments increasing operating cash flows by \$632.2 million, and changing operating assets net of operating liabilities resulting in a net increase in operating cash flows of \$104.2 million. The non-cash item adjustments are primarily attributable to

\$460.1 million provision for credit losses, \$230.1 million commercial agreement warrant expense, \$255.9 million stock-based compensation expense, and \$161.1 million depreciation and amortization expense, which were partially offset by \$264.7 million gain on sale of loans, and \$171.8 million amortization of premiums and discounts on loans. The net increase in cash from changes in operating assets and liabilities was primarily driven by an increase in accounts receivable of \$123.9 million, and a \$17.4 million increase in payable to third-party loan owners, partially offset by a decrease in other assets of \$18.0 million and a decrease in accrued expenses and other liabilities of \$18.8 million.

Net cash provided by operating activities was \$381.4 million for the nine months ended March 31, 2024. Net loss of \$472.6 million was adjusted for the add back of net non-cash items and other adjustments increasing operating cash flows by \$826.8 million, and changing operating assets net of operating liabilities resulting in an increase in operating cash flows of \$27.2 million. The net changes in cash from changes in operating assets and liabilities was primarily driven by an increase in cash proceeds generated from the sale of loans held for sale of \$3.2 billion, which was offset by cash used for purchases and origination of loans held for sale of \$3.1 billion, an increase to other assets of \$58.2 million, an increase in accounts payable of \$6.6 million, partially offset by a decrease in accounts receivable of \$105.8 million, and a \$44.0 million increase in payable to third-party loan owners.

Cash Flows from Investing Activities

Net cash used in investing activities was \$628.6 million for the nine months ended March 31, 2025, which consisted of outflows related to \$22.7 billion of purchases and origination of loans held for investment, including originated and purchased loans of \$4.4 billion and \$18.3 billion, respectively, during the period, \$553.6 million of purchases of securities available for sale, and \$141.1 million of property, equipment and software additions. Inflows related to \$13.6 billion of principal repayments of loans, \$8.1 billion of proceeds from sale of loans held for investment, and \$984.4 million of proceeds from maturities of securities available for sale.

Net cash used in investing activities was \$787.5 million for the nine months ended March 31, 2024, which consisted of outflows related to \$15.6 billion of purchases and origination of loans held for investment, including originated and purchased loans of \$3.2 billion and \$12.4 billion, respectively, during the period, \$461.2 million of purchases of securities available for sale, and \$121.0 million of property, equipment and software additions. Inflows related to \$10.3 billion of principal repayments of loans, \$4.2 billion of proceeds from sale of loans held for investment, and \$891.9 million of proceeds from maturities of securities available for sale.

Cash Flows from Financing Activities

Net cash provided by financing activities was \$364.2 million for the nine months ended March 31, 2025, and primarily consisted of net cash inflows of \$850.0 million from the new issuance and repayment of notes and residual trust certificates issued by securitization trusts, \$920.0 million from proceeds, net of debt issuance costs, related to the issuance of the 2029 Notes, and \$48.7 million related to borrowing and repayment of funding debt. This was partially offset by net cash outflows of \$1.0 billion related to the extinguishment and repurchase of a portion of our 2026 Notes, \$250.0 million related to repurchase of common stock shares in connection with the issuance of the 2029 Notes, and net cash outflows of \$241.6 million related to taxes paid on vested RSUs.

Net cash provided by financing activities was \$767.2 million for the nine months ended March 31, 2024, and primarily consisted of net cash inflows of \$1.1 billion from the new issuance and repayment of notes and residual trust certificates issued by securitization trusts. This was partially offset by net cash outflows of \$158.9 million related to borrowing and repayment of funding debt.

Contractual Obligations

There were no material changes outside of the ordinary course of business in our commitments and contractual obligations for the three and nine months ended March 31, 2025 from the commitments and contractual obligations disclosed in the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations — Contractual Obligations*,” set forth in our Annual Report on Form 10-K for the fiscal year ended June 30, 2024, which was filed with the SEC on August 28, 2024.

Off-Balance Sheet Arrangements

In the ordinary course of business, we engage in activities that are not reflected on our interim condensed consolidated balance sheets, generally referred to as off-balance sheet arrangements. These activities involve transactions with unconsolidated VIEs, including our sponsored securitization transactions, which we contractually service.

For off-balance sheet loan sales where servicing is the only form of continuing involvement, we could experience a loss if we were required to repurchase a loan due to a breach in representations and warranties associated with our loan sale or servicing contracts.

For unconsolidated securitization transactions where Affirm is the sponsor and risk retention holder, Affirm could experience a loss of up to 5% of both the senior notes and residual trust certificates. In the unlikely event principal payments on the loans backing any off-balance sheet securitization are insufficient to pay holders of senior notes and residual trust certificates, including any retained interests held by Affirm, then any amounts we contributed to the securitization reserve accounts may be depleted. Refer to Note 9. Securitization and Variable Interest Entities in the notes to the interim condensed consolidated financial statements for further details.

As of March 31, 2025, the aggregate outstanding balance of loans held by third-party investors and off-balance sheet securitizations was \$6.8 billion.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with U.S. GAAP and requires us to make certain estimates and judgments that affect the amounts reported in our consolidated financial statements. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Because certain of these accounting policies require significant judgment, our actual results may differ materially from our estimates. To the extent that there are differences between our estimates and actual results, our future consolidated financial statement presentation, financial condition, results of operations, and cash flows may be affected. We evaluate our critical accounting policies and estimates on an ongoing basis and update them as necessary based on changes in market conditions or factors specific to us. There have been no material changes in our significant accounting policies or critical accounting estimates during the three and nine months ended March 31, 2025.

For a complete discussion of our significant accounting policies and critical accounting estimates, refer to our Annual Report on Form 10-K for the year ended June 30, 2024 within Note 2 to the Notes to Consolidated Financial Statements and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations— Critical Accounting Policies and Estimates.*”

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We have operations within the United States, Canada and the United Kingdom, and we are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and interest rates. Our market risk exposure is primarily the result of fluctuations in interest rates. Foreign currency exchange rates do not pose a material market risk exposure, as our current operations are primarily in the U.S.

Interest Rate Risk

As of March 31, 2025, we held \$780.2 million of marketable debt securities with maturities greater than three months. An increase in interest rates would have an adverse impact on the fair market value of our fixed rate securities while floating rate securities would produce less income than expected if interest rates were to decrease. Because our investment policy is to invest in conservative, liquid investments and because our business strategy does not rely on generating material returns from our investment portfolio, we do not expect our market risk exposure on marketable debt securities to be significant.

Continued volatility in interest rates and inflation, which may persist longer than previously expected, may adversely impact our consumers' spending levels, and ability and willingness to pay outstanding amounts owed to us. Higher interest rates may lead to higher payment obligations on our future credit products but also for consumers' other financial commitments, including their mortgages, credit cards, and other types of loans. Therefore, higher interest rates may lead to increased delinquencies, charge-offs, and allowances for loans and interest receivable, which could have an adverse effect on our operating results.

We rely on a variety of funding sources with varying degrees of interest rate sensitivities. Certain of our funding arrangements bear a variable interest rate, including borrowings from our warehouse facilities and our securitization variable funding note. Given the fixed interest rates charged on the loans that we purchase from our originating bank partners or originate ourselves, a rising variable interest rate would reduce our interest margin earned in these funding arrangements. Additionally, certain of our loan sale agreements are repriced on a recurring basis using a mechanism tied to interest rates as well as loan performance. Increases in interest rates could reduce our loan sale economics. We also rely on securitization transactions, which issue asset-backed securities typically bearing a fixed coupon. For future securitization issuances, higher interest rates could have several outcomes. For consolidated securitizations, higher interest rates may result in higher coupons paid and therefore higher funding costs. For transactions that are not consolidated, higher interest rates may impact overall deal economics which are a function of numerous transaction terms.

We maintain an interest rate risk management program which measures and manages the potential volatility of earnings that may arise from changes in interest rates. We use interest rate derivatives to mitigate the effects of changes in interest rates on our variable rate debt which eliminates some, but not all, of the interest rate risk. Some of these contracts are designated as cash flow hedges for accounting purposes. For those contracts designated as cash flow hedges, the effective portion of the gain or loss on the derivatives is recorded in other comprehensive loss and is reclassified into funding costs in the same period the hedged transaction affects earnings. Factoring in the interest rate risk management program and the repricing of investment securities, as of March 31, 2025, we estimate that a hypothetical instantaneous 100 basis point upward parallel shock to interest rates would have a less than \$60.0 million adverse impact on our cash flows associated with our market risk sensitive instruments over the next 12 months. This measure projects the changes in cash flows associated with all assets and liabilities, including derivatives, based on contractual market rate-based repricing conditions over a twelve-month time horizon. It considers forecasted business growth and anticipated future funding mix.

Credit Risk

We have credit risk primarily related to our consumer loans held for investment. We are exposed to default risk on both loan receivables purchased from our originating bank partners and loan receivables that are directly originated. The ultimate collectability of a substantial portion of the loan portfolio is susceptible to changes in economic and market conditions. To manage this risk, we utilize our proprietary underwriting models to make lending decisions, score, and price loans in a manner that we believe is reflective of the credit risk. Other credit levers, such as user limits and/or down payment requirements, are used to determine the likelihood of a consumer being able to pay.

To monitor portfolio performance, we utilize a wide range of internal and external metrics to review user and loan populations. Each week, management reviews performance for each consumer segment, typically split by ITACs model score, financial product originated, age of loan, and delinquency status. Internal performance trendlines are measured against external factors such as unemployment, CPI, and consumer sentiment to determine what changes, if any, in risk strategy is warranted.

As of March 31, 2025 and June 30, 2024, we were exposed to credit risk on \$6.6 billion and \$5.7 billion, respectively, of loans held on our interim condensed consolidated balance sheet. Loan receivables are diversified geographically. As of March 31, 2025 and June 30, 2024, approximately 11% of loan receivables related to customers residing in the state of California. Approximately 10% of loan receivables related to customers residing in the state of Texas as of March 31, 2025 but did not exceed 10% as of June 30, 2024. No other states or provinces exceeded 10%.

In addition, we have credit risk exposure in relation to certain off-balance sheet loans sold to third parties where we have entered into risk sharing arrangements and through our retained interests in unconsolidated securitization trusts. As of March 31, 2025 and June 30, 2024, we have sold \$7.8 billion and \$4.2 billion, respectively, of unpaid principal balance of loans which are subject to risk sharing arrangements, of which our maximum exposure to losses was \$94.3 million and \$81.2 million, respectively. This amount includes our maximum potential loss with respect to risk sharing liabilities of \$33.1 million and the fair value of risk sharing assets of \$61.2 million, as of March 31, 2025. The fair value of notes receivable and residual trust certificate retained interests in unconsolidated securitization trusts was \$50.9 million and \$23.8 million as of March 31, 2025 and March 31, 2024, respectively.

We are also exposed to credit risk in the event of nonperformance by the financial institutions holding our cash and the issuers of our cash equivalents and available for sale securities. We maintain our cash deposits and cash equivalents in highly-rated, federally-insured financial institutions in excess of federally insured limits. We manage this risk by conducting business with well-established financial institutions, diversifying our counterparties and having guidelines regarding credit rating and investment maturities to safeguard liquidity. Although, we are not substantially dependent on a single financing source and have not historically experienced any credit losses related to these financial institutions, if multiple financing sources were to be unable to fulfill their funding obligations to us, it could have a material adverse effect on our financial condition, results of operations and cash flows.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer (“CEO”) and our Chief Financial Officer (“CFO”), has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation, our CEO and CFO concluded that such disclosure controls and procedures were effective as of the end of the period covered by this Quarterly Report on Form 10-Q and designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the requisite time periods specified in the applicable rules and forms and is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitation on the Effectiveness of Internal Control

The effectiveness of any system of internal control over financial reporting is subject to inherent limitations, including the exercise of judgment in designing, implementing, operating, and evaluating the controls and procedures, and the inability to eliminate misconduct completely. Accordingly, any system of internal control over financial reporting, no matter how well designed and operated, can only provide reasonable, not absolute assurance that its objectives will be met. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. We intend to continue to monitor and upgrade our internal controls as necessary or appropriate for our business but such improvements will be subject to the same inherent limitations outlined in this section.

Part II - Other Information

Item 1. Legal Proceedings

Please refer to Note 7. Commitments and Contingencies of the accompanying notes to our interim condensed consolidated financial statements.

From time to time, we may be subject to other legal proceedings and claims in the ordinary course of business. We are not presently a party to any such other legal proceedings that, if determined adversely to us, would individually or taken together have a material adverse effect on our business, results of operations, financial condition, or cash flows. The results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors.

Item 1A. Risk Factors

The risks described under the heading “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended June 30, 2024 could materially and adversely affect our business, financial condition, results of operations, cash flows, future prospects, and the trading price of our Class A common stock. The risks and uncertainties described therein are not the only ones we face. Additional risks and uncertainties that we are unaware of or that we currently deem immaterial may also become important factors that adversely affect our business.

You should carefully read and consider such risks, together with all of the other information in our Annual Report on Form 10-K for the fiscal year ended June 30, 2024, in this Quarterly Report on Form 10-Q (including the disclosures in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and in our interim condensed consolidated financial statements and related notes), and in the other documents that we file with the SEC.

Except as may be reflected in the updated risk factors included below, there have been no material changes from the risk factors previously disclosed under the heading “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended June 30, 2024.

Risks Related 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 0% convertible senior notes due 2026 (the “2026 Notes”) and our 0.75% convertible senior notes due 2029 (the “2029 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.

We may not have the ability to raise the funds necessary to settle conversions of the 2026 Notes and/or the 2029 Notes, to repay the 2026 Notes and/or the 2029 Notes at maturity or to repurchase the 2026 Notes and/or the 2029 Notes upon a fundamental change, and our future debt may contain limitations on our ability to pay cash upon conversion or repurchase of the 2026 Notes and/or the 2029 Notes.

Holders will have the right to require us to repurchase their 2026 Notes or 2029 Notes, as applicable, upon the occurrence of a fundamental change at a fundamental change repurchase price equal to 100% of the principal amount of the 2026 Notes or the 2029 Notes, as applicable, to be repurchased, plus accrued and unpaid special interest in the case of the 2026 Notes, or accrued and unpaid interest in the case of the 2029 Notes, in each case, if any. In addition, upon conversion of the 2026 Notes or the 2029 Notes, as applicable, we will be required to make cash payments for each \$1,000 in principal amount of 2026 Notes or 2029 Notes, as applicable, converted of at least the lesser of \$1,000 and the sum of the daily conversion values as described in the indenture governing the 2026 Notes or the indenture governing the 2029 Notes, as applicable. 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 therefore or pay cash with respect to the 2026 Notes or the 2029 Notes, as applicable, being converted. In addition, our ability to repurchase the 2026 Notes or the 2029 Notes, as applicable, or to pay cash upon conversions of the 2026 Notes or the 2029 Notes, as applicable, may be limited by law, by regulatory authority or by agreements governing our future indebtedness. Our failure to repurchase 2026 Notes or the 2029 Notes, as applicable, at a time when the repurchase is required or to pay any cash payable on future conversions of the 2026 Notes or the 2029 Notes, as applicable, would constitute a default under the indenture governing the 2026 Notes or the indenture governing the 2029 Notes, as applicable. A default under the indenture governing the 2026 Notes or the indenture governing the 2029 Notes, as applicable, 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 2026 Notes or the 2029 Notes, as applicable, or make cash payments upon conversions thereof.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

(c) *Rule 10b5-1 Trading Plans*

During the three months ended March 31, 2025, the following directors and officers of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K, as follows:

On February 14, 2025, Michael Linford, our Chief Operating Officer, adopted a Rule 10b5-1 trading arrangement providing for the sale of the Company's Class A common stock (a “Rule 10b5-1 Trading Plan”) that is intended to satisfy the affirmative defense conditions of Exchange Act Rule 10b5-1(c). Mr. Linford's Rule 10b5-1 Trading Plan provides for the exercise of up to 200,000 employee stock options and the sale of the underlying shares of our Class A common stock pursuant to one or more limit orders on or after May 16, 2025 until November 15, 2025, or earlier if all transactions under the trading arrangement are completed.

On March 17, 2025, Max Levchin, our Chief Executive Officer, adopted a Rule 10b5-1 Trading Plan. Mr. Levchin's Rule 10b5-1 Trading Plan provides for the exercise of up to 4,000,000 employee stock options and the sale of the underlying shares of our Class A common stock pursuant to one or more limit orders on or after June 20, 2025 until June 18, 2026, or earlier if all transactions under the trading arrangement are completed.

No other directors or officers, as defined in Rule 16a-1(f), adopted and/or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement,” as defined in Regulation S-K Item 408, during the three months ended March 31, 2025.

Item 6. Exhibits

Exhibit Number	Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
4.1	Second Replacement Warrant to Purchase Class A Common Stock of Affirm Holdings, Inc., by and between Affirm Holdings, Inc. and Amazon.com Services LLC, dated as of February 14, 2025*					X
10.1	Global Customer Installment Program Agreement, dated February 14, 2025, by and between Shopify Inc. and Affirm, Inc.*					X
10.2+	Cash Incentive Plan					X
10.3+	Officer Severance Plan					X
31.1	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.1	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
32.2	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	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					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document					X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					X
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)					X
+	Denotes management contract or compensatory plan or arrangement.					
*	Portions of the exhibit have been omitted as the Company has determined that: (i) the omitted information is not material; and (ii) the Company customarily and actually treats the omitted information as private or confidential.					

SIGNATURES

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

AFFIRM HOLDINGS, INC.

Date: May 8, 2025

By: /s/ Max Levchin
Max Levchin
Chief Executive Officer
(Principal Executive Officer)

By: /s/ Rob O'Hare
Rob O'Hare
Chief Financial Officer
(Principal Financial Officer)

Certain identified information in this document has been excluded because it is both (i) not material and (ii) is the type of information that the Company customarily and actually treats as private or confidential. This document has been marked with “[***]” to indicate where omissions have been made.

SECOND REPLACEMENT WARRANT TO PURCHASE CLASS A COMMON STOCK

THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD, OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT OR SUCH LAWS.

THIS INSTRUMENT IS ISSUED PURSUANT TO AND SUBJECT TO THE RESTRICTIONS ON TRANSFER AND OTHER PROVISIONS OF A TRANSACTION AGREEMENT, DATED AS OF NOVEMBER 10, 2021, BY AND BETWEEN THE ISSUER OF THESE SECURITIES AND AMAZON.COM SERVICES LLC, A DELAWARE LIMITED LIABILITY COMPANY, A COPY OF WHICH IS ON FILE WITH THE ISSUER. THE SECURITIES REPRESENTED BY THIS INSTRUMENT MAY NOT BE SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH SAID AGREEMENT. ANY SALE OR OTHER TRANSFER NOT IN COMPLIANCE WITH SAID AGREEMENT WILL BE VOID.

**WARRANT
to purchase
3,500,000
Shares of Class A Common Stock of
Affirm Holdings, Inc.
a Delaware Corporation**

Issue Date: February 14, 2025

1. **Definitions.** Unless the context otherwise requires, when used herein, the following terms shall have the meanings indicated.

“**30-Day VWAP**” means, as of any date, the volume weighted average price per share of the Common Stock, or any successor security thereto, (rounded to the nearest second decimal place) on the Principal Trading Market (as reported by Bloomberg L.P. (or its successor) or if not available, by Dow Jones & Company Inc., or if neither is available, by another authoritative source mutually agreed by the Company and the Warrantholder) from 9:30 a.m. (New York City time) on the Trading Day that is 30 Trading Days preceding such date to 4:00 p.m. (New York City time) on the last Trading Day immediately preceding such date.

“**Acquisition Transaction**” has the meaning ascribed to it in the Transaction Agreement.

“**Affiliate**” has the meaning ascribed to it in the Transaction Agreement.

“AICPA” has the meaning set forth in the definition of “Appraisal Procedure.”

“Amazon” has the meaning ascribed to it in the Commercial Agreement.

“Antitrust Laws” has the meaning ascribed to it in the Transaction Agreement.

“Appraisal Procedure” means a procedure in accordance with the American Institute of Certified Public Accounts, Inc. (“AICPA”) “VS Section 100 - Valuation of a Business, Business Ownership Interest, Security or Intangible Asset” and such other associated AICPA guidance as is reasonable and applicable whereby two independent appraisers, each employed by firms nationally recognized for valuation expertise and each reasonably experienced in appraising the market value of securities of size in value and characteristics of the Warrant (each a “Qualified Appraiser”), one chosen by the Company and one by the Warrantholder, shall mutually agree upon the determinations then the subject of appraisal. Each party shall deliver a notice to the other appointing its Qualified Appraiser within 15 days after the date that the Appraisal Procedure is invoked. If within 30 days after receipt by each party of the notices appointing the two Qualified Appraisers, such appraisers are unable to agree upon the amount in question, a third Qualified Appraiser shall be chosen within ten days after the end of such 30-day period by: (i) the mutual consent of such first two Qualified Appraisers; or (ii) if such two first Qualified Appraisers fail to agree upon the appointment of a third appraiser, such appointment shall be made by the American Arbitration Association, or any organization successor thereto, from a panel of Qualified Appraisers on the application of either of the first two Qualified Appraisers. If any Qualified Appraiser initially appointed shall, for any reason, be unable to serve, a successor Qualified Appraiser shall be appointed in accordance with the procedures pursuant to which the predecessor Qualified Appraiser was appointed. In the event a third Qualified Appraiser is appointed, the decision of such third Qualified Appraiser shall be given within 30 days after such Qualified Appraiser’s selection. If three Qualified Appraisers are appointed and the determination of one appraiser is disparate from the middle determination by more than twice the amount by which the other determination is disparate from the middle determination, then (a) the determination of such appraiser shall be excluded, (b) the remaining two determinations shall be averaged, and (c) such average shall be binding and conclusive upon the Company and the Warrantholder; otherwise, the average of all three determinations shall be binding and conclusive upon the Company and the Warrantholder. The costs of conducting any Appraisal Procedure shall be borne 50% by the Company and 50% by the Warrantholder. The Qualified Appraisers shall act as experts and not arbitrators.

“Attribution Parties” has the meaning set forth in Section 12(i).

[***]

“Beneficial Ownership Limitation” has the meaning set forth in Section 12(ii).

[***]

“Board” has the meaning ascribed to it in the Transaction Agreement.

“Business Combination” means a merger, consolidation, statutory share exchange, reorganization, recapitalization, or similar extraordinary transaction (which may include a reclassification) involving the Company.

“Business Day” has the meaning ascribed to it in the Transaction Agreement.

“Cash Exercise” has the meaning set forth in Section 3(ii).

“Cashless Exercise” has the meaning set forth in Section 3(ii).

“Cashless Exercise Ratio” with respect to any exercise of this Warrant means a fraction (i) the numerator of which is the excess of (x) the 30-Day VWAP as of the exercise date over (y) the Exercise Price, and (ii) the denominator of which is the 30-Day VWAP as of the exercise date.

“Chosen Courts” has the meaning set forth in Section 13.

“Commercial Agreement” means the Amended and Restated Installment Financing Services Agreement, effective as of November 10, 2021, by and between the Company, Amazon.com Services LLC and Amazon Payments, Inc., as it may be amended from time to time.

“Commission” has the meaning ascribed to it in the Transaction Agreement.

“Common Stock” means the Class A common stock, \$0.00001 par value per share, of the Company.

“Company” means Affirm Holdings, Inc., a Delaware corporation.

“Confidentiality Agreement” has the meaning ascribed to it in the Transaction Agreement.

“conversion” has the meaning ascribed to it in the Transaction Agreement.

“Designated Company Office” has the meaning set forth in Section 3(ii).

“Distribution” has the meaning set forth in Section 11(ii).

“DTC” has the meaning ascribed to it in the Transaction Agreement.

“DWAC” has the meaning ascribed to it in the Transaction Agreement.

“Equity Securities” has the meaning ascribed to it in the Transaction Agreement.

“Exchange Act” has the meaning ascribed to it in the Transaction Agreement.

“Exercise Conditions” has the meaning set forth in Section 3(iii).

“Exercise Period” has the meaning set forth in Section 3(ii).

“Exercise Price” means \$0.01.

“Expiration Time” has the meaning set forth in Section 3(ii).

“Fair Market Value” means, with respect to any security or other property, the fair market value of such security or other property as determined by the Board, acting reasonably, in good faith and evidenced by a written notice delivered promptly to the Warrantholder (which written notice shall include certified resolutions of the Board in respect thereof). If the Warrantholder objects in writing to the Board of Director’s calculation of fair market value within ten Business Days after receipt of written notice thereof, and the Warrantholder and the Company are unable to agree on the fair market value during the ten-day period following the delivery of the Warrantholder’s objection, the Appraisal Procedure may be invoked by either the Company or the Warrantholder to determine the fair market value of such security or other property by delivering written notification thereof not later than the 30th day after delivery of the Warrantholder objection. For the avoidance of doubt, the Fair Market Value of cash shall be the amount of such cash.

“Group” has the meaning ascribed to it in the Transaction Agreement.

“Initial Antitrust Clearance” has the meaning ascribed to it in the Transaction Agreement.

“Maximum Limitation” has the meaning ascribed to it in the Transaction Agreement.

“Original Warrant” has the meaning set forth in Section 2.

“Permitted Transactions” means (a) issuances of shares of Common Stock (including upon exercise of options) to directors, advisors, employees, or consultants of the Company pursuant to a stock option plan, employee stock purchase plan, restricted stock plan, other employee benefit plan, or other similar compensatory agreement or arrangement approved by the Board and (b) shares of Common Stock issuable upon exercise of this Warrant.

“Person” has the meaning given to it in Section 3(a)(9) of the Exchange Act and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act.

“Principal Trading Market” means the trading market on which the Common Stock, or any successor security thereto, is primarily listed on and quoted for trading, and which, as of the Issue Date is The NASDAQ Global Select Market.

“Qualified Appraiser” has the meaning set forth in the definition of “Appraisal Procedure.”

[***]

“Replacement Warrant” has the meaning set forth in Section 2.

“Securities Act” has the meaning ascribed to it in the Transaction Agreement.

“Share Delivery Date” has the meaning set forth in Section 4(i).

“Subject Adjustment” has the meaning set forth in Section 11(v).

“Subject Record Date” has the meaning set forth in Section 11(v).

“subsidiary” has the meaning ascribed to it in the Transaction Agreement.

“Termination Notice” has the meaning set forth in Section 3(vii).

“Trading Day” means a day on which the Principal Trading Market is open for trading.

“Transaction Agreement” means the Transaction Agreement, dated as of November 10, 2021, as it may be amended from time to time, by and between the Company and Amazon.com Services LLC, including all annexes, schedules, and exhibits thereto.

“Transaction Documents” has the meaning ascribed to it in the Transaction Agreement.

“Vesting Event” means (a) with respect to 1,000,000 Warrant Shares, the execution of the Commercial Agreement, and (b) with respect to 6,000,000 Warrant Shares, as set forth on Annex C. For the avoidance of doubt, (i) Vesting Events shall stop occurring once the number of Warrant Shares specified under Section 2 have vested pursuant to Vesting Events, and (ii) if a given Vesting Event would cause the number of shares vested to exceed the number of Warrant Shares specified under Section 2 then only the number of shares up to and including the total number of Warrant Shares specified under Section 2 (subject to applicable adjustment or supplementation under this Agreement) shall vest during the final such Vesting Event.

[***]

“Warrant” means this Warrant, issued pursuant to the Transaction Agreement.

“Warrant Shares” has the meaning set forth in Section 2.

“Warrantholder” means, in relation to the Warrant, the Person who is the holder of such Warrant. The Warrantholder shall initially be Amazon.com Services LLC, a Delaware limited liability company.

2. Number of Warrant Shares; Exercise Price. This certifies that, for value received, the Warrantholder or its permitted assigns or transferees is entitled, upon the terms hereinafter set forth, to acquire from the Company, in whole or in part, up to a maximum aggregate of 3,500,000 fully paid and nonassessable shares of Common Stock (the “Warrant Shares”), at a purchase price per share of Common Stock equal to the Exercise Price. The Warrant Shares and Exercise Price are subject to adjustment and/or may be supplemented by or converted into other Equity Securities as provided herein, and all references to “Common Stock,” “Warrant Shares,” and “Exercise Price” herein shall be deemed to include any such adjustment, supplement, and/or conversion or series of adjustments, supplements, or conversions. This Warrant is issued in connection with the partial exercise of and in replacement of that certain Replacement Warrant to

Purchase Class A Common Stock with issue date February 5, 2025 (the “Replacement Warrant”), which was issued in connection with the partial exercise and in replacement of that certain Warrant to Purchase Class A Common Stock with issue date November 10, 2021 (the “Original Warrant”). Each of the Replacement Warrant and the Original Warrant were surrendered upon such partial exercise and all rights to acquire shares of the Company’s capital stock thereunder are hereby canceled and terminated.

3. Exercise of Warrant; Term; Other Agreements; Book Entry; Cancellation.

(i) Promptly following the end of each calendar quarter prior to the Expiration Time and if a Vesting Event has occurred, the Company shall deliver to the Warrantholder a Notice of Vesting Event in the form attached as Annex A hereto; provided that neither the delivery, nor the failure of the Company to deliver, such Notice of Vesting Event shall affect or impair the Warrantholder’s rights or the Company’s obligations hereunder.

(ii) Subject to (A) Section 2, Section 11(iii), and Section 12, and (B) compliance with the Antitrust Laws (including with respect to any Warrant Shares issuable from exercise of this Warrant upon an additional Vesting Event or otherwise), as may be applicable, the right to purchase Warrant Shares represented by this Warrant is exercisable, in whole or in part by the Warrantholder, at any time or from time to time, from and after the applicable Vesting Event, but in no event later than 5:00 p.m., Seattle time, on May 9, 2029 (subject to extension pursuant to Section 3(iii)), such time as extended, if applicable, the “Expiration Time” and such period from and after the applicable Vesting Event through the Expiration Time, the “Exercise Period”), by (a) the surrender of this Warrant and the Notice of Exercise attached as Annex B hereto, duly completed and executed on behalf of the Warrantholder, to the Company in accordance with Section 16 (or such other office or agency of the Company in the United States as it may designate by notice to the Warrantholder in accordance with Section 16 hereof (the “Designated Company Office”)), and (b) payment of the Exercise Price for the Warrant Shares thereby purchased by, at the sole election of the Warrantholder, either: (i) tendering in cash, by certified or cashier’s check payable to the order of the Company, or by wire transfer of immediately available funds to an account designated by the Company (such manner of exercise, a “Cash Exercise”) or (ii) without payment of cash, by reducing the number of Warrant Shares obtainable upon the exercise of this Warrant (either in full or in part, as applicable) and payment of the Exercise Price in cash so as to yield a number of Warrant Shares obtainable upon the exercise of this Warrant (either in full or in two or more parts, as applicable) equal to the product of (x) the number of Warrant Shares issuable upon the exercise of this Warrant (either in full or in two or more parts, as applicable) (if payment of the Exercise Price were being made in cash) and (y) the Cashless Exercise Ratio (such manner of exercise, a “Cashless Exercise”); provided that such product shall be rounded to the nearest whole Warrant Share.

(iii) Notwithstanding the foregoing, if at any time during the Exercise Period the Warrantholder has not exercised this Warrant in full as a result of there being insufficient Warrant Shares available for issuance or the lack of any required regulatory, corporate or other approval (including, for the avoidance of doubt, any approval required under the Antitrust Laws (including the Initial Antitrust Clearance), if so applicable) (collectively, the “Exercise Conditions”), the Expiration Time shall be extended until 60 days after such date as the Warrantholder is able to acquire all of the vested Warrant Shares without violating any Exercise Conditions.

(iv) If the Warrantholder does not exercise this Warrant in its entirety, the Warrantholder shall be entitled to receive from the Company, upon request, a new warrant of like tenor in substantially identical form for the purchase of that number of Warrant Shares equal to the difference between the number of Warrant Shares and the number of Warrant Shares as to which this Warrant is so exercised.

(v) The Company shall either (a) maintain itself or (b) cause its transfer agent to maintain, in each case, books for the original issuance and the transfer and exercises of the Warrant issuable in connection therewith, in each case in accordance with the terms hereof in book-entry form. If the Company maintains books for the Warrant, then (I) the Company agrees that it will accept instructions from the Warrantholder for the transfer and exercise of the Warrants, to the extent permitted in accordance with the terms of the Warrant and the Transaction Agreement, and (II) the Company shall not require the delivery of the original Warrant or any copy thereof, in each case in certificated form, in connection with the transfer or exercise thereof. The Company shall be responsible for all fees and expenses with respect to maintaining the Warrant in book-entry form.

(vi) This Warrant, including with respect to its cancellation, is subject to the terms and conditions of the Transaction Agreement. Without affecting in any manner any prior exercise of this Warrant (or any Warrant Shares previously issued hereunder), if (a) the Transaction Agreement is terminated in accordance with Section 8.1 thereof or (b) the Warrantholder delivers to the Company a written, irrevocable commitment not to exercise this Warrant, then the Company shall have no obligation to issue, and the Warrantholder shall have no right to acquire, the unvested portion of any Warrant Shares under this Warrant.

(vii) [***]

4. Issuance of Warrant Shares; Authorization; Listing; Cash Settlement.

(i) The Company shall, within [***] following the date of exercise of this Warrant, instruct the Company's transfer agent to issue book-entry or book-entries for the Warrant Shares issued upon exercise of this Warrant [***] following the date of exercise of this Warrant (the "Share Delivery Date") in accordance with its terms in the name of the Warrantholder and shall deliver evidence of such book-entry or book-entries to the Warrantholder. If the Warrant Shares issued upon any exercise are registered under the Securities Act, in lieu of issuing a physical share certificate or book-entry, the Company's transfer agent shall use the DTC Fast Automated Securities Transfer Program to credit such aggregate number of Warrant Shares to which the Warrantholder is entitled pursuant to such exercise to the Warrantholder's or its designee's balance account with DTC through its DWAC system. The Company shall be responsible for all fees and expenses of its transfer agent and all fees and expenses with respect to the issuance of Warrant Shares via DTC, if any, including without limitation for same day processing.

