

## H&R BLOCK EMERALD ADVANCE TERMS AND CONDITIONS

The H&R Block Emerald Advance<sup>®</sup> line of credit ("Emerald Advance<sup>SM</sup>") is an open-end line of credit provided by MetaBank<sup>®</sup>, National Association (the "Bank"), Member FDIC. Your most recent application and these Terms and Conditions (collectively, the "Agreement") constitute the agreement that governs your application for, and if approved, your Emerald Advance.

In these Terms and Conditions, "you" and "your" mean the person shown on the application who applied to the Bank for an Emerald Advance. "We," "our" and "us" mean the Bank, and its successors and assigns. "H&R Block" means HRB Tax Group, Inc.; Emerald Financial Services, LLC; and their current or former subsidiaries and affiliates, as well as the successors, agents, assigns, and franchisees of any of them, as applicable. The Bank may sell, participate or otherwise transfer all or a portion of your Emerald Advance and the Bank's rights and duties relating to your Emerald Advance to third parties, without notice to you or your consent.

In order to obtain an Emerald Advance, you are required to have an H&R Block Emerald Prepaid Mastercard<sup>®</sup> (an "Emerald Card<sup>®</sup>") and a related card account (a "Card Account") with the Bank. If a conflict exists between this Agreement and the Emerald Card Cardholder Agreement or other terms and conditions of your Card Account, this Agreement controls. You may have only one Emerald Advance open at a time. Please read this Agreement carefully and contact us with any questions.

### IMPORTANT INFORMATION

- Section 326 of the USA PATRIOT Act requires all financial institutions to verify the identity of any person seeking to open an account. This law mandates that we verify certain information about you while processing your application.
- We may request additional information or use outside sources to confirm information provided in your application.
- By submitting this application for credit and the personal information it contains, you are instructing us to evaluate and take action on your application. You agree that your instructions to us include your consent to share your application and personal information with H&R Block and non-affiliated third parties, who assist us in our evaluation.
- You understand and agree that the Bank may request your credit report from a consumer reporting agency in conjunction with the processing of your application. If your credit report is obtained, your credit history and information will be an underwriting factor in the approval or denial of this credit request. Upon request, we will inform you of the name and address of each consumer reporting agency from which we obtained any consumer report relating to you. You further understand that this credit report access will result in a credit inquiry on your credit report. We may report information concerning your performance under this Agreement to credit reporting agencies.
- We may keep your application regardless of whether credit is approved. Information you provide is protected by our privacy policy and Federal law.

## DETERMINING YOUR CREDIT LIMIT; QUALIFICATION METHODS; RESTRICTIONS ON ADVANCES

We may, at our option, establish a promotional period from time to time (a "Promotional Period"). There is a Promotional Period from November 9, 2020 to January 9, 2021. If you apply and are approved for an Emerald Advance (or a temporary increase in the credit limit on your existing Emerald Advance) during a Promotional Period, then your credit limit is determined as described under the heading Promotional Period below. Otherwise, your credit limit will be determined by the method you use to meet the qualification requirements for continued use of your Emerald Advance. You agree to qualify to maintain your Emerald Advance (if you have not already done so) by one of the methods described below by April 1, 2021. If we approve your application, we will notify you whether you are eligible for the Unsecured Method or the Savings Secured Method. If you are approved to maintain the Emerald Advance via the Unsecured Method, you may also qualify using the Savings Secured Method if you notify us of your election and make the required deposit to your Emerald Savings Account. If by April 1, you do not qualify to maintain your Emerald Advance under one of the methods, we may terminate your Emerald Advance.

