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17 July 2020

ASX RELEASE

Company Announcements Platform

# SEZZLE SECURITY PURCHASE PLAN OPENS

Sezzle Inc. (ASX:SZL) (Sezzle or the Company) // Installment payment platform, Sezzle, is pleased to announce that its Security Purchase Plan (SPP) announced on 10 July 2020 opens today. The SPP follows the completion of an A\$79.1 million (US\$55 million) institutional placement on 15 July 2020 (**Placement**).

Under the SPP, eligible holders have the opportunity to subscribe for up to A\$30,000 worth of new fully paid CHESS Depositary Interests (CDIs) in Sezzle (**New CDIs**) free of any brokerage, commissions and transaction costs.

The SPP is offered to holders of CDIs in Sezzle as at 7.00pm (Sydney time) on 9 July 2020 who have a registered address in Australia or New Zealand and who are not in the United States or acting for the account or benefit of any person in the United States or otherwise excluded from participating (**Eligible Holders**).

The issue price of New CDIs will be A\$5.30 per New CDI, being the issue price under the Placement determined via the bookbuild process held on 10 July 2020. The issue price represents a:

- 23.7% discount to the last traded price of A\$6.95 on Thursday, 9 July 2020; and
- 4.6% discount to the 5-day VWAP of A\$5.56 on Thursday, 9 July 2020.

The New CDIs will rank equally in all respects with Sezzle's existing CDIs from the date of allotment.

Sezzle has determined to raise approximately A\$7.2 million (US\$5 million) in aggregate through the SPP. If the demand for the SPP exceeds A\$7.2 million, Sezzle may decide in its absolute discretion to accept applications (in whole or in part) that result in the SPP raising more than A\$7.2 million. Sezzle may also decide to raise less than A\$7.2 million. If Sezzle decides to conduct any scale back of applications, for example because the aggregate amount applied for under the SPP exceeds Sezzle's requirements, the scale back will be applied on a pro rata basis, either based on the size of the Eligible Holder's existing holding of CDIs or based on the number of New CDIs that the Eligible Holder has applied for.

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A copy of the SPP booklet, which contains full details of the terms and conditions of the SPP and a timetable, is attached. SPP booklets have also been dispatched to Eligible Holders today.

The closing date for SPP applications is 5.00pm (Sydney time) on 4 August 2020.

For further information, Eligible Holders can contact the Sezzle Information Line on 1300 855 080 (within Australia) and +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday (excluding public holidays).

This announcement has been authorised for release by the Sezzle Board of Directors.

### Contact Information

For more information about this announcement:

Investor Relations	Justin Clyne	Media Enquiries
+61 391 112 670	Company Secretary	Mel Hamilton - M&C Partners
InvestorRelations@sezzle.com	+61 407 123 143	+61 417 750 274
	jclyne@clynecorporate.com.au	melissa.hamilton@mcpartners.com.au

### About Sezzle Inc.

Sezzle is a rapidly growing fintech company on a mission to financially empower the next generation. Sezzle's payment platform increases the purchasing power for more than 1.4 million Active Consumers by offering interest-free installment plans at online stores and select in-store locations. Sezzle's transparent, inclusive, and seamless payment option allows consumers to take control over the spending, be more responsible, and gain access to financial freedom. When consumers apply, approval is instant, and their credit scores are not impacted, unless the consumer elects to opt-in to a credit building feature, called Sezzle Up.

This increase in purchasing power for consumers leads to increased sales and basket sizes for the more than 16,000 Active Merchants that offer Sezzle.

For more information visit [sezzle.com](https://sezzle.com).

Sezzle's CDIs are issued in reliance on the exemption from registration contained in Regulation S of the US Securities Act of 1933 (Securities Act) for offers of securities which are made outside the US. Accordingly, the CDIs have not been, and will not be, registered under the Securities Act or the laws of any state or other jurisdiction in the US. As a result of relying on the Regulation S exemption, the CDIs are 'restricted securities' under Rule 144 of the Securities Act. This means that you are unable to sell

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the CDIs into the US or to a US person who is not a QIB for the foreseeable future except in very limited circumstances until after the end of the restricted period, unless the re-sale of the CDIs is registered under the Securities Act or an exemption is available. To enforce the above transfer restrictions, all CDIs issued bear a FOR Financial Product designation on the ASX. This designation restricts any CDIs from being sold on ASX to US persons excluding QIBs. However, you are still able to freely transfer your CDIs on ASX to any person other than a US person who is not a QIB. In addition, hedging transactions with regard to the CDIs may only be conducted in accordance with the Securities Act.



The way forward.

## **SEZZLE INC**

**ARBN 633 327 358**

### **SECURITY PURCHASE PLAN**

ELIGIBLE HOLDERS MAY SUBSCRIBE FOR UP TO A\$30,000 IN APPLYING  
FOR NEW CDIS IN SEZZLE INC

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This is an important document.

This document has been prepared by Sezzle Inc. The Offer is an initiative that provides Eligible Holders with the opportunity to purchase New CDIs at a discount to the prevailing market price and without brokerage or other transaction costs.

The Offer does not take into account the individual investment objectives, financial situation or particular needs of each Eligible Holder. Accordingly, before making a decision on whether or not to accept the Offer, you should consult your financial or other professional adviser.

This document is not a prospectus or other disclosure document under the Corporations Act.

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR TO US PERSONS**

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## LETTER FROM THE CHAIRMAN

Dear Eligible Holder

On behalf of the Board of Directors of Sezzle Inc. (**Sezzle**), I am pleased to offer you the opportunity to apply for new CHESS Depositary Interests in Sezzle (**New CDIs**) through a Security Purchase Plan (**SPP**). The SPP allows each Eligible Holder the opportunity to subscribe for up to A\$30,000 of New CDIs without incurring brokerage or other transaction costs.

Sezzle has determined to raise approximately A\$7.2 million (US\$5 million) in aggregate through the SPP. If the demand for the SPP exceeds A\$7.2 million, Sezzle may decide in its absolute discretion to accept applications (in whole or in part) that result in the SPP raising more than A\$7.2 million. Sezzle may also decide to raise less than A\$7.2 million. If Sezzle decides to conduct any scale back of applications, for example because the aggregate amount applied for under the SPP exceeds Sezzle's requirements, the scale back will be applied on a pro rata basis, either based on the size of the Eligible Holder's existing holding of CDIs or based on the number of New CDIs that the Eligible Holder has applied for.

The SPP follows Sezzle's successful institutional placement announced on Friday, 10 July 2020 of 14,931,451 CDIs at A\$5.30 per CDI (**Placement**) which raised approximately A\$79.1 million (US\$55 million) before costs of the Placement.

The issue price of New CDIs under the SPP will be A\$5.30 per New CDI, being the issue price under the Placement determined via the bookbuild process held on 10 July 2020. The issue price represents a:

- 23.7% discount to the last traded price of A\$6.95 on Thursday, 9 July 2020; and
- 4.6% discount to the 5-day VWAP of A\$5.56 on Thursday, 9 July 2020.

It is intended that funds raised under the Placement and SPP will be used by Sezzle to fund sales and marketing growth, support its recent product enhancements and expansion, support continued research and development, bolster the balance sheet in the context of COVID-19, and support international growth.

The detail of these initiatives is further explained in the investor presentation titled "*Capital Raising Presentation*" (the **Investor Presentation**) released by Sezzle to the ASX on Friday, 10 July 2020.

Participation in the SPP is entirely voluntary.

Full details of the SPP are set out in the Terms and Conditions contained in this Booklet, which I encourage you to read in full.

### ***Details of the SPP Offer***

The SPP is offered exclusively to holders of fully paid CDIs in Sezzle as at 7.00pm (Sydney time) on Thursday, 9 July 2020 who have a registered address in Australia or New Zealand and who are not Excluded Holders (**Eligible Holders**). Certain Eligible Holders who are Custodians and hold CDIs on behalf of certain beneficiaries are also offered the opportunity to participate in the SPP on behalf of those beneficiaries in accordance with the Terms and Conditions.

