

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): May 28, 2020

Square, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-37622
(Commission
File Number)

80-0429876
(IRS Employer
Identification No.)

1455 Market Street, Suite 600
San Francisco, CA 94103
(Address of principal executive offices, including zip code)

(415) 375-3176
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Class A common stock, \$0.000001 par value per share	SQ	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Item 1.01 Entry into a Material Definitive Agreement.*First Amendment to Credit Agreement*

Square, Inc. (the “Company”) entered into the First Amendment to Credit Agreement, dated as of May 28, 2020, among the Company, the lenders that are party thereto, and Goldman Sachs Bank USA, as administrative agent (the “Amendment”). The Amendment amends the Revolving Credit Agreement, dated May 1, 2020, among the Company, the lenders that are a party thereto, and Goldman Sachs Bank USA, as administrative agent (as amended, modified, or supplemented, the “Credit Agreement”).

The Amendment amends the Credit Agreement to permit the Company’s subsidiary, Square Capital, LLC (“Square Capital”), to incur indebtedness in an aggregate principal amount of up to \$500 million pursuant to the Paycheck Protection Program Liquidity Facility authorized under Section 13(3) of the Federal Reserve Act of 1913 (the “PPPLF”). The PPPLF permits lenders such as Square Capital which have originated or purchased loans issued pursuant to 15 U.S.C 636(a)(36) (as added to the Small Business Act (the “SBA”) by Section 1102 of the CARES Act) (such loans, “PPP Loans”) to borrow from an applicable Federal Reserve Bank an amount up to 100% of the principal amount of the PPP Loans pledged as collateral for such borrowing.

The foregoing description of the Amendment is qualified in its entirety by reference to the Amendment attached as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Paycheck Protection Program Liquidity Facility Letter of Agreement

On June 2, 2020, Square Capital delivered a Paycheck Protection Program Liquidity Facility Letter of Agreement (as amended, modified, or supplemented, the “PPPLF Agreement”) to the Federal Reserve Bank of San Francisco pursuant to which Square Capital intends to request advances from a Federal Reserve Bank designated by the Board of Governors of the Federal Reserve System. Square Capital intends to initially request advances in an aggregate principal amount of \$325,000,000 and may in the future request advances in an aggregate principal amount of up to \$500,000,000 (collectively, the “PPPLF Loans,” and each, a “PPPLF Loan”) pursuant to the PPPLF Agreement.

PPPLF Loans, advanced under the PPPLF Agreement must be secured by a pledge of PPP Loans originated or purchased by Square Capital. Each PPPLF Loan shall be in a principal amount equal to the aggregate principal amount of PPP Loans pledged by Square Capital to secure such PPPLF Loan. Advances under the PPPLF shall incur interest at a per annum rate of 0.35%.

The maturity date of any PPPLF Loan (the “Maturity Date”) will be the maturity date of the PPP Loan pledged to secure such PPPLF Loan. The Maturity Date of any PPPLF Loan will be accelerated on and to the extent of (i) the date of any loan forgiveness reimbursement by the SBA for any PPP Loan securing such PPPLF Loan; or (ii) the date of purchase by the SBA from Square Capital of any PPP Loan securing such PPPLF Loan to realize on the SBA’s guarantee of such PPP Loan. The Maturity Date of all PPPLF Loans shall be accelerated upon the occurrence of certain events of default by Square Capital, including but not limited to the failure to comply with a requirement of the PPPLF Agreement or any representation, warranty, or covenant of Square Capital under the PPPLF Agreement being inaccurate on or as of the date it is deemed to be made or on any date on which an PPPLF Loan remains outstanding.

PPPLF Loans may be prepaid in full or in part, without penalty. Square Capital shall prepay PPPLF Loans (i) on the date and to the extent of the payment by the SBA for the amount of covered loan forgiveness for any PPP Loan securing such PPPLF Loan; (ii) on the date of purchase by the SBA from Square Capital of a PPP Loan securing such PPPLF Loan to realize on the SBA’s guarantee of such PPP Loan; or (iii) on the date and to the extent a borrower under a PPP Loan repays or prepays such PPP Loan, in each case, so that the amount of any PPPLF Loans outstanding does not exceed the outstanding amount of PPP Loans pledged to secure such PPPLF Loans.