- **Promotional Period.** NOTE: The terms in this Section, including your credit limit, apply only to an Emerald Advance opened during a Promotional Period, or if you apply for and are approved for a temporary increase in the credit limit on your existing Emerald Advance during a Promotional Period. If you apply and are approved for an Emerald Advance during a Promotional Period, your promotional credit limit can be up to \$1,000 through the following February 15. If you have an existing Emerald Advance, and if you apply and are approved for a temporary increase in the credit limit during a Promotional Period, your temporary credit limit increase can be up to an additional \$1,000. We will disclose your promotional credit limit to you when we approve your application or approve your request to increase your credit limit. If you have an existing Emerald Advance with another financial institution and you apply for a temporary increase in your credit limit during a Promotional Period, if your application is approved, your existing Emerald Advance will be transferred to us at that time with a promotional increase in the credit limit. You will be eligible to draw from the Emerald Advance immediately even if a qualifying deposit to your Emerald Savings Account has not yet been made. The credit limit on your Emerald Advance will be subject to the Resting Period beginning on January 27 annually (but see details on alternate dates in Annual Resting Period, below), and the outstanding balance of your Emerald Advance (including fees and accrued finance charges) must be paid down to zero by February 15 annually. Thereafter, to remain eligible for the Emerald Advance, unless you have been notified that you qualify under the Unsecured Method, you must qualify under the Savings Secured Method.
- **Savings Secured Method.** If you qualify under the method described in this paragraph (the "Savings Secured Method"), your credit limit will be the amount you select between \$350 and \$1,000, when you have made a deposit to your savings account at the Bank (an "Emerald Savings Account") that equals at least the amount of your selected credit limit. To qualify under the Savings Secured Method, you must both deposit and maintain at least \$350 in your Emerald Savings Account and select the amount of your credit limit by either

designating the amount of your credit limit at an H&R Block tax office or by contacting us at the number on the back of your Emerald Card. You may select a credit limit equal to all or part of the amount you have on deposit in your Emerald Savings Account, but your credit limit may not be less than \$350 or more than \$1,000 (unless you have applied for and have been approved for a temporary increase in your credit limit during the Promotional Period). For example, if you deposit \$500 to your Emerald Savings Account, you may elect to set your credit limit between \$350 and \$500. You may increase your credit limit by contacting us at the number on the back of your Emerald Card, but your credit limit outside the Promotional Period may not exceed the lesser of the amount you have on deposit in your Emerald Savings Account or \$1,000. You may deposit additional funds to your Emerald Savings Account in excess of your credit limit, but your credit limit will not increase unless you request an increase. Except to make a payment on your Emerald Advance, you may not withdraw funds from your Emerald Savings Account if the remaining balance in your Emerald Savings Account after that withdrawal would be less than the credit limit on your Emerald Advance. You may direct the Bank to reduce your credit limit to an amount equal to your outstanding balance (including fees and accrued finance charges), but not less than \$350, or terminate your Emerald Advance if you have no outstanding balance.

- **Unsecured Method.** The Unsecured Method is only available to those accountholders who have been advised of their eligibility for the Unsecured Method. If you are eligible for the Unsecured Method, you do not need to take any further action to qualify under the Unsecured Method, but you must maintain your Emerald Advance in good standing. If you qualify under the Unsecured Method, your credit limit will be \$350 after the Promotional Period.

If you are eligible and qualify under both methods, you must contact the Bank to request a change from one method to the other method, in which event the change will take effect within seven business days.

**OBTAINING ADVANCES**

You may request draws from time to time on your Emerald Advance by the following methods:

- During a Promotional Period, by requesting a draw at the time you apply for the Emerald Advance (or at the time you apply for a temporary increase in the credit limit on your existing Emerald Advance) at a participating H&R Block tax office.
- If you enroll in our optional automatic payment plan (described below) at the time of your application, you may schedule a second draw on your Emerald Advance at that time. Funds from the second draw will be loaded to your Card Account and available to you the next day.
- By calling the telephone number on the back of your Emerald Card, and following the instructions.
- By downloading the MyBlock<sup>SM</sup> Mobile App and following the instructions to create a mobile account. Standard text message and data rates imposed by your service provider may apply.
- By visiting [www.hrblock.com/emeraldcard](http://www.hrblock.com/emeraldcard) and following the instructions to create an online account.