Holders in the United States are not eligible to participate in the SPP. Similarly, persons (including Custodians) who hold CDIs on behalf of persons in the United States, or who are acting for the account or benefit of persons in the United States, are not eligible to participate in the SPP on behalf of those persons.

The SPP provides Eligible Holders with an opportunity to contribute up to A\$30,000 (in set amounts of A\$1,000, A\$2,500, A\$5,000, A\$7,500, A\$10,000, A\$15,000, A\$20,000, A\$25,000 or A\$30,000) in applying for New CDIs.

If Sezzle receives applications that exceed the amount it proposes to raise under the SPP, it may decide to scale back applications or raise a higher amount, in its absolute discretion. If a scale back is applied, this means that an Eligible Holder may be allocated fewer New CDIs than they apply for under the SPP.

If Sezzle decides to conduct any scale back of applications, for example because the aggregate amount applied for under the SPP exceeds Sezzle's requirements, the scale back will be applied on a pro rata basis, either based on the size of the Eligible Holder's existing holding of CDIs or based on the number of New CDIs that the Eligible Holder has applied for.

All CDIs issued under the SPP will rank equally with existing CDIs and will carry the same voting rights and entitlements to receive dividends from the date of issue.

No brokerage, commissions or other transaction costs apply to purchases under the SPP.

### ***How to accept this Offer***

Please carefully read and follow the instructions set out in this Booklet when applying to participate in the SPP.

To apply for New CDIs, you must, by **5.00pm (Sydney time) on Tuesday, 4 August 2020**, either:

- (a) **make a payment directly via BPAY®**, which is the fastest and easiest way to apply and is recommended by the Registry in light of delays to postal services caused by the COVID-19 pandemic (if you choose this option you do not need to return an Application Form); or
- (b) **complete and return the personalised paper Application Form enclosed with this Booklet, together with payment by cheque so as to reach the Registry prior to the closing time and date.**

The SPP offer will open at 9.00am (Sydney time) on Friday, 17 July 2020 and will close at 5.00pm (Sydney time) on Tuesday, 4 August 2020.

### ***Further Information***

This Booklet contains important information about the SPP to assist you in deciding whether to participate in the SPP. You should read this Booklet carefully and in its entirety, together with the "Key risks" section in Appendix B of the Investor Presentation, before you decide whether to participate in the SPP.

For further information, you can contact the Sezzle Information Line on 1300 855 080 (within Australia) and +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday.

The SPP offer does not take into account your individual investment objectives, financial or taxation situation or particular needs. If you have any questions in relation to the SPP offer, you should seek professional advice from your stockbroker, solicitor, accountant or other independent and qualified professional adviser.

On behalf of the Board of Sezzle, I thank you for your continued support of Sezzle.

Yours sincerely



**Charlie Youakim**  
**Executive Chairman and Chief Executive Officer**  
**Sezzle Inc.**

## KEY DATES

Event	Description	Date (and time if relevant)
<b>Record Date</b>	The date and time that eligibility to participate in the SPP was determined.	7:00pm (Sydney time) on Thursday, 9 July 2020
<b>Opening Date</b>	SPP opens. Applications can be submitted and BPAY® payments can be made on and from this date.	9:00am (Sydney time) on Friday, 17 July 2020
<b>Closing Date</b>	SPP closes. Applications must be received by this time and date.	5:00pm (Sydney time) on Tuesday, 4 August 2020
<b>SPP Results announcement</b>	The results of the SPP will be announced to ASX (including scale back policy if applicable).	Friday, 7 August 2020
<b>Issue Date</b>	New CDIs will be issued on this date.	Tuesday, 11 August 2020
<b>Commencement of trading and dispatch date</b>	New CDIs commence trading on ASX. Holding statements will be dispatched to Holders.	Wednesday, 12 August 2020

*This timetable is indicative only and is subject to change. Sezzle may alter the dates above, withdraw or vary the SPP, or accept Applications received after the Closing Date, in each case in Sezzle's absolute discretion, subject to the ASX Listing Rules and the Corporations Act.*



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## IMPORTANT NOTICES

**This Booklet does not provide financial advice and has been prepared without taking account of any person's investment objectives, financial situation and particular needs. You should consider the appropriateness of participating in the SPP having regard to your investment objectives, financial situation or particular needs.**

**You should seek professional advice from your stockbroker, solicitor, accountant or other independent and qualified professional adviser before making any investment decision in relation to these matters.**

The offer of New CDIs under the SPP offer is made in accordance with the Corporations Act and ASIC Instrument [20-0707], which grants relief from the requirement for Sezzle to provide prospectus disclosure in relation to the SPP. This Booklet does not constitute a prospectus or product disclosure statement, and it has not been lodged with ASIC. You must rely on your own knowledge of Sezzle and previous disclosure made by Sezzle to ASX. You should seek professional advice from your stockbroker, solicitor, accountant or other independent and qualified professional adviser when deciding whether or not to participate in the SPP offer.

Your Application will be irrevocable and unconditional (it cannot be withdrawn or cancelled) even if the market price of New CDIs changes after you lodge your Application. If you participate in the SPP by submitting an Application, you are accepting the risk that the market price of CDIs may change between the date on which you apply for the New CDIs and the Issue Date. This means it is possible that, between the time you make your Application and up to or after the Issue Date, you may be able to buy CDIs on market at a lower price than the Issue Price.

Sezzle will not issue New CDIs under the SPP to an applicant if those CDIs, either alone or in conjunction with the issue of CDIs under other Applications received by Sezzle, would contravene any law or the ASX Listing Rules.

Eligible Holders should be aware that an investment in Sezzle involves risks. The key risks identified by Sezzle are set out in the "Key risks" section in Appendix B of the Investor Presentation (a copy of which can be obtained from [www.asx.com.au](http://www.asx.com.au)).

Defined words and expressions used in this Booklet are capitalised. See the Definitions section at the end of this Booklet for their definition.

Unless otherwise stated, all references in this Booklet to time are to Sydney, Australia time and to amounts are to Australian dollars.

### **Not for Distribution or Release in the United States**

This Booklet does not constitute an offer of securities in any place outside Australia or New Zealand. In particular, this Booklet does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such an offer would be unlawful. The New CDIs to be offered and sold under the SPP have not been, and will not be, registered under the US Securities Act of 1933, as amended (the **US Securities Act**), or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of a person in the United States unless the New CDIs have been registered under the US Securities Act or are offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

The New CDIs to be offered and sold under the SPP will only be offered and sold to Eligible Holders in Australia and New Zealand in “offshore transactions” (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.

In order to comply with the requirements of Regulation S, investors may not re-sell any New CDIs (or underlying securities) into the US to a US person or for the account or benefit of a US Person for a period of one year after the date of issue of the securities unless the resale of the securities is registered under the US Securities Act or an exemption from registration is available. Accordingly, in order to enforce the above transfer restrictions whilst ensuring that holders can still trade their CDIs on ASX, the CDIs will bear a “FOR US” designation on ASX. As a result of the imposition of the “FOR US” designation, all securityholders of Sezzle will be restricted from selling their CDIs on ASX to US persons.

### **Future performance and forward-looking statements**

This Booklet contains certain “forward-looking statements”. The words “expect”, “anticipate”, “estimate”, “intend”, “believe”, “guidance”, “should”, “could”, “may”, “will”, “predict”, “plan” and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Booklet are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Sezzle, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Investors are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic. Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of Sezzle’s business strategies, the success of which may not be realised within the period for which the forward-looking statement may have been prepared, or at all. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this Booklet. The forward-looking statements are based on information available to Sezzle as at the date of this Booklet. Except as required by law or regulation (including the ASX Listing Rules), none of Sezzle, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

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## QUESTIONS AND ANSWERS

### 1. What is the SPP?

The SPP is an opportunity for Eligible Holders to purchase up to A\$30,000 of additional CDIs (New CDIs) without brokerage, commissions or other transaction costs. All New CDIs issued to an Eligible Holder under the SPP will rank equally with their existing CDIs and will carry the same voting rights and other entitlements, including entitlements to receive dividends.