The foregoing description of the PPPLF Agreement is qualified in its entirety by reference to the PPPLF Agreement attached as Exhibit 10.2 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The disclosure in Item 1.01 of this report is incorporated into this Item 2.03 by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	First Amendment to Credit Agreement, dated as of May 28, 2020, by and among Square, Inc., the lenders party thereto, and Goldman Sachs Bank USA, as administrative agent.
10.2	Paycheck Protection Program Liquidity Facility Letter of Agreement, dated as of June 2, 2020.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

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

SQUARE, INC.

Date: June 3, 2020

By: /s/ Sivan Whiteley

Sivan Whiteley

General Counsel and Corporate Secretary

FIRST AMENDMENT TO REVOLVING CREDIT AGREEMENT

This FIRST AMENDMENT (this "Amendment"), dated as of May 28, 2020, to the Revolving Credit Agreement dated as of May 1, 2020 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), among Square, Inc. (the "Borrower"), the several banks and other financial institutions or entities from time to time party thereto (the "Lenders"), and Goldman Sachs Bank USA, as Administrative Agent (in such capacity, the "Administrative Agent").

WITNESSETH:

WHEREAS, the parties hereto are parties to the Credit Agreement;

WHEREAS, the Borrower requests that the Lenders agree to certain amendments to the Credit Agreement;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

SECTION 1. DEFINITIONS. Unless otherwise defined herein, capitalized terms which are defined in the Credit Agreement are used herein as therein defined.

SECTION 2. AMENDMENTS. On the First Amendment Effective Date (as defined below), the Credit Agreement is hereby amended as follows:

(a) Section 1.01 of the Credit Agreement is hereby amended to include the following definitions in appropriate alphabetical order:

"**CARES Act**" means the Coronavirus Aid, Relief and Economic Security Act, as amended by the Paycheck Protection Program and Health Care Enhancement Act, as publicly announced and described and in effect the First Amendment Effective Date.

"**First Amendment Effective Date**" means May 28, 2020.

"**PPPLF**" means the Paycheck Protection Program Liquidity Facility authorized under Section 13(3) of the Federal Reserve Act of 1913, as publicly announced and described and in effect the First Amendment Effective Date.

"**PPP Loan**" means any loan originated or purchased by Borrower or its Subsidiaries pursuant to 15 U.S.C. 636(a)(36) (as added to the Small Business Act by Section 1102 of the CARES Act), as publicly announced and described and in effect the First Amendment Effective Date.

"**Small Business Act**" means the Small Business Act (15 U.S. Code Chapter 14A – Aid to Small Business), as publicly announced and described and in effect the First Amendment Effective Date.

(b) Section 6.01 of the Credit Agreement is hereby amended by (i) deleting the word "and" at the end of clause (e) thereof, (ii) deleting the period at the end of clause (f) thereof and substituting in lieu thereof "; and", and (iii) adding the following as a new clause (g) thereof:

"(g) Specified Indebtedness incurred pursuant to the PPPLF in an aggregate principal amount not to exceed \$500,000,000 at any time outstanding."

(c) Section 6.02 of the Credit Agreement is hereby amended by (i) deleting the period at the end of clause (p) thereof and substituting in lieu thereof “; and”, and (ii) adding the following as a new clause (q) thereof:

“(q) Liens on PPP Loans securing Specified Indebtedness incurred pursuant to Section 6.01(g).”

SECTION 3. CONDITIONS PRECEDENT TO EFFECTIVENESS. This Amendment shall become effective on the date (the “Effective Date”) on which all of the following conditions have been satisfied or waived:

(a) Execution and Delivery. The Administrative Agent shall have received counterparts of this Amendment duly executed by (i) the Borrower and (ii) the Required Lenders.

(b) No Default. Both prior to and after giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing on the Effective Date.