If you are not in default, we will usually honor your draw requests up to the amount of your available credit limit, although we reserve the right to limit the amount of any individual draw request. You generally will not be allowed to draw the entire line in your initial draw. You may request draws as often as you like. However, your total outstanding balance (including any annual fee, but excluding other fees and accrued finance charges) may not exceed your credit limit. The proceeds of each draw will be loaded to your Card Account.

**ANNUAL RESTING PERIOD**

The Emerald Advance is designed to meet your credit needs. To ensure that you are using the Emerald Advance responsibly, between January 27 and February 15 of each year, the Emerald Advance will be subject to a resting period (the "Resting Period"). However, if January 27 falls on a Sunday, the start of the Resting Period will begin January 26. During each annual Resting Period you may not obtain draws on your Emerald Advance. During the Resting Period, you may continue to use the proceeds of earlier draws loaded to your Card Account. In addition, you must pay down to zero the outstanding principal balance of your Emerald Advance, plus fees and accrued finance charges, by the end of each annual Resting Period (*i.e.*, by February 15).

**AGREEMENT TO REPAY DRAWS, FINANCE CHARGES AND OTHER CHARGES**

You agree to pay all amounts you owe us in accordance with the terms of this Agreement.

- **Periodic Interest.** You agree to pay a **finance charge** in the form of periodic interest on the outstanding principal balance of your Emerald Advance (including the amount of the annual fee, if applicable). Periodic interest is determined each billing cycle by multiplying the Average Daily Balance of your Emerald Advance (including current transactions) by the applicable Daily Periodic Rate identified below by the number of days in the billing cycle. The Daily Periodic Rate depends on which method you have used to satisfy the qualification requirements for an Emerald Advance (the Savings Secured Method or the Unsecured Method). If you have qualified during a Promotional Period, the Daily Periodic Rate will be calculated in accordance with the Unsecured Method, unless you also qualify under the Savings Secured Method, in which case the Daily Periodic Rate will be calculated in accordance with the Savings Secured Method. If you change your qualification method during a billing cycle, the applicable Daily Periodic Rate will change effective as of the first day of that billing cycle.

<u>Qualification Method</u>	<u>Daily Periodic Rate</u>	<u>Corresponding ANNUAL PERCENTAGE RATE</u>
Unsecured Method	0.0983562%	35.9%
Savings Secured Method	0.0246575%	9%

To get the "Daily Periodic Rate," we divide the applicable corresponding Annual Percentage Rate by 365. The Annual Percentage Rate is a measure of the cost of credit, expressed as a yearly rate.

*Balance Computation Method:* To get the "Average Daily Balance," we take the beginning balance of your Emerald Advance account each day, add any new draws and subtract any principal payments or credits and unpaid finance charges. This gives us the daily balance. Then we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle.

*Grace Period.* There is no grace period in which to repay your balance before a finance charge will be imposed.

- **Annual Fee.** You agree to pay an annual fee for your Emerald Advance of \$45 during the first year and \$30 in subsequent years. The \$30 annual fee in subsequent years only applies if you have qualified under the Unsecured Method or the Savings Secured Method and have maintained uninterrupted access to your line of credit throughout the first year and each subsequent year. The first annual fee is due and payable when you are approved for an Emerald Advance and have an available credit limit. During a Promotional Period, this will generally be the day you apply for the Emerald Advance. We will collect the annual fee by taking an advance against the available credit on your Emerald Advance. If your Emerald Advance remains open, subsequent annual fees of \$30 per year will be assessed in the anniversary month of the month your first annual fee was assessed. If, at the time you establish your Emerald Advance, you are a covered borrower as that term is defined in the Military Lending Act and its implementing regulations, including 32 CFR § 232.3 (a "Covered Borrower"), and so long as you remain a Covered Borrower, your annual fee will be waived.
- **Exceeding Your Credit Limit.** If the outstanding balance of your Emerald Advance (including any annual fee, but excluding other fees and accrued finance charges) exceeds your credit limit at any time, you must immediately pay down your balance so that it does not exceed your credit limit. Or, if you have qualified by the Savings Secured Method, you may deposit additional funds to your Emerald Savings Account so that the savings account balance equals or exceeds the outstanding balance of your Emerald Advance and request an increase in your credit limit, so long as the credit limit does not exceed \$1,000 (unless you have applied for and have been approved for a temporary increase in your credit limit during the Promotional Period).
- **Note for Covered Borrowers.** Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate ("APR") of 36 percent. This rate must include, as applicable to the credit transaction or account: the costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specific credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account).