### 2. Why is Sezzle conducting the SPP?

It is intended that funds raised under the Placement and SPP will be used by Sezzle to fund sales and marketing growth, support the Company's recent product enhancements and expansion, support continued research and development, bolster the balance sheet in the context of COVID-19, and support international growth.

The detail of these initiatives is further explained in the Investor Presentation.

### 3. How long is the SPP open for?

The SPP offer opens at 9.00am (Sydney time) on Friday, 17 July 2020 and is scheduled to close at 5.00pm (Sydney time) on Tuesday, 4 August 2020 (see the Key Dates section of this Booklet).

If you are an Eligible Holder and would like to participate, you should ensure that the Registry receives your Application (including payment) by no later than **5.00pm (Sydney time) on Tuesday, 4 August 2020**.

### 4. Who may participate in the SPP?

You may participate in the SPP if you are an Eligible Holder. You are an Eligible Holder if you were a registered holder of CDIs at 7.00pm (Sydney time) on Thursday, 9 July 2020 with a registered address in Australia or New Zealand and you are not an Excluded Holder.

An Excluded Holder is any Holder (including a Custodian) to the extent that they:

- hold CDIs on their own account and reside outside Australia or New Zealand;
- hold CDIs on behalf of another person who resides outside Australia or New Zealand; or
- are in the United States, or they hold CDIs on behalf of persons in the United States, or are acting for the account or

benefit of persons in the United States (to the extent they are participating in the SPP on behalf of those persons).

The New CDIs are not being offered or sold to the public within New Zealand other than to existing Holders of Sezzle with registered addresses in New Zealand to whom the offer of the New CDIs is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Certain Eligible Holders who are Custodians holding CDIs on behalf of Eligible Beneficiaries are also able to participate in the SPP in accordance with the Terms and Conditions.

### 5. Do I have to participate in the SPP?

No. Participation in the SPP is entirely voluntary. If you do not wish to participate in the SPP, no action is required on your part.

Before you apply for New CDIs, Sezzle recommends that you seek independent financial advice from your stockbroker, solicitor, accountant or other independent and qualified professional adviser, and you monitor the market price of the CDIs.

This Booklet does not purport to contain all of the information that you need to make an investment decision. Further details about Sezzle, the Placement and the SPP are included in Sezzle's ASX announcements released on [www.asx.com.au](http://www.asx.com.au), which you are encouraged to read.

### 6. Can my offer under the SPP be transferred to a third party?

No. Your rights under this SPP offer are personal to you and cannot be transferred to any person.

### 7. What is the Issue Price of the New CDIs under the SPP

The Issue Price of New CDIs will be A\$5.30 per New CDI, being the issue price under the Placement determined via the bookbuild process held on 10 July 2020.

There is a risk that the market price of the CDIs may rise or fall between the date of this Booklet and the date when New CDIs are issued or allotted to you under the SPP. This means that the price you pay for the New CDIs issued to you may be less than or more than the market price of CDIs at the date of this Booklet or the time of issue.

Subject to the Corporations Act, your application is unconditional and may not be withdrawn even if the market price of CDIs is less than the Issue Price.

The current CDI price can be obtained from ASX under the ticker code "SZL".

#### **8. What is the maximum number of New CDIs that I can apply for through the SPP?**

Eligible Holders cannot apply for more than A\$30,000 of New CDIs, on the following basis:

- if you have multiple registered holdings, or if a Custodian holds CDIs on your behalf, the maximum amount you may apply to invest (or instruct a Custodian to apply for) under the SPP (or any similar arrangement offered by Sezzle in the preceding 12 months) in all capacities in aggregate is A\$30,000; and
- this limit applies regardless of the number of CDIs you currently hold and regardless of whether you participated in the Placement.

By applying to purchase New CDIs, you represent and certify (amongst other things) to Sezzle that you have not exceeded this A\$30,000 limit. Further detail is set out in the Terms and Conditions at terms 3.6 and 3.16.

You give those representations and certifications to Sezzle irrespective of how you apply. Custodians may only apply for a maximum of A\$30,000 of New CDIs in respect of each Eligible Beneficiary and will be required to certify this to Sezzle in the Custodian Certificate and as set out in term 3.16(e).

These amounts may be subject to scale back – see Question 13.

#### **9. How many New CDIs can I apply for under the SPP?**

If you are an Eligible Holder and wish to participate in the SPP offer, you will apply for a certain value, rather than a certain number, of New CDIs. You are entitled to contribute a set amount of A\$1,000, A\$2,500, A\$5,000, A\$7,500, A\$10,000, A\$15,000, A\$20,000, A\$25,000 or A\$30,000 (**Application Amounts**) in applying for New CDIs, regardless of the number of CDIs you currently hold. These amounts may be subject to scale back — see Question 13.

If you make a payment for any amount other than one of the prescribed Application Amounts, Sezzle may round down to the next

available Application Amount and return the balance of your Application monies to you. Alternatively, Sezzle may reject your Application in full.

Sezzle will determine how many New CDIs you have applied for by dividing your Application Amount by the Issue Price (described above) in accordance with the Terms and Conditions.

If your nominated Application Amount cannot be divided by the Issue Price to give a whole number of CDIs, the number of New CDIs that you apply for will be rounded down and any remaining balance of your payment will form part of the assets of Sezzle. You will not receive a refund for this amount, which will always be less than the price of 1 CDI.

#### **10. How do I apply for CDIs under the SPP?**

To apply for New CDIs, you must, by 5.00pm (Sydney time) on Tuesday, 4 August 2020, either:

- make a payment directly via BPAY® by using the unique Reference Number printed on your Application Form, which is the fastest and easiest way to apply and is recommended by the Registry in light of delays to postal services caused by the COVID-19 pandemic (if you choose this option you do not need to return an Application Form); or
- complete and return the personalised paper Application Form enclosed with this Booklet, together with payment by cheque to:

Sezzle Inc.

C/- Computershare Investor Services  
Pty Limited

GPO Box 505

Melbourne Victoria 3001

Further detail is set out in the Terms and Conditions at term 3.10.

Your Application (including payment) must be received by 5.00pm on Tuesday, 4 August 2020 (the Closing Date for the SPP).

You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore consider this when making payment. You may also have your own limit on the amount that you can pay via BPAY®. It is your responsibility to check that the amount

you wish to pay via BPAY® does not exceed your limit.

You should consider postal and cheque clearance timeframes in meeting this deadline, including the possibility that there may be postal delays due to COVID-19 Regulations, reduced frequency of deliveries, or other delay.

Custodians are also required to provide a Custodian Certificate and must comply with the additional requirements set out in the Terms and Conditions. See also Question 16 below.

Your Application will be irrevocable and unconditional (it cannot be withdrawn or cancelled) even if the market price of New CDIs changes after you lodge your Application.

**11. Can I withdraw my Application (e.g. if the market price of Sezzle's CDIs changes after I submit my Application)?**

No. Your Application, once made, is unconditional and may not be withdrawn even if the market price of CDIs changes after you lodge your Application or is less than the Issue Price. By submitting an Application, you are accepting the risk that the market price of CDIs may change between the date on which you apply for the New CDIs and the Issue Date. This means it is possible that, between the time you make your Application and up to or after the Issue Date, you may be able to buy CDIs at a lower price than the Issue Price.