(c) Representations and Warranties. As of the Effective Date (both prior to and after giving effect to this Amendment) all representations and warranties contained in Section 3 of the Credit Agreement shall be true and correct in all material respects, except that (i) the representations and warranties contained in Section 3.04(a) of the Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b) (subject, in the case of unaudited financial statements furnished pursuant to clause (b), to year-end audit adjustments and the absence of footnotes), respectively, of Section 5.01 of the Credit Agreement, (ii) to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date and (iii) to the extent that such representations and warranties are already qualified or modified by materiality in the text thereof, they shall be true and correct in all respects.

For the purpose of determining compliance with the conditions specified in this Section 3, each Lender that has signed this Amendment shall be deemed to have accepted, and to be satisfied with, each document or other matter required under this Section 3.

SECTION 4. REPRESENTATIONS AND WARRANTIES. In order to induce the Required Lenders to enter into this Amendment, the Borrower hereby represents and warrants to the Required Lenders that (a) this Amendment has been duly authorized by all necessary corporate actions on the part of the Borrower and, if required, actions by equity holders of the Borrower and (b) this Amendment has been duly executed and delivered by the Borrower and constitutes a legal, valid and binding obligation of the Borrower, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors’ rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

SECTION 5. CONTINUING EFFECT. Except as expressly amended, waived or modified hereby, the Loan Documents shall continue to be and shall remain in full force and effect in accordance with their respective terms. This Amendment shall not constitute an amendment, waiver or modification of any provision of any Loan Document not expressly referred to herein and shall not be construed as an amendment, waiver or modification of any action on the part of the Borrower or the other Loan Parties that would require an amendment, waiver or consent of the Administrative Agent or the Lenders except as expressly stated herein, or be

construed to indicate the willingness of the Administrative Agent or the Lenders to further amend, waive or modify any provision of any Loan Document amended, waived or modified hereby for any other period, circumstance or event. Except as expressly modified by this Amendment, the Credit Agreement and the other Loan Documents are ratified and confirmed and are, and shall continue to be, in full force and effect in accordance with their respective terms. Except as expressly set forth herein, each Lender and the Administrative Agent reserves all of its rights, remedies, powers and privileges under the Credit Agreement, the other Loan Documents, applicable law and/or equity. Any reference to the "Credit Agreement" in any Loan Document or any related documents shall be deemed to be a reference to the Credit Agreement as amended by this Amendment and the term "Loan Documents" in the Credit Agreement and the other Loan Documents shall include this Amendment.

SECTION 6. GOVERNING LAW. THIS AMENDMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

SECTION 7. SUCCESSORS AND ASSIGNS. This Amendment shall be binding upon and inure to the benefit of the Borrower, the other Loan Parties, the Administrative Agent, the other Agents and the Lenders, and each of their respective successors and assigns, and shall not inure to the benefit of any third parties. The execution and delivery of this Amendment by any Lender prior to the Effective Date shall be binding upon its successors and assigns and shall be effective as to any Loans or Commitments assigned to it after such execution and delivery.

SECTION 8. ENTIRE AGREEMENT. This Amendment, the Credit Agreement and the other Loan Documents represent the entire agreement of the Loan Parties, the Administrative Agent, the Agents and the Lenders, as applicable, with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Administrative Agent, any other Agent or any Lender relative to the subject matter hereof not expressly set forth or referred to herein or in the Credit Agreement or the other Loan Documents.

SECTION 9. LOAN DOCUMENT. This Amendment is a Loan Document executed pursuant to the Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Credit Agreement.

SECTION 10. COUNTERPARTS. This Amendment may be executed by the parties hereto in any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same instrument. An executed signature page of this Amendment may be delivered by facsimile transmission or electronic PDF of the relevant signature page hereof.

SECTION 11. HEADINGS. Section headings used in this Amendment are for convenience of reference only, are not part of this Amendment and are not to affect the construction of, or to be taken into consideration in interpreting, this Amendment.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered by their duly authorized officers as of the date first written above.