(ii) The Company's obligations to issue and deliver Warrant Shares in accordance with the terms and subject to the conditions hereof are absolute and unconditional, irrespective of any action or inaction by the Warrantholder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation, or termination; provided, however, that the Company shall not be required to deliver Warrant Shares with respect to an exercise prior to the Warrantholder's delivery of the associated exercise price (or notice of cashless exercise).

(iii) The Company hereby represents and warrants that any Warrant Shares issued upon the exercise of this Warrant in accordance with the provisions of Section 3 will be validly issued, fully paid and nonassessable and free of any liens or encumbrances (other than liens or encumbrances created by or in accordance with the Transaction Documents, transfer restrictions arising as a matter of U.S. federal securities laws or created by or at the direction of the Warrantholder or any of its Affiliates). Following the issuance of any Warrant Shares, the Company shall register such issuance in book-entry form in the name of the Warrantholder. The Warrant Shares so issued shall be deemed for all purposes to have been issued to the

Warrantholder as of the close of business on the date on which this Warrant and payment of the Exercise Price are delivered to the Company in accordance with the terms of this Warrant, notwithstanding that the stock transfer books of the Company may then be closed or certificates representing such Warrant Shares may not be actually delivered on such date or credited to the Warrantholder's DTC account, as the case may be. The Company shall at all times reserve and keep available, out of its authorized but unissued Warrant Shares, solely for the purpose of providing for the exercise of this Warrant, the aggregate Warrant Shares then issuable upon exercise of this Warrant in full (disregarding whether or not this Warrant is exercisable by its terms at any such time).

(iv) The Company shall, at its sole expense, procure, subject to issuance or notice of issuance, the listing of any Warrant Shares issuable upon exercise of this Warrant on the Principal Trading Market on which such same class of Equity Securities are then listed or traded, promptly after such Warrant Shares are eligible for listing thereon.

5. No Fractional Shares or Scrip. No fractional Warrant Shares or other Equity Securities or scrip representing fractional Warrant Shares or other Equity Securities shall be issued upon any exercise of this Warrant. In lieu of any fractional share to which a Warrantholder would otherwise be entitled, the fractional Warrant Shares or other Equity Securities shall be rounded up to the next whole Warrant Share or other Equity Securities, and the Warrantholder shall be entitled to receive such rounded up number of Warrant Shares or other Equity Securities.

6. No Rights as Shareholders; Transfer Books. Without limiting in any respect the provisions of the Transaction Agreement and except as otherwise provided by the terms of this Warrant, this Warrant does not entitle the Warrantholder to act as a stockholder of the Company with respect to the Warrant Shares unless and until this Warrant is exercised with respect to the Warrant Shares and such shares are issued to the Warrantholder; for the avoidance of doubt, the this Warrant does not entitle the Warrantholder to (i) consent to any action of the shareholders of the Company, (ii) receive notice of or vote at any meeting of the shareholders, (iii) receive notice of any other proceedings of the Company, (iv) exercise any other rights whatsoever, in any such case, as a stockholder of the Company prior to the date of exercise of this Warrant, or (v) subject to Section 11(ii) below, receive cash dividends or similar distributions.

7. Charges, Taxes, and Expenses. Issuance of this Warrant and issuance of certificates for Warrant Shares to the Warrantholder upon the exercise of this Warrant shall be made without charge to the Warrantholder for any issue, registration or transfer tax, assessment or similar governmental charge (other than any such taxes, assessments or charges in respect of any transfer occurring contemporaneously therewith) or other incidental expense in respect of the issuance of such certificates, all of which taxes, assessments, charges and expenses shall be paid by the Company, other than the costs and expenses of counsel or any other advisor to or broker for the Warrantholder and its transferee.

8. Transfer/Assignment.

(i) This Warrant may be transferred only in accordance with the terms of the Transaction Agreement. Subject to compliance with the first sentence of this Section 8(i) and the legend as set forth on the cover page of this Warrant and the terms of the Transaction Agreement, this Warrant and all rights hereunder are transferable, in whole or in part, upon the books of the Company by the registered holder hereof in person or by duly authorized attorney, and a new Warrant shall be made and delivered by the Company, of the same tenor and date as this Warrant but registered in the name of one or more transferees, upon surrender of this Warrant, duly endorsed, to the Designated Company Office. If the transferring holder does not transfer the entirety of its rights to purchase all Warrant Shares hereunder, such holder shall be

entitled to receive from the Company a new Warrant in substantially identical form for the purchase of that number of Warrant Shares as to which the right to purchase was not transferred. All expenses (other than stock transfer taxes) and other charges payable in connection with the preparation, execution and delivery of the new Warrant pursuant to this Section 8 shall be paid by the Company.

(ii) If and for so long as required by the Transaction Agreement, any Warrant certificate or book-entry issued hereunder shall contain a legend as set forth in Section 4.2 of the Transaction Agreement.

9. Exchange and Registry of Warrant. This Warrant is exchangeable, subject to applicable securities laws, upon the surrender hereof by the Warrantholder to the Company, for a new warrant or warrants of like tenor and representing the right to purchase the same aggregate number of Warrant Shares. The Company shall maintain, or cause its transfer agent to maintain, a registry showing the name and address of the Warrantholder as the registered holder of this Warrant. This Warrant may be surrendered for exchange or exercise, in accordance with its terms, at the Designated Company Office, and the Company shall be entitled to rely in all respects, prior to written notice to the contrary, upon such registry.

10. Non-Business Day Extension. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then such action may be taken or such right may be exercised on the next succeeding day that is a Business Day.

11. Adjustments and Other Rights. The Exercise Price and Warrant Shares issuable upon exercise of this Warrant shall be subject to adjustment from time to time as follows; provided that if more than one subsection of this Section 11 is applicable to a single event, the subsection shall be applied that produces the largest adjustment and no single event shall cause an adjustment under more than one subsection of this Section 11 so as to result in duplication.

(i) Stock Splits, Subdivisions, Reclassifications, or Combinations. If the Company shall at any time or from time to time (a) declare, order, pay, or make a dividend or make a distribution on its Common Stock in additional shares of Common Stock, (b) split, subdivide, or reclassify the outstanding shares of Common Stock into a greater number of shares, or (c) combine or reclassify the outstanding shares of Common Stock into a smaller number of shares, the number of Warrant Shares issuable upon exercise of this Warrant at the time of the record date for such dividend or distribution or the effective date of such split, subdivision, combination, or reclassification shall be proportionately adjusted so that the Warrantholder immediately after such record date or effective date, as the case may be, shall be entitled to purchase the number of shares of Common Stock which such holder would have owned or been entitled to receive in respect of the shares of Common Stock subject to this Warrant after such date had this Warrant been exercised in full immediately prior to such record date or effective date, as the case may be (disregarding whether or not this Warrant had been exercisable by its terms at such time). In the event of such adjustment, the Exercise Price in effect at the time of the record date for such dividend or distribution or the effective date of such split, subdivision, combination, or reclassification shall be immediately adjusted to the number obtained by dividing (x) the product of (1) the number of Warrant Shares issuable upon the exercise of this Warrant in full before the adjustment determined pursuant to the immediately preceding sentence (disregarding whether or not this Warrant was exercisable by its terms at such time) and (2) the Exercise Price in effect immediately prior to the record or effective date, as the case may be, for the dividend, distribution, split, subdivision, combination, or reclassification giving rise to such adjustment by (y) the new number of Warrant Shares issuable upon exercise of the Warrant in full determined pursuant to the immediately preceding sentence (disregarding whether or not this Warrant is exercisable by its terms at such time).

(ii) [***]

(iii) Acquisition Transactions. In case of any Acquisition Transaction or reclassification of Common Stock (other than a reclassification of Common Stock subject to adjustment pursuant to Section 11(i)), notwithstanding anything to the contrary contained herein, (a) the Company shall notify the Warrantholder in writing of such Acquisition Transaction or reclassification [***], and (b) solely in the event of an Acquisition Transaction that is a Business Combination or a reclassification, the Warrantholder's right to receive Warrant Shares upon exercise of this Warrant shall be converted, effective upon the occurrence of such Business Combination or reclassification, into the right to exercise this Warrant to acquire the number of shares of stock or other securities or property (including cash) that the shares of Common Stock issuable (at the time of such Business Combination or reclassification) upon exercise of this Warrant immediately prior to such Business Combination or reclassification would have been entitled to receive upon consummation of such Business Combination or reclassification. In determining the kind and amount of stock, securities, or the property receivable upon exercise of this Warrant upon and following adjustment pursuant to this paragraph, if the holders of Common Stock have the right to elect the kind or amount of consideration receivable upon consummation of such Business Combination, then the Warrantholder shall have the right to make the same election upon exercise of this Warrant with respect to the number of shares of stock or other securities or property which the Warrantholder shall receive upon exercise of this Warrant. [***]

(iv) Rounding of Calculations; Minimum Adjustments. All calculations under this Section 11 shall be made to the nearest one-tenth (1/10th) of a cent or to the nearest one-hundredth (1/100th) of a share, as the case may be. Any provision of this Section 11 to the contrary notwithstanding, no adjustment in the Exercise Price or the number of Warrant Shares into which this Warrant is exercisable shall be made if the amount of such adjustment would be less than \$0.01 or one-tenth (1/10th) of a share of Common Stock, but any such amount shall be carried forward and an adjustment with respect thereto shall be made at the time of and together with any subsequent adjustment which, together with such amount and any other amount or amounts so carried forward, shall aggregate \$0.01 or one-tenth (1/10th) of a share of Common Stock, or more.

(v) Timing of Issuance of Additional Securities Upon Certain Adjustments. In any event in which (a) the provisions of this Section 11 shall require that an adjustment (the "Subject Adjustment") shall become effective immediately after a record date (the "Subject Record Date") for an event and (b) the Warrantholder exercises this Warrant after the Subject Record Date and before the consummation of such event, the Company may defer until the consummation of such event issuing to such Warrantholder the incrementally additional shares of Common Stock or other property issuable upon such exercise by reason of the Subject Adjustment; provided, however, that the Company upon request shall promptly deliver to such Warrantholder a due bill or other appropriate instrument evidencing such Warrantholder's right to receive such additional shares (or other property, as applicable) upon the consummation of such event.

(vi) Statement Regarding Adjustments. Whenever the Exercise Price or the Warrant Shares into which this Warrant is exercisable shall be adjusted as provided in Section 11, the Company shall promptly prepare a statement showing in reasonable detail the facts requiring such adjustment and the Exercise Price that shall be in effect and the Warrant Shares into which this Warrant shall be exercisable after such adjustment, and cause a copy of such statement to be delivered to the Warrantholder as promptly as practicable after the event giving rise to the adjustment.

(vii) Notice of Adjustment Event. In the event that the Company shall propose to take any action of the type described in this Section 11 (but only if the action of the type described in this Section 11 would result in an adjustment in the Exercise Price or the Warrant Shares into which this Warrant is exercisable or a change in the type of securities or property to be delivered upon exercise of this Warrant), the Company shall provide written notice to the Warrantholder, which notice shall specify the record date, if any, with respect to any such action and the approximate date on which such action is to take place. Such notice shall also set forth the facts with respect thereto as shall be reasonably necessary to indicate the effect on the Exercise Price and the number, kind, or class of shares or other securities or property which shall be deliverable upon exercise of this Warrant. In the case of any action which would require the fixing of a record date, such notice shall be given at least ten days prior to the date so fixed. In case of all other actions, such notice shall be given at least ten days prior to the taking of such proposed action unless the Company reasonably determines in good faith that, given the nature of such action, the provision of such notice at least ten days in advance is not reasonably practicable from a timing perspective, in which case such notice shall be given as far in advance prior to the taking of such proposed action as is reasonably practicable from a timing perspective.

(viii) Adjustment Rules. Any adjustments pursuant to this Section 11 shall be made successively whenever an event referred to herein shall occur. If an adjustment in the Exercise Price made hereunder would reduce the Exercise Price to an amount below par value of the Common Stock, then such adjustment in the Exercise Price made hereunder shall reduce the Exercise Price to the par value of the Common Stock.

(ix) No Impairment. The Company shall not, by amendment of its certificate of incorporation, bylaws, or any other organizational document, or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue, or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but shall at all times in good faith assist in the carrying out of all the provisions of this Warrant. In furtherance and not in limitation of the foregoing, the Company shall not take or permit to be taken any action that would (a) increase the par value of any shares of Common Stock receivable upon the exercise of this Warrant above the Exercise Price then in effect or (b) entitle the Warrantholder to an adjustment under this Section 11 if the total number of shares of Common Stock issuable after such action upon exercise of this Warrant in full (disregarding whether or not this Warrant is exercisable by its terms at such time), together with all shares of Common Stock then outstanding and all shares of Common Stock then issuable upon the exercise in full of any and all outstanding Equity Securities (disregarding whether or not any such Equity Securities are exercisable by their terms at such time) would exceed the total number of shares of Common Stock then authorized by its certificate of incorporation.

(x) Proceedings Prior to Any Action Requiring Adjustment. As a condition precedent to the taking of any action which would require an adjustment pursuant to this Section 11, the Company shall promptly take any and all action which may be reasonably necessary, including obtaining approvals of regulatory or other governmental bodies, the Principal Trading Market or other applicable securities exchanges, or shareholders, or obtaining or seeking necessary exemptions therefrom (and the Warrantholder shall reasonably cooperate with the Company with respect to), in order that the Company may thereafter validly and legally issue as fully paid and nonassessable all shares of Common Stock, or all other securities or other property, that the Warrantholder is entitled to receive upon exercise of this Warrant pursuant to this Section 11.

(xi) No Adjustment for Permitted Transactions. Notwithstanding anything in this Warrant to the contrary, no adjustment shall be made pursuant to this Section 11 in connection with any Permitted Transaction.

12. Beneficial Ownership Limitation.

(i) Notwithstanding anything in this Warrant to the contrary, the Company shall not honor any exercise of this Warrant, and a Warrantholder shall not have the right to exercise any portion of this Warrant, to the extent that, after giving effect to an attempted exercise set forth on an applicable Notice of Exercise, such Warrantholder (together with such Warrantholder's Affiliates, and any other Person whose beneficial ownership of Common Stock would be aggregated with the Warrantholder's for purposes of Section 13(d) or Section 16 of the Exchange Act, and any other applicable regulations of the Commission, including any Group of which the Warrantholder is a member (the foregoing, "Attribution Parties")) would beneficially own a number of shares of Common Stock in excess of the Beneficial Ownership Limitation. For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by such Warrantholder and its Attribution Parties shall include the number of Warrant Shares issuable under the Notice of Exercise with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which are issuable upon (a) exercise of the remaining, unexercised portion of any Warrant beneficially owned by such Warrantholder or any of its Attribution Parties, and (b) exercise or conversion of the unexercised or unconverted portion of any other securities of the Company (including any warrants) beneficially owned by such Warrantholder or any of its Attribution Parties that are subject to a limitation on conversion or exercise similar to the limitation contained herein. For purposes of this Section 12, beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and any other applicable regulations of the Commission. For purposes of this Section 12, in determining the number of outstanding shares of Common Stock, a Warrantholder may rely on the number of outstanding shares of Common Stock as stated in the most recent of the following: (X) the Company's most recent periodic or annual filing with the Commission, as the case may be, (Y) a more recent public announcement by the Company that is filed with the Commission, or (Z) a more recent notice by the Company or the Company's transfer agent to the Warrantholder setting forth the number of shares of Common Stock then outstanding. Upon the written request of a Warrantholder, the Company shall, within three Trading Days thereof, confirm in writing to such Warrantholder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to any actual conversion or exercise of securities of the Company, including exercise of this Warrant, by such Warrantholder or its Attribution Parties since the date as of which such number of outstanding shares of Common Stock was last publicly reported or confirmed to the Warrantholder. The Company shall be entitled to rely on representations made to it by the Warrantholder in any Notice of Exercise regarding its Beneficial Ownership Limitation. The Warrantholder acknowledges that the Warrantholder is solely responsible for any schedules or statements required to be filed by it in accordance with Section 13(d) or Section 16(a) of the Exchange Act.

(ii) The "Beneficial Ownership Limitation" shall initially be 4.999% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of Warrant Shares pursuant to such Notice of Exercise (to the extent permitted pursuant to this Section 12); provided, however, that by written notice to the Company, which will not be effective until the 61st day after such notice is given by the Warrantholder to the Company, the Warrantholder may waive or amend the provisions of this Section 12 to change the Beneficial Ownership Limitation to any other number, and the provisions of this Section 12 shall continue to apply. Upon any such waiver or amendment to the Beneficial Ownership Limitation, the Beneficial Ownership Limitation may not be further waived or amended by the Warrantholder without first providing the minimum written notice required by the immediately preceding sentence. Notwithstanding the foregoing, at any time following notice of an Acquisition Transaction under Section 11(iii) with respect to an Acquisition Transaction that is pursuant to any tender offer or exchange offer (by the Company or another Person (other than the Warrantholder or any Affiliate of the Warrantholder)), the Warrantholder may waive or amend the Beneficial Ownership Limitation effective immediately upon written notice to the Company

and may reinstitute a Beneficial Ownership Limitation at any time thereafter effective immediately upon written notice to the Company.

(iii) Notwithstanding the provisions of this Section 12, none of the provisions of this Section 12 shall restrict in any way the number of shares of Common Stock which the Warrantholder may receive or beneficially own in order to determine the amount of securities or other consideration that the Warrantholder may receive in the event of an Acquisition Transaction as contemplated in Section 11 of this Warrant.

13. Governing Law and Jurisdiction. This Warrant shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware. In addition, each of the parties expressly (a) submits to the personal jurisdiction and venue of the Chancery Court of Delaware, or if such court is unavailable, the United States District Court for Delaware (the "Chosen Courts"), in the event any dispute (whether in contract, tort, or otherwise) arises out of this Warrant or the transactions contemplated hereby, (b) agrees that it shall not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court and waives any claim of lack of personal jurisdiction, improper venue and any claims that such courts are an inconvenient forum, and (c) agrees that it shall not bring any claim, action, or proceeding relating to this Warrant or the transactions contemplated hereby in any court other than the Chosen Courts, and in stipulated preference ranking, of the preceding clause (a). Each party agrees that service of process upon such party in any such claim, action, or proceeding shall be effective if notice is given in accordance with the provisions of this Warrant.

14. Binding Effect. This Warrant shall be binding upon any successors or assigns of the Company.

15. Amendments. This Warrant may be amended and the observance of any term of this Warrant may be waived only with the written consent of the Company and the Warrantholder.

16. Notices. Any notice, request, instruction or other document to be given hereunder by any party to the other shall be in writing and shall be deemed to have been duly given (a) if sent by United Parcel Service or FedEx on an overnight basis, signature receipt required, one Business Day after mailing, (b) if sent by email, with a copy mailed on the same day (or next Business Day, if such day is not a Business Day) in the manner provided in clause (a) of this Section 16 when transmitted and receipt is confirmed, or (c) if otherwise personally delivered, when delivered with signature receipt required. All notices hereunder shall be delivered as set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice.

If to the Company, to:

Name: Affirm Holdings, Inc.
Address: 650 California Street, 12th Floor
San Francisco, CA 94108
Attn: Chief Legal Officer
Email: corporate.legal@affirm.com

with a copy to (which copy alone shall not constitute notice):

Name: Baker & McKenzie LLP
Address: 600 Hansen Way
Palo Alto, California 94304
Attn: Lawrence C. Lee
Email: lawrence.c.lee@bakermckenzie.com

and

Name: Baker & McKenzie LLP
Address: 700 Louisiana Street, Suite 3000
Houston, Texas 77002
Attn: Jeremy Moore
Email: Jeremy.Moore@bakermckenzie.com

If to Amazon.com Services LLC, to:

Name: Amazon.com Services LLC
c/o Amazon.com, Inc.
Address: 410 Terry Avenue North
Seattle, Washington 98109-5210
Attn: General Counsel
with a copy to (which copy alone shall not constitute notice):

Name: Gibson, Dunn & Crutcher LLP
Address: 1881 Page Mill Road
Palo Alto, California 94304
Attn: Ed Batts, Esq.
Email: ebatts@gibsondunn.com

17. Entire Agreement. The Transaction Documents and the Confidentiality Agreement constitute the entire agreement and supersede all other prior agreements, understandings, representations, and warranties, both written and oral, between the parties, with respect to the subject matter hereof.

18. Specific Performance. The parties agree that failure of any party to perform its agreements and covenants under this Warrant, including a party's failure to take all actions as are necessary on such party's part in accordance with the terms and conditions of this Warrant to consummate the transactions contemplated by this Warrant, will cause irreparable injury to the other party, for which monetary damages, even if available, will not be an adequate remedy. It is agreed that the parties shall be entitled to equitable relief including injunctive relief and specific performance of the terms hereof, without the requirement of posting a bond or other security, and each party hereby consents to the issuance of injunctive relief by any court of competent jurisdiction to compel performance of a party's obligations and to the granting by any court of the remedy of specific performance of such party's obligations under this Warrant, this being in addition to any other remedies to which the parties are entitled at law or equity.

19. Limitation of Liability. No provision of this Warrant, in the absence of any affirmative action by the Warrantholder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of Warrantholder, shall give rise to any liability of the Warrantholder for the purchase price of any Warrant Shares or as a shareholder of the Company, whether such liability is asserted by the Company or by creditors of the Company. Except as set forth in Annex C, the sole liability of the Warrantholder under this Warrant shall be the applicable aggregate Exercise Price if and when this Warrant is exercised in part or in whole.

20. Interpretation. When a reference is made in this Warrant to “Sections” or “Annexes” such reference shall be to a Section of, or Annex to, this Warrant unless otherwise indicated. The terms defined in the singular have a comparable meaning when used in the plural and vice versa. References to “herein,” “hereof,” “hereunder,” and the like refer to this Warrant as a whole and not to any particular section or provision, unless the context requires otherwise. References to “parties” refer to the parties to this Warrant. The headings contained in this Warrant are for reference purposes only and are not part of this Warrant. Whenever the words “include,” “includes,” or “including” are used in this Warrant, they shall be deemed followed by the words “without limitation.” No rule of construction against the draftsperson shall be applied in connection with the interpretation or enforcement of this Warrant, as this Warrant is the product of negotiation between sophisticated parties advised by counsel. Any reference to a wholly owned subsidiary of a person shall mean such subsidiary is directly or indirectly wholly owned by such person. All references to “\$” or “dollars” mean the lawful currency of the United States of America. Except as expressly stated in this Warrant, all references to any statute, rule, or regulation are to the statute, rule or regulation as amended, modified, supplemented, or replaced from time to time (and, in the case of statutes, include any rules and regulations promulgated under the statute) and to any section of any statute, rule, or regulation include any successor to the section.

21. Replacement Warrant. This Warrant consolidates, amends and restates, and replaces and supersedes the Replacement Warrant and the Original Warrant previously issued by the Company to the Warrantholder from and after the date hereof.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed by a duly authorized officer.

Dated: February 14, 2025

AFFIRM HOLDINGS, INC.

By: /s/ Rob O'Hare
Name: Rob O'Hare
Title: Chief Financial Officer

[Signature Page to Second Replacement Warrant]

[Form of Notice of Vesting Event]

Date:

TO: Amazon.com, Inc.

RE: Notice of Vesting Event

Reference is made to that certain Warrant to Purchase Class A Common Stock, dated as of February 14, 2025 (the “Warrant”), issued to Amazon.com Services LLC representing a warrant to purchase 3,500,000 shares of common stock of Affirm Holdings, Inc. (the “Company”). Capitalized terms used herein without definition are used as defined in the Warrant.

The undersigned hereby delivers notice to you that a Vesting Event has occurred under the terms of the Warrant.

A. Vesting Event. The following Vesting Event has occurred on or around [●], 20__.

B. Vested Warrant Shares. After giving effect to the Vesting Event referenced in Paragraph A above, the aggregate number of Warrant Shares issuable upon exercise of the Warrant that have vested under the terms of the Warrant is:

C. Exercised Warrant Shares. The aggregate number of Warrant Shares issuable upon exercise of the Warrant that have been exercised as of the date hereof is:

D. Purchase Price of Exercised Warrant Shares. The aggregate purchase price of the Warrant Shares that have been exercised as of the date hereof is:

E. Unexercised Warrant Shares. After giving effect to the Vesting Event referenced in Paragraph A above, the aggregate number of Warrant Shares issuable upon exercise of the Warrant that have vested but remain unexercised under the Warrant is:

AFFIRM HOLDINGS, INC.

By: __

Name: __

Title: __

[Form of Notice of Exercise]

Date:

TO: Affirm Holdings, Inc.

RE: Election to Purchase Shares of Warrant Shares

The undersigned, pursuant to the provisions set forth in the attached Warrant, hereby agrees to subscribe for and purchase the number of Warrant Shares set forth below covered by such Warrant. The undersigned, in accordance with Section 3 of the Warrant, hereby agrees to pay the aggregate Exercise Price for such shares of Common Stock. A new warrant evidencing the remaining Warrant Shares covered by such Warrant, but not yet subscribed for and purchased, if any, should be issued in the name of the Warrantholder. Capitalized terms used herein without definition are used as defined in the Warrant.

Number of Warrant Shares with respect to which the Warrant is being exercised (including shares to be withheld as payment of the Exercise Price pursuant to Section 3(ii)(b)(ii) of the Warrant, if any):

Method of Payment of Exercise Price (note if Cashless Exercise or Cash Exercise, in either case in accordance with Section 3 of the Warrant):

Aggregate Exercise Price: _____

Holder: ____

By: ____

Name: ____

Title: ____

Vesting Events

With respect to increments of 250,000 Warrant Shares, upon achievement of a [***] of [***] for each calendar quarter beginning with the calendar quarter ended December 31, 2021 and ending with the calendar quarter ended December 31, 2024 [***]. For purposes of this paragraph, the vesting shall occur, and such Warrant Shares shall become exercisable with respect thereto, on the date that Amazon delivers to the Company the attestations required by Schedule 13.1E with respect to the applicable calendar quarter. With respect to the periods covering: (a) the Issue Date of the Warrant through the calendar quarter ended December 31, 2021 (the “First Stub Period”) and (b) October 1, 2024 to November 9, 2024 (the “Second Stub Period”), upon achievement of the vesting condition set forth in this paragraph, the Warrant shall be eligible to vest those number of Warrant Shares equal to 250,000 multiplied by a fraction, the numerator of which is the number of days in the First Stub Period or the Second Stub Period, as applicable, and the denominator of which is the sum of the number of days in the First Stub Period and the Second Stub Period (in calculating the First Stub Period and Second Stub Period, such period shall be deemed to include the first day and the last day set forth in such period).

With respect to increments of 250,000 Warrant Shares, each calendar quarter beginning with the calendar quarter ended December 31, 2021 and ending with the calendar quarter ended December 31, 2024; provided, that a Termination Event did not occur during the period between the Issue Date and the applicable vesting date. For purposes of this paragraph, the vesting shall occur, and such Warrant Shares shall become exercisable with respect thereto, on the date that Amazon delivers to the Company the attestations required by Schedule 13.1E(2) with respect to the applicable calendar quarter. With respect to the periods covering: (a) the First Stub Period and (b) the Second Stub Period, upon achievement of the vesting condition set forth in this paragraph, the Warrant shall be eligible to vest those number of Warrant Shares equal to 250,000 multiplied by a fraction, the numerator of which is the number of days in the First Stub Period or the Second Stub Period, as applicable, and the denominator of which is the sum of the number of days in the First Stub Period and the Second Stub Period (in calculating the First Stub Period and Second Stub Period, such period shall be deemed to include the first day and the last day set forth in such period).

[***]

[***]

Unless the context otherwise requires, when used in this Annex C, the following terms shall have the meanings indicated.

“Additional Site” has the meaning ascribed to it in the Commercial Agreement.

[***]

[***]

“Amazon Site” has the meaning ascribed to it in the Commercial Agreement.

[***]

“Long-Term Installments Product” has the meaning ascribed to it in the Commercial Agreement.

[***]

[***]

“Short-Term Installments Product” has the meaning ascribed to it in the Commercial Agreement.

[***]

[***]

A “Termination Event” will have occurred if Amazon.com, Inc., any of its controlled Affiliates [***]

(x)[***]; or

(y)[***].

“Territory” has the meaning ascribed to it in the Commercial Agreement.

[***]

Certain identified information in this document has been excluded because it is both (i) not material and (ii) is the type of information that the Company customarily and actually treats as private or confidential. This document has been marked with “[***]” to indicate where omissions have been made.

GLOBAL CUSTOMER INSTALLMENT PROGRAM AGREEMENT

This Global Customer Installment Program Agreement (“**Agreement**”) is entered into as of February 14, 2025 (the “**Effective Date**”) by and between (i) (A) Shopify Inc., a Canadian corporation (“**Shopify CA**” or “**Shopify**”) or (B) the applicable Shopify Affiliate, and (ii) (A) Affirm Inc., a United States corporation (“**Affirm US**” or “**Affirm**”). Shopify and Affirm may be referred to collectively as the “**Parties**” or individually as a “**Party**.”

NOW, THEREFORE, in consideration of the mutual agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby to the terms of this Agreement.

The Parties agree that upon the execution and delivery of a Territory Program Agreement by an affiliate of Affirm US (“**Affirm Affiliate**” and together with Affirm US, the “**Affirm Parties**” or individually, an “**Affirm Party**”) and an affiliate of Shopify CA (“**Shopify Affiliate**” and together with Shopify CA, the “**Shopify Parties**” or individually, an “**Shopify Party**”) in connection with expanding the Program to a new territory or country, such (i) Affirm Affiliate and all references to “Affirm” in this Agreement will be deemed to reference such Affirm Affiliate as the context requires, in each case solely with respect to its participation in the Program specified in the applicable Territory Program Agreement and its actions, inactions and omissions on its own behalf conducted under this Agreement and (ii) Shopify Affiliate will become a party to this Agreement and all references to “Shopify” in this Agreement will be deemed to reference such Shopify Affiliate as the context requires, in each case solely with respect to its participation in the Program specified in the applicable Territory Program Agreement and its actions, inactions and omissions on its own behalf conducted under this Agreement. Termination by a Shopify Affiliate or Affirm Affiliate of its participation in this Agreement will not automatically result in termination of this Agreement with any other Shopify Party or Affirm Party, respectively.

Any reference to (i) “Shopify” or a particular “Shopify Party” in this Agreement will refer to and only apply to that certain Shopify Party’s participation in the Program, or exercising rights, performing obligations or making representations and warranties under this Agreement or (ii) “Affirm” or a particular “Affirm Party” in this Agreement will refer to and only apply to that certain Affirm Party’s participation in the Program, or exercising rights, performing obligations or making representations and warranties under this Agreement. No Shopify Party is liable for the performance or obligations of any other Shopify Party under this Agreement and no Affirm Party is liable for the performance or obligations of any other Affirm Party under this Agreement. For the avoidance of doubt, each Agreement shall constitute a separate agreement between the applicable Affirm Party and Shopify Party, and no expiration, termination or breach of any Agreement shall constitute an expiration, termination or breach, or otherwise affect in any manner, any other Agreement, including any Program Outline or Territory Program Agreement. The parties executing the applicable Territory Program Agreement shall be solely responsible for all of the liabilities and obligations under this Agreement as they relate to such Territory Program Agreement.

With respect to each Affirm Party and Shopify Party that executes a Territory Program Agreement, the Agreement is made up of the applicable Territory Program Agreement, the applicable Program Outline, the attached Terms and Conditions applicable to the Program for the applicable territory or country and services as well as any schedules, addenda, and exhibits that are attached (collectively and as with respect to each Affirm Party and Shopify Party (as applicable), this “**Agreement**”). The applicable Parties may amend this Agreement through an additional exhibit, addendum or other amendment to this Agreement that is mutually agreed upon by the Parties.

The Parties acknowledge and agree that this Agreement is intended to supersede and replace that Amended and Restated Customer Installment Program Agreement entered into between Shopify and Affirm US dated March 18, 2024, as amended (together with all exhibits and other attachments thereto, the “**US A&R Agreement**”), which agreement will terminate as of the Effective Date.

[Signature page to follow]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their authorized representatives below.

Shopify Inc.	Affirm, Inc.
Signature: /s/ Jeff Hoffmeister	Signature: /s/ Pat Suh
Name: Jeff Hoffmeister	Name: Pat Suh
Title: CFO	Title: SVP Revenue
Date: 2/17/2025	Date: 2/14/2025

TERMS AND CONDITIONS

1. **Introduction.** Affirm offers, administers and/or provides access to certain consumer/buyer installment financial products and services issued or originated in a manner that complies with Applicable Law. Affirm and Shopify are entering into this Agreement for Affirm to make the Financial Product available to Customers and Eligible Merchants. The purpose of this Agreement is to establish the framework and Program pursuant to which the Financial Product is developed, marketed and implemented for use on the Shopify Platform for the benefit of Shopify Merchants and their customers.

2. **Definitions.** All capitalized terms used in this Agreement and not otherwise defined shall have the meaning as set forth below.

2.1 **"Affiliates"** means any entity that directly or indirectly controls, is controlled by or is under common control with a Party.

2.2 **"Affirm Materials"** means any content, information, materials and items provided or made accessible by Affirm pursuant to this Agreement, including the Affirm API, links, text, images, audio, video and other copyright works, and software, tools, technologies and other functional items.