**12. What do I do if I receive more than one Application Form?**

Eligible Holders who receive more than one Application Form under the SPP or who are able to participate in the SPP as an underlying beneficial owner of an eligible custodian (e.g. where an Eligible Holder holds CDIs in more than one capacity), may apply on different Application Forms for CDIs, however the total aggregate amount that is applied for must not exceed A\$30,000.

**13. Do I have a guaranteed allocation of New CDIs under the SPP?**

No. If you are an Eligible Holder and you make a valid Application in accordance with the Terms and Conditions then, subject to the following, you will receive a Parcel of New CDIs valued at the Application Amount specified in your Application Form and issued at the Issue Price (rounded down to the nearest whole number of New CDIs).

Sezzle has determined to raise approximately A\$7.2 million (US\$5 million) in aggregate through the SPP. In determining the size of the SPP, Sezzle has taken into account the size of the fundraising comprising the Placement and the SPP, the allocation between the Placement and the SPP within the fundraising and Sezzle's requirement for new capital. The SPP of approximately A\$7.2 million (US\$5.0 million) is intended to allow Eligible Holders an opportunity to participate in the Company's requirement for new capital at this time.

If the demand for the SPP exceeds A\$7.2 million, Sezzle may decide in its absolute discretion to accept applications (in whole or in part) that result in the SPP raising more than A\$7.2 million. Sezzle may also decide to raise less than A\$7.2 million. If Sezzle decides to conduct any scale back of applications, for example because the aggregate amount applied for under the SPP exceeds Sezzle's requirements, the scale back will be applied on a pro rata basis, either based on the size of the Eligible Holder's existing holding of CDIs or based on the number of New CDIs that the Eligible Holder has applied for.

This means you may be allocated fewer New CDIs than the Parcel of New CDIs for which you applied. If this happens, you will be refunded the difference in the Application Amount as set out in the Terms and Conditions (without interest payable on funds prior to your refund).

**14. What costs are associated with the SPP?**

There are no brokerage or transaction costs payable by Eligible Holders in relation to the Application for, and the issue of, New CDIs.

**15. Can I apply for New CDIs under the SPP if my CDIs are held by a Custodian?**

If you are an Eligible Beneficiary of CDIs held by a Custodian you will be eligible to participate in the SPP through that Custodian (see the Terms and Conditions below).

**16. How do Custodians apply for Eligible Beneficiaries?**

Custodians may only distribute documents relating to the SPP to Eligible Beneficiaries. In particular, Custodians must not distribute any documents relating to the SPP to any person in the United States or to any person acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of a person in the United States), and must not submit an Application or

make payment for New CDIs for any person who is an Excluded Holder.

If you wish to apply as a Custodian under the SPP to receive New CDIs for one or more Eligible Beneficiaries, you must complete and submit an additional Custodian Certificate that contains further certifications and details (as required under the terms of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (as the requirements of that instrument apply to Sezzle through ASIC Instrument [20-0707]) before your Application will be accepted. Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected. By applying as a Custodian on behalf of Eligible Beneficiaries to purchase New CDIs, you certify (amongst other things) that each Eligible Beneficiary has not exceeded the A\$30,000 limit (see Question 8).

To request a Custodian Certificate, please contact the Sezzle Information Line on 1300 855 080 (within Australia) and +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday.

A Custodian will be ineligible to participate in the SPP if their participation would be in breach of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (as that instrument applies to Sezzle through ASIC Instrument [20-0707]).

#### **17. What transfer restrictions will apply to New CDIs issued under the SPP?**

The SPP is being made available to Eligible Holders in reliance on the exemption from registration contained in Regulation S of the US Securities Act for offers, which are made outside the United States.

You will not be able to sell the New CDIs issued to you under the SPP into the United States or to a US person for a period of one year after the date of allotment unless the re-sale of securities is registered under the US Securities Act or an exemption is available.

#### **18. How will transfer restrictions on New CDIs issued under the SPP be enforced?**

All New CDIs will bear a "FOR US" designation on ASX. This designation effectively automatically prevents any CDIs from being sold on ASX to US persons.

You will still be able to freely transfer your CDIs on ASX to any person other than a US person.

#### **19. Where can I obtain further information?**

Further details about Sezzle, the Placement and the SPP offer are included in Sezzle's ASX announcements, including those released on Friday, 10 July 2020, which you are encouraged to read. Sezzle is a disclosing entity for the purposes of the Corporations Act and, as a result, is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. Copies of Sezzle's ASX announcements may be viewed on the ASX website at [www.asx.com.au](http://www.asx.com.au) (ASX code "SZL").

Information about Sezzle, including Sezzle's half-yearly and annual financial reports, risks in investing in Sezzle, presentations and other investor information, can also be obtained from <https://sezzle.com/investors>.

Eligible Holders can also contact the Sezzle Information Line on 1300 855 080 (within Australia) and +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday.

If you have any questions about whether participating in the SPP is appropriate for you, please seek professional advice from your stockbroker, solicitor, accountant or other independent and qualified professional adviser.

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## TERMS AND CONDITIONS

Please read these Terms and Conditions carefully, as you will be bound by them in participating in the SPP.

Eligible Holders accepting the SPP offer will also be bound by the Certificate of Incorporation and By-laws of Sezzle. The previous sections of this Booklet and the Application Form are part of these Terms and Conditions.

### 1 SPP OFFER TIMETABLE

- 1.1 This SPP offer is dated, and taken to be made on, Friday, 17 July 2020.
- 1.2 The SPP offer opens at 9.00am (Sydney time) on Friday, 17 July 2020 (the **Opening Date**) and closes at 5.00pm (Sydney time) on Tuesday, 4 August 2020 (the **Closing Date**). Application Forms and cheques or BPAY® payments may not be processed and may not be valid if they have not been received by the Closing Date. You must allow adequate time for Application Forms and cheques forwarded by post to be received by the Registry.
- 1.3 Applications cannot be processed before 9.00am (Sydney time) on Friday, 17 July 2020.
- 1.4 The New CDIs will be issued on the Issue Date. A holding statement is expected to be dispatched to you on or around the Dispatch Date.

### 2 ELIGIBLE HOLDERS

- 2.1 You may participate in the SPP if you are an Eligible Holder.
- 2.2 You are an Eligible Holder if you are a registered holder of CDIs on the Record Date with a registered address in Australia or New Zealand and you are not an Excluded Holder. Certain Eligible Holders who are Custodians holding CDIs on behalf of Eligible Beneficiaries are also able to participate in the SPP in accordance with these Terms and Conditions.
- 2.3 An **Excluded Holder** is any Holder (including a Custodian) to the extent that they:
  - (a) hold CDIs on their own account and reside outside Australia or New Zealand;
  - (b) hold CDIs on behalf of another person who resides outside Australia or New Zealand; or
  - (c) are in the United States, or they hold CDIs on behalf of persons in the United States, or are acting for the account or benefit of persons in the United States (to the extent that they are participating in the SPP on behalf of those persons).
- 2.4 The New CDIs to be offered and sold under the SPP have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of a person in the United States unless the New CDIs have been registered under the US Securities Act or are offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable securities laws of any state or other jurisdiction of the United States.
- 2.5 The New CDIs to be offered and sold under the SPP will only be offered and sold to Eligible Holders in Australia and New Zealand in “offshore transactions” (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.
- 2.6 If you are an Eligible Holder and the only registered holder of a holding of CDIs, but you receive more than one offer under the SPP (due to multiple registered holdings), you may only contribute a maximum of A\$30,000 in applying for New CDIs.

