

**RESOLUTION AGREEMENT BETWEEN
THE UNITED STATES OF AMERICA AND PAYPAL, INC.**

I. DEFINITIONS

1. The terms used in this Agreement shall have the following meaning:
 - a. “American small businesses” means the group of businesses eligible for participation in PayPal’s Small Business Initiative (“SBI”).
 - b. “Investigation” means the investigation opened by the United States Department of Justice against PayPal, Inc. regarding its Economic Opportunity Fund.
 - c. “ECOA” means the Equal Credit Opportunity Act, 15 U.S.C. §§ 1691 *et seq.*
 - d. “Economic Opportunity Fund” or “EOF” refers to the commitment PayPal announced on June 11, 2020, to “create an economic opportunity fund to support and strengthen Black and underrepresented minority businesses and communities over the long term, and designed to help drive financial health, access and generational wealth creation,” and to PayPal’s subsequent actions to implement that commitment. *See* Press Release: PayPal Announces \$530 Million Commitment to Support Black Businesses, Strengthen Minority Communities and Fight Economic Inequality - Jun 11, 2020.
 - e. “Financial Needs Assessment” or “FNA” means the research-based report conducted by PayPal under the terms of this Agreement.
 - f. “Parties” means the United States and PayPal.
 - g. “PayPal” means PayPal, Inc., PayPal Holdings, Inc., and PayPal Ventures, LLC, together with all their past and present parent, subsidiary, related, and affiliated companies (collectively, “PayPal”).
 - h. “PayPal Releasees” means PayPal and its current and former officers, Trustees, directors, agents, and employees, together with their successors and assigns, with regard to whom the United States releases under the terms of this Agreement.
 - i. “Released Claims” means any claim or liability under ECOA, 15 U.S.C. §§ 1691 *et seq.*, arising out of PayPal’s Economic Opportunity Fund.
 - j. “SBA” means the United States Small Business Administration.
 - k. “SBI” means the Small Business Initiative created by PayPal under the terms of this Agreement.
 - l. “SBI Annual Report(s)” means PayPal’s annual report outlining its compliance with this Agreement.
 - m. “SBI Proposal” means PayPal’s proposal outlining the SBI as required under the terms of this Agreement.

II. INTRODUCTION

2. The United States and PayPal (collectively, the “Parties”) desire to avoid the burdens and risks of protracted litigation. The United States has not made any determinations or findings regarding PayPal violating ECOA or any other federal law related to the EOF. This Agreement is not an admission or finding in whole or in part by either party, and PayPal expressly denies any liability related to the EOF.

3. This Agreement shall become effective upon execution by all the Parties (the “Effective Date”).

III. RELIEF

4. This Agreement applies to the relationship between the United States and PayPal and does not bind either party with regard to any other person or entity.
5. This Agreement represents the complete agreement of the Parties with respect to the subject matter hereof. Nothing in this Agreement prohibits the United States from bringing actions against PayPal for future violations of ECOA or PayPal’s violations of any other provision of federal law on the same basis it would bring similar actions against other institutions except that the United States is releasing potential claims arising under PayPal’s EOF and before the Effective Date of this agreement.
6. In consideration for the commitments made by PayPal, outlined in Sections IV and V below, the United States shall close its pending Investigation and release any potential claims the United States would have regarding PayPal’s compliance with ECOA or other federal law as it relates to the EOF (the “Released Claims”). Should the United States have concerns regarding any steps taken by PayPal after the Effective Date with regard to the EOF, the Parties shall endeavor in good faith to informally resolve any differences regarding interpretation of or compliance with this Agreement and with ECOA prior to opening a new investigation.

IV. AGREEMENT BETWEEN THE PARTIES

7. With the exception of actions to enforce this Agreement, the United States agrees not to institute any civil action or other adverse agency action, or to participate in any way, in any action, including but not limited to acting as *amicus* or filing a statement of interest in any civil litigation, against the PayPal Releasees related to the Released Claims. The United States releases the PayPal Releasees from any liability related to the Released Claims. The United States is not releasing PayPal or the PayPal Releasees, or restricting its ability to investigate or bring litigation against PayPal, from any other liability.
8. Should an action by the United States to enforce a breach of this Agreement become necessary, PayPal agrees to waive any statute of limitations defense regarding ECOA claims the United States may seek to bring against PayPal regarding the activities arising out of the EOF. The Parties therefore agree to a suspension of the running of any applicable statute of limitations for any cause of action arising out of the EOF under ECOA from the Effective Date of this Agreement through December 31, 2033. This suspension is binding on all Parties, their successors in interests and assigns.

V. SMALL BUSINESS INITIATIVE

9. In settlement and compromise of the Released Claims in this Agreement, PayPal agrees to launch a Small Business Initiative (“SBI”) that will infuse American small businesses with economic opportunity and expand access to capital to these businesses, regardless of the race or national origin of the business owners. The SBI will coordinate with the SBA in good faith to accomplish its objectives.
10. As the cornerstone of the SBI, PayPal agrees to waive processing fees for \$1 billion of transactions offered to eligible American small businesses: (1) engaged in farming, manufacturing, or technology (including AI); or (2) engaged in other industries if the

small business is certified by the SBA's Veteran Small Business Certification Program. Consistent with PayPal's standard transaction-based fee structure, the waiver of processing fees for \$1 billion of eligible transactions represents a significant program commitment in support of the SBI, with an estimated aggregate value of approximately \$30 million over the course of the initiative. SBI eligibility will be outlined in the Financial Needs Assessment discussed below in Section V.12.