2.3 **"Affirm Pre-Existing IP"** means Affirm's concepts, data, designs, developments, documentation, drawings, hardware, improvements, information, inventions, processes, software, techniques, technology, tools, and any other Intellectual Property Rights, and any third-party licenses or other rights to use any of the foregoing, that are developed entirely independently by Affirm (or a third party, as applicable), at any time without any use of Shopify's Confidential Information.

2.4 **"Affirm's Systems"** means Affirm's hardware, network, computing environment and/or systems.

2.5 **"Applicable Law"** means all federal, state, and local laws and regulations, directives and any other relevant authorities, guidance and requirements, including those of Regulatory Authorities or payment networks, applicable to the Parties' performance under this Agreement or the Program, including, but not limited to, as may be applicable, fair lending and any other applicable consumer protection laws and regulations, and any amendments and regulations promulgated therefrom, privacy and data protection laws and regulations, anti-money laundering/combating the financing of terrorism laws and regulations (**"AML/CFT"**), country/region sanctions legal requirements (**"Sanctions Requirements"**) and applicable anti-bribery and anti-corruption laws.

2.6 **"Application"** means the action or document by which a Customer requests or applies for a Financial Product from Affirm in connection with the Program.

2.7 **"Application Processing"** means those services necessary, in connection with an Application, to originate and establish a Financial Product in accordance with Applicable Law and the terms of the Program and the applicable Territory Program Agreement. Such services shall include but are not to be limited to: application of Affirm's underwriting standards to incoming Applications, Sanctions Requirements screening, customer service, statement preparation and issuance, regulatory compliance, security and fraud control, and activity reporting.

2.8 **"Confidential Information"** of the Disclosing Party means all data and information, regardless of the form or media, relating to the Disclosing Party of which the Receiving Party becomes aware as a consequence of, or in relation to, the performance of its obligations or rights under this Agreement, which (i) is not generally known by the public, and (ii) is reasonably identified as confidential at the time of disclosure or which, under the circumstances surrounding disclosure, ought to be reasonably considered as confidential. Confidential Information includes (a) any information about Disclosing Party's and its Affiliates' (1) employees, (2) business plans, methods and practices, (3) marketing plans, method and practices, including data flows, product processes and security features, (4) financial information, (5) price lists and pricing policies, (6) contracts and contractual relations with customers, (7) customer names and lists, and (8) personally identifiable information (as defined under Applicable Law); (b) technical information and requirements, drawings, engineering data, performance specifications; (c) the

existence and terms and conditions of this Agreement; and (d) confidential information of third parties. In addition to the above, Confidential Information of Shopify includes Merchant Information and Program Information.

2.9 “**Conflict**” means any dispute, controversy, or claim arising out of or relating to this Agreement.

2.10 “**Customer**” or “**Buyer**” means any third party that applies for, accesses or receives a Financial Product from an Eligible Merchant pursuant to the Program.

2.11 “**Customer Information**” means all Personal Information (as defined under Applicable Law) that is submitted and/or obtained by or on behalf of Affirm or Shopify about a Customer or an Application (whether or not completed) for products or services offered pursuant to the Program, including demographic data, and transaction data and only in connection with the Services provided by Affirm under the Program. “Customer Information” does not include (i) information about a Customer provided by a non-Customer third party to Affirm or Shopify, including but not limited to consumer reports about Customers provided by credit bureaus; or (ii) any customer information that is not part of and was not provided in connection with the Program ((i) and (ii) each are considered “**Excluded Customer Information**”)

2.12 “**Customer Losses**” means any amounts or losses resulting from (i) Customer fraud; or (ii) Customer failure to make loan payments or meet any other obligation to Affirm in accordance with any applicable Customer Agreement, as defined in Section 5.2.

2.13 “**Disclosing Party**” means the Party providing Confidential Information to the other Party directly or indirectly (via one or more third parties acting on behalf of and at the direction of the Disclosing Party).

2.14 “**Down Payment**” means a Customer’s initial, one-time partial payment of the applicable purchase price (i.e., down payment) that is collected by Affirm from a Customer on behalf of an Eligible Merchant in connection with a Successful Transaction.

2.15 “**Eligible Merchant**” means any Merchant approved by Shopify and Affirm (in compliance with this Agreement) to participate in the Program and makes the Financial Product available to Customers.

2.16 “**Excluded Customer**” means any customer of Affirm who has obtained a product or service from Affirm outside of or unrelated to the Program.

2.17 “**Excluded Customer Information**” means, in addition to information described in 2.11(i) and (ii) herein, all information, whether personally identifiable or in aggregate, obtained by Affirm about an Excluded Customer independently of the Program.

2.18 “**Excluded Merchant**” means any Merchant who, both prior to the applicable Program launch and independent of the Program, has obtained a product or service from Affirm and who Affirm has not migrated to the Program in accordance with the applicable Program Outline and Territory Program Agreement.

2.19 “**Excluded Merchant Information**” means all information, whether personally identifiable or in aggregate, obtained by Affirm about an Excluded Merchant.

2.20 “**Financial Product**” means a consumer/buyer installments financial product or service offered by Affirm to Customers pursuant to or in connection with the Program and as further described in a Program Outline.

2.21 “**Force Majeure Event**” as used in this Agreement will mean an unanticipated event that is not reasonably within the control of the affected Party or its subcontractors, such as (i) acts of God, fire, flood, explosion, earthquake, or other natural forces, war, civil unrest, (ii) unforeseeable pandemics or epidemics that are officially declared by the World Health Organization, combined with labor force quarantines that are officially declared as such by an applicable governmental authority, as a result of such World Health Organization declaration, (iii) any other event similar to those enumerated above and which by exercise of reasonable due diligence, such

affected Party or its subcontractors could not reasonably have been expected to avoid, overcome or obtain, or cause to be obtained, a commercially reasonable substitute therefore, or (iv) restraints or delays impacting power, storage, transportation, or supplies. For the avoidance of doubt, the current COVID-19 pandemic is expressly carved out of this Force Majeure Event and neither party expresses a position whether it would meet the criteria set forth in subclause (ii) above.

2.22 **“Intellectual Property Rights”** means (i) inventions, improvements, patents (including all reissues, continuations, continuations-in-part, revisions, extensions, and reexaminations thereof) and patent applications, (ii) trademarks, service marks, trade names and trade dress, together with the goodwill associated therewith, (iii) works of authorship and copyrights, including copyrights in computer software, databases and television programming and all rights related thereto, (iv) confidential and proprietary information, including trade secrets and know-how, (v) processes, methods, procedures and materials, (vi) data, databases and information, (vii) software, tools and machine-readable texts and files, (viii) literary work or other work of authorship, including documentation, reports, drawings, charts, graphics, and other written documentation, together with all copyrights and moral rights, (ix) all other intellectual property or proprietary rights, and (x) all registrations and applications for registration and other rights in or appurtenant to the foregoing items described in clauses (i) through (ix) above.

2.23 **“Materials” or “Program Materials”** means, individually and collectively, Affirm Materials and/or Shopify Materials.

2.24 **“Merchant”** means any Shopify customer on the Shopify platform that is in the business of selling goods and/or services unless otherwise expressly excluded from this definition as mutually agreed by the Parties.

2.25 **“Merchant Information”** means any information or data obtained during the Term and in connection with the Program about Merchants specifically including, but not limited to, the following: the fact that someone is a Merchant; all lists of Merchants; and all information relating to and identified with such Merchants or its owners. “Merchant Information” does not include (i) information about a Merchant provided by a non-Merchant third party to only Affirm or Shopify, including but not limited to credit reports about Merchants provided by credit bureaus or a similar reporting agency; or (ii) any information about merchants not related to or not provided or processed in connection with the Program (collectively “Excluded Merchant Information”). For the avoidance of doubt, Merchant Information shall be considered Confidential Information and not Personal Information under this Agreement.

2.26 **“Merchant Losses”** means [***] (i) [***]; (ii) [***]; or (iii) [***] set forth in the applicable Merchant Agreement, as defined in Section 5.2.

2.27 **“Migrated Merchant”** means any Eligible Merchant that has participated in an Affirm product prior to the date of the migration as described in the applicable Program Outline and Territory Program Agreement and has moved over to the Program in accordance with the applicable Program Outline and Territory Program Agreement.

2.28 **“Non-Employee Personnel”** means any person, whether legal or natural, who is not an employee of a Party, but who may act on behalf of, or otherwise represent, such Party.

2.29 **“Person”** means any natural or legal person, including any individual, corporation, partnership, limited liability company, trust or unincorporated association, or other entity.

2.30 **“Personal Information”** has the meaning as defined under Applicable Law.

2.31 **“Personnel”** means a Party’s employees, representatives, agents, subcontractors, consultants, third-party advisors, Non-Employee Personnel or any other persons, whether legal or natural, who may act on behalf of, or otherwise represent, a Party.

2.32 “**Program**” means the system of services under which Affirm shall make the Financial Product available to Eligible Merchants and Customers pursuant to the applicable Program Outline and in the applicable Territory as set forth therein.

2.33 “**Program Information**” means any information and data related to the Program or any information or data provided by or on behalf of a Party to the other Party in connection with the Program that is not considered to be Merchant Information or Customer Information; provided that “Program Information” shall not include (i) each Party’s Confidential Information, (ii) each Party’s Materials, (iii) each Party’s Pre-Existing IP, (iv) Intellectual Property Rights that a Party or its respective Affiliates solely create, author, develop or otherwise acquire (as further described in Section 8.4), (v) Intellectual Property Rights that the Parties jointly create, author or develop (as further described in Section 8.4), or (vi) information or data related to the Program that is not unique to the Program or that was created, authored or developed by a Party for use outside of the Program (e.g., existing Affirm products that are similar to the Financial Product) ((i) through (vi) collectively “Excluded Program Information.”). For the avoidance of doubt, Program Information shall be considered Confidential Information and not Personal Information under this Agreement.

2.34 “**Program Launch**” means the Launch Date for each Financial Product in the Territory set forth in each Program Outline and Territory Program Agreement.

2.35 “**Program Outline**” means the terms agreed to by the Parties outlining the Program, and the respective components thereof, for each Territory pursuant to a Territory Program Agreement and as set forth in Exhibit C.

2.36 “**Protected Information**” means any one or more of the following categories of information or data: (i) Customer Information; (ii) Application data; (iii) any other information or data covered by Applicable Law, including applicable privacy laws; (iv) all information about a Party’s information security and its applied information security measures; and (v) any information designated as Protected Information under this Agreement.

2.37 “**Receiving Party**” means the Party receiving Confidential Information from the Disclosing Party directly or indirectly (via one or more third parties acting on behalf of and at the direction of the Disclosing Party).

2.38 “**Regulatory Authority**” means any federal, national, territorial, provincial, regional or local, or similar jurisdictional regulatory agency or other governmental agency or authority having jurisdiction over Affirm or Shopify in the Territory set forth in a Territory Program Agreement.

2.39 “**Security Breach**” means any act or omission that materially compromises either the security, confidentiality or integrity of data or the physical, technical, administrative or organizational safeguards put in place by a Party or a third-party service provider that relate to the protection of the security, confidentiality or integrity of data relating to the Program. Without limiting the foregoing, a material compromise shall include any unauthorized access to, unauthorized disclosure of or unauthorized acquisition of nonpublic personal information or Customer Information, and, in the case of Affirm, Merchant Information.

2.40 “**Security Complaint**” means receipt of a credible complaint in relation to privacy and data security practices of the applicable Party or the applicable Party’s third-party service provider of a material breach or alleged material breach of this Agreement relating to such privacy and data security practices.

2.41 “**Security Breach Costs**” means (a) costs, expenses (including reasonable attorney and expert witness fees), damage awards, fines and penalties resulting from claims, investigations, litigation, arbitration and mediation arising from or related to a Security Breach; (b) Merchant Losses or Customer Losses arising from or related to such Security Breach; (c) costs and expenses of responding to the Security Breach (for example, the cost of notifying Customers, Regulatory Authorities and others affected directly by the Security Breach); and (d) costs and expenses of mitigation and remediation of the Security Breach, including the provision of monitoring service, credit protection service, credit fraud alert and/or similar services that the non-breached Party deems reasonably necessary to protect itself or its affected Customers in light of risks posed by the actual or potential Security Breach.

2.42 “**Shopify Materials**” means any content, information, materials and items provided or made accessible by Shopify pursuant to this Agreement, including the Shopify API, links, text, images, audio, video and other copyright works, and software, tools, technologies and other functional items.

2.43 “**Shopify Pre-Existing IP**” means Shopify’s concepts, data, designs, developments, documentation, drawings, hardware, improvements, information, inventions, processes, software, techniques, technology, tools, and any other Intellectual Property Rights, and any third-party licenses or other rights to use any of the foregoing, that are developed entirely independently by Shopify (or a third party, as applicable), at any time without any use of Affirm’s Confidential Information.

2.44 “**Shopify’s Systems**” means Shopify’s hardware, network, computing environment and/or systems.

2.45 “**Specifications**” means the criteria, requirements, applicable performance capabilities, characteristics, and other descriptions and standards for each Party’s services and deliverables set forth in this Agreement.

2.46 “**Strategic Operating Committee**” means the Committee formed by the Parties as set forth in Section 7.2.

3. Scope of Arrangement and Structure.

3.1 This Agreement contains the sole and exclusive terms and conditions between the Parties with respect to the subject matter hereof. The Parties agree that this Agreement is not intended to create an exclusive relationship of any type between the Parties except where and to the extent specifically indicated herein.

3.2 For the purposes of this Agreement, the term “Affirm” is used in connection with any indemnity, obligation, representation, warranty, covenant or undertaking of the applicable Affirm Party, irrespective of whether such item is or must be supported or fulfilled in whole or part for such Affirm Party or other third party financial institution with whom such Affirm Party has contracted as determined by such Affirm Party. For the avoidance of doubt and without limiting the generality of the foregoing, any failure by such Affirm Party to include such third party financial institution in connection with its undertakings under this Agreement is such Affirm Party’s obligation and such Affirm Party bears the sole risk for failure to do so. The applicable Shopify Party will look solely to such Affirm Party to enforce the performance of the duties and obligations of any third party financial institution that has partnered with such Affirm Party.

3.3 Shopify and Affirm intend that this Agreement sets forth the terms and conditions under which each Affirm Party will provide the Program specified in the applicable Program Outline and Territory Program Agreement to the applicable Shopify Party throughout the world. For each Territory in which an Affirm Party will provide a Program, the applicable entities will enter into a Territory Program Agreement in accordance with Section 3.4 under which the Program will be provided and fees will be paid.

3.4 During the Term, each Affirm Party may make a Program available as set forth in a Program Outline to the applicable Shopify Party, by executing a separate agreement that is substantially similar to the form set forth in Exhibit E (a “**Territory Program Agreement**”). Each Territory Program Agreement will specify: the relevant contracting entities, the Program to be provided pursuant to the applicable Program Outline, the Territory, any fees, applicable indirect or withholding taxes, Affirm’s required insurance coverage and any additional territory-specific terms pertinent to the Territory. Each Territory Program Agreement will be a separate contract between the Shopify Party and the Affirm Party executing that Territory Program Agreement. The execution or termination of a Territory Program Agreement will not affect any other Territory Program Agreements then in force.

4. Shopify Obligations.

4.1 Shopify shall, for the term of this Agreement, as directed by Affirm as the Customer underwriter and servicer of the Program(s), host the user experience/interface for Eligible Merchants and Customers (the “**Platform**”) and the customer portal through Shopify’s website and/or mobile application (the “**SHOP App**”). Shopify’s role will be limited to developing and maintaining the Platform and SHOP App and providing the Platform/SHOP App to its Eligible Merchants and Customers for Affirm to offer the Financial Product to Customers through the Platform and SHOP App and as otherwise stated in this Article 4. Shopify agrees to configure and maintain the Platform and SHOP App in a manner that will allow Affirm to perform its obligations in a legally compliant manner through the Platform and SHOP App, including without limitation, distribution of Customer Agreements and servicing of loans. Shopify shall enable Affirm to distribute, or shall distribute in accordance with requirements from Affirm, the Customer Agreements, disclosures, amendments and Customer communications referenced in Sections 5.2 and 5.4.

4.2 Shopify, at its sole expense, may from time-to-time market the Program and Financial Products to Merchants in accordance with this Agreement; such requirements may be modified if required to ensure continued compliance with Applicable Law or if required in writing by a Regulatory Authority. Shopify agrees to work in good faith with Affirm on all marketing-related activities and mutually agree where possible on marketing programs and practices. Shopify further agrees to work in good faith with Affirm to modify marketing materials if Affirm believes such modification is necessary or advisable to avoid reputational damage to Affirm or Shopify or to reduce risk to Affirm or Shopify.

4.3 Merchant underwriting and Know Your Customer (KYC) compliance reviews will be performed as set forth in the applicable Program Outline.

4.4 Shopify shall execute (or cause to be executed, in the case of an agreement between an Eligible Merchant and Affirm) any and all necessary agreements with Eligible Merchants that will be participating in the Program. Shopify will collect evidence (i.e., name of Eligible Merchant and Eligible Merchant URL) of an Eligible Merchant’s acceptance of Affirm’s terms and conditions for Affirm’s record keeping and will promptly provide such evidence to Affirm upon activation of an Eligible Merchant account. Shopify will provide the timestamp of an Eligible Merchant’s termination of Affirm’s terms and conditions within [***] of such termination or as otherwise mutually agreed by the Parties. Upon reasonable request, Shopify will provide the following data related to an Eligible Merchant’s agreement to Affirm’s terms and conditions: agreement version, and name and email of the authorized signatory. Shopify will monitor Eligible Merchants and use commercially reasonable efforts to ensure that Eligible Merchants are not engaged in prohibited businesses, as set forth in [***], or such other URL as Affirm may agree (the “Prohibited Business Policy”), which may be updated by Affirm from time to time in consultation with Shopify. The Parties will make good faith efforts to mutually agree upon controls to block or prohibit instances of Prohibited Business Policy violations. If Shopify becomes aware of a Merchant’s violation of Applicable Law or its violation of the Prohibited Business Policy, Shopify will [***] notify Affirm of any such violation as soon as practicable but no later than within [***]. Shopify will work in good faith with Affirm to come to a mutually agreeable arrangement regarding how to communicate and provide notification as needed regarding material violations of the Prohibited Business Policy as well as ensure that the necessary agreements with Eligible Merchants address any marketing restrictions required by Affirm based on Applicable Law.

4.5 Shopify agrees to work with Affirm in good faith to [***] as soon as commercially reasonable and as discussed and mutually agreed by the Parties, including any Program Outline.

4.6 Shopify shall provide Eligible Merchants all reasonably requested support and documentation related to the Program, subject to Section 5 (Affirm Obligations).

4.7 Shopify shall require Eligible Merchants to furnish to Shopify any information reasonably requested by Affirm or any information required to be provided by or to any applicable Regulatory Authority.

4.8 [***].

4.9 Unless otherwise prohibited by Applicable Law, Shopify will promptly forward to Affirm any complaints, including supporting documentation as necessary, received from a Customer or Eligible Merchant pertaining to: (a) Affirm's performance; (b) claims or allegations about the Parties' violations of Applicable Laws with respect to the Program; (c) material threats of lawsuits relating to the Program; or (d) the Financial Product (collectively, "**Complaints**"). Shopify shall maintain a record and log of all such Complaints and provide such log to Affirm on a monthly basis at its request.

4.10 The Parties agree to work with in good faith to make commercially reasonable efforts to:

4.10.1. Develop and implement improvements to Program functionality to better serve both Merchants and Customers and to [***].

4.10.2. Cooperate and prioritize changes to the Platform and SHOP App if such changes are deemed necessary (i) to prevent a violation of Applicable Law or to comply with a directive from a Regulatory Authority; (ii) to avoid a material risk to Affirm or the Program; or (iii) to avoid a material adverse impact to Customers or prospective Customers.

4.10.3. Help respond and/or resolve any complaints related to the Program.

4.11 When permitted by Applicable Law, Shopify may, with Affirm's support and in accordance with Affirm's instructions, (a) provide post-purchase Customers with access to information about the Customer's Financial Product; and (b) perform certain post-purchase functions (which may include, without limitation, account maintenance and sending push notifications to Customers) for Customers in connection with the Financial Product, as mutually agreed upon by [***] (the "Customer Engagement Functionality"). For the avoidance of doubt, Customer Engagement Functionality applies only to Customer post-purchase activity regarding the Financial Product on the SHOP App and not the SHOP App in its entirety.

4.11.1. Affirm will provide Shopify with an API key and content, including disclosures (as applicable), for the sole purpose of enabling Shopify to provide and maintain the Customer Engagement Functionality during the Term. The API key(s) and any content provided by Affirm to Shopify in connection with the Customer Engagement Functionality are Affirm Materials and subject to, without limitation, Section 8.2.

4.11.2. Each Party shall at all times comply with Applicable Law and requirements of Regulatory Authorities with respect to the Customer Engagement Functionality. In order for Affirm to fulfill its obligations as a servicer of the Financial Product, Shopify shall comply with all instructions and guidance from Affirm related to the Customer Engagement Functionality, as may be modified from time to time in Affirm's sole discretion in order to comply with Applicable Law. Shopify shall design the Customer Engagement Functionality in consultation with Affirm, provided that Affirm shall have the final right of approval over the Customer Engagement Functionality design, functionality, features, and content. Shopify agrees to notify Affirm in writing in advance of any changes to the Customer Engagement Functionality and to consult with Affirm about such changes, provided that Affirm shall have the final right of approval over any such change. In addition, Affirm shall have the right to request reasonable reporting and a reasonable review of Shopify's performance of the Customer Engagement Functionality, including any communications to Customers related to the Customer Engagement Functionality. Any deficiencies identified by Affirm shall be [***] addressed by Shopify. Affirm shall have the right to require that Shopify suspend the Customer Engagement Functionality with respect to the Program (with costs to be paid by Shopify) if Affirm determines, in good faith and based on the advice of counsel, that [***].

4.11.3. Notwithstanding Exhibit B (Branding Standards) and in a manner mutually agreed by the Parties and approved by Affirm, each page related to servicing in the Customer Engagement Functionality where Shop Pay branding is present, and at a minimum on the first page related to servicing, shall display (i) Affirm Marks; and (ii) a hyperlink to an in- SHOP App browser to Affirm's customer portal. Affirm shall display (i)

Shopify Marks; and (ii) a hyperlink to the SHOP App in the loan detail section of Affirm's customer portal for each Financial Product.

4.11.4. In addition to the Customer Engagement Functionality on the SHOP App, all Customer Financial Product and account information will be viewable and accessible by the Customer on Affirm's website and/or mobile application with certain functionality as mutually agreed by the Parties in writing. For avoidance of doubt, Affirm financial products that are unrelated to the Program will not be viewable or accessible in the SHOP App.

4.11.5. Shopify agrees that it shall not send a push notification to a Customer who is delinquent in repayment of a Financial Product.

4.11.6. Except to the extent Affirm directly causes the act or omission, Shopify shall be liable for its acts or omissions, and the acts or omissions of a third party acting on Shopify's behalf, with respect to its obligations under this Section 4.11.

4.11.7. Shopify will ensure that it (or any third parties engaged in connection with payment to or from Eligible Merchants) obtains and maintains all documentation necessary to direct debit Eligible Merchants on behalf of Affirm or Shopify as outlined in the applicable Program Outline and Territory Program Agreement, as applicable.

4.11.8. Shopify will not encourage or require (a) any Affirm Direct Merchant or (b) Eligible Merchant to disable such Affirm Direct Merchant's integration, including but not limited to the Shopify plug-in (as applicable), with Affirm or any other Affirm product or service.

5. Affirm Obligations.

5.1 Affirm, at its sole expense, shall be responsible for all Customer eligibility for the Program. Affirm shall be responsible for all Application Processing, for all Customer underwriting, accepting, and processing Applications in accordance with Applicable Law. Affirm's Customer AML/CFT compliance program shall at all times comply with Applicable Law, including, but not limited to, Sanctions Requirements and identity verification requirements. Affirm is responsible for determining and modifying underwriting criteria in its sole discretion in compliance with Applicable Laws. Notwithstanding the foregoing, Affirm agrees in good faith where possible to notify Shopify in advance of any material changes to its underwriting criteria that could have the impact of reducing the number of Customers and to consult with Shopify about such changes.

5.2 Affirm, at its sole expense and in consultation with Shopify, shall, with respect to each Territory: (i) develop all Customer agreements and disclosures governing or related to the Financial Product(s) as provided by Affirm to Shopify ("**Customer Agreements**") and will notify Shopify of any material updates or modifications thereto that constitute a significant change to the rights, obligations or expectations of Affirm or the Customers that are parties thereto; (ii) develop all Merchant agreements governing or related to the Financial Product ("**Merchant Agreements**"); and (iii) be responsible for ensuring Customer Agreements comply with Applicable Law for each Territory, as applicable. At Program Launch, the Parties shall distribute Customer Agreements and Merchant Agreements that are substantially similar to, and no less protective than, those referenced above. The terms and conditions of the Customer Agreements must set forth, at a minimum, the following terms: (a) the contracting party under each Customer Agreement; (b) the lender or provider of the Financial Product; and (c) all disclosures required by Applicable Law. All Customer Agreements shall be drafted in consultation with Shopify, provided that to the extent such Customer Agreement contains language required by Applicable Law or Regulatory Authority, such language shall not be subject to negotiation; and provided further that, Affirm shall have the final right of approval over any such Customer Agreements. The relationship with each Customer in connection with the Program shall be jointly owned by Affirm and Shopify. The Parties acknowledge and agree that the content of all Customer communications provided or developed by Affirm, as mutually agreed by the Parties in connection with the Program, including, without limitation, any statements or disclosures and Customer Agreement, to the extent unmodified by Shopify or a third party on Shopify's behalf without Affirm's express prior written consent, shall be

the responsibility of Affirm, and shall include each Party's Marks (use of Shopify's Marks shall be subject to Shopify's approval). For the avoidance of doubt, Affirm shall be responsible for ensuring all Program Materials and Customer communications provided or developed by Affirm, to the extent unmodified by Shopify or a third party on Shopify's behalf without Affirm's express prior written consent, including, without limitation, any statements or disclosures and Customer Agreements, comply with Applicable Law and any policies and procedures required by Regulatory Authority. The channel and means of distributing Customer Agreements shall be via email, on Shopify's Platform, through Shopify's SHOP App, or as otherwise required pursuant to Applicable Law; provided that, if Shopify fails to distribute Customer Agreements, Affirm shall have a right to do so using any means available under Applicable Law.

5.3 Affirm, at its sole expense (but subject to each applicable Program Outline), shall provide for fund settlement from Customers, collection of payments due from Customers, processing of any Customer transaction related to the Financial Product or contemplated by the Customer Agreement, and distribution of funds to or from a Customer in connection with a Financial Product, in each case, as outlined in the applicable Program Outline. Affirm acknowledges and agrees that it is responsible for Customer Losses.

5.4 Except as stated in this Agreement and to the extent certain functionality is provided in the SHOP App (in which case Shopify shall be responsible for such functionality and communications provided to Customers by Shopify at Affirm's direction), Affirm shall be responsible for all customer service and communications that it provides to Customers, as agreed by the Parties, including in connection with any Customer-related complaints, questions or requests it receives. Affirm shall develop, in consultation with Shopify, standardized communications to Customers for servicing of the Financial Product (which may include, for example, push notifications sent by Shopify on behalf of Affirm); provided that to the extent such communications contain language required by Applicable Law, such language shall not be subject to negotiation; and provided further that Affirm shall have the final right of approval over any such communications. Affirm shall develop and maintain an internet website or portal that performs customer service functions, such as taking payments and account maintenance, for Customers in connection with the Financial Product, to be branded with the marks of Affirm and Shopify. Affirm will provide Shopify with its complaint policy and procedure documents (the "**Complaint Policy**"). Affirm agrees to notify Shopify of any material updates to such Complaint Policy. The Complaint Policy will include provisions for tracking and reporting Customers' complaints from initial contact to resolution, regardless of the recipient of the complaint (i.e., complaint received by Affirm or by Shopify). Affirm shall promptly (within [***] business days) notify Shopify when Affirm receives a written or verbal Customer complaint that is directed or referred to any Regulatory Authority, or governmental figure (including a federal legislator) relating to the Program and that specifically refers to the actions or inactions of Shopify. Shopify shall promptly (within [***] business days) notify Affirm when Shopify receives a written or verbal Customer complaint that is directed or referred to any state attorney general, Regulatory Authority, or governmental figure (including a state or federal legislator) relating to the Program and that refers to the actions or inactions of Affirm or the Customer Engagement Functionality. Each Party shall maintain a record and log of all such Customer-related complaints, questions, or requests and, unless otherwise prohibited by Applicable Law and provide such log to the other Party on a monthly basis at its request.

5.5 Affirm shall have the right to terminate or suspend any Eligible Merchant's participation in the Program in accordance with terms of the applicable Merchant Agreement, including, but not limited to, the right to terminate or suspend such Eligible Merchant in connection with elevated fraud or loss activity; provided that Affirm shall use commercially reasonable efforts to provide Shopify with at least [***] notice of such termination or suspension, so that Shopify can communicate directly with the Merchant. Any such termination or suspension shall be effectuated by Shopify promptly in accordance with the SLAs set forth in this Agreement.

5.6 Affirm will not encourage or require any Eligible Merchant to disable an Eligible Merchant's Product integration with Shopify or any other Shopify product or service.

6. Service Level Agreement (SLA) Standards.

6.1 Each Party shall provide all services contemplated by this Agreement with promptness and diligence and in a professional and workmanlike manner (unless some other time frame or manner is set forth

herein, in which case such other time frame or manner shall apply). As applicable, each Party shall provide services contemplated by this Agreement in accordance with the service levels set forth in the applicable Territory Program Agreement (each, an “SLA”). Affirm and Shopify shall periodically review and measure overall performance against the SLAs to ensure consistency with the goals and objectives of this Agreement, and the Parties shall reasonably cooperate to update such SLAs as necessary.

6.2 If any services are not provided in accordance with the SLAs (each instance, a “**Failed SLA**”), for each Failed SLA: (i) the failing Party shall promptly investigate and report to the non-failing Party on the causes of the problem; (ii) the failing Party shall provide a root-cause analysis of such failure as soon as practicable after such failure or non-failing Party’s request; (iii) the Parties shall undertake the mutual support obligations set forth in the SLAs for the Program Outline initiate remedial action to correct the Failed SLA and resume meeting the relevant SLA(s) as soon as practicable but, in the event of a P0 or P1 incident, within [***] business days of the date of the occurrence of the Failed SLA; and (iv) advise the non-failing party, as and to the extent requested, of the status of remedial efforts being undertaken with respect to such problem and, within [***] business days, provide the non-failing party reasonable evidence that the causes of such problem will be corrected on a permanent basis (such steps, an “**SLA Corrective Action Plan**”), using commercially reasonable efforts; provided, that any SLAs related to Customer operations as set forth in the applicable Territory Program Agreement will be delivered at the end of following month when such Failed SLA occurred unless otherwise agreed to by the Parties. A Party’s failure to provide services in accordance with its SLAs shall not be deemed a Failed SLA if such Party’s failure resulted from (a) a breach of the other Party’s obligations under this Agreement or (b) the inability to prepare adequate resources to meet its SLAs because of materially inaccurate reports or forecasts provided by the other Party.

6.3 For any given month in which a Party suffers any Failed SLA, such month shall be considered to be a “**Failed Month**.” If there are [***] consecutive Failed Months or [***] Failed Months during any [***] period, the non-failing party may, at its option, either terminate the specific subject service(s) or terminate this Agreement in its entirety by giving written notice of termination to the failing party, in which case the date of termination shall be as set forth in such notice. With respect to API Latency (as defined in the applicable Territory Program Agreement), if Shopify determines there is a Failed SLA, Shopify will provide Affirm with an SLA Report detailing the Failed SLA.

6.4 Each Party shall implement measurement and monitoring tools and metrics as well as standard reporting procedures to measure and report such Party’s performance of the services against the applicable SLAs and shall provide the other Party with [***] reports detailing service standards performance unless the Parties agree to otherwise (each, an “**SLA Report**”). Each Party shall also provide the other Party with information for purposes of audit verification.

6.5 Each Party may schedule planned outages of its services upon not less than [***] business days’ prior written notice to the other Party, and during such planned outage, the affected services shall be exempt from being deemed a Failed SLA for purposes of the calculations for the time period of the outage identified by the first Party in the prior written notification to the other Party. In no event shall such planned outages occur except between the hours of [***] of the local time zone of the Territory listed in the Territory Program Agreement or such other time set forth therein. Each Party shall use commercially reasonable efforts to minimize any adverse impact to the Program and the Customers as a result of any such planned outages.

6.6 Notwithstanding the above, the Parties agree to work together in good faith to improve the Service Levels standard as stated in each Territory Program Agreement.

7. Relationship Management.

7.1 **Relationship Manager.** Each Party will designate a “**Relationship Manager**” to act on its behalf in matters arising under this Agreement; provided, however, that the Relationship Managers may not alter or amend any term, condition or provision of this Agreement. Either Party may change its Relationship Manager or add additional Relationship Managers for different Territories at any time by providing the other Party with written

notice. Each Party reserves the right to request to change its Relationship Manager if the Party determines in good faith that the current Relationship Manager is not working effectively with one another or such Relationship Manager is otherwise detrimental to the Program. Each Party shall reasonably consider all such requests based on the facts and circumstances and make reasonable efforts to comply with any request to change.

7.2 Committees.

7.2.1. Establishment of Strategic Operating Committee. The Parties will establish an operating committee (“**Strategic Operating Committee**”) to oversee and review all aspects of the Program.