- 2.7 If two or more persons are recorded in Sezzle's CDI Register as jointly holding CDIs, they are taken to be a single registered holder of CDIs for the purposes of the SPP and, if they are Eligible Holders, they are entitled to participate in the SPP in respect of that single holding only. If as joint holders you are Eligible Holders and receive more than one offer under the SPP due to multiple identical holdings, you may still only contribute a maximum of A\$30,000 in applying for New CDIs. An agreement, representation, acknowledgement or certification given by any joint holder of CDIs is taken to be an agreement, representation, acknowledgement or certification given by all joint holders.
- 2.8 If you are an Eligible Holder, your rights under this offer are personal to you and non-renounceable, so you may not transfer them.
- 2.9 The offer under the SPP is made on the same terms and conditions to each Eligible Holder (whether you are a Custodian or hold CDIs on your own account).
- 2.10 Participation in the SPP is entirely optional. If you are an Eligible Holder, you can choose whether or not to participate. If you are a Custodian, you can choose whether to extend the offer to your beneficiaries that are Eligible Beneficiaries.
- 2.11 A Custodian may not participate in the SPP on behalf of, nor distribute this Booklet or any other document relating to the SPP to, any person in the United States or any person acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of a person in the United States).

### **3 APPLICATIONS FOR NEW CDIs**

- 3.1 You may not apply for, and will not be allotted, New CDIs worth more than A\$30,000.
- 3.2 Sezzle can reject any Application for New CDIs, in whole or in part, if Sezzle believes you have not complied with this condition. Term 3.1 applies irrespective of the number of CDIs you hold on the Record Date or whether you participated in the Placement.

#### ***Limitations on Applications - General***

- 3.3 If you are an Eligible Holder, you may apply under the SPP to purchase a parcel of New CDIs valued at a prescribed Application Amount, being one of A\$1,000, A\$2,500, A\$5,000, A\$7,500, A\$10,000, A\$15,000, A\$20,000, A\$25,000 or A\$30,000 (**Parcel**).
- 3.4 This Parcel may be subject to a scale back and rounding.
- 3.5 Unless you are applying as a Custodian, the maximum amount of A\$30,000 applies even if you receive more than one Application Form or if you hold CDIs in more than one capacity (for example, if you are both a sole and joint holder of CDIs – see term 2 above) and irrespective of the number of CDIs you hold on the Record Date.
- 3.6 Unless you are a Custodian, by submitting an Application you represent to Sezzle that the aggregate Application price for the following does not exceed A\$30,000:
  - (a) the New CDIs you are applying for in your Application;
  - (b) any other CDIs you are applying for under the SPP, or CDIs or interests in the class issued under a similar arrangement in the 12 months before the Application;
  - (c) any other CDIs or interests in the class which you have instructed a Custodian to acquire on your behalf under the SPP; and
  - (d) any other CDIs or interests in the class issued to a Custodian under an arrangement similar to the SPP in the 12 months before your Application under the SPP, as a result of you instructing the Custodian or another Custodian, which resulted in you holding a beneficial interest in the CDIs or interests.



- 3.7 If you are an Eligible Holder and also hold CDIs through a Custodian, you may still only contribute a maximum of A\$30,000 in applying for New CDIs (including those you apply for directly and those you instruct a Custodian to apply for).

#### ***Limitations on Applications - Custodians***

- 3.8 If you are a Custodian, you may contribute a maximum of A\$30,000 in applying for New CDIs for each participating Eligible Beneficiary on whose behalf you or a downstream custodian holds CDIs (but joint holders are taken to be a single holder).
- 3.9 If you are a Custodian, you must provide Sezzle with a Custodian Certificate which sets out the matters required in term 3.16(e). This certificate can be obtained by contacting the Sezzle Information Line on 1300 855 080 (within Australia) and +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday.

#### ***Applying for New CDIs***

- 3.10 If you are an Eligible Holder and wish to participate in the SPP, you can apply for New CDIs in the following ways:

- (a) **Option 1 – BPAY®:** Apply for New CDIs by making a payment for your nominated Application Amount using the BPAY® facility provided by your bank as per the instructions in the Application Form. If you received a printed copy of this Booklet with a personalised Application Form, instructions about how to make that BPAY® payment (including your unique BPAY® reference number) are set out in the Application Form. If you make a payment by BPAY®, you do not need to return an Application Form but you will be taken to have made the statements and certifications that are set out in the Application Form.
- (b) **Option 2 – cheque:** If you received a printed copy of this Booklet with a personalised Application Form, follow the instructions set out in your personalised Application Form enclosed.

You must post your completed Application Form to the Registry at the following address, enclosing your cheque:

Sezzle Inc.

C/- Computershare Investor Services Pty Limited

GPO Box 505

Melbourne Victoria 3001

Due to current delays with postage, you are encouraged to make any postal applications as soon as possible and well in advance of the Closing Date.

The cheque must be for your nominated Application Amount, drawn on an Australian branch of a financial institution in Australian currency, made payable to "Sezzle Inc." and crossed "Not Negotiable".

- 3.11 If you make a payment for any amount other than one of the Application Amounts, Sezzle reserves the right to reject your Application in whole or in part (including by rounding down to the nearest valid Application Amount). If your Application is rejected, the portion of your Application monies that relates to the rejected portion of your Application will be returned to you under term 12. Payment must be received by 5.00pm (Sydney time) on the Closing Date. Your Application will only be valid when your payment is received.
- 3.12 Custodians must also provide a Custodian Certificate in accordance with term 3.16(e).

#### ***Sezzle's discretions regarding Applications***

- 3.13 Sezzle has a broad discretion to accept or reject your Application to purchase New CDIs under the SPP, including if:
- (a) your Application Form is incorrectly completed, incomplete or otherwise determined by Sezzle to be invalid;

- (b) your payment is not for an Application Amount;
- (c) your payment by BPAY® is not received or is incomplete or invalid;
- (d) your cheque is dishonoured, has not cleared by the Closing Date or has not been completed correctly;
- (e) the cheque that you enclose with your Application Form is not made out for the exact amount as indicated on the Application Form;
- (f) unless you are applying as a Custodian, it appears that you are applying to buy more than A\$30,000 (in aggregate) of New CDIs under the SPP (including as a result of CDIs you hold directly, or through a Custodian arrangement);
- (g) you are a Custodian, Sezzle is not satisfied with your certification for any reason, or if you have not provided a Custodian Certificate;
- (h) your Application or payment is not received until after the Closing Date. While Sezzle has the discretion to accept late Applications or payments (subject to any legal requirements), there is no assurance that Sezzle will do so. If not accepted, late Applications and payments will be returned to you in accordance with term 12; or
- (i) Sezzle has reason to believe that you are not an Eligible Holder (subject to compliance with any applicable ASIC or ASX requirements).

***Sezzle's discretion to undertake a scale back***

- 3.14 Sezzle may decide (in its absolute discretion) to scale back Applications for New CDIs to the extent and in the manner that Sezzle thinks fit, subject to the terms of the ASX Waiver Decision. If Sezzle decides to conduct any scale back, it will apply the scale back on a pro rata basis, either based on the size of the Eligible Holder's existing holding of CDIs or based on the number of New CDIs that the Eligible Holder has applied for, in accordance with the ASX Waiver Decision.
- 3.15 If there is a scale back:
- (a) you may not receive all the New CDIs for which you have applied;
  - (b) if the scale back produces a fractional number of New CDIs when applied to your Application Amount, the number of New CDIs you will be allotted will be rounded down; and
  - (c) Sezzle will return to you the difference between your Application monies and the total Issue Price for the New CDIs allotted to you, without interest, in accordance with term 12 (provided that you will not receive a refund for an amount which is less than the Issue Price of 1 CDI).