SQUARE, INC.,
as the Borrower

By: /s/ Amrita Ahuja
Name: Amrita Ahuja
Title: Chief Financial Officer

[Signature Page to First Amendment]

GOLDMAN SACHS BANK USA, as Administrative Agent
and a Lender

By: /s/ Douglas Tansey
Name: Douglas Tansey
Title: Authorized Signatory

[Signature Page to First Amendment]

Sumitomo Mitsui Banking Corporation,
as a Lender

By: /s/ Jun Ashley

Name: Jun Ashley

Title: Director

[Signature Page to First Amendment]

JPMorgan Chase Bank, N.A.,
as a Lender

By: /s/ Bruce S. Borden

Name: Bruce S. Borden

Title: Executive Director

[Signature Page to First Amendment]

Wells Fargo Bank, N.A.,
as a Lender

By: /s/ Caroline Baudinet-Stumpf

Name: Caroline Baudinet-Stumpf

Title: Managing Director & Sr. Portfolio Manager

[Signature Page to First Amendment]

HSBC BANK USA, NATIONAL ASSOCIATION
as a Lender

By: /s/ Jacob C. Streit

Name: Jacob C. Streit

Title: Managing Director

[Signature Page to First Amendment]

U.S. BANK NATIONAL ASSOCIATION as a Lender

By: /s/ Susan M. Bowes

Name: Susan M. Bowes

Title: Senior Vice President

[Signature Page to First Amendment]

**PAYCHECK PROTECTION PROGRAM LIQUIDITY FACILITY
LETTER OF AGREEMENT**

(Non-Depository Institutions)

Date: 6/2/2020

Discount Window Officer
Federal Reserve Bank of San Francisco
101 Market Street, MS 830
San Francisco, CA 94105

Subject: **Paycheck Protection Program Liquidity Facility**

Dear Discount Window Officer:

In consideration of our being able to request Advances from a Federal Reserve Bank designated by the Board of Governors of the Federal Reserve System (“Board”) (the “Reserve Bank”), as set forth in this letter as amended and supplemented from time to time by the Reserve Bank (“PPPLF Letter of Agreement”), and to incur Indebtedness to the Reserve Bank pursuant to the Paycheck Protection Program Liquidity Facility (the “PPPLF” or the “Facility”) authorized by the Board on April 8, 2020, as such authorization may be amended from time to time, under section 13(3) of the Federal Reserve Act, we (the “Borrower” or “us”) agree to the provisions of the Reserve Bank’s Operating Circular No. 10, effective July 16, 2013, as may be amended from time to time (the “Circular”), and to the terms and conditions of this PPPLF Letter of Agreement which together apply to all Advances made under the PPPLF (the Circular and this PPPLF Letter of Agreement, together, the “PPPLF Agreement”). To the extent any provision of the Circular is inconsistent with the terms of this PPPLF Letter of Agreement, the terms of this PPPLF Letter of Agreement shall govern with respect to all Advances made under the PPPLF. All capitalized terms used in this PPPLF Letter of Agreement but not defined herein shall have the meaning specified in the Circular.

Security for Advances: Under the PPPLF, Advances must be secured by pledges of loans to small businesses under the U.S. Small Business Administration’s (“SBA”) 7(a) loan program titled the Paycheck Protection Program (“PPP”), which was added to the SBA’s 7(a) loan program by section 1102 of the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) (such loans, “PPP Loans”). Section 1102(a)(1)(B) of the CARES Act provides that PPP Loans are fully guaranteed as to principal and interest by the SBA. To qualify for the PPPLF, PPP Loans must have been (1) originated by us, or (2) purchased by us in accordance with the SBA’s requirements for the sale and purchase of whole PPP Loans (in either case, such that we are the beneficiary of the SBA’s guarantee of such PPP Loans). As a condition to obtaining an Advance, we agree to provide any documentation that the Reserve Bank requires evidencing that we are the beneficiary of the SBA’s guarantee of PPP Loans pledged to the PPPLF. By pledging PPP Loans as collateral for Advances under the Facility (collectively, “PPPLF Collateral,” or any PPP Loan individually, an “Item”) the Borrower warrants, represents and covenants that each such Item pledged as collateral for Advances under the Facility:

(a) Is a “covered 7(a) loan” under the terms of the PPP;

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- (b) Complies with all requirements of the PPP, including without limitation any rules or guidance issued by the SBA implementing the PPP, and any requirements set forth in any agreement the Borrower is required to execute by the SBA in connection with the PPP;
 - (c) Has been duly approved under delegated authority for guaranty by the SBA;
 - (d) Satisfies applicable Collateral requirements in the Circular; and
 - (e) Was either (1) originated by us or (2) purchased by us in accordance with the SBA's requirements for the sale and purchase of whole PPP Loans (in either case, such that we are the beneficiary of the SBA's guarantee of such PPP Loans).