7.2.2. Composition of Strategic Operating Committee. The Strategic Operating Committee will consist of persons with sufficient enterprise responsibility and knowledge of a business unit integral to the performance or supervision of the Program, as applicable, within each Party (e.g., engineering, relationship management, product). The Parties envision the Strategic Operating Committee to be comprised of approximately 6 members, half of whom will be nominated by Shopify (each, a “**Shopify Designee**”) and half of whom will be nominated by Affirm (each, an “**Affirm Designee**” and collectively with the Shopify Designees, “**Designees**”). Each Party may change its Designees upon informing the other Party. Each Designee will have one vote to approve Strategic Operating Committee actions requiring a vote; however, if the Parties have an unequal number of Designees, then each Party will be deemed to have a total of one vote.

7.2.3. Certain Functions of the Committee. The Strategic Operating Committee will:

7.2.3.1. evaluate proposed new and existing services, products, functionality and additional features in accordance with the terms of this Agreement, including Section 36 (Exclusivity; Additional Products, Services, Geographies);

7.2.3.2. evaluate, discuss and resolve operational aspects of any ongoing compliance issues, including any operational changes required by changes in Applicable Law;

7.2.3.3. review actual and projected performance by the Parties;

7.2.3.4. propose and evaluate any operational implementation of material changes to any Program Outline, and any material changes to pricing or fees in any applicable Program Outline;

7.2.3.5. evaluate and respond to any notice of breach given by a Party with respect to the Agreement;

7.2.3.6. evaluate and respond to any request for additional reporting, access to data or changes in current reporting or access requirements or practices;

7.2.3.7. review and approve any project collaboration, marketing or promotional activities;

7.2.3.8. review fraud metrics and fraud prevention measures with the goal of continuing to mitigate fraud;

7.2.3.9. evaluate Financial Product charge-offs and defaults with the goal of minimizing such losses;

7.2.3.10. evaluate Customer repeat-purchase rates and average Merchant Fees (as defined in the applicable Program Outline) across the Merchant Base, with the goal of improving both metrics;

7.2.3.11. discuss the Product Construct and make any adjustments to the First Product as mutually agreed and evidenced by an amendment to the applicable Program Outline;

7.2.3.12. carry out all other tasks the Parties agree in writing will be done by the Strategic Operating Committee;

7.2.3.13. review and measure overall performance against the applicable SLAs to ensure consistency with the goals and objectives of this Agreement, and reasonably cooperate to update such applicable SLAs as necessary;

7.2.3.14. review Shopify rolling 12-month forecast (provided to Affirm on a quarterly basis) and discuss whether any Affirm SLA failures were directly caused by material misstatements, omissions or errors in the 12-month forecast;

7.2.3.15. meet regularly, but no less often than quarterly, in a manner or at a place mutually agreed by the Parties;

7.2.3.16. resolve any Conflict, including with respect to the amount and payment of Fees for Services, in accordance with Section 9 (Conflict Resolution); and

7.2.3.17. submit all unresolved disputes and matters for expedited resolution to the Escalation Executives as provided for in Section 9.2 (Escalation Executives).

7.2.4. Effect of Actions. All actions taken or approved by the Strategic Operating Committee will be set forth in writing and binding on the Parties and their Affiliates, as applicable; provided that the Strategic Operating Committee may not take any action or approve any matter that would conflict with or otherwise expand the obligations or curtail the rights set forth in this Agreement.

7.2.5. Additional Committees and Personnel. The Parties may create from time to time other committees and for other purposes as they deem appropriate or include other persons, in addition to the Designees, with relevant subject matter or other expertise, to attend Strategic Operating Committee meetings.

7.3 **Annual Executive Meeting.** The Parties will organize an executive meeting to be held on an annual basis between “VP-level” executives from each respective corporate organization to ensure continued strategic alignment, assess progress against common goals, discuss any issues identified by the Strategic Operating Committee as appropriate for their discussion, and explore further collaboration.

7.4 **Independent Contractors.**

7.4.1. Affirm and Shopify agree that they are independent contractors to each other in performing their respective obligations hereunder. This Agreement will not be construed as creating a relationship of employment, agency, partnership, joint venture or any other form of legal association. Neither Party has any power to bind the other Party or to assume or to create any obligation or responsibility on behalf of the other Party or in the other Party’s name.

7.4.2. Each Party’s Personnel are not eligible for, nor may they participate in, any employee benefit plans of the other Party, and the non-employing Party will not insure the employing Party for workers’ compensation coverage or for unemployment insurance. Each Party is solely responsible for, and agrees to comply with all federal and state laws and regulations with respect to: (i) hire, tenure, and conditions of employment; (ii) hours of work, salaries and compensation (including unemployment compensation); (iii) deductions and withholdings; (iv) payment of any and all contributions, taxes and assessments, with respect to all Party Personnel who provide services hereunder; and (v) the keeping of records and making of reports.

8. **Intellectual Property Rights.**

8.1 **Shopify Materials.** To the extent that Shopify provides any Shopify Materials to Affirm pursuant to this Agreement, the following shall apply:

8.1.1. License. Shopify hereby grants to Affirm a limited, non-exclusive, non-transferable, non-sublicensable and revocable license to the Shopify Materials during the Term, solely as necessary for Affirm fulfill its obligations under this Agreement and for no other purpose.

8.1.2. Ownership. Subject to Section 8.4 hereof, the Shopify Materials are owned by Shopify and licensed to Affirm and not sold to Affirm. Shopify owns and reserves all right, title and interest in and to the Shopify Materials and all Intellectual Property Rights therein.

8.1.3. Risk of Loss. To the extent that Shopify provides any Shopify Materials to Affirm for the performance of its obligations under this Agreement, Affirm will: (i) take all reasonable precautions to protect such property against loss, damage, theft or disappearance; (ii) take no actions that affect Shopify's title or interest; (iii) abide by specifications and use instructions; (iv) not give access to any third party without Shopify's prior written consent; and (v) not reverse engineer, decompile, disassemble, modify, create derivative works of or otherwise create, attempt to create or derive, or permit or assist any third party to create or derive, the source code underlying the Shopify Materials.

8.2 **Affirm Materials.** To the extent that Affirm provides any Affirm Materials to Shopify pursuant to this Agreement, the following shall apply:

8.2.1. License. Affirm hereby grants to Shopify a limited, non-exclusive, non-transferable, non-sublicensable and revocable license to the Affirm Materials during the Term, solely as necessary for Shopify to fulfill its obligations under this Agreement and for no other purpose.

8.2.2. Ownership. Subject to Section 8.4 hereof, the Affirm Materials are owned by Affirm and licensed to Shopify and not sold to Shopify. Affirm owns and reserves all right, title and interest in and to the Affirm Materials and all Intellectual Property Rights therein.

8.2.3. Risk of Loss. To the extent that Affirm provides any Affirm Materials to Shopify for the performance of its obligations under this Agreement, Shopify will: (i) take all reasonable precautions to protect such property against loss, damage, theft or disappearance; (ii) take no actions that affect Affirm's title or interest; (iii) abide by specifications and use instructions; (iv) not give access to any third party without Affirm's prior written consent; and (v) not reverse engineer, decompile, disassemble, modify, create derivative works of or otherwise create, attempt to create or derive, or permit or assist any third party to create or derive, the source code underlying the Affirm Materials.

8.3 **Pre-Existing Intellectual Property Rights.** Notwithstanding anything else contained in this Agreement, Affirm shall retain ownership of Affirm Pre-Existing IP, and Shopify shall retain ownership of Shopify Pre-Existing IP; provided, however, Affirm grants to Shopify a limited, non-exclusive, non-transferable, non-sublicensable and revocable license, during the Term and through the end of the Orderly Transition as set forth in Section 11.7, to the Affirm Pre-Existing IP that the Parties mutually agree is to be included in or otherwise used in connection with a Program.

8.4 **Developed Intellectual Property Rights.**

8.4.1. Each Party will exclusively own and retain ownership of all right, title, and interest in and to all Intellectual Property Rights that such Party or its Affiliates solely creates, authors, develops, or otherwise acquires pursuant to or in furtherance of this Agreement, and no Intellectual Property Rights of any kind are assigned by one Party to either Party pursuant to this Agreement. Except as expressly provided in Section 8.4.2, the Parties will jointly own, without a duty of accounting, all Intellectual Property Rights that are jointly created, authored, or developed by the Parties pursuant to or in furtherance of this Agreement that does not constitute Affirm Pre-Existing IP or Shopify Pre-Existing IP, provided, however, that neither Party shall have the right to license, transfer, assign or grant rights to such jointly owned Intellectual Property Rights to a third party without the prior written consent of the other Party. The Parties agree to cooperate in good faith to identify and document any jointly owned Intellectual Property Rights. For the avoidance of doubt, the Affirm API and all related documentation and

specifications are and will be deemed to be exclusively owned by Affirm, and the Shopify API and all related documentation and specifications are and will be deemed to be exclusively owned by Shopify. Notwithstanding this Section 8.4.1, any new software, other than software constituting Affirm Pre-Existing IP, that is jointly created, authored or developed by the Parties pursuant to or in furtherance of this Agreement that is developed on top of Affirm's API, including but not limited to the Customer interface, shall belong to Shopify; provided that the concept of the embedded user portal shall be jointly owned by both Parties. For the avoidance of doubt, any Intellectual Property Rights that are created, authored or developed by Affirm and relate to Affirm backend systems or that are a modification, enhancement, or derivative work of the Affirm API, shall be solely and exclusively owned by Affirm.

8.4.2. Upon termination of this Agreement, the Parties shall cooperate in good faith to identify, as set forth in Section 8.4.1 above, and document any jointly owned Intellectual Property Rights. Affirm shall not prevent Shopify from using any such jointly developed Intellectual Property Rights or prevent, hinder or in any manner prevent Shopify from entering into agreements to provide and market the same or similar services as provided hereunder. It is understood that following termination, (a) each Party shall continue to jointly own and have the right to use the jointly owned Intellectual Property Rights as of the date of termination in accordance with Section 8.4.1, and (b) neither Party shall have any rights in or ownership of any intellectual property related to any derivatives, enhancements or improvements to such Intellectual Property developed by the other Party following the termination of this Agreement. For the avoidance of doubt, the Financial Product name and its branding on the Shopify platform and SHOP App/SHOP Portal, excluding any Affirm trademarks, belongs to Shopify; provided, that Shopify acknowledges that Affirm may have similarly named financial products that are not part of the Program and nothing herein shall restrict Affirm from using such financial product name or branding which shall belong to Affirm.

8.5 **Reservation of Intellectual Property Rights.** Nothing in this Agreement shall be construed as granting either Party a license to use in any way the Intellectual Property Rights of the other Party, except as provided in this Agreement. Neither Party shall take any action that interferes with the other Party's Intellectual Property Rights or attempt to copyright or patent any part of the other Party's Intellectual Property Rights or attempt to register any trademark, service mark or trade name that is identical or confusingly similar to the other Party's Marks.

8.6 **Feedback.** Each Party may, from time to time, provide the other Party with suggestions or comments for enhancements or improvements, new features or functionality or other feedback (collectively, "**Feedback**") with respect to the Materials of the other Party or the Program. The Party receiving such Feedback will have the full, unencumbered right, without any obligation to compensate or reimburse the providing Party, to use, incorporate and otherwise fully exercise and exploit any such Feedback in connection with the receiving Party's Materials, products, and services. Feedback shall not be deemed to be the Confidential Information of either Party.

9. Conflict Resolution.

9.1 **Good-Faith Negotiation.** The Parties shall cooperate and attempt in good faith to resolve any Conflict promptly by negotiating between persons who have authority to settle the Conflict. Subject to Section 9.3 (Preliminary, Provisional, Injunctive Judicial Relief), if Parties are unable to resolve the Conflict, the Party raising the Conflict shall provide written notice thereof to the other Party (the "**Initial Notice**"), and within [***] days of the delivery of the Initial Notice, the Conflict shall be submitted to the Strategic Operating Committee to negotiate a resolution of the Conflict. The negotiations shall be conducted by executives who hold, at a minimum, the title of senior vice president or general counsel and who have authority to settle the Conflicts. All such negotiations shall be confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence. If the Parties are unable for any reason to resolve the Conflict within [***] days after the delivery of such notice or if a Party reasonably concludes that the other Party is not willing to negotiate as contemplated by the preceding sentences of this Section 9.1 (Good-Faith Negotiation), the Conflict shall be submitted to both Escalation Executives.

9.2 **Escalation Executives.** Each Party will each appoint [***] full-time employee who is a senior executive, or his/her designee, with enterprise-wide responsibility within his or her organization (“**Escalation Executive**”) to review and resolve all matters on which the Strategic Operating Committee is deadlocked and any Conflicts otherwise referred to him or her by the Strategic Operating Committee. Each Party may change its Escalation Executive upon informing the other Party. The Escalation Executives will meet at least annually and will make a good faith effort to promptly (and in any event within [***] days of the dispute being referred to the Escalation Executives) resolve all Conflicts referred to them. The Escalation Executives decisions will be binding on the Parties. If the Escalation Executives do not agree to a resolution of a Conflict within the [***] period following the referral of such Conflict to the Escalation Executives, the Parties may initiate legal proceedings as applicable.

9.3 **Preliminary, Provisional, Injunctive Judicial Relief.** Notwithstanding the foregoing, a Party may seek preliminary provisional or injunctive judicial relief with respect to a Conflict without first complying with the procedures set forth in this Section 9 (Conflict Resolution) if permitted under Section 13.6 (Remedies) or as otherwise necessary to prevent immediate and irreparable harm to a Party for which money damages might not constitute an adequate remedy.

10. **Compensation, Expenses and Taxes.**

10.1 **Compensation.** All fees not expressly set forth in this Agreement must be expressly and mutually agreed to in the applicable Program Outline. Except as expressly set forth in this Agreement, Shopify will have no other payment obligations for fees to Affirm.

10.2 **Expenses.** Except as otherwise set forth in this Agreement, each Party shall be responsible for its costs and expenses incurred in performance of its obligations under this Agreement. Unless otherwise stated in any Program Outline, Shopify shall be responsible for advertising and other expenses associated with the marketing of the Program to Merchants and the Customer Engagement Functionality. Unless otherwise stated in any Program Outline, Affirm shall be responsible for its own costs and overhead generated from its review, assessment and development of the Program, and costs associated with or required to establish and maintain the Financial Product.

10.3 **Taxes.**

10.3.1. [***]

10.3.2. [***]

10.3.3. [***]

11. **Term and Termination.**

11.1 **Term.** The term of this Agreement begins on the Effective Date and will remain in effect for an initial term ending on June 8, 2028 (“**Initial Term**”), unless otherwise terminated as permitted herein; provided that if the Parties enter into a Territory Program Agreement on or after June 8, 2027, the Parties will negotiate an extension of the Initial Term. After the Initial Term, this Agreement shall automatically renew for successive 1-year periods (each, a “**Renewal Term**”) unless a Party provides the other Party with written notice of its election to terminate this Agreement at least 180 days prior to the expiration of the Initial Term or the then-current Renewal Term as applicable. The Initial Term together with all Renewal Terms and any wind-down or transition period shall be collectively referred to herein as the “**Term**.” Any Program Outline(s) still in effect will terminate on the date that termination of the Agreement takes effect, subject in each case to Affirm’s obligations in Section 11.6 (Orderly Transition).

11.2 **Termination for Cause; Notification of Significant Events.**

11.2.1. In addition to any other termination rights set forth in the Agreement (including those set out in Sections 6.3 and Section 26 (Force Majeure)) or any applicable Program Outline, either Party (“**Terminating Party**”) may terminate this Agreement or any Program Outline immediately upon notice to the other Party (“**Non-Terminating Party**”) (subject to the cure periods and notices noted below, if any) if:

11.2.1.1. Non-Terminating Party breaches any material provision relating to its security or confidentiality obligations of this Agreement;

11.2.1.2. Non-Terminating Party materially breaches any provision of this Agreement and the breach is capable of cure but Non-Terminating Party fails to cure such breach within [***] days following written notice to Non-Terminating Party from Terminating Party specifying in reasonable detail the nature of the claimed breach;

11.2.1.3. Non-Terminating Party materially breaches the Agreement in a manner that cannot be remedied;

11.2.1.4. Shopify has the right to terminate the Agreement if, (i) there is a change of control in which [***] or their affiliates acquire a majority interest of the voting power or voting capital or other equity interest of Affirm sufficient to exercise control over Affirm that occurs without the prior, express written consent of Shopify; or (ii) Max Levchin is no longer an executive officer of Affirm or the chairman of the Board of Directors of Affirm for more than 90 days (collectively, a “**Change of Control**”);

11.2.1.5. Non-Terminating Party generally fails to pay its debts as they become due, admits in writing its inability to pay its debts generally, makes a general assignment for the benefit of creditors or any proceedings or filing of any petition seeking relief under any federal, provincial, national, territorial, state or foreign bankruptcy, insolvency, liquidation or similar law is instituted by or against Non-Terminating Party or Non-Terminating Party takes any corporate action to authorize any of the actions set forth in this subsection; provided that this termination right shall only apply to an involuntary petition or proceeding under any other federal, provincial, state or foreign bankruptcy, insolvency, liquidation or similar law if such involuntary petition or proceeding is not dismissed within [***] days;

11.2.1.6. A court of competent jurisdiction (or other administrative body or Regulatory Authority empowered to issue such orders) issues a final order or judgment holding that this Agreement or the services and deliverables offered hereunder are in violation of or are prohibited by Applicable Law;

11.2.1.7. There is any obligation placed on Terminating Party by a Regulatory Authority or any other third party after the Effective Date that the Terminating Party determines, in its sole and reasonable discretion, would materially diminish the economic value of the Program or this Agreement to the Terminating Party, make performance infeasible, or otherwise have a material and adverse effect on the Terminating Party;

11.2.1.8. With immediate effect, if so required by a Regulatory Authority or Applicable Law, or Non-Terminating Party is issued a warning or any other form of reprimand by a Regulatory Authority, and if the Regulatory Authority permits a cure, Non-Terminating Party then fails to remedy or cure such situation within [***] days or the cure period designated by Applicable Law or Regulatory Authority, whichever is earlier, following written notice to Non-Terminating Party specifying in reasonable detail the nature of the cause. In the event the non-Terminating Party does not comply with such requirement, the non-Terminating Party shall be responsible for all Losses to the Terminating Party arising from or related to such non-compliance; or

11.2.1.9. Upon [***] days’ prior written notice to the Non-Terminating Party if the Financial Product is not made available to all merchants on the Shopify Platform in the United States as mutually determined by the Parties within [***] after the Program Effective Date, and such failure was caused by the action or inaction of the Non-Terminating Party.

11.3 **Termination for Convenience.** Either Party may immediately terminate this Agreement after the first year of the Initial Term for convenience by providing [***] prior written notice to the other Party.

11.4 **Shopify Notification of Significant Events.** Shopify shall notify Affirm in writing [***] of any material adverse catastrophic events that adversely affect Shopify's performance of its obligations under this Agreement or of regulatory enforcement actions or investigations that will or reasonably could adversely affect its performance of its obligations under this Agreement. Unless prohibited by law, Shopify shall also notify Affirm [***] of any communications from a Regulatory Authority, other bona fide third party with regulatory or other legitimate authority over Shopify, or nationally-recognized industry groups (such as the Better Business Bureau) [***].

11.5 **Affirm Notification of Significant Events.** Affirm shall notify Shopify in writing:

11.5.1. as soon as possible and with, at a minimum, at least [***] notice before making significant changes to its services necessary to satisfy its obligations under this Agreement, or implementing new or revised policies, processes and information technology that materially affects services necessary to satisfy its obligations under this Agreement; provided that Affirm shall provide notice as soon as possible in conjunction with making significant changes where [***] days' notice is not feasible, such as objectively reasonable significant changes necessary to prevent fraud or to ensure data security. In addition, Affirm shall notify Shopify of any management or key Personnel changes or other business activities that could affect materially the services necessary to satisfy its obligations under this Agreement following the implementation of such Personnel change or other business activity;

11.5.2. as soon as possible (as permitted under Applicable Law or applicable agreements) prior to a Change of Control; and

11.5.3. [***] (as permitted under Applicable Law) of any Affirm significant financial distress, material adverse catastrophic events affecting Affirm and significant incidents, including: service or Affirm's Systems interruptions, material compliance lapses, regulatory enforcement actions or investigations that will or reasonably could adversely affect its performance of its obligations under this Agreement. For avoidance of doubt, Affirm is not required to share any information that Affirm determines may constitute NPI.

11.6 **Effect of Termination.** In the event either Party terminates this Agreement for any reason whatsoever, then each Party will destroy, as requested by the Disclosing Party, all Confidential Information of the other Party, except to the extent (i) this Agreement requires or permits the express retention of the Confidential Information; (ii) in accordance with the Receiving Party's record retention policy; (iii) such Confidential Information is retained in automated backups provided that the Receiving Party does not access such Confidential Information; or (iv) as otherwise required by Applicable Law and in which case, such Confidential Information will remain subject to the confidentiality provisions of this Agreement until such time that such obligations expire and the applicable Party certifies the destruction of such Confidential Information in accordance with this Section 11.5 (Effect of Termination) and Section 13 (Confidential Information).

11.7 **Orderly Transition.**

11.7.1. In the event of the termination or expiration of the Program or the termination of this Agreement, for any reason, the Parties will cooperate to transition or wind down such Program in accordance with Applicable Law pursuant to this Section 11.6 (Orderly Transition). Each Party acknowledges that the goals of any transition or wind-down are to benefit the Customers by minimizing any possible burdens or confusion and to protect and enhance the names and reputations of the Parties, each of whom have invested their names and reputations in the Program. Unless otherwise required by Applicable Law or any Regulatory Authority, upon the expiration or termination of this Agreement for any reason, the Parties agree to cooperate in good faith to transition or wind down the Program in a commercially reasonable way as soon as reasonably possible but, in any event for at least [***] days, to provide for a smooth and orderly transition or wind-down. Such cooperation will include continued provision of customer service to all outstanding Customers in accordance with the terms of this

Agreement until the expiration, termination or assignment of the Customer Agreement and shall include Affirm transferring any and all Customer Information, Merchant Information and Program Information in its possession to Shopify unless prevented from doing so under Applicable Law.

11.7.2. **Transition.** Shopify shall have the right to cause any terminated or expired Program and all associated Customer accounts, Customer Information, Merchant Information and Program Information to be transferred by or on behalf of Affirm to Shopify at its sole cost. Shopify shall notify Affirm upon any termination or expiration of this Agreement whether it intends to transfer the Program and all associated Customer Information, Merchant Information and Program Information to Shopify, and Affirm shall cause such transfer in accordance with the terms set forth herein. No later than [***] days after exercising its option hereunder, Shopify will provide to Affirm in writing a proposed transition plan detailing a proposed timeline that shall designate a schedule of dates as of which the Program will be transferred. The Parties shall meet promptly thereafter to review such proposed plan and to determine a mutually acceptable transition plan (a “**Transition Plan**”), such Transition Plan not to exceed [***] days to complete. The Transition Plan shall include a detailed outline of the Parties’ intentions in connection with the transfer of the Program and Customer accounts, including timeframes for continuation of the Program during the period of transition, and target dates for transition milestones, such as development of the transition procedures for the transfer of the Program and any other information reasonably requested by a Party. In the event that Shopify elects to transition the Program pursuant to a Transition Plan, Affirm shall use commercially reasonable efforts to: (i) take all commercially reasonable actions and execute such other documents as necessary to transfer the Program; and (ii) transfer all Customer Information, Merchant Information and Program Information in its possession to Shopify, subject to Applicable Law and any required third-party (e.g., customer) consents, which Affirm shall in good faith attempt to obtain. For the avoidance of doubt, if Affirm is party to an agreement with a Merchant or Customer for whom the Program Information, Merchant Information or Customer Information relates and such agreement explicitly permits retention of such Program Information, Merchant Information or Customer Information, Affirm may retain a copy of such Program Information, Merchant Information or Customer Information, subject to all of the restrictions on use set forth in this Agreement. Also, for the avoidance of doubt, nothing in this Section 11.7.2 requires Affirm to license or transfer Affirm Pre-Existing IP or Affirm Confidential Information to any successor provider or Shopify. Shopify shall be responsible for all costs associated with its election to transition the Program.

11.7.3. **Wind down.** In the event that Shopify provides written notice of its intention to wind down the Program or in the event that Shopify does not exercise its option for transition as provided for under Section 11.7.2 (Transition) above, the Parties will cooperate to provide a smooth and orderly wind-down of the Program involved. Such wind-down shall include the following:

11.7.3.1. Affirm or Shopify, as applicable, will provide to the other Party in writing a proposed wind-down plan detailing a proposed timeline that shall designate a schedule of dates as of which the Program will be wound down and an allocation of associated cost among the Parties. The Parties shall meet promptly thereafter to review such proposed plan and to determine a mutually acceptable wind-down plan (a “**Wind-Down Plan**”); provided, however, that if the Parties fail to reach mutual agreement on a wind-down plan within [***] days of either Party’s written notice of its intention to wind down the Program, the Parties shall select as promptly as practicable thereafter an independent third party to establish a wind-down plan that is appropriate for the affected Program and that is, to the extent practicable, in which case such wind-down plan so established by such independent third party shall constitute the “Wind-Down Plan” hereunder as to the Program and shall be deemed to be approved by the Parties, and the Parties shall comply with the terms thereof.

11.7.3.2. Unless otherwise contemplated by the Wind-Down Plan, the Parties shall continue to be bound by and perform and comply with the terms of this Agreement and perform all of their obligations hereunder during the wind-down period (regardless of whether the Term has expired or been terminated) until such time as all Financial Products expire or are canceled pursuant to and consistent with the Customer Agreements or, to the extent permitted by Applicable Law, until such earlier time as mutually agreed upon by the Parties. For the avoidance of doubt, Shopify shall continue to provide Affirm with all information necessary for Affirm to continue to service the Financial Product and Affirm shall retain the ability to service such Financial Product using communication methods determined by Affirm in good faith consultation with Shopify.

11.7.4. During any wind-down or transition period, Affirm agrees to continue to provide customer service to the affected Customers in accordance with the terms of this Agreement. Also during such period, the Parties shall mutually agree whether to offer the Program to new Customers, such Customers to then be considered “affected Customers” as noted above. Except as required by Applicable Law (including applicable securities laws and the rules promulgated thereunder), in no event will any Party make any public statement or customer communication regarding the termination or wind-down of this Agreement or the Program without the express prior written approval of the other Party, which approval shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, (i) Affirm agrees that Shopify may communicate the termination or expiration of this Agreement with any party with which Shopify has contracted to provide any marketing or other service in support of the Program; and (ii) Shopify agrees that Affirm may communicate the termination or expiration of this Agreement with any party with which Affirm has contracted to provide services in support of the Program.

11.8 **Survival.** Those provisions of this Agreement that, by their nature, are intended to survive the termination or expiration of this Agreement, will remain in full force and effect following the termination or expiration of this Agreement, which may include (but are not limited to): Definitions (Section 2), Independent Contractors (Section 7.4), Pre-Existing Intellectual Property Rights (Section 8.3), Developed Intellectual Property Rights (Section 8.4), and Reservation of Intellectual Property Rights (Section 8.5), Compensation, Expenses, and Taxes (Section 10), Term and Termination (Section 11), Representations, Warranties and Covenants (Section 12), Confidential Information (Section 13), Customer Information, Merchant Information and Program Information (Section 14), Affirm Data Security (Section 15), Shopify Data Security (Section 16), Indemnification (Section 17), Exclusion of Damages and Limitation of Liability (Section 18), Claims Made Coverage (Section 20.6), Notices (Section 23), Sections 27 to 35 (inclusive), and Entire Agreement (Section 40).

11.9 **Mandated Changes to Services.** If (a) either Party has been advised in writing by objective, outside legal counsel, with both expertise and experience regarding the Program that are the subject of this Agreement, of a change in Applicable Law or any judicial decision of a court having jurisdiction over such Party or any interpretation of a Regulatory Authority that, in the view of such legal counsel, would have a material adverse effect on the Program, the rights or obligations of such Party under this Agreement or the financial condition of such Party; (b) either Party receives a lawful written request of any Regulatory Authority having jurisdiction over such Party, including any letter or directive of any kind from any such Regulatory Authority, that prohibits or materially restricts such Party from carrying out its obligations under this Agreement; (c) either Party has been advised by legal counsel (as described above) in a written legal opinion that there is a material risk that such Party’s or the other Party’s continued performance under this Agreement would violate Applicable Law in any material respect; (d) any Regulatory Authority will have determined and notified either Party that the arrangement between the Parties contemplated by this Agreement constitutes an unsafe or unsound banking practice or is in violation of Applicable Law; or (e) a Regulatory Authority has commenced a formal action against a Party that the other Party, in its reasonable judgment, determines threatens such Party’s ability to perform its obligations under this Agreement in any material respect, then, in each case, the Parties will meet and consider in good faith any modifications, changes or additions to the Program or this Agreement that may be necessary to eliminate such result. Notwithstanding any other provision of this Agreement, if the Parties, after using best efforts, are unable to reach agreement regarding modifications, changes or additions to the Program or this Agreement within [***] after the Parties initially meet, either Party may terminate this Agreement upon [***] prior written notice to the other Party and without payment of a termination fee or other penalty. A Party will be able to suspend performance of its obligations under this Agreement, or require the other Party to suspend its performance of its obligations under this Agreement, if (i) any event described in clauses (b), (c), or (d) of this Section occurs and (ii) such Party reasonably determines that continued performance hereunder may result in a fine, penalty or other sanction being imposed by the applicable Regulatory Authority, or in material civil liability, unless with regards to civil liability, the other Party agrees to indemnify the Party. For the avoidance of doubt, nothing in this Section will obligate a Party to disclose, share or discuss any information to the extent prohibited by Applicable Law or a Regulatory Authority.

12. Representations, Warranties and Covenants.

12.1 **Affirm Representations, Warranties and Covenants.** Affirm represents, warrants and covenants to Shopify that:

12.1.1. Entering into and carrying out of the terms and conditions of this Agreement will not violate or constitute a breach of any obligation binding Affirm;

12.1.2. Affirm is duly organized, validly existing and in good standing under the laws of the country, province or state of jurisdiction of its formation and has full corporate power and authority to carry on its business as currently conducted;

12.1.3. When executed and delivered by Affirm, this Agreement will constitute the legal, valid and binding obligation of Affirm, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium and other Applicable Laws of general application relating to or affecting creditors' rights and general principles of equity;

12.1.4. Affirm has obtained and is in compliance with all licenses, permits, memberships, consents and authorizations required to perform all its obligations under this Agreement and other agreements that must be executed to effect the services provided by Affirm as expressly set forth herein, and which shall be maintained at all times during the term of this Agreement; provided that, in the event a Regulatory Authority requires Affirm to obtain an additional lending, brokering or servicing license, permit or authorization to provide a Financial Product solely because of Shopify's activities, Affirm shall not be considered to be in violation of this Section 12.1.4;

12.1.5. To Affirm's knowledge, any Intellectual Property Rights it may provide to Shopify do not violate the Intellectual Property Rights of any third party;

12.1.6. There is no pending, nor to the knowledge of Affirm, threatened, suit, action, arbitration or other proceedings of a legal, administrative or regulatory nature, or any governmental investigation, against it or any of its affiliates or any officer, director or employee that has not been previously disclosed in writing and that would materially or adversely affect its financial condition or its ability to perform services under or in connection with this Agreement;

12.1.7. Affirm shall at all times comply with and conduct its activities in connection with this Agreement in accordance with Applicable Law;

12.1.8. The Program shall comply in all material respects with Applicable Law unless Shopify's acts or omissions prevent Affirm from making the Program, or causes the Program to not, comply with Applicable Law;

12.1.9. Affirm shall perform all obligations hereunder in a timely, skillful, professional and workman-like manner by qualified personnel exercising care, skill and diligence consistent with good practices in the financial services industry, and will devote adequate resources to meet its obligations hereunder, in accordance with the terms and conditions of this Agreement;

12.1.10. Affirm has established and is maintaining (i) a Security Program which is sufficient to satisfy the requirements of Section 15 (Affirm Data Security) hereof and (ii) disaster recovery, business resumption and contingency plans appropriate for the nature and scope of the activities of and the obligations to be performed by Affirm hereunder that are sufficient to satisfy the requirements of Section 19 (Disaster Recovery and Business Continuity) hereof; that will enable Affirm to continue to comply with such requirements during the Term and any wind-down or transfer period. Affirm has, within [***], tested such Security Program, has determined it is sufficient and will enable Affirm to continue to comply with the requirements herein during the Term and any wind-down period;

12.1.11. Affirm has implemented and will maintain an enterprise governance, third-party risk management, and a compliance program that includes legal and regulatory training requirements related to its services contemplated under this Agreement; and

12.1.12. Affirm's services and deliverables, including Affirm Materials, will be free from all viruses, worms, Trojan horses, and malicious code.

12.2 Shopify Representations, Warranties and Covenants. Shopify represents, warrants, and covenants to Affirm that:

12.2.1. Entering into and carrying out of the terms and conditions of this Agreement will not violate or constitute a breach of any obligation binding Shopify;

12.2.2. Shopify is duly organized, validly existing and in good standing under the laws of the state of jurisdiction of its formation and has full corporate power and authority to carry on its business as currently conducted;

12.2.3. Shopify has obtained and is in compliance with all licenses, permits, memberships, consents and authorizations required to perform all its obligations under this Agreement;

12.2.4. To Shopify's knowledge, any Intellectual Property Rights it may provide to Affirm do not violate the Intellectual Property Rights of any third party; and

12.2.5. When executed and delivered by Shopify, this Agreement will constitute the legal, valid and binding obligation of Shopify, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium and other Applicable Laws of general application relating to or affecting creditors' rights and general principles of equity.