If you are a Covered Borrower, please call 1-855-793-8268 for an oral disclosure of the statement of the military APR applicable to Emerald Advance and a description of your payment obligation.

- **Late Payment Fee.** You agree to pay a late payment fee in the amount of \$7.50 for each payment due on your Emerald Advance that is not paid within 14 days after its due date. We agree not to assess you late payment fees exceeding \$37.50 in the aggregate in any calendar year.
- **Returned Check Fee.** If you use a check to make any payment for your Emerald Advance, and the financial institution on which the check is drawn dishonors or returns it unpaid for any reason, we may charge you a fee of \$20 per returned check.

## STATEMENTS

We will make monthly statements available to you which will show, as of approximately the 20th of each month (the "Statement Cut-off Date"), your Emerald Advance account information, including new draws, accrued finance charges, previous payments, your new balance and the Minimum Payment.

## PAYMENT DUE DATE

Payment is due on or before the payment due date shown on your periodic statement. The payment due date will be approximately 25 days following the Statement Cut-off Date, or approximately the 15th of each month as disclosed on your statement. The "Minimum Payment" will be the greater of \$25 or 4 percent of the outstanding balance of your Emerald Advance. If your outstanding balance (including fees and accrued finance charges) is less than \$25, however, your Minimum Payment will be your total outstanding balance. You must pay at least the stated Minimum Payment every month and you may elect to pay more than the Minimum Payment at any time.

The outstanding balance of your Emerald Advance including fees and accrued finance charges must be paid down to zero by the end of each annual Resting Period (*i.e.*, by February 15 of each year). Note that January statements will reflect the balance of the Emerald Advance, as of the Statement Cut-off Date, that is required to be paid down to zero by February 15th. Please note that events that occur after the January Statement Cut-off Date, such as subsequent draws, subsequent payments, and accrued interest or fees, will not be reflected on the statement. To request the amount required to pay the Emerald Advance down to zero as of a particular date, please call 1-866-353-1266.

You may prepay your Emerald Advance in whole or in part at any time without penalty.

## PAYMENT OPTIONS

You can make a payment on your Emerald Advance by mailing a check or money order to Emerald Financial Services, PO Box 6822, Carol Stream, IL 60197-6822, or by calling the number on the back of your Emerald Card to authorize a one-time payment from your Card Account, your Emerald Savings Account, or your bank account. You may also make a payment using your debit card by visiting [www.hrblock.com/emeraldcard](http://www.hrblock.com/emeraldcard). Additional payment options include visiting a MoneyGram® location and using the MoneyGram® Express Payment Service® or using the

PayNearMe service at any participating retailer. For a list of participating retailers see [www.paynearme.com](http://www.paynearme.com). (Note: Fees may apply for third party payment services). If paying by check or money order, to ensure that your payment reaches us by its due date, we suggest that you mail it at least seven days before the payment is due.

The Bank offers an optional automatic payment plan that is a convenient way for you to make monthly required Minimum Payments on your Emerald Advance and help you avoid late charges. You are not required to use the automatic payment plan to obtain an Emerald Advance it is completely voluntary. If you would like to take advantage of this optional plan, you may elect to do so during the application process. By doing so, you authorize us to make each required Minimum Payment on your behalf by: first, deducting available funds from your Card Account; second (if necessary), deducting available funds from your Emerald Savings Account; and third (if necessary), deducting available funds from other accounts that may be accessed through the Card or Card Account. Payments will be made on your behalf only to the extent funds are available. You may terminate this authorization by notifying us in writing at least three (3) business days before the due date of your next required Minimum Payment.