***Effect of applying for New CDIs***

- 3.16 If you apply to participate in the SPP:
- (a) your Application, on these Terms and Conditions, will be irrevocable and unconditional (it cannot be withdrawn or cancelled);
  - (b) you warrant that all the details and statements in your Application are true and complete and not misleading;
  - (c) you represent that you are, and each person for whom you are acting is, an Eligible Holder or an Eligible Beneficiary;
  - (d) if you are applying on your own behalf (and not as a Custodian), you certify that, even if you have received more than one offer under the SPP or received offers in more than one capacity, the aggregate Application monies paid by you in any capacity (except as Custodian) for:
    - (i) the New CDIs that you are applying for; and
    - (ii) any other CDIs that may be, or have been, issued to you or to a Custodian on your behalf and at your instruction, under the SPP or any similar arrangement

operated by Sezzle in the 12 months before the date Sezzle received your Application, is not more than A\$30,000. Sezzle will take no responsibility for Applications in excess of A\$30,000;

- (e) if you are a Custodian and are applying for New CDIs with a total Application price exceeding A\$30,000, you must provide a Custodian Certificate containing details of the participating Eligible Beneficiaries, including their name, address, the number of participating Eligible Beneficiaries, the number of CDIs you hold on their behalf, and the amount of New CDIs you have been instructed to apply for on their behalf. In the Custodian Certificate you provide, you must certify that:
  - (i) you are a “custodian” as that term is defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547;
  - (ii) you held CDIs on behalf of the Eligible Beneficiary as at the Record Date who has instructed you to apply for New CDIs on their behalf under the SPP and that the Eligible Beneficiary has been given a copy of this Booklet;
  - (iii) you are not applying for New CDIs on behalf of any single Eligible Beneficiary with an Application price of more than \$30,000 under the SPP (or any similar arrangement offered by Sezzle in the preceding 12 months); and
  - (iv) the information in the Custodian Certificate submitted with your Application is true, correct and not misleading;
- (f) you agree to these Terms and Conditions and you agree not to do anything which would be contrary to the spirit, intention or purpose of the SPP;
- (g) you authorise Sezzle (and its officers and agents) to correct any error in, or omission from, your Application Form and to complete the Application Form by the insertion of any missing details and to do anything necessary on your behalf for New CDIs to be issued to you in accordance with these Terms and Conditions;
- (h) you agree that Sezzle may determine that your Application Form is valid and in accordance with these Terms and Conditions, even if it is incomplete, contains errors or is otherwise defective;
- (i) you agree that your Application is only effective when received by the Registry (including payment in cleared funds) and not when it is posted;
- (j) you accept the risk associated with any return of Application monies (for example, in the event of a rejected Application) or other refunds that may be dispatched to you by cheque to your address shown on Sezzle’s CDI Register;
- (k) you agree to indemnify Sezzle for, and to pay to Sezzle within 5 business days of demand, any dishonour fees or other costs Sezzle may incur in presenting a cheque for payment which is dishonoured;
- (l) you acknowledge that none of Sezzle or the Registry or any of their respective advisers or agents has provided you with investment advice, financial product advice or taxation advice in relation to the SPP or the New CDIs, and that none of them has any obligation to provide this advice, concerning your decision to apply for and purchase New CDIs;
- (m) you acknowledge that this Booklet does not purport to contain all of the information that an investor may require to make an investment decision;
- (n) you acknowledge that Sezzle and its officers and agents, are not liable for any consequences of the exercise or non-exercise of any discretions by any person referred to in these Terms and Conditions;
- (o) you agree to be bound by the Certificate of Incorporation and By-laws of Sezzle, and the Terms and Conditions;
- (p) you acknowledge that any remaining balance of your payment, due to a rounding down of the number of New CDIs, will form part of the assets of Sezzle (provided that the remaining balance is less than the Issue Price of 1 CDI);

- (q) you acknowledge and agree that you are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent that you are acting for the account or benefit of a person in the United States, you are not participating in the SPP in respect of that person);
- (r) you acknowledge and agree that the offer and sale to it of the New CDIs under the SPP has not been and will not be registered under the US Securities Act, or the securities laws of any state or other jurisdiction of the United States, but rather the issue of the New CDIs under the SPP will be made in reliance on an exemption from registration contained in Regulation S under the US Securities Act for offers and sales made outside of the US. Therefore, you agree that
  - (i) you may not and will not offer, sell, pledge, transfer or otherwise dispose of any New CDIs in the United States or for the account or benefit of a US person (as defined in Regulation S of the US Securities Act) (**US Person**) unless and until the New CDIs are registered under the US Securities Act or offered, sold pledged, transferred or otherwise disposed of in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act or the laws of any state or other jurisdiction in the United States; and
  - (ii) you may not and will not engage in any hedging transactions involving New CDIs unless in compliance with the US Securities Act;
- (s) you acknowledge and agree that the New CDIs to be offered and sold under the SPP will only be offered and sold to Eligible Holders in Australia and New Zealand in "offshore transactions" (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act;
- (t) you represent, warrant and agree that if in the future you decide to sell or otherwise transfer the New CDIs, you will only do so in standard (regular way) brokered transactions on the ASX, where neither you nor any person acting on your behalf know, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States;
- (u) you acknowledge that you have not, and represent, warrant and agree that you will not, send any materials relating to the SPP to any person in the United States or to any person acting for the account or benefit of a person in the United States;
- (v) you acknowledge that, in order to ensure that US Persons do not purchase any New CDIs issued under the SPP, the New CDIs will have the status of Foreign Ownership Restriction (FOR) securities under the ASX Settlement Operating Rules and will bear a "FOR US" designation on ASX, which will inform the market of the prohibition on US Persons acquiring CDIs;
- (w) you acknowledge that the New CDIs are not being offered or sold to the public within New Zealand other than to existing Holders of Sezzle with registered addresses in New Zealand to whom the offer of New CDIs is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016;
- (x) you acknowledge that this Booklet has not been registered, filed with or approved by any New Zealand regulatory authority. This Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain; and
- (y) if you make payment of Application money by BPAY®, you acknowledge that you will be taken to have made all representations, warranties and undertakings set out in these Terms and Conditions and the Application Form as if you had validly signed and submitted an Application Form.

#### **4 APPLICATION AMOUNT AND NUMBER OF NEW CDIs**

- 4.1 You agree to pay the Issue Price per New CDI allocated to you in accordance with these Terms and Conditions.
- 4.2 You agree to pay the total price of one of the following prescribed Application Amounts:
- (a) A\$1,000;
  - (b) A\$2,500;
  - (c) A\$5,000;
  - (d) A\$7,500;
  - (e) A\$10,000;
  - (f) A\$15,000;
  - (g) A\$20,000;
  - (h) A\$25,000; or
  - (i) A\$30,000.
- 4.3 If you make a payment for any amount other than one of the amounts set out in term 4.2, your Application may be rejected. If your Application is rejected, your monies will be returned to you.
- 4.4 Subject to Sezzle's discretion to scale back Applications for New CDIs under terms 3.14 and 3.15, Sezzle will determine the number of New CDIs to be issued to each Eligible Holder who applies for a Parcel, by dividing the value of that Parcel by the Issue Price.
- 4.5 If your nominated Application Amount cannot be divided by the Issue Price to give a whole number of CDIs, the number of New CDIs that you apply for will be rounded down and any remaining balance of your payment will form part of the assets of Sezzle. You will not receive a refund for this amount, which will always be less than the price of 1 CDI.

#### **5 ISSUE OF NEW CDIs**

- 5.1 On the Issue Date, Sezzle will issue the number of New CDIs to each Eligible Holder on the basis set out in term 4.4.
- 5.2 New CDIs issued under the SPP will, at the time of issue, rank equally with, and have the same voting rights, dividend rights and other entitlements as existing CDIs.
- 5.3 Sezzle will apply for New CDIs issued under the SPP to be quoted on ASX.