In addition, the Borrower understands and agrees that PPPLF Collateral and each Item is "Collateral" within the meaning of the Circular and that all representations, warranties and other agreements with respect to the Collateral in the Circular apply to the PPPLF Collateral and to each Item.

Structure of Advances: The Borrower shall comply with the directions of the Reserve Bank with respect to the manner and form of submission of requests for Advances under the PPPLF and the pledge of PPPLF Collateral. The Reserve Bank may combine PPPLF Collateral into pools of PPP Loans having the same maturity date for purposes of making Advances on the pooled PPPLF Collateral, and shall have the right (but not the obligation) to combine multiple Advances into one Advance, or to separate, divide, or process on a lag any Advance as the Reserve Bank may determine in its sole discretion to be advisable or convenient for administration.

Collateral Valuation: PPPLF Collateral valuation for each Item shall equal the principal amount of the PPP Loan outstanding at the time the PPP Loan is pledged as PPPLF Collateral.

Amount of Advance: Each Advance shall be in a principal amount equal to the aggregate principal amount of PPP Loans pledged by the Borrower to secure that Advance. The amount of any Advance made pursuant to the PPPLF outstanding at any one time shall not exceed the outstanding amount of PPP Loans pledged by the Borrower to secure that Advance.

Interest Rate: The interest rate applicable to any Advance made under the PPPLF shall be thirty-five (35) basis points.

Advance Maturity: The maturity date of an Advance under the PPPLF (the "Maturity Date") will be the maturity date of the PPPLF Collateral pledged to secure the Advance. The Maturity Date of an Advance will be accelerated on and to the extent of (i) the date of any 7(a) loan forgiveness reimbursement by the SBA for any PPPLF Collateral; or (ii) the date of purchase by the SBA from the Borrower of any PPPLF Collateral to realize on the SBA's guarantee of such PPPLF Collateral.

The Maturity Date of all Advances made pursuant to the PPPLF to a Borrower shall be accelerated upon the occurrence of an Event of Default by the Borrower, including but not limited to the failure to comply with a requirement of the PPPLF Agreement or any representation, warranty, or covenant of the Borrower under the PPPLF Agreement is inaccurate on or as of the date it is deemed to be made or on any date on which an Advance remains outstanding.

Consent to Sharing Information with SBA and Other Entities: The Borrower agrees that the Reserve Bank may provide any and all information relating to any Advance to the SBA and the Board and, if applicable, one or more entities determined by the Reserve Bank to have a current or potential legal or financial interest in such information, and hereby consents to the providing of such information to such entities by the Reserve Bank.

Assignment to Reserve Bank of Amounts Payable to Borrower:

- (a) The Borrower agrees that any payments or other amounts received by the Borrower or any other person (including without limitation prepayments by borrowers under PPP Loans) arising from or in connection with PPPLF Collateral are the property of the Reserve Bank, and that the Borrower shall immediately pay any such amounts to the Reserve Bank, in full and in actually and finally collected funds, without any demand therefor or other action by the Reserve Bank.
- (b) The Borrower agrees that the Reserve Bank under this PPPLF Letter of Agreement is a pledgee of a first-priority security interest in and to any PPP Loan pledged as PPPLF Collateral and that the Reserve Bank is not a registered holder, or acting as a registered holder, of any PPP Loan pledged as PPPLF Collateral.
- (c) The Borrower agrees that any payment received by the Borrower or any other person from the SBA in connection with any such loan forgiveness reimbursement or any such loan guarantee amounts arising from or in connection with PPPLF Collateral is the property of the Reserve Bank, and that the Borrower shall immediately pay any such amounts to the Reserve Bank, in full and in actually and finally collected funds, without any demand therefor or other action by the Reserve Bank.
- (d) The Borrower agrees that, at any time if so instructed by the Reserve Bank, the Borrower will irrevocably assign to the Reserve Bank any and all amounts to which the Borrower is or may become entitled related to PPPLF Collateral, including but not limited to any and all amounts paid or payable to the Borrower from the SBA for (i) PPP Loan forgiveness reimbursement on any PPP Loan pledged as PPPLF Collateral, or (ii) satisfaction by the SBA of the SBA's guarantee of any PPP Loan pledged as PPPLF Collateral.
- (e) The Borrower agrees that, upon receiving an instruction from the Reserve Bank under paragraph (d), it shall provide to the SBA, in such form and manner as the SBA may require,