12.2.6. There is no pending, nor to the knowledge of Shopify, threatened, suit, action, arbitration or other proceedings of a legal, administrative or regulatory nature, or any governmental investigation, against it or any of its affiliates or any officer, director or employee that has not been previously disclosed in writing and that would materially or adversely affect its ability to perform its obligations under or in connection with this Agreement;

12.2.7. Shopify shall at all times comply with and (by implementing and maintaining appropriate contractual provisions and monitoring practices) will ensure that Payout Provider (in connection with the Payout Consolidation Feature) will comply with, and conduct its activities in connection with this Agreement, in accordance with Applicable Law;

12.2.8. Shopify shall perform all obligations hereunder in a timely, skillful, professional and workman-like manner by qualified personnel exercising care, skill and diligence consistent with good practices in the financial services industry, and will devote adequate resources to meet its obligations hereunder, in accordance with the terms and conditions of this Agreement;

12.2.9. Shopify has (i) a Security Program appropriate for the nature and scope of its obligations hereunder (including any transition or wind-down period); (ii) disaster recovery, business resumption and contingency plans appropriate for the nature and scope of its obligations hereunder (including any transition or wind-down period) or as required in a Program outline; and (iii) adequate insurance coverage for the nature and scope of its obligations hereunder (including any transition or wind-down period); and

12.2.10. Shopify's services and deliverables, including Shopify Materials, to the extent applicable or as required for the Program, will be free from all viruses, worms, Trojan horses, and malicious code.

12.2.11. Shopify shall use good faith efforts to render, provide and distribute Customer communications in accordance with Affirm's reasonable instructions including but not limited to: (i) the Customer Agreement; (ii) any disclosures required by Applicable Law; (iii) any amendments to the Customer Agreement or disclosures, including amendments; (iv) any amendments to the Customer Agreement or disclosures that are

required by Applicable Law or Regulatory Authority and (v) any other information provided by Affirm that is to be rendered, provided or distributed by Shopify, as agreed upon between the Parties.

13. Confidential Information.

13.1 **Obligations for Confidential Information.** Each Party shall hold the Confidential Information of the other Party in confidence and the Receiving Party will disclose such information only to its Personnel who reasonably require access to such Confidential Information. Disclosing Party will be liable for all damages arising out of such third parties' disclosure of Confidential Information. A Receiving Party may use the Confidential Information only as necessary for Receiving Party's performance under or pursuant to rights granted in this Agreement and for no other purpose. A Receiving Party shall protect or be required to protect, in the case of Receiving Parties that are third parties so authorized to receive Confidential Information pursuant to this Agreement, the Disclosing Party's Confidential Information using at least the same degree of care it uses to protect its own Confidential Information, but no less than a reasonable degree of care, to prevent the unauthorized use, disclosure or duplication (except as required for backup systems or to carry out the purpose of the Agreement) of such Confidential Information.

13.2 **Compelled Disclosure.** If a court or governmental agency having proper jurisdiction over the Parties requires a Receiving Party to disclose any Confidential Information, then Receiving Party will promptly provide the Disclosing Party notice of such requirement (to the extent permissible under Applicable Law) to enable the Disclosing Party to seek an appropriate protective order.

13.3 **Authorized Disclosure.** A Receiving Party may disclose the Disclosing Party's Confidential Information with the written authorization of the Disclosing Party.

13.4 **Exclusions.** Subject to the last sentence of this Section 13.4 (Exclusions), the term "Confidential Information" excludes any portion of such information that a Receiving Party can establish by clear and convincing evidence to have been: (i) publicly known without breach of this Agreement; (ii) known by the Receiving Party prior to its receipt from the Disclosing Party; (iii) received in good faith from a third-party source that to Receiving Party's reasonable knowledge rightfully disclosed such information without an obligation of confidentiality; or (iv) developed independently by Receiving Party without use or reference to the Disclosing Party's Confidential Information.

13.5 **Filings.** Neither Party shall file the Agreement (including any addendum, schedule, supplement or attachment), or any future amendment or supplement hereto, with the U.S. Securities and Exchange Commission (the "SEC") or with the securities regulators in any Territory where the Parties launch the Program unless such filing is required under Item 601 of Regulation S-K or Applicable Law. In the event that a Party determines that the Agreement (or amendment or supplement) must be filed with the securities regulators in any Territory where the Parties launch the Program under Applicable Law, it shall take all actions necessary to obtain confidential treatment to the extent possible for the Agreement and all exhibits, addenda, schedules, supplements and attachments (including all pricing attachments).

13.6 **Remedies.** If Receiving Party or its representatives or agents breach the obligations set forth in this Section 13 (Confidential Information), then irreparable injury may result to the Disclosing Party or third parties entrusting Confidential Information to the Disclosing Party. Therefore, the Disclosing Party's remedies at law may be inadequate and the Disclosing Party will be entitled to seek an injunction to restrain any continuing breach. Notwithstanding any limitation on Receiving Party's liability, the Disclosing Party will further be entitled to any other rights and remedies that it may have at law or in equity.

14. Customer Information, Merchant Information and Program Information.

14.1 **General.** The purpose of this Section 14 is to ensure that this Agreement conforms to Applicable Law, and otherwise sets forth the Parties' agreement with respect to the use, ownership rights, and disclosure of Customer Information, Merchant Information, and Program Information. All use and disclosure of Customer

Information, Merchant Information, and Program Information under this Agreement shall be subject to the provisions of this Section 14.

14.2 Ownership and Use of Customer Information. As between the Parties, the Customer Information shall be [***].

14.3 Ownership and Use of [*].** As between the Parties, all [***] and all [***] shall be [***] unless otherwise expressly stated herein in this Section 14. [***] shall be owned by the respective parties. Subject to Section 14.4 (Exceptions and Additional Obligations), Affirm agrees that, during Term, it shall not use, nor permit any [***] other than as necessary [***]. [***] shall have all rights and interest with respect to the sharing, use and disclosure of [***] during the Term and following the expiration or termination of this Agreement in its entirety. Upon the termination or expiration of this Agreement and any applicable transition or wind-down period, or at any time upon the reasonable request of [***] shall return (or destroy if so directed by [***]) all [***] in its/their possession subject only to any limitations on the return or destruction of [***] as provided under this Agreement or Applicable Law. Any [***] or [***] separately maintained in an electronic format shall be returned to [***] in an industry standard and secure format or, at the option of [***], as is possible, deleted and removed from all computers, electronic databases and other media. Compliance by [***] with this Section shall be certified in writing by an appropriate officer of [***] within [***] of the end of the Term or the wind-down period, whichever is later, which certification shall include a statement that no [***] or [***] has been retained except as described in this Section 14.

14.4 Exceptions and Additional Obligations. Without waiving any of its rights under Sections 11, 13, 14.2 and 14.3, [***] may retain and use: (a) [***]. For the avoidance of doubt, [***] is not required to change its hard-coded underwriting, other models, automated backups, [***] or records that may contain [***] or [***] added/embedded into them, but it has no right to use any such information independently, separate from such models or for any other purposes than [***]. Notwithstanding the limitations and rights set forth in this Section 14, and only as expressly stated herein and as expressly agreed to by the Parties, the Parties commit to support, and will work in good faith to (a) enable growth initiatives designed to enhance the consumer brand and consumer experience of each of Shopify and Affirm, respectively; (b) optimize the Customer's onboarding and user experience for the Financial Product and, upon the Customer Engagement Effective Date, permit Customers to access the Customer Engagement Functionality in accordance with Section 4.11; and (c) optimize the Customer's onboarding and user experience for any other installments products the Parties mutually agree to launch consistent with Section 36.

14.5 Confidentiality. Notwithstanding anything to the contrary in the Agreement, if required by Applicable Law, each Party shall have the right to provide a copy of the Agreement to a requesting governmental authority.

14.6 Compelled Disclosure. If Affirm is required by Applicable Law to disclose [***] to the extent permitted by Applicable Law. Affirm will consult and cooperate with Shopify (to the extent legally permitted) to obtain a protective order from the appropriate governmental authority, or other reliable assurance that confidential treatment will be accorded such information, and will otherwise only disclose that portion of the information that is required to be disclosed by Applicable Law.

15. Affirm Data Security.

15.1 Security Plan. Affirm shall establish and maintain appropriate administrative, technical and physical safeguards designed to (i) protect the security, confidentiality and integrity of the Protected Information in the possession or control of Affirm or its Personnel; (ii) ensure against any anticipated threats or hazards to its security and integrity; (iii) protect against unauthorized access to or use of such Protected Information or associated records which could result in substantial harm or inconvenience to any Customer or applicant; and (iv) ensure the proper disposal of Protected Information (collectively, the "**Security Program**"). At all times during the Term, and during any wind-down or transition period, (x) Affirm shall use the same degree of care in protecting the Protected Information against unauthorized disclosure as it accords to its other confidential customer or consumer information, but in no event less than a reasonable standard of care, and (y) the Security Program shall be in compliance with all

information and data security requirements promulgated by the Applicable Law. Upon request, Affirm shall provide Shopify a copy of its Security Program. Any material change to the Security Program by Affirm, which change would cause Affirm to not be in compliance with this Section 15.1, shall be approved in advance by Shopify.

15.2 Security Measures. Shopify and Affirm may amend the Security Program and Sections 14, 15 and 16 from time to time upon written amendment, provided such updates may be no more onerous than those required by the then prevailing good industry practices and changes in Applicable Law. Affirm shall review any such amendments and updates and will use reasonable commercial efforts to adjust its security practices to comply with any such amendment and updates within [***] if feasible or as soon as practicable in the event [***] is not feasible following Affirm's receipt of such amendments and updates from Shopify. Notwithstanding the foregoing, if Affirm fails to adjust its security practices to comply with any such amendment or updates within sixty (60) days or the time period mutually agreed upon by the Parties in writing if [***] is not feasible, then Shopify may terminate this Agreement.

15.3 Access. Affirm shall ensure its Personnel, when working with or accessing Shopify's Systems, comply at all times with all applicable instructions, policies and procedures provided by Shopify to Affirm or Affirm's Personnel from time to time, including safety and security policies and procedures and information security policies and procedures. Affirm will execute, and ensure each of its Personnel execute, all applicable documents generally required by Shopify for access to Shopify's Systems. Affirm will not: (i) alter or disable any hardware or software security programs residing on Shopify's hardware, networks, computing environments or systems; (ii) allow unauthorized traffic to pass into Shopify's networks, computing environments or systems; or (iii) resell or assign Shopify's Confidential Information or access to Shopify's Systems to another entity or person. If Affirm or Affirm's Personnel allow unauthorized access to, or traffic to (as applicable) Shopify's systems, Shopify may immediately terminate Affirm's access to Shopify's Systems.

15.4 Network Connections. If a network connection is established between Shopify Systems and the computing environment(s) used by Affirm or Affirm Personnel in connection with this Agreement or the Program, Affirm agrees, for itself and all Affirm Personnel, to maintain an alert status regarding the security of such computing environments, including all vulnerabilities and security patches or corrective actions, by subscribing to an industry recognized service. Affirm understands that, should a Shopify review reveal any non-compliance with the Security Measures, Shopify may, in addition to other remedies it may have, remove access by Affirm Personnel to Shopify Systems until Affirm Personnel satisfactorily comply with the Security Measures.

15.5 Data Security Compliance. Affirm will permit Shopify to review Affirm's documents and records confirming its compliance with this Section 15 (Affirm Data Security) and provide Shopify with the relevant portions of audits and system test results acquired by Affirm in relation to the data security policies and procedures designed to meet the requirements of this Section 15 (Affirm Data Security). Upon request, Affirm shall submit to [***] assessments of Affirm's security policies, standards and practices by Shopify, make reasonable efforts to resolve deficiencies noted as a result of these assessments in a manner commensurate to the risk those deficiencies represent and promptly notify Shopify of any material changes to Affirm's security policies, standards and practices.

15.6 Security Breach

15.6.1. If Affirm maintains, processes or otherwise is permitted access to Protected Information, Affirm will maintain and, upon request, produce copies of incident response policies and procedures and evidence of incident response testing conducted within the last year. Notwithstanding the foregoing, initial evidence of incident response testing will be provided as soon as possible after the execution of this Agreement.

15.6.2. In the event Affirm suffers or learns of any actual Security Breach (including any unauthorized acquisition, accessing, use, alteration, disclosure, compromise or loss of any Protected Information or Merchant Information), then, as soon as practicable but within no more than [***] (except that notice to Shopify may be delayed if required by law enforcement or other Regulatory Authority), Affirm will notify its primary Shopify contact and provide an estimate of the Security Breach's effect on Shopify. Affirm will diligently

investigate the cause of the Security Breach and promptly create and enact a corrective action plan to prevent future breaches.

15.6.3. In the case of a Security Breach involving Protected Information, Affirm will cooperate fully with Shopify to correct any Security Breach and notify each Customer as to the facts and circumstances of the breach of the Customer's particular information. Affirm agrees not to notify any Regulatory Authority, nor any Customer, on behalf of Shopify unless Shopify specifically requests Affirm to provide such notification (such notification to be in a form approved by Shopify in writing). If Affirm reasonably determines that Regulatory Authority or Customer notification is required by it under Applicable Law, then Affirm must provide Shopify prior notice, and if Shopify disagrees, Shopify and Affirm will then negotiate in good faith to make a final determination regarding what action, if any, is to be taken. To the extent requested by Shopify, Affirm will cooperate fully with all Regulatory Authorities investigating a Security Breach and any known or suspected criminal activity. Affirm shall be responsible for all Security Breach Costs associated with its Security Breach.

15.6.4. In the event of a Security Complaint directed at Affirm, then, as soon as practicable but within no more than [***], Affirm will notify its primary Shopify contact and the Parties shall promptly work in good faith to determine the appropriate actions to be taken in connection with such Security Complaint.

15.7 **Subprocessing.** Affirm may only permit Subprocessors to Process Personal Information for the limited and specific purposes of providing Shopify with the Services or as required to comply with Applicable Law. Affirm shall be responsible and liable for the acts, omissions or defaults of Subprocessors in the performance of Affirm's obligations under the Agreement, as if they were Affirm's own acts, omissions or defaults. Affirm will notify Shopify in writing promptly upon becoming aware of any breach by a Subprocessor of the terms of this Agreement.

16. **Shopify Data Security.** Section 15 (Affirm Data Security) will apply equally to Shopify, mutatis mutandis.

17. **Indemnification.**

17.1 [***]

17.2 [***]

17.3 [***]

17.4 [***]

18. **Exclusion of Damages and Limitation of Liability.**

18.1 EXCEPT FOR A PARTY'S CONFIDENTIALITY OBLIGATION HEREUNDER OR OBLIGATION TO MAKE PAYMENT TO THE OTHER PARTY, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY UNDER, IN CONNECTION WITH OR RELATED TO THIS AGREEMENT, FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES, INCLUDING LOST PROFITS OR LOSS OF GOODWILL, WHETHER BASED ON BREACH OF CONTRACT, WARRANTY, TORT, PRODUCT LIABILITY OR OTHERWISE, AND WHETHER OR NOT SUCH DAMAGES WERE FORESEEABLE.

18.2 The cumulative aggregate liability of (i) all Affirm Parties and their affiliates and (ii) all Shopify Parties and their affiliates across all Territories and including all Territory Program Agreements for all losses, claims, suits, controversies, breaches or damages of any manner whatsoever and for any cause whatsoever, including indemnification, and regardless of the form or action or legal theory (collectively, "Losses"), shall be limited to the actual direct Losses that are incurred by such other Party and shall not exceed the Liability Cap (as defined below); provided, no Party will be entitled to duplicative remedies or duplicative recovery for the same act, omission, breach

of contract, or other cause of action; provided, further that, notwithstanding anything in the Agreement to the contrary, the Liability Cap shall not apply to the following (and amounts owed thereunder shall not be taken into account for purposes of calculating the Liability Cap):

18.2.1. Ordinary course payments owed by one Party to the other Party pursuant to this Agreement;

18.2.2. Breach of confidentiality obligations under Section 13 (Confidential Information);

18.2.3. Affirm's indemnification obligations under Section 17.1(i) (Breach of Applicable Law); Section 17.1(iii) (Gross Negligence or Willful Misconduct); Sections 17.1(iv) (Intellectual Property Infringement) and 17.5 (Additional Terms for Intellectual Property Indemnification); [***].

18.2.4. Shopify's indemnification obligations under Section 10.3 (Taxes); Section 17.3 (i) (Breach of Applicable Law); Section 17.3 (iii) (Gross Negligence or Willful Misconduct); [***].

18.3 The "Liability Cap" means [***].

19. Disaster Recovery and Business Continuity.

19.1 At all times during the Term and for so long as this Agreement remains in effect, each Party shall prepare and maintain disaster recovery, business resumption and contingency plans appropriate for the nature and scope of the activities of and the obligations to be performed by such Party hereunder. The Party shall ensure that such plans comply with Applicable Law and are sufficient to enable it to promptly resume the performance of its obligations hereunder in the event of a natural disaster, destruction of facilities or operations, utility or communication failures or similar interruption in operations and shall ensure that all material records, including, but not limited to, Protected Information, are backed up in a manner sufficient to survive any disaster or business interruption. These plans shall ensure that such resumption takes place no later than [***] after the interruption. Upon written request, each Party shall make available to the other Party summaries of relevant disaster recovery, business resumption and contingency plans. Any changes to the disaster recovery, business resumption, or contingency plans must comply with the terms herein. Further, any changes to the policies, taken collectively as a whole, must be no less protective than the policies it has in place on the Effective Date.

19.2 If a Party suffers a disruption, disaster or failure and implements the disaster recovery, business resumption and contingency plans in relation to the Program, the affected Party will promptly notify the other Party.

20. Insurance.

20.1 **Required Insurance.** Without limiting Affirm's liability to Shopify, Affirm, at its sole cost and expense, will maintain adequate insurance coverage to protect Shopify from any losses or claims that may arise out of the Program or performance of its services hereunder during the Term.

20.1.1. Such coverage will include the minimum be set forth below or the equivalent policy for all Territories in the aggregate:

20.1.1.1. workers' compensation (statutory limits) and employer's liability [***] limits to the extent required by the laws of the state(s) or province(s) (as applicable) in which the Services are performed in the applicable Territory Program Agreement;

20.1.1.2. commercial general liability and property damage insurance with combined bodily injury and property damage limits of at least [***] combined single limit for bodily injury, death, property damage, including personal injury, and products and completed operations coverage, including Shopify as an additional insured;

20.1.1.3.fidelity bonding of at least [***] for claims based upon and damages arising out of or relating to such Party's employees' fraudulent or dishonest acts;

20.1.1.4.errors and omissions insurance or comparable coverage of at least [***] for claims based and damages arising out of or relating to negligence, omissions or errors of Affirm; and

20.1.1.5.directors and officers insurance coverage of at least [***] for claims based and damages arising out of or relating to actual or alleged wrongful acts of any executive of Affirm; and

20.1.1.6.network security and privacy liability insurance with a [***] per claim/ [***]aggregate covering described services contained within the Agreement to include but not be limited to, business interruption, data recovery, hardware replacement at [***], incident responses, data breach, security and privacy violations, third-party liability, crisis management costs, which include Customers notification expenses and credit monitoring.

20.1.2. If a Territory specific insurance policy is different than the minimum requirements set forth above, the Parties will work together in good faith to determine the insurance requirements for such Territory. Such requirements will be set forth in the applicable Territory Program Agreement.

20.2 **Shopify Insurance.** Shopify will maintain adequate insurance coverage to protect Affirm from any losses or claims that may arise out of the Program or its performance hereunder during the Term. Such insurance shall be commensurate with the risk posed by the services provided by Shopify under this Agreement.

20.3 **Insurance Ratings.** All the insurance policies required to be obtained pursuant to this Agreement will be with companies rated an A.M. Best Financial Strength Rating of A- or better. The foregoing requirements as to the types and limits of insurance coverage to be maintained by a Party and any approval or waiver of said insurance by the other Party are not intended to and will not in any manner limit or qualify the liabilities and obligations otherwise assumed by the first Party pursuant to this Agreement, including the provisions concerning the indemnification obligations of the first Party. The general liability policy will be primary and noncontributory to any insurance or self-insurance maintained by the other Party (required for commercial general liability only).

20.4 **Certificates of Insurance.** Upon the request of a Party, the other Party will deliver certificates of insurance for the applicable policies to the first Party.

20.5 **Cancellation or Lapse of Insurance.** Each Party will give the other Party [***] days' prior written notice of cancellation of any insurance coverage listed in this Agreement, including in any Territory Program Agreement except that each Party will give the other Party [***] days' prior written notice for cancellation for nonpayment of premium, or non-renewal; provided, however, that changes in insurance carriers or providers, so long as the new policy complies with this Agreement, will not require notice to the other Party pursuant to the foregoing.

20.6 **Claims Made Coverage.** To the extent that any insurance coverage required under this Section is purchased on a "claims-made" basis, such insurance will be continuously maintained until at least [***] beyond the expiration or termination of this Agreement, or the applicable Party will purchase "tail" coverage, effective upon termination of any such policy or such termination or expiration of this Agreement, to provide coverage for at least [***] from the occurrence of either such event.

21. Records and Reporting.

21.1 **Records.** Each Party shall retain or cause to be retained, and shall require that all Personnel engaged by such Party to retain or cause to be retained, full and accurate records (in a form capable of satisfying an audit) relating to the Program, including, without limitation, the performance of its obligations under the Agreement and the security of the Party's information and systems as well as any other records a Regulatory Authority may require from time to time or that the Party is required to maintain under Applicable Law ("**Records**"). Each Party

shall retain copies of the Records the longer of [***] after the termination or expiration of the Agreement or as otherwise required by Applicable Law. Affirm shall provide to Shopify any Records (that can be reasonably obtained or compiled by Affirm) relating to specific Program metrics or performance data, including but not limited to data or other information in its possession or in the possession of its subcontractors, affiliates or partners, which may be reasonably requested by Shopify. For the avoidance of doubt, Affirm shall not be obligated to provide to Shopify (i) any Records containing Affirm Confidential Information; or (ii) Records that might compromise Affirm Intellectual Property Rights.

21.2 **Reporting.** Each Party shall deliver to the other Party certain agreed-upon reports, as set forth in the Program Outline. The Parties shall work in good faith to provide additional reports reasonably requested by the other Party for use solely in support of the Program. To the extent either Party reasonably determines that the sharing of any such information does not comply with Applicable Law, then the Parties agree to negotiate in good faith to share such other information that is legally permitted to achieve the anticipated practical benefits intended by the information sharing.

22. **Right to Audit.**

22.1 During the Term and no more than [***] unless agreed upon by the Parties or required by or any Regulatory Authority, each Party (the “**Audited Party**”) agrees that the other Party and/or its authorized representatives and agents (collectively the “**Auditing Party**”) shall have the right, at any time during normal business hours and upon reasonable prior notice, to inspect, audit and examine all of Audited Party’s Records, personnel, books, accounts, data, reports, papers and computer records relating to the activities contemplated by this Agreement; provided that such audit is conducted utilizing a certified public accountant or other reputable auditing firm selected by the Audited Party (that is reasonably acceptable to the Auditing Party).

22.2 In addition to the obligations set forth under Section 22.1, each Party agrees to cooperate with any examination, inquiry, audit, information request, site visit or the like, which may be required by any Regulatory Authority with audit examination or supervisory authority over any Party under this Agreement, to the fullest extent requested by such Regulatory Authority. Each Party shall also provide to the other Party any information that may be required by any Regulatory Authority in connection with their audit or review of such Party or the Program and shall cooperate with such Regulatory Authority in connection with any audit or review of such Party or the Program. All rights under this Section 22.2 are subject to the Party seeking to exercise rights hereunder providing the other Party reasonable prior notice and complying with reasonable requests by and conditions of such other Party related to access to facilities and records (including on-site security requirements) and to audit scope and timing.

22.3 Affirm shall prepare a written response to Shopify (a “**Response to Audit Letter**”) to all criticisms, recommendations, deficiencies and violations of Applicable Law identified in reviews conducted by Shopify or any Regulatory Authority (“**Audit Findings**”). The Response to Audit Letter shall be delivered to Shopify within [***] of Affirm’s receipt of such Audit Findings, unless directed otherwise by a Regulatory Authority. The Response to Audit Letter shall include, at a minimum, a detailed discussion of the following: the planned corrective action to address the Audit Findings (“**Audit Corrective Action Plan**”); employee(s) of Affirm tasked to remedy the Audit Findings; remedial actions proposed to be directed to current or past Customers negatively impacted by the Audit Findings (provided no such action shall be taken without express written approval from Shopify); steps to be taken to prevent any recurrence of the Audit Findings; a specific timeframe, not to exceed [***], unless otherwise approved by Shopify in advance, to implement the Audit Corrective Action Plan (“**Corrective Action Plan Deadline**”); documentation evidencing that the Audit Corrective Action Plan has been implemented; if additional time is needed to implement the Audit Corrective Action Plan or deviations from the Audit Corrective Action Plan are necessary, a written request shall be submitted to Shopify detailing the extenuating circumstances that necessitate an extension of the Corrective Action Plan Deadline and such extension request shall be subject to the reasonable approval of Shopify; and identification of any Audit Findings disputed by Affirm or where corrective action is not possible or necessary, supported by a detailed explanation of Affirm’s position.

23. **Notices.** Unless otherwise noted in the Agreement, all written notices required pursuant to this Agreement will be deemed sufficiently given when personally delivered or 3 business days after being mailed via certified or

first-class U.S. mail or a nationally recognized courier to a Party at its address set forth on the cover signature page of this Agreement or applicable Program Outline, or at such other address as a Party may from time to time specify by written notice to the other Party.

24. Assignment. Except for an assignment or delegation to an Affiliate of either Party, neither Party will transfer or assign this Agreement without the other Party's prior written consent, which may not be unreasonably withheld, delayed or conditioned.

25. Use of Content, Branding and Publicity.

25.1 Neither Party will use the other Party's or its Affiliates' names, trademarks, trade names, service marks, logos or other brand marks (including those of its partners and collaborators, collectively, the "**Marks**") without prior written approval by an authorized representative of the other Party. Any usage of the Marks of either Party shall be in accordance with the usage guidelines and policies that may be provided by the applicable Party in writing to the other Party from time to time. In addition to any other usage guidelines and policies provided by Shopify in connection with its Marks, Affirm shall also comply with the guidelines available at www.shopify.com/brand-assets (or any replacement or successor URL).

25.2 Each Party will not include the other Party on any client list or make any "case study," testimonial, press release or other public announcement regarding this Agreement or any activities performed hereunder without the prior written consent of an authorized representative of the other Party. Notwithstanding the foregoing, Shopify will in good faith consider developing with Affirm a case study, sales and marketing content, testimonials, and quotations that could be used by the Parties for marketing purposes.

25.3 If either Party requires the use of the other Party's Marks in order to fulfill its obligations under this Agreement, the Marks-using Party shall first obtain the Marks-owning Party prior written approval. If the Marks-owning Party provides such approval, then the Marks-owning Party hereby grants to the Marks-using Party a limited, revocable, non-sublicensable, non-transferable, non-exclusive license to use the Marks-owning Party Marks solely for the purposes of fulfilling its obligations under this Agreement and for the term of this Agreement, unless such term is earlier terminated in accordance with the terms of the Agreement. The Marks-using Party acknowledges that the Marks-owning Party Marks and all rights therein belong, as between the Parties, exclusively to the Marks-owning Party and that this Agreement does not confer upon the Marks-using Party any rights, goodwill or other interest in the Marks-owning Party Marks. Any goodwill that derives from the Marks-using Party's use of the Marks-owning Party Marks will inure to the benefit of the Marks-owning Party.

25.4 **Branding.** The Program shall be branded in accordance with the branding standards set forth in Exhibit B.

25.5 **Public Releases.** All media releases, public announcements and public disclosures by Shopify or Affirm or their representatives, employees, partners or agents, relating to this Agreement, the Program or the name or Marks of Shopify or Affirm, including, without limitation, promotional or marketing material, but not including any disclosure required by legal, accounting or regulatory requirements beyond the reasonable control of the releasing Party, shall be coordinated with and approved by both Parties in writing prior to the release thereof. Notwithstanding the foregoing, the Parties commit to publicly announcing the Program in a mutually agreed upon fashion.

26. Force Majeure. If any Party will be unable to carry out the whole or any part of its obligations under this Agreement by reason of a Force Majeure Event, then the performance of the obligations under this Agreement of such Party as they are affected by such cause will be excused during the continuance of the inability so caused, except that should such inability not be remedied within [***] after the date of such cause, the Party not so affected may at any time after the expiration of such [***] period, during the continuance of such inability, terminate this Agreement on giving written notice to the other Party. No Party will be relieved of its obligations hereunder if its failure of performance is due to removable or remediable causes that such Party fails to remove or remedy using commercially reasonable efforts within a reasonable time period. Either Party rendered unable to fulfill any of its

obligations under this Agreement by reason of a Force Majeure Event will give prompt notice of such fact to the other Party, followed by written confirmation of notice, and will exercise due diligence to remove such inability with all reasonable dispatch.

27. Severability. The provisions of this Agreement are severable. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the validity, legality or enforceability of the remaining provisions will in no way be affected or impaired thereby.

28. Governing Law. Governing law will be set forth in the applicable Territory Program Agreement.

29. Interpretation. The headings of Sections of this Agreement are for convenience of reference only and will not affect the meaning or interpretation of this Agreement in any way. This Agreement will not be presumptively construed for or against either Party. Section titles are for convenience only. As used in this Agreement, “will” means the same thing as “shall,” and the words “include,” “includes” and “including,” shall always be construed as if followed by the words “without limitation.”

30. Modification and Waiver. No modification of this Agreement and no waiver of any breach of this Agreement will be effective unless in writing and signed by an authorized representative of the Party against whom enforcement is sought. No waiver of any breach of this Agreement and no course of dealing between the Parties will be construed as a waiver of any subsequent breach of this Agreement.

31. Waiver; Consent. Failure by either Party to exercise or enforce any right under this Agreement, no matter how long the same may continue, shall not be deemed a waiver of such right by such Party. No waiver of any provision of, or consent to any breach of, this Agreement shall be deemed a waiver of any other provision of, or consent to any subsequent breach of, this Agreement. A Party’s consent to or approval of an act or omission on any one occasion shall not be deemed a consent to or approval of said act or omission on any subsequent occasion, or a consent to or approval of any other act or omission on the same or any subsequent occasion. To be effective, a Party’s waiver of any right or remedy will be documented in a writing signed by the waiving Party.

32. No Third-Party Beneficiaries. Nothing in this Agreement will confer any right, remedy or obligation upon anyone other than each Shopify Party and each Affirm Party.

33. Counterparts; Electronic Signature. This Agreement may be executed in duplicate counterparts, each of which is deemed an original, and all of which taken together constitute one and the same instrument. For purposes of execution and delivery, each Party may rely upon the electronic (e.g., via e-mail/PDF) signature of the other Party.

34. Order of Precedence. Unless otherwise specifically mutually agreed to in writing by the Parties, if there is any conflict or inconsistency between these Terms and Conditions or the Program Outline, such conflict or inconsistency will be resolved by giving precedence: (a) first, the Program Outline, and (b) second, to the Terms and Conditions, including its Exhibits.

35. Targeted Communications. Unless otherwise expressly permitted under Section 14, during the term of this Agreement and for 12 months following termination or expiration of the Agreement, Affirm will not directly solicit any Merchant or Customer for any Affirm financial products or services using Merchant Information or Customer Information; provided that such prohibition shall not apply to: (a) general Affirm advertising in the ordinary course of business; (b) Affirm solicitation of Merchants for its “Affiliates” referral program as mutually agreed to by the Parties; and (c) Affirm solicitation of Merchants for its interest-bearing and/or High AOV installments products, but only until such time as such product(s) are part of the Program based on negotiation of a mutually acceptable agreement by the Parties for such product(s). Notwithstanding the foregoing, and in addition to the above, the Parties commit to support, and will work in good faith to enable growth initiatives designed to enhance the consumer brand and consumer experience of each of Shopify and Affirm, respectively. Each Party also agrees that, during the term of the Agreement and for one year following its termination or expiration, it will not seek out or induce any person who is an employee of the other Party to terminate their employment; provided that

such prohibition shall not apply to general employment advertising made in the ordinary course of business that is not targeted at a specific individual.

36. Exclusivity; Additional Products, Services, Geographies.

36.1 **Exclusivity Commitment.** During the Term, Affirm will be the exclusive provider of the Financial Product (or any substantially similar financial product) and the Program (or any substantially similar program) in all Territories where the Parties have entered into a Territory Program Agreement (the “**Exclusivity Commitment**”).

36.2 [***]

36.3 **Additional Products.** The Parties agree that any exclusivity as to any products or service beyond the Financial Product (or any substantially similar financial product) under the Program and Agreement are contingent on the negotiation of a mutually acceptable agreement by the Parties.

37. Cross Border Transaction (“CBT”) Commitment.

37.1 By or before March 31, 2026, or such other date the Parties mutually agree (the “**CBT Commitment Date**”), Affirm will be ready to enable a cross-border transactions feature in any Territories where the Parties have entered into a Territory Program Agreement as of the CBT Requirements Date or such other Territories the Parties mutually agree (such requirement, the “**CBT Commitment**” and such countries, the “**CBT Target Countries**”), subject to the Parties’ mutual agreement on the CBT Requirements by or before nine (9) months prior to the CBT Commitment Date (the “**CBT Requirements Date**”). “**CBT Requirements**” means, unless Parties otherwise agree, with respect to the cross border feature for each CBT Target Country, (i) product requirements, (ii) fees or other financial commitments, (iii) service level agreements, and (iv) product build timelines. [***]. The “**CBT Delay Fee**” means [***]. To the extent Affirm fulfills the CBT Commitment on a date other than the end of a thirty day period, the CBT Delay Fee will be a pro rata amount.