To the extent a payment is made on your Emerald Advance from another account with us, we will not charge you an insufficient funds fee if your account lacks sufficient funds to cover the payment. Similarly, we will not close your other account as a result of any negative balance resulting from a payment made on your Emerald Advance. However, if you do not make a payment on your Emerald Advance on time, you may still be charged a late fee pursuant to this Agreement.

#### **ALTERNATIVE PAYMENT METHODS; EARLY REPAYMENT**

You are not required to return to H&R Block for income tax preparation or to purchase a Refund Transfer at that time to be eligible for the Emerald Advance.

If you choose to return to H&R Block for income tax preparation, you agree to either (1) purchase a Refund Transfer, direct your tax refund to, and authorize repayment of your Emerald Advance from, the related Refund Account; or (2) open a no-fee Repayment Account, direct your tax refund to, and authorize repayment of your Emerald Advance from, that Repayment Account, and disburse the remaining proceeds to your Card Account.

If you return to H&R Block for income tax preparation and authorize the Internal Revenue Service and/or other taxing authority to direct your tax refund(s) to the Bank, then you authorize us to deduct an amount we reasonably estimate to be sufficient to pay the balance of your Emerald Advance to zero, whether or not you are otherwise required at that time to pay the balance of your Emerald Advance down to zero.

#### **APPLICATION OF PAYMENTS**

Unless we elect otherwise, payments on your Emerald Advance will be applied in the following order: first to interest, second to fees including late and nonsufficient funds fees, third to any accruing annual fees, fourth to unpaid draws, and last to any non-accruing annual fees.

#### **DEFAULT**

You will be in default under this Agreement if (1) you fail to make any payment as required under this Agreement or (2) our prospect of payment, performance or ability to realize on any collateral is significantly impaired. The burden of establishing significant impairment is on us. Upon a default, at the option of the Bank, to the extent permitted by applicable law, we may suspend your right to receive draws on your Emerald Advance and we may declare all amounts owing on your Emerald Advance to be immediately due and payable without notice or demand.

#### **TERMINATION OF YOUR EMERALD ADVANCE**

We reserve the right, at our sole discretion, to suspend access to or close your Emerald Advance. We may close your Emerald Advance if: (1) you have an outstanding balance on your Emerald Advance, but have not made any payments for a period of 90 days, or (2) you have not met the eligibility and qualification requirements under the Savings Secured Method or the Unsecured Method for a period of 90 days, or (3) you maintained your Emerald Advance using the Savings Secured Method and you no longer meet the requirements of that method. We may terminate your right to obtain credit under your Emerald Advance if your Card Account is closed.

#### **SET-OFF AND DEBT COLLECTION**

**NOTE: If you have debt, the Bank, its affiliates and other third parties may be acting as debt collectors. Any information obtained will be used for that purpose.**

You authorize and direct us to set-off or collect any amount you owe us or H&R Block under this Agreement, or any other agreement you have with us or H&R Block, against any account you have with us or against your right to receive money from us, unless prohibited by the other agreement or applicable law. Some government payments (such as Social Security, Supplemental Security Income, Veterans, and other federal or state benefits) may be protected from attachment, levy or other legal process under federal or state law. If such protections would otherwise apply to funds we take or set-off from your Card Account, Emerald Savings Account or any other account you have with us, to the extent that you may do so by contract, you waive these protections and agree that we may take or set-off funds, including federal and state benefit payments, from your accounts to pay amounts you owe us or H&R Block.