wire transfer instructions sufficient to enable the SBA to make payment directly to the Reserve Bank of loan forgiveness reimbursement and loan guarantee amounts as described above, and shall consult with the Reserve Bank regarding obtaining accurate wire transfer instructions to provide to the SBA as provided herein.

Prepayment: Advances made under the PPPLF may be prepaid in full or in part, without penalty. The Borrower shall prepay an Advance made pursuant to the PPPLF (i) on the date and to the extent of the payment by the SBA for the amount of covered 7(a) loan forgiveness for any PPP Loan (or, in the case of a pool of PPP Loans, a PPP Loan in such loan pool) that is pledged to secure an Advance; (ii) on the date of purchase by the SBA from the Borrower of a PPP Loan (or, in the case of a pool of PPP Loans, a PPP Loan in such loan pool) that is pledged to secure such Advance to realize on the SBA's guarantee of that PPP Loan; or (iii) on the date and to the extent a borrower under a PPP Loan (or, in the case of a pool of PPP Loans, a PPP Loan in such pool) repays or prepays such PPP Loan, in each case, so that the amount of any Advance outstanding does not exceed the outstanding amount of PPP Loans pledged to secure such Advance. Prepayments of any Advance shall be accompanied by accrued and unpaid interest thereon. Notwithstanding anything to the contrary elsewhere in this PPPLF Agreement, interest on a prepayment of any Advance under this paragraph will accrue daily until the date that such prepayment is made to the Reserve Bank.

Waiver of Right to Repayment on Demand: The Reserve Bank waives its right to require repayment on demand under Section 5.1(a) of the Circular with respect to any Advance made under the PPPLF, provided that the Reserve Bank shall retain all other rights and remedies under the Circular, including but not limited to remedies upon the occurrence of an Event of Default except as provided elsewhere in this PPPLF Letter of Agreement.

Repayment on Maturity Date: On the Maturity Date, with respect to each Advance, the Borrower shall repay such Advance in an aggregate amount equal to the Advance plus accrued interest, which shall be debited from the Borrower's Account as provided below.

Non-Recourse Basis: In the event that the Borrower fails to pay an Advance on the Maturity Date thereof, the Reserve Bank first shall seek repayment from realization upon the PPPLF Collateral, including any proceeds of payments by the SBA in connection with loan forgiveness or loan guarantees with respect to such PPPLF Collateral. Thereafter, the Reserve Bank may pursue any remedies it may have to recover the remaining outstanding amount of an Advance. Notwithstanding any provisions of the PPPLF Agreement to the contrary, all Advances made to the Borrower pursuant to the PPPLF shall become a recourse obligation if, in the sole discretion of the Reserve Bank, the Borrower (i) has breached any of the representations, warranties, or covenants made under the PPPLF Agreement or (ii) has engaged in any fraud or misrepresentation in connection with any Advance or any request to obtain an Advance under the PPPLF.

Accrual of Interest, Debits by Reserve Bank: Interest on each Advance shall accrue daily against the Borrower's outstanding obligations and shall be debited from the account of the Borrower's depository institution as identified in the section captioned "**Borrower's Depository Institution**" below.

PPPLF Termination: No Advance made pursuant to the PPPLF may be made after September 30, 2020, unless authorized by the Board.

Additional Financial and Operational Information: Borrower hereby agrees that upon request, Borrower will furnish the Reserve Bank with such financial and operating data and other information, and to promptly provide notice of any material change, with respect to Borrower's organizational structure, overall financial position, creditworthiness, the PPPLF Collateral, or Borrower's SBA 7(a) program lending practices, procedures, and compliance.