38. Non-Exclusive. Except as specifically set forth in Section 36 (Exclusivity; Additional Products, Services, Geographies), above, each Party acknowledges and agrees that the rights granted to and obligations due to the other Party in this Agreement are intended to be non-exclusive, and therefore that nothing in this Agreement will be deemed or construed to prohibit either Party from engaging in or participating itself or with one or more third parties in business arrangements similar to or competitive with those described herein.

39. Subcontractors. Each Party may use subcontractors in the performance of its obligations under the Program, provided that each Party shall be fully responsible for the acts and omissions of its subcontractors, including its subcontractors’ compliance with the terms of the Agreement and all applicable laws. Upon reasonable request, each Party will provide the other Party with a list of critical subcontractors used by such Party in support of the Program.

40. Entire Agreement. This Agreement, including any attached exhibits, schedules, appendices, and addenda, constitutes the entire agreement between the Parties and supersedes all prior agreements, understandings, and arrangements, oral or written, between the Parties with respect to the subject matter hereof including, without limitation, the A&R Agreement.

EXHIBIT C
PROGRAM OUTLINES

The Parties agree that upon the execution and delivery of a Territory Program Agreement by an Affirm Party and a Shopify Party in connection with expanding the Program to a new territory or country, such (i) Affirm Affiliate and all references to “Affirm” in the applicable Program Outlines attached hereto will be deemed to reference such Affirm Affiliate as the context requires, in each case solely with respect to its participation in the Program specified in the Territory Program Agreement and its actions, inactions and omissions on its own behalf conducted under this Program Outline and (ii) Shopify Affiliate will become a party to such Program Outline and all references to “Shopify” in such Program Outline will be deemed to reference such Shopify Affiliate as the context requires, in each case solely with respect to its participation in the Program specified in the applicable Territory Program Agreement and its actions, inactions and omissions on its own behalf conducted under such Program Outline. Termination by a Shopify Affiliate or Affirm Affiliate of its participation in a Program Outline will not automatically result in termination of a Program Outline with any other Shopify Party or Affirm Party, respectively.

Any reference to (i) “Shopify” or a particular “Shopify Party” in this Program Outline will refer to and only apply to that certain Shopify Party’s participation in the Program, or exercising rights, performing obligations or making representations and warranties under this Program Outline or (ii) “Affirm” or a particular “Affirm Party” in this Program Outline will refer to and only apply to that certain Affirm Party’s participation in the Program, or exercising rights, performing obligations or making representations and warranties under this Program Outline. No Shopify Party is liable for the performance or obligations of any other Shopify Party under a Program Outline and no Affirm Party is liable for the performance or obligations of any other Affirm Party under a Program Outline. For the avoidance of doubt, each Program Outline shall constitute a separate agreement between the applicable Affirm Party and Shopify Party, and no expiration, termination or breach of any Program Outline shall constitute an expiration, termination or breach, or otherwise affect in any manner, any other Program Outline. The parties executing the applicable Program Outline shall be solely responsible for all of the liabilities and obligations under this Program Outline as they relate to such Program Outline.

Each Program Outline describes the Program to be incorporated into the Agreement as applicable to the corresponding Affirm Party and Shopify Party that execute the governing Territory Program Agreement in the applicable Territory set forth in the Territory Program.

EXHIBIT C -1
PROGRAM OUTLINE 1
Low AOV

1. **Program Description.** The Program will be offered only in the [***]. The Financial Product associated with the Program (“**Low AOV Product**”) shall be a closed-end installment loan product that will bear an interest rate of [***], will have no Customer fees of any kind (including late fees), and will have a repayment term and cart sizes as set forth in the applicable Territory Program Agreement. Notwithstanding Section 5.1 of the Terms, for purposes of this Program Outline, Affirm, its affiliates or its bank partner(s) (as applicable) is responsible for determining and modifying underwriting criteria in its sole discretion in compliance with Applicable Laws.
2. **Fraud Tools.** As a condition to launching the Alpha Phase and for the General Phase, at a minimum, Shopify will (a) ensure that the following Fraud Tools as set forth in more detail in Exhibit A to the Terms are implemented and continue to remain available during the Term: To the extent [***], that any of the Fraud Tools set forth herein are not necessary in a Territory as directed by Affirm and mutually agreed to by the Parties, then that Fraud Tool will not apply. If there is a Fraud Tool that is required by Affirm’s fraud risk process in a specific Territory, then Affirm will communicate the necessary tool to Shopify and Shopify will use commercially reasonable efforts to enable it.
3. **Product Construct.** Notwithstanding any provisions to the contrary in the Agreement, the Parties have agreed to the following “**Product Construct**” for the Low AOV Product:
- (a) Once Affirm has finalized Customer Agreements, Shopify shall [***] and render as a payment option for Customers within Shop Pay [***] to be called a mutually agreed upon Program name. In the event a Customer selects the Program option to pay for goods or services, it shall be directed [***] for the [***]. Shopify is responsible to [***] and to [***]. Failure by Shopify to meet its obligation as to the Customer Agreements will subject it to penalties as agreed by the Parties. In addition, Affirm shall have the right to [***].
 - (b) Any Customer electronic mail (“**email**”) and SMS text communications regarding the terms or repayments of the Financial Product shall be sent [***] with mutually agreed upon Shop Pay branding with a link out to the Shop mobile app and from the “[***]” email address (or such other email address mutually agreed to by the Parties) with “Shop Pay” as the sender; provided, however, that correspondence relating to individual Customer inquiries or issues will not be subject to [***].
 - (c) As to all other communications to Customers, including but not limited to, [***].
 - (d) With respect to the post-purchase user/Customer portal the Parties agree to [***]. Shopify is responsible [***]. The Parties agree [***] to optimize the Customer’s user experience for the Financial Product as set forth in Section 14.4 of the Agreement.
4. **Launch.** Unless a TPA specifies otherwise, the Parties will launch the Low AOV Product on the Platform in the Territory in three (3) phases: (i) with [***] Eligible Merchants (or such other mutually agreed to amount) (“**Alpha Phase**”) and launched by the Launch Date, or such other mutually agreed to date; (ii) promptly following the Alpha Phase, with [***] (or such other mutually agreed to amount) on its Platform (the “**Limited Release Phase**”); and (iii) all Eligible Merchants on its Platform on a mutually agreed to date (“**GA Phase**”). Prior to the launch of the Low AOV Product with each potential Eligible Merchant, Shopify shall cause such Merchant to enter into a Merchant Agreement for the applicable Territory which Merchant Agreement shall be substantially in the form set forth in the Territory Program Agreement, between Affirm and such Merchant.
5. **Merchant Engagement and Marketing.** With respect to Merchant engagement and marketing, Shopify agrees to: (i) [***]; (ii) to use [***]; (iii) to use [***]; (iv) work with Affirm in good faith to develop a marketing plan for the Program; and (v) work with Affirm in good faith to drive repeat purchases for the program.

6. **Low AOV Product Placement.** Shopify agrees to consult with Affirm on best practices for product placement of the Low AOV Product and to suggest, if applicable, product placement to Eligible Merchants on home page, product page, cart page, and checkout. Notwithstanding the preceding sentence, product placement shall ultimately be determined in Shopify's and its Merchants' discretion.

7. **Merchant Fees and Payout.**

(a) **Merchant Fees.** Each [***] shall pay fees to Affirm as set forth in the applicable Merchant Agreement and as determined by Shopify. Generally, fees to be paid by an Eligible Merchant to Affirm ("**Merchant Fees**") shall equal the sum of (i) a percentage of the [***] amount (including [***] made by a Customer at the time of purchase) of each sale approved by Affirm and captured by an Eligible Merchant (each, a "**Successful Transaction**"), plus (ii) a transaction fee per Successful Transaction as set forth in the applicable Territory Program Agreement, in each case, in accordance with the applicable Merchant Agreement. The [***] Merchant Fees that may be offered to a Merchant are set forth in the applicable Territory Program Agreement.

(b) **Payouts to Eligible Merchants.** Payouts will be as set forth in each applicable Territory Program Agreement.

8. **Shopify Fees and Payout.**

(a) **Shopify Fees.** With respect to each Successful Transaction, Affirm shall pay to Shopify a fee ("**Shopify Fee**") equal to (i) the [***] amount of such Successful Transaction multiplied by (ii) the applicable [***] (based on the tier of Merchant Fee paid by the Merchant in connection with such Successful Transaction) set forth in the Territory Program Agreement. With respect to each Merchant, the Shopify Fee shall not be duplicative of any commissions, revenue sharing or other fees due from Affirm to Shopify under any other agreements.

(b) **Payouts to Shopify.** No later than [***] following the end of [***], Affirm shall transfer, in the Territory's local currency or currency as mutually agreed to by the Parties via wire transfer or other agreed to method, to Shopify's local Territory bank account (the "**Shopify Account**") the aggregate amount of Shopify Fees due for such calendar month. [***]. [***]. Affirm shall also provide Shopify with a statement accompanying each payment, detailing the amount of the Shopify Fees due to Shopify for the applicable month, [***] as to be mutually agreed by Parties, in sufficient detail to permit Shopify to validate the amount of such payment. To validate revenue earned by Shopify on a monthly basis, payouts to Shopify shall be accompanied by a report that contains [***].

(c) **Payment Processing.** Shopify shall pay for Program payments processing for the Low AOV Product as set forth in the Territory Program Agreement.

9. **Customer Installment Program Delay.** The Parties will use reasonable efforts to launch the Alpha Phase of the Low AOV Product no later than a date to be mutually agreed to by the Parties (the "**Launch Date**")

10. [***]. Upon the Alpha Phase launch date, [***]. Additionally, while each Party retains [***], upon the Alpha Phase launch, [***] (the "[***]"). [***]. Affirm shall provide Shopify with guidance around existing workflows, processes and requirements; and Shopify [***]. As applicable, [***]. Shopify agrees in good faith to notify Affirm in advance of any material changes to [***] that [***], and to consult with Affirm about such changes. Eligible Merchants are [***]. [***] set forth in Affirm's Risk Approval Process. If Affirm [***], Shopify will promptly (but no later than [***] following [***]) [***]. In addition, Affirm shall have the right to [***].

11. **Affirm Application Programming Interface ("Affirm API").** Affirm shall develop software that allows the Platform to communicate automatically via the Affirm APIs with the Platform for the purpose of initiating Applications and otherwise supporting the Low AOV Product, and Affirm will disclose the portion of the Affirm APIs to Shopify necessary for Shopify to allow its Platform to integrate with the Affirm API. The Affirm API and all modifications, enhancements and derivative works thereof, and all documentation and specifications related thereto, shall be deemed Affirm Pre-Existing IP.

12. Reports. Affirm shall deliver to Shopify on a [***] basis, or on such basis as mutually agreed upon by the Parties, a [***]. Shopify shall deliver to Affirm on a [***] basis, or on such basis as mutually agreed upon by the Parties, a [***]. The form of [***] shall be [***]. On at least a [***] basis, Shopify shall [***]. Shopify further agrees in good faith [***]. Any [***] failures [***] will be discussed by the Strategic Operating Committee.

13. Program Modifications. To the extent Shopify requests a modification of the Low AOV Product that requires development beyond that contemplated by this Agreement, the Parties will review the incremental cost of any such development. If the Parties agree to such modification, the incremental costs will be shared equally between the Parties unless the Parties mutually agreed to a different allocation of costs.

14. Tests. To the extent the Parties agree to [***]. Each Party acknowledges that certain internal approvals may be required before such Party can provide written agreement to proceed with a Test. For clarity, for Shopify, director approvals will be required for any Test with an expected volume exceeding [***]. Any applicable internal approval processes are solely for each Party's internal governance and do not impose any obligation on the other Party to confirm that approvals received under this section comply with any approving Party's internal processes. Following the conclusion of a Test, if the Parties desire to more widely deploy the construct from the Test, Parties may agree to amend this Agreement or add an additional Program Outline to reflect the terms of (or substantially similar to those of) the Test.

Exhibit C-2
PROGRAM OUTLINE 2
High AOV

1. **Program Description.** The Program will be offered only in the Territory in the applicable Territory Program Agreement. The Financial Product associated with the Program (“**High-AOV Product**”) shall be a closed-end installment loan product that will bear a [***] or an interest bearing rate, will have no late fees, and will have a repayment term and cart sizes as set forth in the applicable Territory Program Agreement. Notwithstanding Section 5.1 of the Agreement, for purposes of this Second Program Outline, Affirm, its affiliates or its bank partner(s) (as applicable) is responsible for determining and modifying underwriting criteria in its sole discretion in compliance with Applicable Laws.
2. **Fraud Tools.** As a condition to launching the Alpha Phase and for the General Phase, Shopify will (a) ensure that the following Fraud Tools as set forth in more detail in Exhibit A to the Terms are implemented and continue to remain available during the Term: [***]. To the extent that any of the Fraud Tools set forth herein are not necessary in a Territory as directed by Affirm and mutually agreed to between the Parties, then that Fraud Tool will not apply. If there is a Fraud Tool that is required by Affirm’s fraud risk process in a specific Territory, then Affirm will communicate the necessary tool to Shopify and Shopify will use commercially reasonable efforts to enable it.
3. **Product Construct.** Notwithstanding any provisions to the contrary in the Agreement, the Parties have agreed to the following “Product Construct” for the High AOV Product:
 - (a) Once Affirm has finalized Customer Agreements in consultation with Shopify in accordance with Section 5.1 of the Terms (provided, that Affirm will have sole control and discretion related to any Customer Agreements), Shopify shall generate a final digital product of such Customer Agreements and render as a payment option for Customers within Shop Pay at checkout on the Platform. In the event a Customer selects the Program option to pay for goods or services, it shall be directed to payment details and underwriting, as agreed upon by both parties. Shopify is responsible to render the Customer Agreements as directed by Affirm and to provide Affirm [***] reports to validate that each Customer viewed the required Customer Agreements. Failure by Shopify to meet its obligation as to the Customer Agreements will subject it to penalties as agreed by the Parties. In addition, Affirm shall have the right to refuse to provide the Program to Customers in the event Shopify does not render the Customer Agreements as directed by Affirm.
 - (b) Any Customer electronic mail (“**email**”) and SMS text communications regarding the terms or repayments of the Financial Product shall be sent by Affirm with mutually agreed upon Shop Pay branding with a link out to the Shop mobile app and from the “[***]” email address (or such other email address mutually agreed to by the Parties) with “[***]” as the sender; provided however, that correspondence relating to individual Customer inquiries or issues will not be subject to the foregoing branding requirements under the following circumstances: (i) any channel of communication that is unaffiliated with the Program where customers have engaged Affirm directly; and (ii) any instance where it is unclear that the customer inquiry is regarding the Program.
 - (c) As to all other communications to Customers, including but not limited to, (i) welcome messages, (ii) general Program information, (iii) general account creation, (iv) general Shop Pay information (check account, update information, etc.), Shopify is permitted to send such communications itself in consultation with Affirm. For purposes of clarity, SMS messaging will be used by Affirm solely for the purposes of recovery efforts and upcoming payment reminders, unless mutually agreed to by the Parties.
 - (d) With respect to the post-purchase user/Customer portal, the Parties agree to have (i) an Affirm embedded link within the SHOP App directing a user to the Affirm user portal and (ii) for users that do not have the SHOP APP, an Affirm hosted webview that shall have the look and feel of the SHOP App user portal or such other post-purchase experience that has been mutually agreed upon by the Parties; provided, that the Parties will work together to ensure that it is clear that Affirm is the servicer of the Financial Product and Shopify is providing the technology platform for Affirm to render its servicing. Shopify is responsible for ensuring Affirm’s ability to display the Affirm embedded link within the SHOP App and the Affirm hosted webview on Shopify’s Platform. The Parties

agree to work in good faith to move to a fully-hosted API experience (as instructed by Affirm for servicing purposes) to enable the Parties to optimize the Customer's user experience for the Financial Product as set forth in Section 14.4 of the Agreement.

4. **Launch.** Unless a TPA specifies otherwise, the Parties will launch the High AOV Product on the Platform in the Territory in three (3) phases: (i) [***] ("**Alpha Phase**") [***]; (ii) promptly following the Alpha Phase, [***] (or such other mutually agreed to amount) on its Platform (the "**Limited Release Phase**"); and (iii) all Eligible Merchants on its Platform on a mutually agreed to date ("**GA Phase**"). Prior to the launch of the High AOV Product with each potential Eligible Merchant, Shopify shall cause such Merchant to enter into a Merchant Agreement, for the applicable Territory, such Merchant Agreement shall be substantially in the form set forth in the Territory Program Agreement, between Affirm and such Merchant.

5. **Merchant Engagement, Marketing.** With respect to Merchant engagement and marketing, Shopify agrees to: (i) consult with Affirm on its plan for engagement with potential Eligible Merchants; (ii) to use commercially reasonable efforts to launch the High-AOV Product with all potential Eligible Merchants on the Platform during the GA Phase; (iii) to use commercially reasonable efforts to configure the Platform such that all Eligible Merchants will have the option, by default, to offer the Financial Product to Customers; (iv) work with Affirm in good faith to develop a marketing plan for the Program; and (v) work with Affirm in good faith to drive repeat purchases for the program.

6. **High-AOV Product Placement.** Shopify agrees to consult with Affirm on best practices for product placement of the High-AOV Product and to suggest, if applicable, product placement to Eligible Merchants on home page, product page, cart page, and checkout. Notwithstanding the preceding sentence, product placement shall ultimately be determined in Shopify's and its Merchants' discretion.

7. **Merchant Fees and Payout.**

(a) **Merchant Fees.** Each Eligible Merchant that makes the High-AOV Product available to its customers shall pay fees to Affirm as set forth in the applicable Merchant Agreement and as determined by Shopify. Generally, fees to be paid by an Eligible Merchant to Affirm ("**Merchant Fees**") shall equal the sum of a percentage of the [***] amount (including any [***] made by a Customer at the time of purchase) of each sale approved by Affirm and captured by an Eligible Merchant (each, a "**Successful Transaction**"), plus (ii) a transaction fee per Successful Transaction as set forth in the applicable Territory Program Agreement, in each case, in accordance with the applicable Merchant Agreement. The tiers of Merchant Fees that may be offered to a Merchant are set forth in the applicable Territory Program Agreement.

(b) **Payouts to Eligible Merchants.** Payouts will be as set forth in each applicable Territory Program Agreement.

8. **Shopify Fees and Payout.**

(a) **Shopify Fees.** With respect to each Successful Transaction, Affirm shall pay to Shopify a fee ("**Shopify Fee**") equal to (i) the [***] amount of such Successful Transaction multiplied by (ii) the applicable [***] (based on the tier of Merchant Fee paid by the Merchant in connection with such Successful Transaction) set forth in the applicable Territory Program Agreement. With respect to each Merchant, the Shopify Fee shall not be duplicative of any commissions, revenue sharing or other fees due from Affirm to Shopify under any other agreements.

(b) **Payouts to Shopify.** No later than [***] business days following the end of each [***], Affirm shall transfer, in the Territory's local currency or currency as mutually agreed to by the Parties via wire transfer or other agreed to method, to Shopify's local Territory bank account (the "**Shopify Account**") the aggregate amount of Shopify Fees due for such calendar month. [***]. Affirm shall also provide Shopify with a statement accompanying each payment, detailing the amount of the Shopify Fees due to Shopify for the applicable month, [***] as to be mutually agreed by Parties, in sufficient detail to permit Shopify to validate the amount of such payment. To validate

revenue earned by Shopify on a monthly basis, payouts to Shopify shall be accompanied by a report that contains [***].

(c) **Payment Processing:** Shopify shall pay for Program payments processing for the High AOV Product as set forth in the Territory Program Agreement. Shopify and Affirm shall work in good faith and partner to optimize repayment methods (debit *versus* credit and the introduction of ACH (or the equivalent in the applicable Territory)).

9. **Customer Installment Program Delay.** The Parties will use reasonable efforts to launch the Alpha Phase of the High-AOV Product no later than a date mutually agreed to by the Parties (the “**Launch Date**”).

10. **Merchant Underwriting and AML/CFT and Sanctions Screening.** Upon the Alpha Phase launch date, Affirm shall be responsible, with Shopify support, for underwriting Merchants. Additionally, while each Party retains independent Sanctions Screening compliance obligations, upon the Alpha Phase launch, Affirm shall be responsible for administering and maintaining an AML/CFT and Sanctions Screening compliance program to screen Merchants (“**Affirm’s AML/CFT and Sanctions Screen**”). Affirm’s AML/CFT and Sanctions Screen may be performed by a third party on behalf of Affirm, and Affirm will be responsible for such third party’s performance. On a date to be mutually agreed upon by the Parties, Shopify will develop, implement and be responsible for its own Merchant underwriting processes and AML/CFT and Sanctions Screen compliance, which shall include, without limitation, Sanctions Requirements screening, to determine a Merchant’s eligibility to participate in the Program (“**Shopify AML/CFT and Sanctions Screen**”), in addition to any other Affirm screening as required by Applicable Law, or mutually agreed to by the Parties. Shopify AML/CFT and Sanctions Screen may be performed by a third party on behalf of Shopify, and Shopify will be responsible for such third party’s performance. Affirm shall provide Shopify with guidance around existing workflows, processes and requirements; and Shopify shall perform the Shopify AML/CFT and Sanctions Screen for the Financial Product in accordance with the requirements communicated by Affirm and in accordance with Applicable Law. As applicable, each Party’s AML/CFT and Sanctions Screen for the Financial Product shall at all times comply with Applicable Law, including, Sanctions Requirements and regulations and guidance. Shopify agrees in good faith to notify Affirm in advance of any material changes to the Shopify AML/CFT and Sanctions Screen that could have an adverse impact to Customers or AML/CFT and Sanctions compliance, and to consult with Affirm about such changes. Eligible Merchants are subject to Affirm’s Risk Approval Process and Affirm’s AML/CFT and Sanctions Screen until such time that Parties mutually agree otherwise and Shopify will provide any applicable information (to be mutually agreed to) for each Eligible Merchant in order for Affirm to complete Affirm’s Risk Approval Process and Affirm AML/CFT and Sanctions Screen. Eligible Merchants are subject to Affirm’s AML/CFT and Sanctions Screen and will remain subject to Affirm’s Risk Approval Process as described in the Program Outline. As long as the Parties agree that Affirm is responsible for AML/CFT and Sanctions Requirements screening, or if certain screening by Affirm is required by Applicable Law, and, in addition to any other rights or remedies that Affirm may have, Affirm shall have the right to immediately suspend its services and/or terminate any agreement between Affirm and an Eligible Merchant in accordance with the terms of that agreement if such Eligible Merchant does not meet Affirm’s eligibility criteria set forth in Affirm’s Risk Approval Process. If Affirm elects to terminate an agreement with an Eligible Merchant in accordance with the terms and conditions of such agreement and notifies Shopify of such intent to terminate, Shopify will promptly (but no later than 24 hours following Affirm’s notification to terminate) notify the Eligible Merchant of such termination in writing (electronic notification acceptable). In addition, Affirm shall have the right to request reporting and a reasonable review of Shopify’s performance of the Shopify AML/CFT and Sanctions Screen. Upon identifying a material deficiency in the Shopify AML/CFT and Sanctions Screen, Affirm shall have the right (but not the obligation), to immediately (i) suspend the Program with respect to any Merchants not yet onboarded to the Program as of the date of suspension; and/or (ii) assume responsibility for Merchant underwriting or any AML/CFT and Sanctions Requirements screening (with costs to be paid by Shopify) if Affirm determines, in good faith and based on the advice of counsel, that Shopify’s actions or failure to act has resulted in (a) a violation of Applicable Law; or (b) material adverse impact to Customers. Shopify shall promptly remedy any material deficiency in the Shopify AML/CFT and Sanctions Screen. Shopify will in good faith provide Affirm with reasonable advance notice of any significant change in merchant onboarding volume compared with the forecasts provided by Shopify to Affirm in accordance with Section 11 of the Program Outline.

11. **Affirm Application Programming Interface (“Affirm API”)**. Affirm shall develop software that allows the Platform to communicate automatically via the Affirm APIs with the Platform for the purpose of initiating Applications and otherwise supporting the High-AOV Product, and Affirm will disclose the portion of the Affirm APIs to Shopify necessary for Shopify to allow its Platform to integrate with the Affirm API. The Affirm API and all modifications, enhancements and derivative works thereof, and all documentation and specifications related thereto, shall be deemed Affirm Pre-Existing IP.
12. **Reports**. Affirm shall deliver to Shopify on a [***] basis, or on such basis as mutually agreed upon by the Parties, a [***]. [***]. Shopify shall deliver to Affirm on a [***] basis, or on such basis as mutually agreed upon by the Parties, a [***]. The form of [***] shall be [***]. On at least a [***] basis, Shopify shall [***]. Shopify further agrees in good faith to [***]. Any [***] failures [***] will be discussed by the Strategic Operating Committee.
13. **Program Modifications**. To the extent Shopify requests a modification of the High-AOV Product that requires development beyond that contemplated by this Agreement, the Parties will review the incremental cost of any such development. If the Parties agree to such modification, the incremental costs will be shared equally between the Parties unless the Parties mutually agreed to a different allocation of costs.
14. **Tests**. To the extent the Parties agree to run [***]. Each Party acknowledges that certain internal approvals may be required before such Party can provide written agreement to proceed with a Test. For clarity, for Shopify, director approvals will be required for any Test with an expected volume exceeding [***]. Any applicable internal approval processes are solely for each Party's internal governance and do not impose any obligation on the other Party to confirm that approvals received under this section comply with any approving Party's internal processes. Following the conclusion of a Test, if the Parties desire to more widely deploy the construct from the Test, Parties may agree to amend this Agreement or add an additional Program Outline to reflect the terms of (or substantially similar to those of) the Test.

Exhibit C-3
PROGRAM OUTLINE 3
POS Product

1. **Program Description.** The Program will be offered only in each Territory as set forth in the applicable Territory Program Agreement. The Financial Product associated with the Program (the “**POS Product**”) shall enable Merchants to offer Buyers a Shopify-native installments solution for in person purchases (the “**POS Product**”). The POS Product will allow the Merchant to offer all other Financial Products set forth in any other Program Outline, in store.

2. **Product Construct.** For purposes of the POS Product only, and in addition to (i) Section 2 of Exhibit C-1 (*First Program Outline - Low AOV Product*) (the “**Low AOV Program Outline**”) and (ii) Section 2 of the Exhibit C-2 (*Second Program - High AOV Product*) (the “**High AOV Program Outline**”), the Parties have agreed to the following as the minimum requirements necessary for the “Product Construct” for the POS Product. To the extent that there are any changes to the POS Product the Parties will mutually agree to such changes (email sufficient).

(a) **Onboarding and Signup.**

[***]

(b) **Merchant Training.** Affirm will create, host, maintain and Shopify will make available to Merchants the minimum training necessary for compliance with all Applicable Laws in connection with the POS Product (“**POS Merchant Training**”). The POS Merchant Training will be an online module that is easily accessible for Merchants, including their employees. Shopify shall have the right to review the POS Merchant Training for marketing, branding or other purposes and request updates, which Affirm (i) if related to marketing and branding, shall make, unless doing so would violate Applicable Laws or bank partner requirements and (ii) will consider in good faith all other requests.

(c) **Identifiers.** With respect to Beta Phase and GA Phase, Shopify will collect and send to Affirm identifiers for retail merchants: (i) store location address (“Store Location Data”) and (ii) any other identifiers agreed to by the Parties. With respect to the Alpha Phase, Beta Phase and GA Phase, Shopify will create a designation to easily identify transactions as either e-commerce or in-store transactions (“**Channel Data**”).

(d) **Pre-Qualification Support.** Shopify will make commercially reasonable efforts to build prequalification for Customers in the Shopify App (“**Pre-Qualification**”), with specific requirements to be mutually agreed to by the Parties at a time to be mutually agreed to by the Parties. The Parties acknowledge that Pre-Qualification for Customers is not a prerequisite for the Beta Phase or the GA Phase.

3. **Launch.** This Program Outline will only be applicable for the Alpha Phase (as defined below). The Parties will enter into an amendment prior to the Beta Phase that will set forth any additional requirements for the Beta Phase and the GA Phase, which will include any additional minimum requirements for the “Product Construct”. The Parties will launch the POS Product on the Platform in three (3) phases: (i) Alpha Phase: with a certain number of Eligible Merchants to be mutually agreed upon by the Parties not to exceed [***] Eligible Merchants or another number of Eligible Merchants as agreed by the Parties (“**Alpha Phase**”), and launched by the Launch Date or date mutually agreed to by the parties prior to the Beta Phase; (ii) Beta Phase, promptly following the Alpha Phase on a mutually agreed upon date by the Parties with a certain number of Eligible Merchants to be mutually agreed upon by the Parties (the “**Beta Phase**”); and (iii) GA Phase: promptly following the Beta Phase on a mutually agreed upon date by the Parties (the “**GA Phase**”). Prior to the launch of the POS Product with each potential Eligible Merchant, Shopify will notify Merchants that the POS Product is available and provide any updates to the Merchant Agreement to all Merchants as mutually agreed to.

4. **Fraud.**

(a) As a condition to launching the Beta Phase and the GA Phase, at a minimum and in addition to any fraud prevention tools that have been already implemented by Shopify for the Program under all Program

Outlines as of the Third Program Agreement Effective Date, (i) the Parties will mutually agree on the fraud prevention tools and (ii) send Affirm the following data information set forth in more detail in Exhibit A to the Agreement (A) Store Location Data and (B) Channel Data, or such other tools or data as otherwise mutually agreed to by the Parties. To the extent that any of the agreed-upon fraud prevention tools are not necessary as directed by Affirm and mutually agreed to by the Parties, then that fraud prevention tool will not apply. If there is a fraud prevention tool that is required by Affirm's fraud risk process, then Affirm will communicate the necessary tool to Shopify and Shopify will use commercially reasonable efforts to enable it. For the avoidance of doubt, the Parties will not launch the Beta Phase or GA Phase without implementing the mutually agreed to fraud prevention tools required for the Beta Phase and/or GA Phase.

(b) Affirm and Shopify will track the amount of fraudulent transactions captured via the POS Product by all Merchants using such POS Product (the "**Fraudulent Amounts**") for each month period during the Term (the "**Monthly Fraud Amount**") and each such month period during the Term, the "**Fraud Measurement Period**") and the percentage of the Monthly Fraud Amount out of all Affirm Successful Transaction Volume for such applicable Fraud Measurement Period (the "**Monthly Fraud Rate**").

(i) "**Affirm Successful Transaction Volume**" means the aggregate total United States dollar amount of Successful Transactions that have been captured through the POS Product pursuant to the Third Program Outline, less amounts resulting from Customer refunds and chargebacks.

(ii) Solely for example purposes, if (A) the Monthly Fraud Amount for January equals [***] and (B) the Affirm Successful Transaction Volume for January equals [***], then the Monthly Fraud Rate for January will be [***].

(c) To the extent the Monthly Fraud Rate exceeds [***] for any month during the Term, the Parties will discuss and negotiate in good faith what additional fraud prevention tools the Parties can enable to reduce Customer fraud.

(d) If the Monthly Fraud Rate exceeds [***] for any month during the Term, Affirm or Shopify may elect to suspend the POS Product until mutual agreement to re-launch the POS Product.

5. **Merchant Engagement, Marketing.**

(a) With respect to Merchant engagement and marketing, Shopify agrees to: (i) consult with Affirm on its plan for engagement with potential Eligible Merchants; (ii) to use commercially reasonable efforts to launch the POS Product with all potential Eligible Merchants on the Platform during the GA Phase; (iii) to use commercially reasonable efforts to configure the Platform such that all Eligible Merchants will have the option, by default, to offer the Financial Product to Customer; (iv) work with Affirm in good faith to develop a marketing plan for the Program; and (v) work with Affirm in good faith to drive repeat purchases for the program.

(b) No Eligible Merchant will be migrated from a direct integration with Affirm to the POS Product; provided, any Eligible Merchant may choose to enable the POS Product at any time.

6. **Merchant Fees and Payout.** During the Alpha Phase, the Beta Phase and GA Phase, each Eligible Merchant that makes the POS Product available shall pay the fees ("**Merchant Fees**") and receive funds as set forth in the Low AOV Program Outline and the High AOV Program Outline, as applicable, and in accordance with their applicable Merchant Agreement for each Territory Program Agreement; provided, that if an Eligible Merchant has enabled either Financial Product on its website (an "**Existing Merchant**"), the Merchant Fees for the POS Product will be the same Merchant Fees that the Existing Merchant currently pays in connection with the Financial Products offered on its website (the "**Existing Merchant Fees**"). The tiers of Merchant Fees that may be offered to a Merchant relating to the applicable Financial Product will be set forth in the applicable Territory Program Agreements. For instance, the tiers of the Merchant Fees outlined in a Territory Program Agreement for the High AOV Product will apply to the POS Product where the High AOV Product is offered via the POS Product.

7. **Shopify Fees and Payout.**

(a) **Shopify Fees and Payouts to Shopify.** During the Alpha Phase, Beta Phase and the GA Phase, Affirm shall pay to Shopify a fee (“**Shopify Fee**”) equal to the fee associated with the Financial Product being offered to the applicable Eligible Merchant and send payouts applicable to each Financial Product to Shopify as set forth in the Low AOV Program Outline and the High AOV Program Outline, as applicable; provided, that the Shopify Fee in connection with an Existing Merchant will be the applicable Shopify Fee to the Existing Merchant Fees as set forth in the Low AOV Program Outline and the High AOV Program Outline, as applicable. The tiers of Merchant Fees and associated Shopify Fee relating to each Financial Product will be set forth in Territory Program Agreements. For instance, the Shopify Fee outlined in a Territory Program Agreement for the High AOV Product will apply to the POS Product where the High AOV Product is offered via the POS Product.