#### **DATA SHARING**

You authorize information relating to any previous Emerald Advance to be shared with us, and for us to share information with H&R Block, to facilitate your application for an Emerald Advance, to service your Emerald Advance, and otherwise to administer or promote the Emerald Advance program. For additional information on our sharing, please see our Privacy Notice.

#### **CHANGE IN CONTACT INFORMATION**

You agree to notify us immediately if you change your address, your email address or your telephone number. You also agree to provide us with your new address, email address or telephone number.

**ARBITRATION IF A DISPUTE ARISES ("ARBITRATION AGREEMENT")**

**1. Scope of Arbitration Agreement.** You and the Covered Parties agree that all disputes and claims between you and the Covered Parties shall be resolved through binding individual arbitration unless you opt out of this Arbitration Agreement using the process explained below. However, to the fullest extent permitted by applicable law, either you or the Covered Parties may elect that an individual claim be decided in small claims court, as long as it is brought and maintained as an individual claim. All issues are for the arbitrator to decide, except that issues relating to the arbitrability of disputes and the validity, enforceability, and scope of this Arbitration Agreement, including the interpretation of Paragraph 4 below, shall be decided by a court and not an arbitrator. The term "Covered Parties" in this Arbitration Agreement includes MetaBank®, National Association; HRB Tax Group, Inc.; Emerald Financial Services, LLC; their direct or indirect parents, subsidiaries, and affiliates; and the predecessors, successors, officers, directors, agents, employees and franchisees of any of them. **This Arbitration Agreement (as well as any other arbitration agreement between you and any of the Covered Parties) does not apply to any dispute or claim related to your Emerald Advance if you were a Covered Borrower at the time your Emerald Advance was established.**

**Arbitration Opt Out: You may opt out of this Arbitration Agreement within 60 days after you agree to these Terms and Conditions by filling out the form at <http://www.arbitrationoptout.com/metabank>, or by sending a signed letter to MetaBank Arbitration Opt Out, PO Box 5846, Kansas City, MO 64171. The letter should include your printed name, address, the first five digits of your Social Security Number and the words "Reject Arbitration." If you opt out of this Arbitration Agreement, any prior arbitration agreement shall remain in force and effect.**

**2. Pre-Arbitration Notice of Dispute.** A party who intends to seek arbitration must first mail a written Notice of Dispute ("Notice") to the other party. The Notice to the Covered Parties should be addressed to: EFS-Legal Department, Attention: Notice of Dispute, 1301 Main Street, Kansas City, MO 64105. The Notice must be on an individual basis and provide at least the following information: (a) your name, telephone number, and e-mail address; (b) the nature or basis of the claim or dispute; and (c) the specific relief you seek. If the dispute is not resolved within 60 days after the Notice is received, then you or the Covered Parties may file an arbitration. The existence or substance of any settlement discussions shall not be disclosed.

**3. How Arbitration Works.** Either party may initiate arbitration, which shall be conducted by the American Arbitration Association ("AAA") pursuant to its Consumer Arbitration Rules ("AAA Rules"), as modified by this Arbitration Agreement. AAA Rules are available on AAA's website [www.adr.org](http://www.adr.org), or by calling AAA at (800) 778-7879. If AAA is unavailable or unwilling to hear the dispute, the parties shall agree to, or the court shall select, another arbitration provider. Unless the parties agree otherwise, any arbitration hearing shall take place in the county of your residence.

**4. Waiver of Right to Bring Class Action and Representative Claims.** All arbitrations shall proceed on an individual basis. The arbitrator is empowered to resolve the dispute with the same remedies available in court, including compensatory, statutory, and punitive damages; attorneys' fees; and declaratory, injunctive,