Terms and Conditions: Advances under the PPPLF shall be subject to such procedures, requirements, and terms and conditions of the PPPLF as may be published and supplemented by the Board or by the Reserve Bank, in either case at its sole discretion, including conditions regarding safekeeping of PPPLF Collateral, provided that any terms and conditions published or supplemented after the date of an outstanding Advance shall not apply to such Advance. Any update, amendment, restatement, supplement or other modification of the procedures and requirements and terms and conditions of the PPPLF Agreement (including the terms and conditions of this PPPLF Letter of Agreement as amended and supplemented from time to time) published by the Reserve Bank (including on the Reserve Bank's or the Board's website) shall constitute notification to the Borrower for purposes of Section 15.0 and Section 16.0 of the Circular.

Counterparts. Delivery of an executed counterpart of a signature page of this PPPLF Letter of Agreement by telecopy, e-mailed .pdf, or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this the PPPLF Letter of Agreement. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to any document to be signed in connection with this PPPLF Letter of Agreement and the transactions contemplated hereby shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, in each case, in a form acceptable to the Reserve Bank at its sole discretion, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Failure of Borrower to Meet PPP Requirements or PPPLF Requirements: Failure by the Borrower to meet any of the requirements of the PPPLF Agreement (including if any PPPLF Collateral fails to satisfy the requirements of the PPP including but not limited to any requirements of the SBA for the sale and purchase of whole PPP Loans, if applicable) may, at the sole discretion of the Reserve Bank, void the non-recourse provisions and any related provisions, i.e., the Reserve Bank's rights shall be full recourse with respect to that portion of any Advance equal to the amount of the PPPLF Collateral Valuation (on the date of the Advance) of any non-conforming PPPLF Collateral, and may, at the sole discretion of the Reserve Bank, result in the Borrower's disqualification from participating in the PPPLF. For the avoidance of doubt, the Reserve Bank's exercise of any of the foregoing rights and discretion will not be deemed exclusive of any other

rights or remedies to which the Reserve Bank may be entitled under the PPPLF Agreement or any other Lending Agreement or applicable law. The Reserve Bank's determination that any PPPLF Collateral fails to conform to the requirements of this PPPLF Letter of Agreement or the Circular shall be conclusive absent manifest error.

Borrower's Depository Institution: The Borrower hereby agrees to the provisions of the Correspondent Credit and Payment Agreement (Exhibit 1 to the Circular's Appendix 5, pages 46-51 of the Circular) ("Correspondent Agreement"). For purposes of the PPPLF Agreement, references to the following terms in the Correspondent Agreement shall have the following meanings: references to the "Borrower" shall mean the Borrower hereunder, references to the "Bank" shall mean the Reserve Bank, and references to the "Correspondent" shall refer to the depository institution having an Account at the Reserve Bank and that is designated by the Borrower hereunder ("Borrower's Depository Institution"). In the event of any conflict between the terms of the Correspondent Agreement and the PPPLF Agreement, the PPPLF Agreement shall control to the extent of any conflict. The Borrower designates the following as the Borrower's Depository Institution under this PPPLF Letter of Agreement:

U.S. Bank National Association
(Name of Depository Institution)

Authorized Individuals: The following individuals are permitted to provide instructions, pledge PPPLF Collateral to and request Advances from the Reserve Bank under the PPPLF on behalf of the Borrower.

Name	Title, Telephone and Email
Allison Rossi	Treasury Manager
Timothy Murphy	Treasurer
Jessica Jiang	Capital Financing Lead
Jacqueline Reses	Sole Manager

A Borrower must enclose with this PPPLF Letter of Agreement a certified copy of the Authorizing Resolutions for Non-Bank Borrowers containing the titles of those persons authorized to request Advances from and to pledge PPPLF Collateral under the PPPLF.

Notices: Any notices required under the PPPLF Agreement shall be directed as follows:

If to the Borrower:

List department(s) and address(es)

If to the Reserve Bank:

List department(s) and address(es)

Paycheck Protection Program Liquidity Facility Letter of Agreement
(Non-Depository Institutions)
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Square Capital, LLC

1455 Market Street, Suite 600

San Francisco, CA 94103

Federal Reserve Bank of San Francisco

101 Market Street, MS 830

San Francisco, CA 94105

ppplfcredit@sf.frb.org

Paycheck Protection Program Liquidity Facility Letter of Agreement
(Non-Depository Institutions)
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Executed this 2nd day of June, 2020.