(b) **Payment Processing.** Payment processing shall be as set forth in the applicable Program Outline associated with the Financial Product being offered.

8. **Customer Installment Program Delay.** The Parties will use reasonable efforts to launch the Alpha Phase of the POS Product no later than a date mutually agreed to by the Parties (the “**Launch Date**”).

9. **Merchant Underwriting and AML/OFAC Screening.** Merchant underwriting and AML/OFAC screening shall be conducted in accordance with the Financial Product being offered as set forth in the Low AOV Program Outline or the High AOV Program Outline, as applicable.

10. **Reports.** Affirm shall include a section related to the POS Product in the Reports it delivers to Shopify in accordance with any other Program Outline; provided, that Shopify will provide Affirm with necessary information in order for Affirm to identify transactions completed through the POS Product. The details necessary for any Reports that are related to the POS Product will be mutually agreed to between the Parties.

11. **Program Modifications.** To the extent Shopify requests a modification of the POS Product that requires development beyond that contemplated by this Agreement, the Parties will review the incremental cost of any such development. If the Parties agree to such modification, the incremental costs will be shared equally between the Parties unless the Parties mutually agreed to a different allocation of costs.

12. **Tests.** To the extent the Parties agree to [***]. Each Party acknowledges that certain internal approvals may be required before such Party can provide written agreement to proceed with a Test. For clarity, for Shopify, director approvals will be required for any Test with an expected volume exceeding [***]. Any applicable internal approval processes are solely for each Party's internal governance and do not impose any obligation on the other Party to confirm that approvals received under this section comply with any approving Party's internal processes. Following the conclusion of a Test, if the Parties desire to more widely deploy the construct from the Test, Parties may agree to amend this Agreement or add an additional Program Outline to reflect the terms of (or substantially similar to those of) the Test.

EXHIBIT C-4
PROGRAM OUTLINE 4
Shop Pay Components Services - SPC Program

1. **Program Description.** [***]. The Program [***] will be offered in the Territory in accordance with the applicable Territory Program Agreement (the “**SPC Product**”).
2. **Product Construct.** In addition to (i) Section 3 of Exhibit C-1 (First Program Outline - Low AOV Product) (the “**Low AOV Program Outline**”) (ii) Section 3 of Exhibit C-2 (Second Program Outline - High AOV Product) (the “**High AOV Program Outline**”) and (iii) Section 2 of Exhibit C-3 (Third Program Outline- POS Product) (the “**POS Program Outline**”), the Parties have agreed to the following as the minimum requirements necessary for the “**Product Construct**” for the SPC Product. To the extent that there are any changes to the SPC Product, the Parties will mutually agree to such changes (email sufficient).
3. **Definitions.**
 - (a) “**SPC Product Merchant**” is [***].
 - (b) “**Shop Pay Component Services Merchant**” means [***].
 - (c) “**Affirm Direct Merchant**” is [***].
 - (d) [***].
4. **Merchant Engagement.** With respect to merchant engagement and marketing in connection with the SPC Product, the Parties agree as follows:
 - (a) [***].
 - (b) [***].
 - (c) [***].
 - (d) [***].
5. [***]
6. **Customer Information, Merchant Information and Program Information.** Notwithstanding anything to the contrary in the Agreement, any information or data obtained by Affirm about [***] independent of the SPC Program shall be [***] and shall not constitute [***]; provided that [***] to the extent [***] independently possesses or obtains such [***] from [***].
7. **Merchant Fees and Payout.**
 - (a) **Merchant Fees.**
 - (i) [***]
 - (ii) [***]
 - (b) **Payouts to Eligible Merchants.** Funds shall be disbursed in connection with this Program Outline to each Eligible Merchant in accordance with the disbursement terms associated with the Financial Product being offered as set forth in the Low AOV Program Outline or the High AOV Program Outline, each as applicable, and as stated in the applicable Merchant Agreement. For instance, if a Merchant is offering the Low AOV via the SPC Product, then the Payouts to Eligible Merchants will be as set forth in the Low AOV Program Outline. Affirm or, as agreed in writing by the Parties, a third-party payment processing provider, shall disburse funds in connection with

the Program to each Eligible Merchant in accordance with this Section and as stated in the applicable Merchant Agreement.

8. Shopify Fee and Payouts.

(a) **Shopify Fees.**

(i) [***]

(ii) [***]

(b) **Payouts to Shopify.** As set forth in the applicable Territory Program Agreement.

(c) **Payment Processing.** As set forth in the applicable Territory Program Agreement.

9. [***]

10. **Merchant Underwriting and AML/OFAC Screening.** Merchant underwriting and AML/OFAC screening shall be conducted in accordance with the Financial Product being offered as set forth in the Low AOV Program Outline or the High AOV Program Outline, as applicable.

11. **Reports.** Affirm shall include a section related to the SPC Product in the Reports it delivers to Shopify in accordance with any other Program Outline; provided, that Shopify will provide Affirm with necessary information in order for Affirm to identify transactions completed through the SPC Product. The details necessary for any Reports that are related to the SPC Product will be mutually agreed to between the Parties.

12. **Program Modifications.** To the extent Shopify requests a modification of the SPC Product that requires development beyond that contemplated by this Agreement, the Parties will review the incremental cost of any such development. If the Parties agree to such modification, the incremental costs will be shared equally between the Parties unless the Parties mutually agreed to a different allocation of costs.

13. **Tests.** To the extent the Parties agree to [***]. Each Party acknowledges that certain internal approvals may be required before such Party can provide written agreement to proceed with a Test. For clarity, for Shopify, director approvals will be required for any Test with an expected volume exceeding [***]. Any applicable internal approval processes are solely for each Party's internal governance and do not impose any obligation on the other Party to confirm that approvals received under this section comply with any approving Party's internal processes. Following the conclusion of a Test, if the Parties desire to more widely deploy the construct from the Test, Parties may agree to amend this Agreement or add an additional Program Outline to reflect the terms of (or substantially similar to those of) the Test.

EXHIBIT E
TERRITORY PROGRAM AGREEMENT

[Attached]

TEMPLATE - TERRITORY PROGRAM AGREEMENT
[COUNTRY]

Affirm Party	
Shopify Party	
Agreement	The Agreement (as defined below)
Affirm Legal Page(s)	Prohibited Business Policy: , or such other URL as Affirm may agree. Merchant Agreement: , or such other URL as the Parties may mutually agree.
Territory	
TPA Effective Date	

This Territory Program Agreement (the “**TPA**”) is effective as of the TPA Effective Date stated above and entered into by the Affirm Party stated above (“**Affirm Party**”) and the Shopify Party stated above (“**Shopify Party**”) and is made pursuant to, and is a part of, that Global Customer Installment Program, dated as of _____, 2025, between the other parties thereto (as amended and in effect on the date hereof (the “**Terms**”), the Program Outline(s) (the “**Program Outline**”) and any other schedules, exhibits or addendums thereto, the “**Agreement**”). Affirm Party will provide the Programs stated above to Shopify Party under the terms of this TPA. All capitalized terms not defined in this TPA will have the meanings given to them in the Agreement.

1. **Agreement.** Except as modified in Section 2 of this TPA, the Terms (including all Exhibits attached thereto), are incorporated by reference into, and form part of, this TPA.

2. **Replacement of Terms in the Agreement.** For purposes of this TPA, the following provisions will supersede and replace any corresponding provision or term in the Agreement, including any exhibit or Program Outline, and govern in their entirety with respect to the Shopify Party and Affirm Party hereto in all respects:

(a) **General.**

(i) **Parties.** References to “Affirm” and “Shopify” in the terms incorporated under Section 1 above mean the Affirm Party and Shopify Party hereto, respectively. References to the “Parties” in the terms incorporated under Section 1 above mean the parties to this TPA.

(ii) **Agreement.** References to the “Agreement” or “Agreement” in the terms incorporated under Section 1 above will be deemed to be a reference to this “TPA,” except for Section 9 (Conflict Resolution).

(iii) **Effective Date.** References to “Effective Date” in the terms incorporated under Section 1 above mean the TPA Effective Date.

(iv) **Services.** References to “Programs” in the terms incorporated under Section 1 above mean the Programs provided to the Shopify Party under this TPA.

(v) **Shopify Merchants.** If applicable, references to “Shopify Merchants” and “Shopify Payments Merchants” will mean the Shopify Merchants and Shopify Payments Merchants associated with Shopify Party.

(b) **Terms.**

(i) **Affirm's Legal Pages.** The (A) Prohibited Business Policy and (B) Merchant Agreement for the Territory are located on the Affirm's Legal Pages listed above.

(ii) **Service Levels - Planned Outages.** [_____].

(iii) **Taxes.** [_____]

(iv) **Insurance.** References to USD in Section 20 in the Terms will be replaced with [_____].

(v) **Governing Law.** [_____].

(c) **Program Outline 1 - Low AOV.**

(i) **Program Description.** [_____]

(ii) **Eligible Merchants and Low AOV Affirm Direct Merchants at Launch.** [_____]

(iii) **Launch Timelines.** The Parties will work in good faith and take commercially reasonable efforts to achieve the launch timeline as indicated in the Alpha Phase, Limited Release Phase and the GA Phase.

(iv) **Payment Processing.** [_____]

(d) **Program Outline 2 - High AOV.**

(i) **Program Description.** [_____]

(ii) **Eligible Merchants and High AOV Affirm Direct Merchants at Launch.** [_____]

(iii) **Launch Timelines.** The Parties will work in good faith and take commercially reasonable efforts to achieve the launch timeline as indicated in the Alpha Phase, Limited Release Phase and the GA Phase.

(iv) **Payment Processing.** [_____]

(e) **Fees and Payout to Eligible Merchants - Low AOV Product and High AOV Product.**

(i) **Eligible Merchant Fees.** Merchant Fees will be selected from the options set forth in Schedule 1.

(ii) **Bank Account - Eligible Merchants.** The Bank Account referenced in Section 7(b) of Program Outline 1 and Program Outline 2 of the Terms will be a [_____] Bank Account.

(iii) **Payouts to Eligible Merchants.** [_____]

(f) **Fees and Payout to Shopify - Low AOV Product and High AOV Product.**

(i) **Shopify Fees.** Shopify Fees will be set forth in Schedule 1.

(ii) **Currency.** All Shopify Fees will be paid in [_____] (or such other mutually agreed to currency) to the Shopify Account in [_____] via wire transfer or electronic funds transfer.

(g) **Program Outline 3 - POS Product.**

(i) [_____]

(h) **Program Outline 4 - Shop Pay Components Services- SPC Program.**

(i) Program Description. [_____]

(ii) Currency. Any Shopify Fees will be paid in [_____] (or such other mutually agreed to currency) to the Shopify Account in [_____] via wire transfer or electronic funds transfer.

(iii) Payment Processing. [_____]

(iv) Fees and Payout to Shopify- Shop Pay Components Services- SPC Program.

(A) Shopify Fees. [_____]

(B) Payouts to Shopify. Payouts to Shopify shall be as set forth in the applicable Program Outline associated with the Financial Product being offered through the SPC Product.

3. **Service Level Agreement.** The Parties will provide the services contemplated by this TPA in accordance with the service levels set forth in Schedule 2, attached hereto.

4. **Additional Terms.**

(a) Payment of Fees. Shopify Party will pay Affirm Party the Fees for the Program provided to Shopify Party under this TPA in accordance with Schedule 1.

(b) Shopify Bank Account. Shopify Party directs Affirm Party to deposit funds payable to Shopify Party into, and if applicable, pull amounts due from Shopify Party to Affirm Party from, the appropriate bank account established by Shopify Party or its applicable Affiliate in the Territory stated above and provided by Shopify Party to Affirm Party in writing.

(c) Inquiries. All discussions, correspondences and procedural decisions/actions in relation to any Tax Authority with respect to any inquiry shall be controlled by the Party subject to the respective inquiry. If the Party not subject to the inquiry is subject to incremental tax as a result of the inquiry, the Party subject to the inquiry shall promptly notify the other Party in writing of such inquiry and any such incremental tax resulting from such inquiry. Upon such notification, each Party will act in good faith to timely provide and make available any information or documents in its possession requested by the Tax Authority with respect to an inquiry.

(d) Term. This TPA commences on the TPA Effective Date and will remain in effect until [_____] (the “**Initial TPA Term**”). After the Initial TPA Term, this TPA will automatically renew for successive one year periods unless this TPA terminates as set forth in Section 5 below or a Party provides the other Party with written notice of its election to terminate this Agreement at least 180 days prior to the expiration of the Initial TPA Term or the then-current renewal term as applicable. Termination of this TPA will not cause the Global Customer Installment Program Agreement as applicable to other Shopify Parties and Affirm Parties pursuant to separate Territory Program Agreements, to terminate.

5. **Termination.**

(a) Termination of the TPA. Either Party may terminate this TPA pursuant to the terms of Section 11 of the Terms.

(b) Termination of the Agreement. This TPA will automatically terminate upon termination of the Global Customer Installment Program Agreement.

6. **Assignment.** Neither Party may assign or transfer any obligations or benefits under this TPA without the prior written consent of the other Party, which will not be unreasonably withheld, conditioned or delayed. Any attempt to assign in violation of the foregoing sentence will be null and void from the beginning. This TPA will be binding upon, will inure to the benefit of, and will be enforceable by the Parties and their permitted assigns.

7. **Entire Agreement; Modification.** This TPA constitutes the entire agreement and understanding of the Parties with respect to Affirm Party's provision of the Program to Shopify Party and supersedes all prior or contemporaneous agreements and understandings. To the extent that any of the terms of the Agreement incorporated by reference under Section 1 of this TPA are amended, restated, supplemented or otherwise modified after the TPA Effective Date (such terms, as modified, the "**Updated Terms**"), then the Parties agree that the Updated Terms are deemed incorporated into this TPA as of the date of their modification, replacing the previously existing version of the Updated Terms, unless the Parties amend this TPA, with an amendment effective date no later than [***] Business Day after the date of the modification, to exclude the Updated Terms.

Signature Page Follows

The Parties agree to the terms of this TPA by signing below:

[SHOPIFY ENTITY]

[AFFIRM ENTITY]

By:
Printed Name:
Title:

Date Signed:

By:
Printed Name:
Title:

Date Signed:

SCHEDULE 1 TO TERRITORY PROGRAM AGREEMENT

PRICING AND FEES

[INSERT]

SCHEDULE 2 TO TERRITORY PROGRAM AGREEMENT
SERVICE LEVEL AGREEMENT (SLA) STANDARDS
[INSERT]

AFFIRM HOLDINGS, INC. CASH INCENTIVE PLAN
(As amended effective as of March 12, 2025)

1. Purpose. Affirm Holdings, Inc. (the “Company”) has established this Cash Incentive Plan (the “Plan”) for the purpose of supporting the accomplishment of the Company’s financial and strategic objectives. In doing so, the Plan is designed to:

- Closely align the compensation of Plan participants with the financial interests and expectations of the Company’s stockholders.
- When combined with base salaries, provide opportunities for participants to earn competitive levels of direct cash compensation in order to attract and retain high-performing employees.
- Define an appropriate portion of compensation as being “at risk,” thereby providing enhanced opportunities for pay for performance.

2. Definitions. Capitalized terms used herein shall have the following meanings:

- (a) “Affiliate” means a corporation or other entity that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with the Company. For purposes of the Plan, an ownership interest of more than fifty percent (50%) shall be deemed to be a controlling interest.
- (b) “Administrator” means the Board or the Committee, subject to the terms of the charter of the Committee as approved by the Board. The term Administrator shall also include the Company’s Chief Executive Officer, Chief Operating Officer and Chief People Officer and each of their designees with respect to any Eligible Employee who is not an SLT Member.
- (c) “Base Pay” means a Participant’s payroll earnings received during the applicable Performance Year.
- (d) “Board” means the Company’s Board of Directors.
- (e) “Bonus Payment” means the amount of the cash bonus for a given Performance Year payable to a Participant, as determined by the Administrator in accordance with the Bonus Payment Formula and in accordance with the terms and conditions of the Plan and the Bonus Formula Methodology approved by the Administrator for the applicable Performance Year. A Bonus Payment is not payable to a Participant until it is earned and vested in accordance with the terms of the Plan.
- (f) “Bonus Payment Formula” means, for a Performance Year, the methodology to be used to calculate the Bonus Payment for each Participant, as set forth in the Bonus Formula Methodology for such Performance Year. Application of the Bonus Payment Formula in the calculation of any Bonus Payment shall be subject to the

terms and conditions of the Plan and the Bonus Formula Methodology for the applicable Performance Year.

- (g) “Bonus Formula Methodology” means, for any Performance Year, the methodology to be used to calculate the Bonus Payment for each Participant, as approved by the Administrator for such Performance Year.
- (h) “Cause” shall have the meaning ascribed to such term in the Participant’s individual employment, severance or other agreement with the Company or, if the Participant is not party to such an agreement, “Cause” shall have the meaning assigned to it in the Company’s Amended and Restated 2012 Stock Plan.
- (i) “Code” means the Internal Revenue Code of 1986, as amended.
- (j) “Committee” means the Compensation Committee of the Board and any successor committee of the Board thereto or, in the absence of such a committee or at the Board’s discretion, the full Board.
- (k) “Company” has the meaning set forth in Section 1.
- (l) “Designated Beneficiary” has the meaning set forth in Section 7(k).
- (m) “Disability” shall have the meaning ascribed to such term in the Participant’s individual employment, severance or other agreement with the Company or, if the Participant is not party to such an agreement, “Disability” shall have the meaning assigned to it in the Company’s Amended and Restated 2012 Stock Plan.
- (n) “Eligible Employee” means any regular full- or part-time employee who does not participate in a Company sales incentive plan and is employed by the Company or an Affiliate on or before March 31 during the applicable Performance Year.
- (o) “Participant” means, for a Performance Year, an Eligible Employee who has been granted a Target Award under the Plan for the Performance Year. An individual whose Bonus Payment under the Plan for a Performance Year is earned and vested but remains outstanding shall also be a Participant solely with respect to such earned and vested Bonus Payment.
- (p) “Payment Date” means the date on which the Bonus Payment for a Performance Year is paid to a Participant, which date shall be as soon as practicable after the Administrator determines the amount of the Bonus Payments payable to Participants but no later than two and one-half (2-1/2) months following the end of the Performance Year to which the Bonus Payment relates.
- (q) “Performance” means the extent to which the performance targets (including, if applicable, percentage levels of performance) and other components of the Bonus Payment Formula have been achieved for a Performance Year.

- (r) “Performance Year” means the Company’s fiscal year or portion thereof specified by the Administrator as the period over which Performance is to be measured pursuant to the Bonus Payment Formula for that period. Unless otherwise specified by the Administrator, the Performance Year shall be July 1 through June 30.
- (s) “Plan” has the meaning set forth in Section 1.
- (t) “Section 409A” has the meaning set forth in Section 9.
- (u) “SLT Member” means each executive-level employee of the Company reporting directly to the Company’s Chief Executive Officer.
- (v) “Target Award” means an amount assigned to a Participant (specified as such or expressed as a percentage of Base Pay or otherwise determined pursuant to a formula) that such Participant potentially may earn as a Bonus Payment in respect of a specified Performance Year at the targeted level of Performance. A Target Award constitutes only a conditional right to receive a Bonus Payment and does not guarantee receipt of a Bonus Payment or any level of Bonus Payment based on Performance or otherwise. In the event a Participant’s Target Award is modified during a Performance Year, the modified Target Award shall only apply to Base Pay attributable to the period after the effective date of such modification.
- (w) “Termination Date” means the date on which the Participant’s employment with the Company and its Affiliates terminates for any reason. A transfer of a Participant’s employment between and among the Company or an Affiliate shall not be deemed to constitute a termination of employment for purposes of the Plan.

3. Administration.

- (a) Authority of the Administrator. The Plan shall be administered by the Administrator, which shall have full and final authority and discretion, in each case subject to and consistent with the provisions of the Plan and any applicable laws or regulations, to:
 - (i) select, or determine the method of selecting, Eligible Employees who will receive the grant of a Target Award under the Plan for a Performance Year (and thereby become a Participant in the Plan for such Performance Year);
 - (ii) establish the Bonus Payment Formula for a Performance Year;
 - (iii) grant Target Awards to Participants and determine the amount of Bonus Payments to be paid under the Plan for any period;
 - (iv) modify the Bonus Payment Formula, any Target Award or, prior to the date on which it is earned and vested, any Bonus Payment otherwise payable under the Plan, whether based on the Bonus Payment Formula,

Performance or otherwise, including decreasing such amounts as described herein;

- (v) adopt such rules, regulations and guidelines for interpreting, implementing and administering the Plan as it deems necessary or proper;
 - (vi) conclusively construe and interpret the Plan documents and correct defects, supply omissions or reconcile inconsistencies therein;
 - (vii) employ attorneys, consultants, accountants, and other persons in connection with the administration of the Plan;
 - (viii) conclusively identify and determine the Designated Beneficiary of a deceased Participant or, if none, the legal representative of the estate of a deceased Participant, in each case in accordance with Section 7(k); and
 - (ix) make all other decisions and determinations as the Administrator may deem necessary or advisable for the administration of the Plan.
- (b) Binding Effect of Administrator Actions. All actions taken and all interpretations and determinations made by the Administrator with respect to the Plan shall be final and binding upon the Participants, the Company and all other interested persons.
- (c) Manner of Exercise Administrator Authority. The express grant of any specific power to the Administrator, and the taking of any action by the Administrator, shall not be construed as limiting any power or authority of the Administrator.
- (d) Delegation of Authority. The Administrator may delegate to one or more officers or managers of the Company or an Affiliate, or committees thereof, the authority, subject to such terms as the Administrator shall determine, to perform such functions, including administrative functions, as the Administrator may determine, to the extent that such delegation is permitted under the applicable provisions of the Delaware General Corporation Law and the provisions of the Plan.
- (e) Limitation of Liability. Each person acting in their capacity as Administrator, and each person acting pursuant to authority delegated by the Administrator, shall be entitled, in good faith, to rely or act upon any report or other information furnished by any executive officer, other officer or employee of the Company or its Affiliates, or the Company's independent auditors, consultants or other agents assisting in the administration of the Plan. Each person acting as the Administrator or pursuant to authority delegated by the Administrator, and any officer or employee of the Company or any of its Affiliates acting at the direction or on behalf of the Administrator or a delegate, shall not be personally liable for any action or determination taken or made in good faith with respect to the Plan

and shall, to the fullest extent permitted by law and the Company's bylaws, be fully indemnified and protected by the Company with respect to any such action or determination.

- (f) Local Laws and Rules. Without limiting the generality of the duties and authorities granted to the Administrator under the Plan, the Administrator may establish rules and regulations for grants of Target Awards and Bonus Payments to nationals of countries other than the United States that may differ from the rules and regulations for grants of Target Awards and Bonus Payments to other persons if, in the judgment of the Administrator, such differences are necessary or desirable to foster and promote achievement of the purposes of the Plan (including compliance with provisions of laws in other countries or jurisdictions in which the Company or an Affiliate operates or in which a Participant is employed or performs services).
- (g) Adjustments. Notwithstanding anything to the contrary contained herein, and to the extent permitted by applicable law, the Administrator shall have the authority to, in its sole and absolute discretion: (i) change the Target Award of any Participant based upon such Participant's performance evaluation or the recommendation of the Participant's manager or any of his or her direct or indirect supervisors (including, without limitation, the Chief Executive Officer); (ii) withhold any payment amounts determined hereunder (whether or not such amounts are earned and vested) from any Participant who violates any Company policy and to treat such withheld payments as forfeited by the Participant; (iii) otherwise amend or cancel a Bonus Payment prior to the date on which the Bonus Payment is earned and vested; and (iv) adjust the terms and conditions of, and the performance targets and other criteria included in, the Bonus Payment Formula.

4. Participation. Eligible Employees selected to participate in the Plan will be "Participants" for the specified Performance Year. An Eligible Employee who is not selected to participate in the Plan for a specified Performance Year shall not be entitled to any Bonus Payment under the Plan for such Performance Year and shall not be a Participant for such Performance Year. Unless otherwise provided by the Administrator, any Eligible Employee who has been selected for participation in the Plan for a Performance Year shall become a Participant as of the first day of such Performance Year; provided, however, that if an individual who is selected for participation is not an Eligible Employee as of the first day of the Performance Year, such individual shall become a Participant on the date specified by the Administrator (but in no event prior to the date on which such individual is an Eligible Employee) and receive a pro-rated amount of any Bonus Payment based on his or her period of participation in the Plan.

5. Establishment of Bonus Payment Formula and Target Awards.

- (a) Establishment of Bonus Payment Formula. Within the first ninety (90) days of the Performance Year, or at such other time as it reasonably determines, the Administrator shall establish the Bonus Payment Formula for the Performance Year.

- (b) Establishment of Target Awards. For each Performance Year, the Administrator shall designate, for each Participant, such Participant's Target Award. Target Awards will be denominated in cash and all Bonus Payments will be payable in cash.
- (c) Newly Eligible Participants. In the case of an Eligible Employee who becomes a Participant after the beginning of a Performance Year, the Administrator shall designate such individual's Target Award for the portion of the Performance Year remaining after he or she becomes a Participant. For the avoidance of doubt, Eligible Employees who are promoted into a bonus-eligible position during a Performance Year shall be eligible to participate in the Plan only with respect to their Base Pay attributable to the post-promotion period.
- (d) Written Determinations. Determinations by the Administrator under this Section 5, including Target Awards for each Participant, the level of Performance for the Performance Year and the amount of the Bonus Payment for each Participant shall be recorded in writing as determined in such form as the Administrator may determine.

6. Determination of Bonus Payment; Earning and Payment of Bonus Payment.

- (a) Determination of Bonus Payment. As soon as practicable after the end of the Performance Year and prior to the Payment Date, the Administrator shall determine the amount of the Bonus Payment to be paid to each Participant for the Performance Year. Subject to the terms and conditions of the Plan, the Bonus Payments shall be determined in accordance with the Bonus Payment Formula for the Performance Year.
- (b) Eligibility. Unless otherwise specifically provided in the Plan or determined by the Administrator (or otherwise specifically provided under a separate agreement, plan or policy conferring rights on the Participant), (i) the Bonus Payment for an applicable Performance Year shall be earned and vested as of the completion of such Performance Year and only with respect to a Participant who remains employed by the Company or an Affiliate through the end of such Performance Year and (ii) a Participant whose Termination Date occurs during any Performance Year shall not be entitled to payment of a Bonus Payment for such Performance Year and the Participant shall have no further rights under the Plan for such Performance Year.
- (c) Payment of Bonus Payment. Any Bonus Payment earned for a Performance Year shall be paid by the Company, or the Affiliate that employs the Participant, which payment shall be made no later than the Payment Date for such Performance Year.
- (d) Leaves of Absence. In the event a Participant is on a Company-approved paid leave of absence during a Performance Year, the Participant's period of paid leave

and Base Pay during such period of paid leave will be included in the calculation of the Participant's Bonus Payment for such Performance Year.

- (e) Special Rules for Death or Disability. Notwithstanding the provisions of Section 6(b), except as otherwise specifically provided in the Plan or determined by the Administrator (or otherwise specifically provided under a separate agreement, plan or policy conferring rights on the Participant):
 - (i) In the event that a Participant's Termination Date occurs during a Performance Year due to his or her death or Disability:
 - (1) the Participant's Bonus Payment for the Performance Year shall be equal to (A) the greater of (x) the Participant's Target Award for the Performance Year, or (y) the amount of the Bonus Payment that the Participant would have been entitled to receive for that Performance Year, if any, based on the Company's Performance as of the end of its most recently completed fiscal quarter of that Performance Year ending prior to such Termination Date (which amount shall be deemed to be zero in the event of a Termination Date occurring during the first fiscal quarter of a Performance Year), multiplied by (B) a fraction, the numerator of which shall equal the total number of calendar days during the Performance Year that the Participant was employed by the Company and its Affiliates (including Company-approved paid leaves of absence in accordance with Section 6(d) but excluding any other leaves of absence) on or prior to his or her Termination Date, and the denominator of which shall be the number of days in such year; and
 - (2) such Bonus Payment shall be paid to the Participant or, in the case of the Participant's death, to the Designated Beneficiary or legal representative of the estate of the Participant, as applicable, as determined in accordance with Section 7(k) as soon as practicable after the Administrator determines the amount of such Bonus Payment and, in the case of a death of a Participant, after the Administrator identifies and determines the Designated Beneficiary or legal representative of the estate of the Participant, but no later than two and one-half (2-1/2) months following such Termination Date.
 - (ii) In the event that a Participant's Termination Date occurs after the end of a Performance Year and prior to the Payment Date applicable to that Performance Year due to his or her death or Disability:
 - (1) the Participant's Bonus Payment, if any, for the recently ended Performance Year shall be equal to the amount of the Bonus

Payment, if any, that the Participant would have been entitled to receive for that Performance Year (determined in accordance with Section 5 and Section 6(a)) had the Participant's Termination Date not occurred prior to the Payment Date; and

- (2) such Bonus Payment, if any, shall be paid (A) in the case of the Participant's Disability, on the Payment Date for the applicable Performance Year to the Participant, or (B) in the case of the Participant's death, to the Designated Beneficiary or legal representative of the estate of the Participant, as applicable, as soon as practicable after the Administrator identifies and determines such Designated Beneficiary or legal representative in accordance with Section 7(k).
- (f) Termination for Cause. Notwithstanding the other provisions of this Section 6, in the event a Participant's employment is terminated for Cause, such Participant shall not be entitled to any Bonus Payment for the Performance Year during which such termination occurs, any Bonus Payment for any prior Performance Year that has not yet been paid out shall be forfeited, and the Participant shall have no further rights under the Plan upon such termination.
- (g) Change of Control. In the event of a Change of Control (as defined in the Company's Amended and Restated 2012 Stock Plan, or an applicable successor plan thereto) the Performance Year shall automatically be deemed to have terminated as of the date of such Change of Control and Performance will be determined from the beginning of the current Performance Year to the effective date of the Change of Control in accordance with Section 5 and Section 6(a). Based on these results, each Participant shall receive a Bonus Payment at the target or actual performance level, whichever is higher, payable on or as soon as practicable following the date of such Change of Control. Such Bonus Payment shall be in addition to any compensation otherwise payable to a Participant in connection with such Change in Control.

7. General Provisions.

- (a) No Right to Employment. Neither the Plan, its adoption, its operation, nor any action taken under the Plan shall be construed as giving any employee the right to be retained or continued in the employ of the Company or any of its Affiliates, nor shall it interfere in any way with the right and power of the Company or any of its Affiliates to discharge any employee or take any action that has the effect of terminating any employee's employment or service at any time.
- (b) Plan Expenses. The expenses of the Plan and its administration shall be borne by the Company.

- (c) Plan Not Funded; No Guarantee. The Plan is intended to constitute an “unfunded” plan for incentive and deferred compensation. With respect to any payments not yet made to a Participant pursuant to a Bonus Payment, nothing contained in the Plan or any Bonus Payment shall give any such Participant any rights that are greater than those of a general creditor of the Company. Participation in the Plan is a privilege, not a right, and each individual Participant’s participation in the Plan is subject to review from time to time at the discretion of the Company. Receipt of a Bonus Payment in any one year does not guarantee receipt of a Bonus Payment under the Plan in any other year.
- (d) Reports. The appropriate officers of the Company shall cause to be filed any reports, returns or other information regarding the Plan as may be required by any applicable law.
- (e) Governing Law. The Plan and all determinations made and actions taken pursuant hereto shall be governed by the laws of the State of Delaware without giving effect to the conflict of laws principles thereof.
- (f) Nonexclusively of the Plan. The adoption of this Plan shall not be construed as creating any limitations on the power of the Company, Board or Committee to adopt such other compensation arrangements as any of them may deem desirable for any Participant or non-participating employee, including authorization of annual incentives under other plans and arrangements.
- (g) Severability. The invalidity of any provision of the Plan or a document hereunder shall not be deemed to render the remainder of this Plan or such document invalid.
- (h) Successors. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise, and whether or not the corporate existence of the Company continues) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform the Company’s obligations under the Plan in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Subject to the foregoing, the Company may transfer and assign its rights and obligations hereunder.
- (i) Tax Withholding. The Company and its Affiliates shall deduct from any payment of a Participant’s Bonus Payment or from any other payment to the Participant, including wages, any Federal, state, local or provincial tax or charge that is then required to be deducted under applicable law with respect to the Bonus Payment or other payment or as determined by the Administrator to be appropriate under a program for withholding.
- (j) Non-Transferability. Any Target Award, any resulting Bonus Payment and any other right hereunder shall be non-assignable and non-transferable, and shall not be pledged, encumbered or hypothecated to or in favor of any party or subject to

any lien, obligation or liability of the Participant to any party other than the Company or an Affiliate.

- (k) Heirs and Successors. If any benefits deliverable to the Participant under the Plan have not been delivered at the time of the Participant's death, such benefits shall be delivered to the Participant's Designated Beneficiary, in accordance with the provisions of the Plan. The "Designated Beneficiary," shall be the beneficiary or beneficiaries designated by the Participant in accordance with such rules and procedures as may be established by the Company from time to time. If a beneficiary has not been designated by a deceased Participant, or if the Designated Beneficiary does not survive the Participant, any rights that would have been exercisable by the Participant and any benefits distributable to the Participant shall be exercisable and distributed, as applicable, to the legal representative of the estate of the Participant.
- (l) Clawback Policy. Any Target Award or any resulting Bonus Payment granted under the Plan is subject to any applicable recoupment or "clawback" policies of the Company, as amended from time to time, or as may be set forth in a separate agreement, plan or policy conferring rights on a Participant.
- (m) Action by Company. Unless otherwise specified herein, any action required or permitted to be taken by the Company hereunder shall be by an officer of the Company or such other person authorized by the Board; provided, however, that in no event shall any officer be permitted to take any action on behalf of the Company with respect to himself or herself.