#### **6 WAIVER AND TERMINATION**

- 6.1 Sezzle reserves the right at any time to:
- (a) amend or vary these Terms and Conditions;
  - (b) waive compliance with any provision of these Terms and Conditions;
  - (c) withdraw the SPP offer or suspend or terminate the SPP;
  - (d) vary the timetable for the SPP, including the Closing Date, and accept late Applications, either generally or in particular cases; and
  - (e) not accept an Application, not issue New CDIs, or issue New CDIs to a value less than that applied for by an Eligible Holder, including a Custodian applying on behalf of its Eligible Beneficiaries.
- 6.2 In the event that the SPP is withdrawn or terminated, all Application monies will be returned to you, without interest.

#### **7 UNDERWRITING**

The SPP is not underwritten.

## **8 SETTling DISPUTES**

Sezzle may settle in any manner it sees fit, any difficulties, anomalies or disputes which may arise in connection with the operation of the SPP whether generally or in relation to any participant or any Application for New CDIs. The decision of Sezzle is conclusive and binding on all participants and other persons to whom the determination relates. These rights may be exercised by Sezzle, its Board of Directors or any of their delegates.

## **9 PRIVACY**

- 9.1 Chapter 2C of the Corporations Act requires information about Holders (including their name, address and details of the CDIs they hold) to be included in the public register of the entity in which they hold CDIs. This information must continue to be included in the public register even if they cease to be a Holder.
- 9.2 Sezzle and the Registry may collect personal information to process the Application and implement the SPP, and to administer holdings of New CDIs.
- 9.3 The personal information contained in Sezzle's CDI Register is also used to facilitate payments and corporate communications (including financial results, annual reports and other information to be communicated to Holders) and to ensure compliance with legal and regulatory requirements, including taxation laws and the Corporations Act.
- 9.4 The personal information Sezzle collects in relation to Holders may include the name, address, other contact details, bank account details and details of their holdings of CDIs.
- 9.5 Holders who are individuals and the other individuals in respect of whom personal information is collected, as outlined above, have certain rights to access, correct or update the personal information held about them, subject to some exceptions allowed by law. Those individuals should contact the Sezzle Information Line on 1300 855 080 (within Australia) and +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday.
- 9.6 Personal information regarding Holders may be disclosed to joint investors, the Registry, to securities brokers, to third party service providers (including print and mail service providers, technology providers, and professional advisers), to related entities of Sezzle and each of their agents and contractors, and to ASX and other regulatory authorities, and in any case, where disclosure is required or allowed by law (which may include disclosures to the Australian Taxation Office and other government or regulatory bodies or where you have consented to the disclosure). In some cases, the types of organisations referred to above to whom Sezzle will disclose personal information may be located overseas.
- 9.7 The main consequence of not providing the personal information outlined in terms 9.1 - 9.4 above would be that Sezzle may be hindered in, or prevented from, processing Applications, and from conducting and implementing the SPP.
- 9.8 The Registry's privacy policy is available at item 2 on the Registry's website at: <https://www.computershare.com/au/privacy-policies>.

## **10 ASIC AND ASX RELIEF**

The offer of New CDIs under the SPP is made in accordance with:

- (a) ASIC Instrument [20-0707], which grants Sezzle equivalent relief to ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547; and
- (b) ASIC Class Order [CO 14/827] which grants relief for offers for the issue of CHES Depositary Interests.

ASIC has granted Sezzle the following relief:

- (a) a declaration under subsection 601CK(7) of the Corporations Act allowing Sezzle to lodge its balance sheet, a cash flow statement and a profit and loss statement for each relevant financial year with ASIC, in such form and containing such particulars as Sezzle would be required to prepare if it were a reporting company in the US;
- (b) a declaration under subsection 741(1)(b) of the Corporations Act modifying the definition of "continuously quoted securities" and paragraphs 708AA(2)(e) and

708A(5)(d) of the Corporations Act to allow Sezzle to use cleansing notices and transaction-specific prospectuses notwithstanding the relief described in (a); and

- (c) an exemption providing that the Company does not have to comply with Part 6D.2 and 6D.3 of the Corporations Act (other than sections 736 and 738) for an offer of shares for issue under a share purchase plan, subject to certain terms and conditions

In connection with the conduct of the SPP, Sezzle has obtained the ASX Waiver Decision in respect of ASX Listing Rule 7.1 so that the New CDIs issued under the SPP do not need shareholder approval, for the purpose of Listing Rule 7.1, notwithstanding that the SPP is being conducted under ASIC Instrument [20-0707] rather than in accordance with the conditional relief provided under ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547. In addition, Sezzle has also obtained a waiver from ASX Listing Rule 10.11 on the same basis to allow related parties of the Company that are Eligible Holders to participate in the SPP without shareholder approval.

## **11 GOVERNING LAW**

- 11.1 These Terms and Conditions are governed by the laws in force in New South Wales, Australia. Any dispute arising out of or in connection with these Terms and Conditions, or the offer of New CDIs, will be determined by the courts in New South Wales. By accepting the SPP offer, Eligible Holders agree to submit to the exclusive jurisdiction of the courts in New South Wales.
- 11.2 These Terms and Conditions prevail to the extent of any inconsistency with the Application Form.

## **12 REFUNDING AND RETURNING APPLICATION MONIES**

- 12.1 No interest will be paid on any Application monies returned to you.
- 12.2 Subject to this term 12, Sezzle will return or refund the relevant portion of your Application monies to you:
  - (a) where your Application Amount did not equate to a whole number of New CDIs and was rounded down, except that any remaining balance of your Application Amount, due to a rounding down of the number of New CDIs, will form part of the assets of Sezzle (provided that the remaining balance is less than the Issue Price of 1 CDI
  - (b) where Sezzle rejects your Application because it is not received before the Closing Date;
  - (c) where your Application or payment was for an amount other than one of the prescribed Application Amounts;
  - (d) where your Application is scaled back;
  - (e) where payment of the Application Amount is not submitted in Australian currency or, if payment is made by cheque, the cheque is not drawn on an Australian branch of a financial institution;
  - (f) where Sezzle rejects your Application in whole or in part for any other reason;
  - (g) if Sezzle terminates or withdraws the SPP offer; and/ or
  - (h) as otherwise required in accordance with these Terms and Conditions.
- 12.3 It is anticipated that any refund of Application Monies will be paid or mailed by cheque or direct credit on or about 9 August 2020 based on the current timetable.
- 12.4 Sezzle will refund Application monies using one of the following methods at its discretion:
  - (a) by direct credit to the bank account that you have previously nominated to Sezzle, for the purposes of receiving dividend payments; or
  - (b) by cheque posted to your registered address.

## GLOSSARY

The following defined terms apply throughout this Booklet unless the context requires otherwise:

<b>\$ or A\$</b>	Australian dollars unless otherwise specified.
<b>US\$</b>	US dollars.
<b>Application</b>	An application for New CDIs under the SPP in accordance with the Terms and Conditions.
<b>Application Amount</b>	A\$1,000, A\$2,500, A\$5,000, A\$7,500, A\$10,000, A\$15,000, A\$20,000, A\$25,000 or A\$30,000.
<b>Application Form</b>	The personalised Application form relating to the SPP that Eligible Holders received with this Booklet, including the instructions. This may include a deemed Application form on the same terms, where a valid BPAY® payment is made.
<b>ASIC</b>	The Australian Securities & Investments Commission.
<b>ASX</b>	ASX Limited (ABN 98 008 624 691) or the market operated by it, as the context requires.
<b>ASX Listing Rules</b>	The listing rules of ASX as amended, varied or waived (whether in respect of Sezzle or generally) from time to time.
<b>ASX Waiver Decision</b>	The waiver decision in respect of ASX Listing Rules 7.1 and 10.11 received by Sezzle dated 6 July 2020.
<b>BPAY®<sup>1</sup></b>	The payment mechanism used to pay Application Monies online.
<b>Booklet</b>	This booklet in relation to the SPP, including the Application Form.
<b>Bylaws</b>	The Second Amended and Restated bylaws of the Company adopted on 1 June 2020.
<b>CDI</b>	A CHESS Depositary Interest representing a beneficial interest in a Share in the Company.
<b>CDI Register</b>	The register of all Holders maintained by the Registry.
<b>CDN</b>	CHESS Depositary Nominees Pty Limited ACN 071 346 506, an entity registered in Australia (Financial Services Licence Number 254514).
<b>Certificate of Incorporation</b>	The Third Amended and Restated Certificate of Incorporation of the Company dated 1 June 2020.
<b>Closing Date</b>	5.00pm (Sydney time) on Tuesday, 4 August 2020.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Custodian</b>	A custodian, trustee or nominee within the definition of “custodian” in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.