and equitable relief. However, any relief must be individualized to you and shall not affect any other client. The arbitrator is also empowered to resolve the dispute with the same defenses available in court, including but not limited to statutes of limitation. **You and the Covered Parties also agree that each may bring claims against the other in arbitration only in your or their respective individual capacities and in so doing you and the Covered Parties hereby waive the right to a trial by jury, to assert or participate in a class action lawsuit or class action arbitration, to assert or participate in a private attorney general lawsuit or private attorney general arbitration, and to assert or participate in any joint or consolidated lawsuit or joint or consolidated arbitration of any kind.** If a court decides that applicable law precludes enforcement of any of this paragraph's limitations as to a particular claim or any particular request for a remedy for a claim (such as a request for public injunctive relief), then only that particular claim or only that particular request for a remedy (and only that particular claim or particular request for a remedy) must remain in court and be severed from any arbitration. The Covered Parties do not consent to, and the arbitrator shall not have authority to conduct, any class action arbitration, private attorney general arbitration, or arbitration involving joint or consolidated claims, under any circumstance.

**5. Arbitration Costs.** Payment of all filing, administrative, arbitrator, and hearing fees will be governed by AAA's rules, but if you inform us that you cannot afford to pay your share of the fees, we will consider advancing those fees on your behalf. In addition, we will reimburse you for your share of the fees at the conclusion of the arbitration unless (i) you have failed to comply with the notice of dispute requirements in paragraph 2 above, (ii) your claim was brought or maintained in violation of paragraph 4 above, or (iii) either the substance of your claim or the relief you seek is frivolous or brought for an improper purpose as measured by the standards set forth in Federal Rule of Civil Procedure 11(b), in which case the payment of fees will be governed by AAA rules and you agree to reimburse the Covered Parties for all fees advanced on your behalf.

**6. Other Terms.** This Arbitration Agreement shall be governed by, and interpreted, construed, and enforced in accordance with, the Federal Arbitration Act and other applicable federal law. Except as set forth above, if any portion of this Arbitration Agreement is deemed invalid or unenforceable, it will not invalidate the remaining portions of the Arbitration Agreement. No arbitration award or decision will have any preclusive effect as to any issues or claims in any dispute, arbitration, or court proceeding where any party was not a named party in the arbitration, unless and except as required by applicable law. Notwithstanding any provision in these Terms and Conditions to the contrary, we will not make any material change to this Arbitration Agreement without providing you with an opportunity to reject that change. Rejection of any future change will not impact this or any prior Arbitration Agreement to which you have agreed.

**CHANGE OF TERMS**

Except as provided in the Arbitration Agreement, we may change the terms of this Agreement from time to time in the future to the extent and in the manner permitted by applicable law. In doing so, we may add terms, remove terms or change existing terms. We will give you notice of any changed terms if and to the extent required by law. We may elect to have the changed terms apply to all indebtedness existing on or after the effective date of the change, or only to indebtedness arising after the effective date of the change. You may avoid the effect of changed terms by paying all amounts due us before the effective date of the change and by terminating your Emerald Advance.

## SECURITY INTEREST IN EMERALD SAVINGS ACCOUNT AND CARD ACCOUNT

To the maximum extent allowable by law, you grant us a security interest in your Emerald Savings Account and Card Account with us to secure the payment of the Emerald Advance. This security interest is subordinate to any right of set-off we have against your Card Account or Emerald Savings Account. Note: if you were a Covered Borrower at the time your Emerald Advance was established, this security interest does not apply to funds deposited into your Emerald Savings Account or Card Account prior to you obtaining an Emerald Advance.

## YOUR BILLING RIGHTS: KEEP THIS DOCUMENT FOR FUTURE USE

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

### *What To Do If You Find A Mistake On Your Statement*

If you think there is an error on your statement, write to us at:

Emerald Financial Services, LLC  
P.O. Box 10170  
Kansas City, MO 64171-0170

In your letter, give us the following information:

- *Account information:* Your name and account number.
- *Dollar amount:* The dollar amount of the suspected error.
- *Description of problem:* If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within 60 days after the error appeared on your statement.
- At least three (3) business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

You must notify us of any potential errors *in writing*. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

### *What Will Happen After We Receive Your Letter*

When we receive your letter, we must do two things:

1. Within 30 days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error.
2. Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the bill is correct.