8. Amendment and Termination. The Company may modify or terminate the Plan at any time. Notwithstanding anything to the contrary herein, in the event of termination of the Plan, Performance will be determined from the beginning of the current Performance Year to the effective date of Plan termination. Based on these results, any Bonus Payments earned will be paid in cash to Participants on a pro-rata basis within forty-five (45) days after the date of such termination or on such other date as may be required to ensure that the payment is made in a manner that complies with the requirements of Section 409A of the Code.

9. Section 409A. It is the intent of the Company that all Bonus Payments under the Plan be exempt from or comply with Section 409A of the Code and all regulations, guidance and other interpretative guidance issued thereunder ("Section 409A"). The provisions of the Plan shall be construed and interpreted in accordance with the foregoing. Notwithstanding the foregoing, the Company shall not be required to assume any increased economic burden in connection therewith. Although the Company intends that the Plan be administered so as to be exempt from or in compliance with the requirements of Section 409A, neither the Company nor the Administrator represents or warrants that the Plan will comply with Section 409A or any other provision of federal, state, local or non-United States law. Neither the Company, its Affiliates nor their respective directors, officers, employees or advisers shall be liable to any Participant (or any other individual claiming a benefit through the Participant) for any tax, interest or penalties the Participant might owe as a result of participation in the Plan, and the

Company and its Affiliates shall have no obligation to indemnify or otherwise protect any Participant from the obligation to pay any taxes or penalties pursuant to Section 409A. Notwithstanding any other provision of the Plan to the contrary, if any payment or benefit hereunder is subject to Section 409A, and if such payment or benefit is to be paid or provided on account of the Participant's termination of employment (or other separation from service) and if the Participant is a specified employee (within the meaning of Code Section 409A(a)(2)(B)) such payment or benefit shall be delayed until the first day of the seventh month following the Participant's termination of employment (or separation from service). The determination as to whether a Participant has had a termination of employment (or separation from service) shall be made in accordance with the provisions of Section 409A and the guidance issued thereunder without application of any alternative levels of reductions of bona fide services permitted thereunder. The time or schedule of any payment or amount scheduled to be paid pursuant to the Plan shall not be accelerated except as permitted under Section 409A and as would not result in taxation and/or tax penalties under Section 409A.

AFFIRM HOLDINGS, INC.**OFFICER SEVERANCE PLAN****(As amended effective as of March 12, 2025)**

The Affirm Holdings, Inc. Officer Severance Plan is established as of the Effective Date. The purpose of the Plan is to help retain qualified employees, maintain a stable work environment, and provide economic security to certain eligible employees of Affirm Holdings, Inc. and its Affiliates, including in the event of an actual or threatened Change in Control as described herein. Except with respect to individually negotiated employment contracts or agreements with the Company providing severance, death, or disability benefits that an Eligible Employee has not agreed to forgo, this Plan supersedes any plan, policy or practice with respect to Qualifying Terminations, death, or Disability, whether formal or informal, written or unwritten, previously announced or maintained by the Company. This Plan document also is the Summary Plan Description for the Plan.

SECTION 1. DEFINITIONS. As hereinafter used:

1.1 “Affiliate” means, with respect to any individual or entity, any other individual or entity who, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, such individual or entity.

1.2 “Base Salary” means base pay (excluding incentive pay, premium pay, commissions, overtime, bonuses and other forms of variable compensation) as in effect immediately prior to a Qualifying Termination, death, or Disability, and prior to any reduction that would give rise to an Eligible Employee’s right to resign for Good Reason.

1.3 “Board” means the Board of Directors of the Company.

1.4 “Cause” means, with respect to any Eligible Employee, the meaning ascribed to such term in any written agreement between such Eligible Employee and the Company defining such term, and, in the absence of such agreement, means with respect to such Eligible Employee, the occurrence of any one or more of the following events: (a) willful conduct by the Eligible Employee constituting a material act of misconduct in connection with the performance of the Eligible Employee’s duties, including, without limitation, misappropriation of funds or property of the Company or any of its subsidiaries or affiliates other than the occasional, customary and de minimis use of Company property for personal purposes; (b) the conviction of, or plea of guilty or no contest to, any felony or any crime involving moral turpitude, deceit, dishonesty or fraud, or any conduct by the Eligible Employee that would reasonably be expected to result in material injury or reputational harm to the Company or any of its subsidiaries and affiliates if the Eligible Employee were retained in the Eligible Employee’s position; (c) continued non-performance by the Eligible Employee of the Eligible Employee’s duties to the Company (other than by reason of the Eligible Employee’s physical or mental illness, incapacity or Disability) which has continued for 30 days following written notice of

such non-performance from the Company; (d) a breach by the Eligible Employee of any of the provisions contained in the Confidentiality and Inventions Assignment Agreement entered into between the Eligible Employee and the Company or any other confidentiality, invention assignment or similar agreement with the Company; (e) a material violation by the Eligible Employee of the Company's written employment policies; or (f) the Eligible Employee's failure to cooperate with a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company to cooperate, or Eligible Employee's willful destruction or failure to preserve documents or other materials known to be relevant to such investigation or the inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation.

1.5 "CIC Benefits Schedule" has the meaning set forth in Section 3.3.

1.6 "CIC Severance Pay," has the meaning set forth in Section 3.3.

1.7 "Change in Control" has the meaning ascribed to it in the Affirm Holdings, Inc. Amended and Restated 2012 Stock Plan, as amended from time to time.

1.8 "Change in Control Protection Period" means the period commencing three (3) months prior to a Change in Control and ending twelve (12) months following the Change in Control.

1.9 "Code" means the Internal Revenue Code of 1986, as amended.

1.10 "Committee" means the Board or a committee of the Board appointed by the Board to administer the Plan, which in each case is also referred to under the Plan as the "Plan Administrator".

1.11 "Company," means Affirm Holdings, Inc., a Delaware corporation, and any successors thereto.

1.12 "Designated Beneficiary" shall be the beneficiary or beneficiaries designated by an Eligible Employee in accordance with such rules and procedures as may be established by the Company from time to time. If a beneficiary has not been designated by a deceased Eligible Employee, or if the Designated Beneficiary does not survive the Eligible Employee, any rights that would have been exercisable by the Eligible Employee and any benefits distributable to the Eligible Employee shall be exercisable and distributed, as applicable, to the legal representative of the estate of the Eligible Employee.

1.13 "Disability" or "Disabled" means having a "disability" within the meaning of Section 22(e)(3) of the Code. If the Plan Administrator determines in good faith that the Eligible Employee's Disability has occurred, it may give the Eligible Employee a written notice of termination that states such a determination has been made ("Termination Notice"). If within 30 days of the Termination Notice, the Eligible Employee does not return to full-time performance of the Eligible Employee's responsibilities, the Eligible Employee's employment

will terminate. If the Eligible Employee does return to full-time performance in that 30-day period, the Termination Notice will be cancelled for all purposes of this Plan.

1.14 “Effective Date” means November 18, 2020.

1.15 “Eligible Employee” means an employee of the Company or an Affiliate who (i) holds the title of SVP or above or is otherwise is designated by the Plan Administrator, in its sole discretion, to be eligible for benefits under this Plan, and (ii) if applicable, agrees to forgo such benefits provided under an individually negotiated employment contract or agreement with the Company relating to severance, death, Disability or change in control benefits. The Plan Administrator shall make the determination of whether an employee is an Eligible Employee, and such determination shall be binding and conclusive on all persons. The Plan Administrator shall maintain a current schedule of Eligible Employees with the Chief Legal Officer of the Company or such other Company officer as may be designated by the Plan Administrator. Temporary employees and independent contractors are not eligible to participate in the Plan.

1.16 “ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

1.17 “Good Reason” means that the Eligible Employee complied with the “Good Reason Process” following the occurrence of any of the following events: (i) a material diminution in the Eligible Employee’s responsibilities, authority or duties; (ii) a material reduction in the Eligible Employee’s Base Salary except for across-the-board salary reductions similarly affecting all or substantially all management employees; (iii) the relocation of the Company office at which the Eligible Employee is principally employed to a location more than thirty-five (35) miles from such office; or (iv) the failure of any successor to the Company to assume and agree to be bound by the terms and conditions of the Plan. For purposes of (i), a change in the reporting relationship, or a change in a title will not, by itself, be sufficient to constitute a material diminution of responsibilities, authority or duty.

1.18 “Good Reason Process” means (i) the Eligible Employee reasonably determines in good faith that a “Good Reason” condition has occurred; (ii) the Eligible Employee notifies the Company in writing of the occurrence of the Good Reason condition within thirty (30) days of the occurrence of such condition; (iii) the Eligible Employee cooperates in good faith with the Company’s efforts, for a period of 30 days following such notice (the “Cure Period”), to remedy the condition; (iv) notwithstanding such efforts, the Good Reason condition continues to exist following the Cure Period; and (v) the Eligible Employee terminates employment and provides the Company with a notice of termination with respect to such termination, each within thirty (30) days after the end of the Cure Period. If the Company cures the Good Reason condition during the Cure Period, Good Reason shall be deemed not to have occurred.

1.19 “Non-CIC Benefits Schedule” has the meaning set forth in Section 3.3.

1.20 “Non-CIC Severance Pay” has the meaning set forth in Section 3.3.

1.21 “Parachute Amount” has the meaning set forth in Section 3.6.

1.22 “Plan” means the Affirm Holdings, Inc. Officer Severance Plan and Summary Plan Description, as set forth herein, as it may be amended from time to time.

1.23 “Plan Administrator” has the meaning set forth in Section 1.10.

1.24 “Reduced Amount” has the meaning set forth in Section 3.6.

1.25 “Release Effective Date” has the meaning set forth in Section 2.2.

1.26 “Section 409A” has the meaning set forth in Section 2.3.

1.27 “Qualifying Termination” means (i) the termination of an Eligible Employee’s employment by the Company or an Affiliate for any reason other than for Cause, death, or Disability, (ii) the resignation of a Tier II Employee for Good Reason during the Change in Control Protection Period, or (iii) the resignation of a Tier I Employee for Good Reason. The transfer of an Eligible Employee’s employment following a Change of Control from the entity resulting from the Change in Control to an Affiliate thereof shall not, in and of itself, constitute a Qualifying Termination.

1.28 “Termination Date” means the date on which an Eligible Employee incurs a Qualifying Termination, dies, or becomes Disabled.

1.29 “Tier I Employee” means any Eligible Employee who prior to the Termination Date or Change in Control was identified by the Company as the Chief Executive Officer (“CEO”).

1.30 “Tier II Employee” means any Eligible Employee who prior to the Termination Date or Change in Control was designated in writing by the Plan Administrator as a Tier II Employee.

SECTION 2. GENERAL TERMS

2.1 Non-Duplication of Benefits. The benefits provided under the Plan are intended to satisfy, to the greatest extent possible, and not to provide benefits duplicative of, any and all statutory, contractual and collective agreement obligations of the Company in respect of the form of benefits provided under the Plan that may arise out of a Qualifying Termination, death, or Disability, and the Plan Administrator will so construe and implement the terms of the Plan. If the Company or any Affiliate is obligated by law or by contract to provide severance pay, death or disability benefits, or change in control benefits to an Eligible Employee (or the Estate), then the Eligible Employee may be required to waive, upon the Company’s request, any amounts payable pursuant to such legal or contractual obligation as a condition of receiving benefits under the Plan.

2.2 Release. No Eligible Employee who incurs a Qualifying Termination or who becomes eligible for Disability or death benefits under this Plan shall be eligible to receive

any payments or other benefits under the Plan unless he or she (or, in the case of death of an Eligible Employee, the Eligible Employee's Designated Beneficiary) first executes a release in favor of the Company in the form of the Company's standard release agreement and the release becomes effective and irrevocable within sixty (60) days following the Eligible Employee's Termination Date (such date the release becomes effective and irrevocable, the "Release Effective Date"); provided, however, that if the 60th day following the Termination Date falls in the calendar year following the year in which the Termination Date occurs, any payments or other benefits under the Plan shall be paid no earlier than January 1 of the calendar year following the year in which the Termination Date occurs.

2.3 Section 409A. It is intended that payments and benefits under this Plan will not subject Eligible Employees to taxation under Section 409A of the Code and the regulations thereunder ("Section 409A") and, accordingly, this Plan shall be interpreted and administered to be either exempt from or in compliance therewith. Specifically, any taxable benefits or payments provided under this Plan are intended to be separate and distinct payments that qualify for the "short-term deferral" exception to Section 409A to the maximum extent possible, and to the extent they do not so qualify, are intended to qualify for the separation pay exceptions to Section 409A, to the maximum extent possible. To the extent that none of these exceptions (or any other available exception) applies, then notwithstanding anything contained herein to the contrary, and to the extent required to comply with Section 409A, if an Eligible Employee is a "specified employee," as determined under the Company's policy for identifying specified employees on the Eligible Employee's Termination Date, then all amounts due under the Plan that constitute a "deferral of compensation" within the meaning of Section 409A of the Code, that are provided as a result of a separation from service within the meaning of Section 409A, and that would otherwise be paid or provided during the first six months following the Termination Date, shall be accumulated through and paid or provided on the first business day that is more than six months after the Termination Date (or, if the Eligible Employee dies during such six-month period, within 90 days after the Eligible Employee's death). Notwithstanding anything contained herein to the contrary, an Eligible Employee shall not be considered to have terminated employment with the Company for purposes of any payments under this Plan which are subject to Section 409A until the Eligible Employee would be considered to have incurred a "separation from service" within the meaning of Section 409A. In no event may an Eligible Employee, directly or indirectly, designate the calendar year of any payment to be made under this Plan that is considered nonqualified deferred compensation. The Company makes no representation that any or all of the payments described in this Plan shall be exempt from or comply with Section 409A and makes no undertaking to preclude Section 409A from applying to any such payment. The Eligible Employee shall be solely responsible for the payment of any taxes and penalties incurred under Section 409A.

SECTION 3. SEVERANCE BENEFITS

3.1 Generally. Subject to the terms of the Plan, each Eligible Employee shall be entitled to severance payments and/or benefits pursuant to applicable provisions of Section 3 of this Plan if the Eligible Employee incurs a Qualifying Termination and complies with the applicable requirements of the Plan.

3.2 Notice. Any Qualifying Termination effected by the Company following the Effective Date shall require ten (10) business days' prior written notice; provided, however, that the Company may, in its sole discretion, pay the Eligible Employee in lieu of all or part of such notice period.

3.3 Severance Pay. Subject to the terms of the Plan, the Company shall provide "CIC Severance Pay" to each Eligible Employee who incurs a Qualifying Termination during the Change in Control Protection Period equal to the amount listed in such Eligible Employee's applicable tier level in the Schedule of Change in Control Severance Benefits as attached to hereto as Schedule A (the "CIC Benefits Schedule") and the Company shall provide "Non-CIC Severance Pay" to each Eligible Employee who incurs Qualifying Termination outside the Change in Control Protection Period equal to the amount listed in such Eligible Employee's applicable tier level in the Schedule of Non-Change in Control Severance Benefits as attached to hereto as Schedule B (the "Non-CIC Benefits Schedule"). CIC Severance Pay or Non-CIC Severance Pay, as applicable, shall be paid in a lump sum on the first regular payroll date of the Company that occurs after the Release Effective Date (a defined below).

3.4 Benefits Continuation. If the Eligible Employee is eligible for and timely elects to continue receiving group medical and/or dental insurance under the continuation coverage rules of the Consolidated Omnibus Budget Reconciliation Act of 1986 ("COBRA"), upon the Eligible Employee's submission to the Company of evidence of the Eligible Employee's and his or her dependent's, if applicable, enrollment in COBRA, the Company will pay to the Eligible Employee, in accordance with the Company's regular payroll practices, an amount equal, net of applicable taxes, to the monthly employer contribution to the applicable health care benefits, as in effect on the Eligible Employee's Termination Date, for a number of months equal to the number of months in the Eligible Employee's COBRA continuation coverage period as set forth in the applicable tier level in the CIC Benefits Schedule for each Eligible Employee who incurs a Qualifying Termination during the Change in Control Protection Period and the Non-CIC Benefits Schedule for each Eligible Employee who incurs a Qualifying Termination outside the Change in Control Protection Period, as applicable, so long as the Eligible Employee has not become actually covered by the medical plan of a subsequent employer during any such month. This period of continued benefits shall run concurrently with (and shall count against) the Company's obligation to provide continuation coverage pursuant to COBRA.

3.5 Vesting Acceleration. In the event of a Qualifying Termination during the Change in Control Protection Period, the Eligible Employee shall receive accelerated vesting with respect to the percentage of shares as set forth in the Eligible Employee's applicable tier level in the CIC Benefits Schedule ("Vesting Acceleration") subject to each of such Eligible Employee's then-outstanding and unvested equity awards which would otherwise become vested solely on the passage of time and such Eligible Employee's continued service to the Company (which, for the avoidance of doubt will not include any such Company equity awards that would otherwise become vested in whole or in part based on the attainment of performance conditions or targets, which awards will be subject to the terms of their underlying award agreements).

3.6 Impact of Section 4999 Excise Tax: Maximum After-Tax Benefit Following a Change of Control. Except to the extent that a more favorable treatment is provided to an Eligible Employee by the Company in writing, in the event that part or all of the consideration, compensation or benefits to be paid to an Eligible Employee under this Plan or any other plan, arrangement or agreement applicable to such Eligible Employee, constitutes “excess parachute payments” under Section 280G(b) of the Code subject to an excise tax under Section 4999 of the Code (collectively, the “Parachute Amount”), the amount of excess parachute payments which would otherwise be payable to such Eligible Employee or for such Eligible Employee’s benefit shall be reduced to the extent necessary so that no amount of the Parachute Amount is subject to an excise tax under Section 4999 (the “Reduced Amount”); provided that such amounts shall not be so reduced if, without such reduction, such Eligible Employee would be entitled to receive and retain, on a net after-tax basis (including, without limitation, after any excise taxes payable under Section 4999), an amount of the Parachute Amount which is greater than the amount, on a net after-tax basis, that such Eligible Employee would be entitled to retain upon receipt of the Reduced Amount. All determinations with respect to the Parachute Amount shall be made by a nationally recognized certified public accounting firm or other firm that is retained and paid by the Company for such purpose prior to the Change in Control, which firm shall not, without such Eligible Employee’s consent, be changed following the Change in Control. Such determinations shall be binding upon the Company and shall be made promptly following the Change in Control and as appropriate thereafter, in order to permit payment in accordance with the provisions of this Plan.

SECTION 4. DEATH BENEFITS

4.1 Generally. Subject to the terms of the Plan, the Designated Beneficiary of an Eligible Employee shall be entitled to certain payments and/or benefits pursuant to the applicable provisions of Section 4 of this Plan if the Eligible Employee’s employment with the Company or an Affiliate terminates due to the death of the Eligible Employee and the Eligible Employee’s Designated Beneficiary complies with the applicable requirements of the Plan.

4.2 Vesting Acceleration. In the event an Eligible Employee’s employment with the Company or an Affiliate terminates due to the death of the Eligible Employee, the Designated Beneficiary shall be eligible to receive twelve (12) months of accelerated vesting from the Termination Date with respect to each of such Eligible Employee’s then-outstanding and unvested equity awards which would otherwise become vested solely on the passage of time (which, for the avoidance of doubt will not include any such Company equity awards that would otherwise become vested in whole or in part based on the attainment of performance conditions or targets, which awards will be subject to the terms of their underlying award agreements).

4.3 Benefits Continuation. In the event an Eligible Employee’s employment with the Company or an Affiliate terminates due to the death of the Eligible Employee, the Company will pay to the Designated Beneficiary in accordance with the Company’s regular payroll practices, an amount equal, net of taxes, to the monthly employer contribution to the applicable health care benefits, as in effect on the Eligible Employee’s Termination Date, for twelve (12) months for the Eligible Employee and the Eligible Employee’s dependents to

continue receiving group medical, dental, and/or vision insurance, and/or employee assistance program (EAP) benefits under the continuation coverage rules of the Consolidated Omnibus Budget Reconciliation Act of 1986 (“COBRA”). This period of continued benefits shall run concurrently with (and shall count against) the Company’s obligation, if any, to provide continuation coverage pursuant to COBRA.

4.4 Cash Incentive Plan. In the event an Eligible Employee’s employment with the Company or an Affiliate terminates due to the death of the Eligible Employee, payments, if any, that may be payable under the Company’s Cash Incentive Plan shall be determined in accordance with the terms of that plan.

SECTION 5. DISABILITY BENEFITS

5.1 Generally. Subject to the terms of the Plan, each Eligible Employee shall be entitled to certain payments and/or benefits pursuant to applicable provisions of Section 5 of this Plan if the Eligible Employee’s employment with the Company or an Affiliate terminates due to Disability and the Eligible Employee complies with the applicable requirements of the Plan.

5.2 Vesting Acceleration. In the event an Eligible Employee’s employment with the Company or an Affiliate terminates due to Disability, the Eligible Employee shall receive twelve (12) months of accelerated vesting from the Termination Date with respect to each of such Eligible Employee’s then-outstanding and unvested equity awards which would otherwise become vested solely on the passage of time (which, for the avoidance of doubt will not include any such Company equity awards that would otherwise become vested in whole or in part based on the attainment of performance conditions or targets, which awards will be subject to the terms of their underlying award agreements).

5.3 Benefits Continuation. In the event an Eligible Employee’s employment with the Company or an Affiliate terminates due to Disability, the Company will pay to the Eligible Employee in accordance with the Company’s regular payroll practices, an amount equal, net of taxes, to the monthly employer contribution to the applicable health care benefits, as in effect on the Eligible Employee’s Termination Date, for twelve (12) months for the Eligible Employee and the Eligible Employee’s dependents to continue receiving group medical, dental, and/or vision insurance, and/or employee assistance program (EAP) benefits under the continuation coverage rules of the Consolidated Omnibus Budget Reconciliation Act of 1986 (“COBRA”). This period of continued benefits shall run concurrently with (and shall count against) the Company’s obligation, if any, to provide continuation coverage pursuant to COBRA.

5.4 Cash Incentive Plan. In the event an Eligible Employee’s employment with the Company or an Affiliate terminates due to Disability, payments, if any, that may be payable under the Company’s Cash Incentive Plan shall be determined in accordance with the terms of that plan.

SECTION 6. PLAN ADMINISTRATION.

6.1 The Plan Administrator shall administer the Plan and may interpret the Plan, prescribe, amend and rescind rules and regulations under the Plan and make all other determinations necessary or advisable for the administration of the Plan, subject to all of the provisions of the Plan.

6.2 The Plan Administrator may delegate any of its duties hereunder to such person or persons from time to time as it may designate.

6.3 The Plan Administrator is empowered, on behalf of the Plan, to engage accountants, legal counsel and such other personnel as it deems necessary or advisable to assist it in the performance of its duties under the Plan. The functions of any such persons engaged by the Plan Administrator shall be limited to the specified services and duties for which they are engaged, and such persons shall have no other duties, obligations or responsibilities under the Plan. Such persons shall exercise no discretionary authority or discretionary control respecting the management of the Plan. All reasonable expenses thereof shall be borne by the Company.

6.4 The Plan Administrator shall have full and final authority, subject to and consistent with the provisions of the Plan and any applicable laws or regulations, to conclusively identify and determine the Designated Beneficiary of a deceased Eligible Employee.

SECTION 7. PLAN MODIFICATION OR TERMINATION.

The Plan may be terminated or amended by the Plan Administrator at any time; provided, however, that the Plan may not be terminated or amended during the Change in Control Protection Period or in respect of a Qualifying Termination that occurred prior to the amendment or termination of the Plan.

SECTION 8. GENERAL PROVISIONS.

8.1 Except as otherwise provided herein or by law, no right or interest of any Eligible Employee under the Plan shall be assignable or transferable, in whole or in part, either directly or by operation of law or otherwise, including without limitation by execution, levy, garnishment, attachment, pledge or in any manner; no attempted assignment or transfer thereof shall be effective; and no right or interest of any Eligible Employee under the Plan shall be liable for, or subject to, any obligation or liability of such Eligible Employee. When a payment is due under this Plan to an Eligible Employee, or to a Designated Beneficiary of an Eligible Employee, who is unable to care for his or her affairs, payment may be made directly to his or her legal guardian or personal representative.

8.2 Neither the establishment of the Plan, nor any modification thereof, nor the creation of any fund, trust or account, nor the payment of any benefits shall be construed as giving any Eligible Employee, or any person whomsoever, the right to be retained in the service of the Company or any Affiliate thereof, and all Eligible Employees shall remain subject to discharge to the same extent as if the Plan had never been adopted.

8.3 If any provision of this Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and this Plan shall be construed and enforced as if such provisions had not been included.

8.4 This Plan shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the parties, including each Eligible Employee, present and future, and any successor to the Company. If an Eligible Employee dies while any amount would still be payable to such Eligible Employee hereunder (following a Qualifying Termination), all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Plan to the Eligible Employee's Designated Beneficiary.

8.5 The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan, and shall not be employed in the construction of the Plan.

8.6 The Plan shall not be required to be funded unless such funding is authorized by the Board. Regardless of whether the Plan is funded, no Eligible Employee shall have any right to, or interest in, any assets of any Company which may be applied by the Company to the payment of benefits or other rights under this Plan.

8.7 Any notice or other communication required or permitted pursuant to the terms hereof shall have been duly given when delivered or mailed by United States Mail, first class, postage prepaid, addressed to the intended recipient at his, her or its last known address.

8.8 To the extent not preempted by federal law, which shall otherwise control, this Plan shall be construed and enforced according to the laws of the State of Delaware, without regard to its choice-of-law principles.

8.9 All benefits hereunder shall be reduced by applicable withholding and shall be subject to applicable tax reporting, as determined by the Plan Administrator.

8.10 The Plan, as a "severance pay arrangement" within the meaning of Section 3(2)(B)(i) of ERISA, is intended to be excepted from the definitions of "employee pension benefit plan" and "pension plan" set forth under section 3(2) of ERISA, and is intended to meet the descriptive requirements of a plan constituting a "severance pay plan" within the meaning of regulations published by the Secretary of Labor at Title 29, Code of Federal Regulations §2510.3-2(b).

SECTION 9. CLAIMS, INQUIRIES, APPEALS.

9.1 Applications for Benefits and Inquiries. Any application for benefits, inquiries about the Plan or inquiries about present or future rights under the Plan must be submitted to the Plan Administrator in writing, as follows:

Affirm Holdings, Inc.
Attention:

650 California St.
San Francisco, CA 94108
E-mail:

9.2 Denial of Claims. In the event that any application for benefits is denied in whole or in part, the Plan Administrator must notify the applicant, in writing, of the denial of the application, and of the applicant's right to review the denial. The written notice of denial will be set forth in a manner designed to be understood by the employee, and will include specific reasons for the denial, specific references to the Plan provision upon which the denial is based, a description of any information or material that the Plan Administrator needs to complete the review and an explanation of the Plan's review procedure.

This written notice will be given to the employee within ninety (90) days after the Plan Administrator receives the application, unless special circumstances require an extension of time, in which case, the Plan Administrator has up to an additional ninety (90) days for processing the application. If an extension of time for processing is required, written notice of the extension will be furnished to the applicant before the end of the initial ninety (90)-day period.

This notice of extension will describe the special circumstances necessitating the additional time and the date by which the Plan Administrator is to render his or her decision on the application. If written notice of denial of the application for benefits is not furnished within the specified time, the application shall be deemed to be denied. The applicant will then be permitted to appeal the denial in accordance with the Review Procedure described below.

9.3 Request for a Review. Any person (or that person's authorized representative) for whom an application for benefits is denied (or deemed denied), in whole or in part, may appeal the denial by submitting a request for a review to the Plan Administrator within 60 days after the application is denied (or deemed denied). The Plan Administrator will give the applicant (or his or her representative) an opportunity to review pertinent documents in preparing a request for a review and submit written comments, documents, records and other information relating to the claim. A request for a review shall be in writing and shall be addressed to:

Affirm Holdings, Inc.
Attention:
650 California St.
San Francisco, CA 94108
E-mail:

A request for review must set forth all of the grounds on which it is based, all facts in support of the request and any other matters that the applicant feels are pertinent. The Plan Administrator may require the applicant to submit additional facts, documents or other material as he or she may find necessary or appropriate in making his or her review.

9.4 Decision on Review. The Plan Administrator will act on each request for review within sixty (60) days after receipt of the request, unless special circumstances require an extension of time (not to exceed an additional sixty (60) days), for processing the request for a

review. If an extension for review is required, written notice of the extension will be furnished to the applicant within the initial sixty (60)-day period. If written notice of denial of the application for benefits is not furnished within the specified time, the application will be deemed to be denied. The Plan Administrator will give prompt, written notice of his or her decision to the applicant. In the event that the Plan Administrator confirms the denial of the application for benefits in whole or in part, the notice will outline, in a manner calculated to be understood by the applicant, the specific Plan provisions upon which the decision is based.

9.5 Rules and Procedures. The Plan Administrator may establish rules and procedures, consistent with the Plan and with ERISA, as necessary and appropriate in carrying out his or her responsibilities in reviewing benefit claims. The Plan Administrator may require an applicant who wishes to submit additional information in connection with an appeal from the denial (or deemed denial) of benefits to do so at the applicant's own expense.

9.6 Exhaustion of Remedies. No legal action for benefits under the Plan may be brought until the claimant (a) has submitted a written application for benefits in accordance with the procedures described in Section 9.1, (b) has been notified by the Plan Administrator that the application is denied (or the application is deemed denied due to the Plan Administrator's failure to act on it within the established time period), (c) has filed a written request for a review of the application in accordance with the appeal procedure described in Section 9.3 and (d) has been notified in writing that the Plan Administrator has denied the appeal (or the appeal is deemed to be denied due to the Plan Administrator's failure to take any action on the claim within the time prescribed by Section 9.4).

SECTION 10. ERISA RIGHTS STATEMENT.

10.1 As a participant in the Plan, the Eligible Employee (referred to in this Section 10 as "you" or "your") is entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office and at other specified locations, all Plan documents, including the Plan and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of Plan documents, including the Plan and copies of the latest annual report (Form 5500 Series). The Plan Administrator may require a reasonable charge for the copies.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your

Plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the Plan documents or the latest annual report from the Plan and do not receive them within thirty (30) days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan’s decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in a Federal court. If it should happen that you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court shall decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

10.2 The following additional details are provided to you for your information and possible use:

Name of Plan:	Affirm Holdings, Inc. Officer Severance Plan
Type of Plan:	Welfare (Severance Benefits)
Plan Year:	January 1 – December 31

Recordkeeping:	The Plan and its records are kept on a calendar year basis, January 1 – December 31.
Source of Contributions:	The Plan is unfunded and the Company pays for the cost of the benefits.
Plan Sponsor:	Affirm Holdings, Inc. 650 California St. San Francisco, CA 94108
Identification Numbers:	Company EIN: Plan No.:

SECTION 11. NOTICE.

Except as expressly provided otherwise herein, any notice, demand, consent, authorization or other communication that any Eligible Employee is required or may desire to give to or make upon the Company pursuant to the Plan shall be in writing and shall be effective, valid and duly given and received if hand delivered or sent by overnight delivery service, by facsimile, computer mail or other electronic mail, or by regular mail, postage prepaid, addressed to:

Affirm Holdings, Inc.
Attention:
650 California St.
San Francisco, CA 94108
E-mail:

Notice so given shall be deemed given and received if (a) by mail, on the fourth day after posting; (b) by facsimile, computer mail or other electronic mail or personal delivery, on the date of actual transmission, with evidence of transmission acceptance or verification, or (as the case may be) personal or other delivery; and (c) by overnight delivery courier, on the next business day following the day such notice is delivered to the overnight delivery courier service.

SECTION 12. EXECUTION.

To record the adoption of the Plan as set forth herein, Affirm Holdings, Inc. has caused its duly authorized officer to execute the same as of the Effective Date.

AFFIRM HOLDINGS, INC.

By: /s/ Max Levchin
Name: Max Levchin
Title: Chief Executive Officer

SCHEDULE A
SCHEDULE OF CHANGE IN CONTROL SEVERANCE BENEFITS

<u>Eligible Employee Tier Level</u>	<u>Severance Pay</u>	<u>COBRA Continuation Coverage Period</u>	<u>Vesting Acceleration</u>
Tier I	1.5x base salary + 1.0x pro-rata target bonus	18 months	100%
Tier II	1.0x base salary + 1.0x pro-rata target bonus	12 months	100%

SCHEDULE B
SCHEDULE OF NON-CHANGE IN CONTROL SEVERANCE BENEFITS

<u>Eligible Employee Tier Level</u>	<u>Severance Pay</u>	<u>COBRA Continuation Coverage Period</u>	<u>Vesting Acceleration</u>
Tier I	1.0x base salary	12 months	0%
Tier II	0.5x base salary	6 months	0%

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

I, Max Levchin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Affirm Holdings, 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 8, 2025

/s/ Max Levchin

Max Levchin

Chief Executive Officer

(Principal Executive Officer)

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

I, Rob O'Hare, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Affirm Holdings, 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 8, 2025

/s/ Rob O'Hare

Rob O'Hare

Chief Financial Officer

(Principal Financial Officer)

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned certifies that this periodic report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in this periodic report fairly presents, in all material respects, the financial condition and results of operations of the issuer.

Dated: May 8, 2025

/s/ Max Levchin

Max Levchin

Chief Executive Officer

(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned certifies that this periodic report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in this periodic report fairly presents, in all material respects, the financial condition and results of operations of the issuer.

Dated: May 8, 2025

/s/ Rob O'Hare

Rob O'Hare

Chief Financial Officer

(Principal Financial Officer)