<sup>1</sup> Registered to BPAY Pty Limited ACN 079 137 518.



<b>Custodian Certificate</b>	A certificate confirming the matters set out in term 3.16(e), which can be requested by contacting the Sezzle Information Line on 1300 855 080 (within Australia) and +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday.
<b>Dispatch Date</b>	The date on which the holding statements are dispatched to participating Eligible Holders, which is expected to be Wednesday, 12 August 2020.
<b>Eligible Beneficiary</b>	A person on whose behalf a Custodian holds CDIs on the Record Date, with a registered address in Australia or New Zealand (provided that such person is not an Excluded Holder).
<b>Eligible Holder</b>	A person who, at the Record Date was recorded in Sezzle's CDI Register as being a registered holder of CDIs with a registered address in Australia or New Zealand and who is not an Excluded Holder.
<b>Excluded Holder</b>	Any of the following registered holders of CDIs (including a Custodian) to the extent they: <ul style="list-style-type: none"> <li>(a) hold CDIs on their own account and reside outside Australia or New Zealand;</li> <li>(b) hold CDIs on behalf of another person who resides outside Australia or New Zealand; or</li> <li>(c) are in the United States, or they hold CDIs on behalf of a person in the United States, or are acting for the account or benefit of a person in the United States (to the extent they are participating in the SPP on behalf of those persons).</li> </ul>
<b>Holder</b>	A holder of CDIs.
<b>Investor Presentation</b>	The investor presentation released by Sezzle to ASX on Friday, 10 July 2020, titled " <i>Capital Raising Presentation</i> ".
<b>Issue Date</b>	Date of allotment and issue of New CDIs being Tuesday, 11 August 2020 (or such other date as Sezzle determines in its absolute discretion).
<b>Issue Price</b>	New CDIs are offered at the issue price paid under the Placement, being A\$5.30 per New CDI.
<b>New CDI</b>	The CDIs offered pursuant to the SPP in accordance with the Terms and Conditions.
<b>Opening Date</b>	9.00am (Sydney time) on Friday, 17 July 2020 (or such other date as Sezzle determines in its absolute discretion).
<b>Parcel</b>	A parcel of New CDIs in an amount of A\$1,000, A\$2,500, A\$5,000, A\$7,500, A\$10,000, A\$15,000, A\$20,000, A\$25,000 or A\$30,000 (at the Issue Price per New CDI).
<b>Placement</b>	The placement of CDIs to institutional investors completed on Wednesday, 15 July 2020.
<b>Record Date</b>	7.00pm (Sydney time) on Thursday, 9 July 2020.
<b>Registry</b>	Computershare Investor Services Pty Limited ACN 078 279 277.

<b>Sezzle or the Company</b>	Sezzle Inc. ARBN 633 327 358
<b>Share</b>	A fully paid common stock in the capital of the Company.
<b>SPP</b>	This Security Purchase Plan.
<b>Terms and Conditions</b>	The terms and conditions of the SPP set out in this Booklet, including this Glossary and the Application Form.
<b>US Person</b>	Has the meaning given to it in Rule 902(k) under Regulation S of the US Securities Act.
<b>US Securities Act</b>	Securities Act of 1933, as amended to date, and the rules and regulations promulgated thereunder.



ARBN 633 327 358

SZL

MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

## For all enquiries:

### Phone:



(within Australia) 1300 855 080  
(outside Australia) +61 3 9415 4000

### Web:



[www.SZLSPPOffer.thereachagency.com](http://www.SZLSPPOffer.thereachagency.com)

## Make your payment:



See overleaf for details of the Offer and how to make your payment

# Security Purchase Plan Application Form

 **Your payment must be received by 5:00pm (Sydney time) Tuesday, 4 August 2020**

This is an important document that requires your immediate attention.

It can only be used in relation to the holding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Certificate of incorporation and by-laws of Sezzle Inc. and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Sezzle Inc. CDIs on the terms of the Security Purchase Plan (SPP).

In addition, by making payment you certify that the aggregate of the application price paid by you for:

- the New CDIs the subject of the payment slip overleaf; and
- any other CDIs and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the payment, does not exceed \$30,000.

By making payment by BPAY®, you acknowledge that you will be taken to have made all representations, warranties and undertakings set out in the SPP Offer Documents as if you had validly signed and submitted an Application Form.

Sezzle Inc. may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by Sezzle Inc. will be conclusive and binding on all Eligible CDI holders and other persons to whom the determination relates. Sezzle Inc. reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all Eligible CDI holders even where Sezzle Inc. does not notify you of that event.

## Step 1: Registration Name & Offer Details

Details of the holding and the Offer are shown overleaf.

Please check the details provided and update your address via [www.investorcentre.com](http://www.investorcentre.com) if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

## Step 2: Make Your Payment

Your payment must correspond to one of the options detailed overleaf. You may choose one option only. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

Choose one of the payment methods shown below.

**BPAY®:** See overleaf. Do not return the payment slip with BPAY payment.

**By Mail:** Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**Sezzle Inc.**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Sezzle Inc. Security Purchase Plan Application Form  
Payment must be received by 5:00pm (Sydney time) Tuesday, 4 August 2020

© Registered to BPAY Pty Limited ABN 69 079 137 518


**Turn over for details of the Offer →**

STEP 1

Registration Name & Offer Details

Registration Name:

MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

 For your security keep your SRN/  
HIN confidential.

Entitlement No: 12345678

Offer Details:

Record date: 7:00pm (Sydney time) Thursday, 9 July 2020

Minimum value available to purchase: \$1,000


Maximum value available to purchase: \$30,000

STEP 2

Make Your Payment by 5:00pm (Sydney time) Tuesday, 4 August 2020

To avoid postal delay make your payment via **BPAY** either online or by phone with your bank using the payment details below.

BPAY



Billers Code: 326538  
Ref No:

Contact your financial institution to make your payment from your cheque or savings account.

BPAY

Neither Computershare Investor Services Pty Limited (CIS) nor Sezzle Inc. accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time. Eligible CDI holders should use the customer reference number shown on this Application Form when making a BPAY payment.

MAIL

Neither CIS nor Sezzle Inc. accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by CIS, as registrar for the securities issuer (the **issuer**), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing [privacy@computershare.com.au](mailto:privacy@computershare.com.au). We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at [privacy@computershare.com.au](mailto:privacy@computershare.com.au) or see our Privacy Policy at [www.computershare.com/au/privacy-policies](http://www.computershare.com/au/privacy-policies).

Detach here

Purchase Details for Sezzle Inc. (choose one option)

☐ \$1,000 worth of securities

OR

☐ \$2,500 worth of securities

OR

☐ \$5,000 worth of securities

☐ \$7,500 worth of securities

OR

☐ \$10,000 worth of securities

OR

☐ \$15,000 worth of securities

☐ \$20,000 worth of securities

OR

☐ \$25,000 worth of securities

OR

☐ \$30,000 worth of securities



Entitlement No: 12345678

MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000



BPAY is the most efficient and secure form of payment. Your BPAY payment details are shown above.

Contact & Cheque Details

Contact Name

Daytime Telephone

Drawer

Cheque Number

BSB Number

Account Number

Amount of Cheque

A\$