While we investigate whether or not there has been an error:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

After we finish our investigation, one of two things will happen:

- *If we made a mistake:* You will not have to pay the amount in question or any interest or other fees related to that amount.
- *If we do not believe there was a mistake:* You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us. If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question even if your bill is correct.

## APPLICABLE LAW AND LANGUAGE

Except as provided in the Arbitration Agreement, this Agreement shall be governed by and interpreted and enforced in accordance with federal law and, to the extent state law applies, the law of the State of South Dakota (without reference to conflict of laws principles), except to the extent inconsistent with or preempted by federal law.

The English language version of this Agreement is the original version. Any translation of this Agreement from the English version is provided for your convenience. In the case of a conflict between the English version and a translation, the English version shall control.

## RESCISSION RIGHT

You may cancel your Emerald Advance by notifying the Bank of your decision to cancel within five (5) business days after you apply for the Emerald Advance by calling the number on the back of your Emerald Card or returning to the tax office. To do so, you must return to the Bank all advances drawn on your Emerald Advance by authorizing a transfer of money from your Card Account or your Emerald Savings Account to repay your Emerald Advance. You must return and the Bank must receive all advances within seven days after notification of your decision to cancel. If you use your right to cancel, any finance charges or any annual fee paid by you will be refunded to you only if you have returned any advances (other than any annual fee) that have been drawn on your Emerald Advance within seven days after notification of your decision to cancel. The right to cancel applies to your Emerald Advance as a whole and not to any individual draw made under your Emerald Advance.

## H&R Block Emerald Advance Disclosures

Interest Rates and Interest Charges	
<b>Annual Percentage Rate (APR) for Advances</b>	<b>35.9%</b> (during the Promotional Period or if you qualify to maintain under the Unsecured Method) <b>9%</b> (if you qualify to maintain under the Savings Secured Method) <sup>1</sup>
<b>Paying Interest</b>	You will be charged interest from the transaction date

Fees	
<b>Annual Fee</b>	<b>\$45</b> for the first year; <b>\$30</b> for each year thereafter <sup>2</sup>
<b>Penalty Fees</b>	
• Late Payment	• <b>\$7.50</b>
• Returned Check Payment	• <b>\$20</b>

**How We Will Calculate Your Balance:** We use a method called "average daily balance (including new purchases)." See the Emerald Advance Terms and Conditions for more details.

**Billing Rights:** Information on your rights to dispute transactions and how to exercise those rights is provided in the Emerald Advance Terms and Conditions.

**Promotional Period:** If you apply and are approved for an Emerald Advance, or obtain a temporary increase in your credit limit, during a Promotional Period, the 35.9% APR will apply to your entire balance, unless you currently maintain your Emerald Advance via the Savings Secured Method, in which case the 9% APR will apply to your entire balance.

<sup>1</sup>Information about qualifying under the Savings Secured Method is included in the Emerald Advance Terms and Conditions under the heading "Determining Your Credit Limit; Qualification Methods; Restrictions on Advances".

<sup>2</sup>If, at the time you establish your Emerald Advance, you are a covered borrower as that term is defined in the Military Lending Act and its implementing regulations, including 32 CFR § 232.3 (a "Covered Borrower"), and so long as you remain a Covered Borrower, your annual fee will be waived.

**New Jersey Residents:** Because certain provisions of this Agreement are subject to applicable law, they may be void, unenforceable or inapplicable in some jurisdictions. None of these provisions, however, is void, unenforceable or inapplicable in New Jersey.

**Ohio Residents:** The Ohio laws against discrimination require that all creditors make credit equally available to all credit worthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

**Married Wisconsin Residents:** No provision of a marital property agreement, a unilateral statement under section 766.59 or a court decree under section 766.70 adversely affects the interest of the creditor unless the creditor, prior to the time the credit is granted, is furnished a copy of the agreement, statement or decree or has actual knowledge of the adverse provision when the obligation to the creditor is incurred.