Square Capital, LLC

Full Legal Name of Borrower

By: /s/ Jackie Reses

Signature(s) of individual(s) authorized to sign documents on behalf of the Borrower as provided in the Authorizing Resolution¹

Jacqueline Reses

Name(s)

Sole Manager

Title(s)

1455 Market Street, Suite 600 San Francisco, CA 94103

Address, City, State, County of Borrower

Telephone

E-mail

Routing Transit Number (RTN) of Borrower's Depository Institution

U.S. Bank National Association

Name of Borrower's Depository Institution

US Bancorp Center, 800 Nicollet Mall, Minneapolis, MN 55402

Address, City, State of Borrower's Depository Institution

Telephone of Borrower's Depository Institution

¹ The signatory or signatories should be authorized to sign documents on behalf of the Borrower as provided in the Authorizing Resolutions for Borrowers required by the Circular.

For Borrower's Depository Institution:

For the purposes of the PPPLF, we agree to act as the Borrower's Depository Institution for the Borrower named above and, as such, to be bound by the provisions relating to a Correspondent in the Correspondent Credit and Payment Agreement (the "Correspondent Agreement"), currently an ancillary agreement attached to your Circular, as may be amended, and we agree that all references to "Correspondent" in the Correspondent Agreement shall refer to us. Pursuant to paragraph 3.1 of the Correspondent Agreement, we are furnishing below a list of individuals to whom you may provide an advice of credit or debit entries made under the Correspondent Agreement for the PPPLF. These individuals are also authorized to instruct you not to debit our account or to reverse a debit in accordance with Paragraph 5 of the Correspondent Agreement. We may amend this list from time to time.

U.S. Bank National Association

Date May 27, 2020

Name(s) of Borrower's Depository Institution

By: /s/ Shelia Pajerski

Authorized signature(s) of Borrower's Depository Institution²

Shelia Pajerski

Name(s)

Vice President

Title(s)

Telephone

E-mail

Individuals permitted to receive notification of credit or debit entries described in the Correspondent Agreement and authorized to instruct us not to debit the Correspondent Account or to reverse a debit: [list between 3 and 5 employees]

Name	Title, Telephone and Email
Lynn Flagstad	SVP
Shelia Pajerski	VP
Bob Mensch	AVP

² The signatory or signatories should be authorized to sign documents on behalf of the Borrower's Depository Institution as provided in the Borrower's Depository Institution's Official Authorization List.

Instructions to Email this Letter of Agreement to Your Processing Reserve Bank

Please select your Reserve Bank according to the following contact list

PPPLF Contact Table for Non-Depository Institutions

Borrower Entity Type	Processing Reserve Bank	Email, Telephone & Mailing Address
<ul style="list-style-type: none">Non-bank Community Development Financial Institution (CDFI)-certified by the U.S. Department of the Treasury	Federal Reserve Bank of Cleveland	Email: CLEV.ppplfcredit@clev.frb.org Telephone: (888) 719-4636 Credit Risk Management Federal Reserve Bank of Cleveland P.O. Box 6387 Cleveland, OH 44101-1387
<ul style="list-style-type: none">Small Business Lending Company (SBLC)-licensed and regulated by the Small Business AdministrationAgricultural Credit Association (ACA) -member of the Farm Credit System	Federal Reserve Bank of Minneapolis	Email: mpls.credit@mpls.frb.org Telephone: (877) 837-8815 Credit/PSR Section Federal Reserve Bank of Minneapolis P.O. Box 291 Minneapolis, MN 55480-0291
<ul style="list-style-type: none">All other Non-Depository SBA PPP Lenders	Federal Reserve Bank of San Francisco	Email: ppplfcredit@sf.frb.org Telephone: (866) 974-7475 Credit Risk Management Federal Reserve Bank of San Francisco 101 Market Street, MS 830 San Francisco, CA 94105