11. No later than 60 days after the Effective Date of this Agreement, PayPal shall designate a Director of the SBI who will report to PayPal's Executive Vice President responsible for small business customers. The SBI Director shall be principally responsible for coordinating and overseeing compliance with this Agreement. This role shall be maintained and staffed throughout the duration of this Agreement. PayPal may change this SBI Director during the term of the Agreement and shall provide the United States with notice that the Director has changed within 14 days of the new Director's taking office. In the event the SBI Director resigns, PayPal shall not permit the position to remain open for an unreasonable amount of time. In the event of a vacancy in the SBI Director position, PayPal's Executive Vice President responsible for small business customers will designate an Acting Director who will be responsible for exercising the duties of the SBI Director.
12. Within 90 days of this Agreement's Effective Date, PayPal shall submit to the United States for non-objection an assessment of the needs of American small businesses to suggest practical, scalable ways to support these businesses given the products and services offered by PayPal (the "Financial Needs Assessment" or "FNA"). In preparing the FNA, PayPal will engage with the SBA to explore partnership opportunities with the small business groups identified in Section V.10. The United States shall have 60 days to raise any objections to the FNA, and if it raises any, the Parties shall confer to resolve their differences.
 - a. Financial Needs Assessment - Methodology and Deliverables.
 - i. The FNA will be a research-based report and will include a roadmap on supporting American small businesses through economic opportunity that is aligned with PayPal's risk, compliance, licensing, privacy, and commercial policies.
 - ii. The FNA will provide an overview of the following as related to American small businesses: (1) SBI eligibility utilizing guidance from the Federal Small Business Size Regulations, the North American Industry Classification System (NAICS), and the SBA Veteran Small Business Certification. PayPal will also consult regarding eligibility, as needed, with the relevant trade associations or advocacy groups for American small businesses within these industries/groups; (2) financial services and advocacy needs for small businesses including raising awareness of commercial and policy issues that impact the competitiveness of small business; and (3) recommendations on how PayPal can further leverage its suite of financial products and services to support the SBI.
 - iii. The FNA will be viewpoint and content neutral and will not grant preference or impose restrictions based on political ideology or party affiliation.

- b. Reservation of Rights; No Contractor Status.
 - i. The FNA is advisory and does not obligate PayPal to implement any particular recommendation that requires PayPal to implement any product, term, or outreach that is infeasible or inconsistent with law or PayPal policies, or requires PayPal to share customer-level personal data with the United States.
 - ii. Nothing in this Agreement characterizes PayPal as a federal contractor or subjects PayPal to federal contracting obligations, including any obligation relating to Executive Order 14151 as detailed in Section V.13.
- 13. No later than 60 days after the United States' non-objection to the Financial Needs Assessment of this Agreement, PayPal shall submit to the United States a proposed structure for the SBI ("SBI Proposal"). The SBI Proposal may include: (1) plans for advertising and engaging in outreach to small businesses regarding the SBI such as public-messaging initiatives highlighting real small business stories; (2) a review and approval process for small businesses participating in the SBI and a description of the transactions eligible for the waiver of processing fees pursuant to the \$1 billion commitment referenced in Section V.10, including how that approval process will avoid granting preference or imposing restrictions based on geography, political ideology, or party affiliation; (3) details regarding how PayPal is informing its advocacy efforts, including potential input from and virtual listening sessions with small business owners in varying industries and geographic regions and engagement with the SBA; and (4) a review of existing public data to highlight key performance data and market insights relevant to American small businesses. The SBI Proposal will state that the SBI complies with all applicable federal laws, including ECOA. PayPal agrees that its operation of the SBI will voluntarily comply with applicable provisions of Executive Order 14151, January 20, 2025, "Ending Radical And Wasteful Government DEI Programs And Preferencing[.]" The SBI Proposal will be subject to the non-objection of the United States. The United States will provide such non-objection within 60 days of PayPal's submission of the SBI Proposal, or will meet and confer with PayPal within 60 days to resolve their differences.
- 14. PayPal shall ensure that the Director of the SBI and all employees substantially involved in the SBI receive at least annual training on ECOA. PayPal will provide a copy of such training to the United States upon request and will maintain a list of employees who completed the training and the date of completion.
- 15. The SBI Director shall make annual reports ("SBI Annual Report(s)") to the United States sufficient to evidence PayPal's compliance with the obligations contained in this Agreement within 60 days of the anniversary of the Effective Date. PayPal shall propose a format for the SBI Annual Reports within a reasonable time following the United States' non-objection to the SBI Proposal, also subject to the United States' non-objection. Each SBI Annual Report shall detail PayPal's compliance with this Agreement for the prior year and recommend, as necessary, additional actions. The SBI Annual Reports shall be reviewed and approved by PayPal's Executive Vice President responsible for small business customers. The SBI Annual Reports shall include representative copies of PayPal's advertising and marketing materials disseminated to promote the SBI. The United States will review each SBI Annual Report submitted by PayPal and will have 60 days to raise any objections to it, and if it raises any, the Parties shall confer to resolve their differences.

VI. IMPLEMENTATION AND ENFORCEMENT

16. The United States may review compliance with this Agreement at any time. PayPal agrees to cooperate to a reasonable extent with the United States in any review of compliance with this Agreement.
17. During the period in which this Agreement is in effect, PayPal shall preserve all records that are the source of, contain, or relate to any of the information pertinent to its obligations under this Agreement. Upon reasonable notice to counsel for PayPal, representatives of the United States shall be permitted to inspect and copy all such non-attorney-client privileged or attorney work product records at any and all reasonable times or, upon request by the United States, PayPal shall provide copies of such documents.
18. The Parties shall endeavor in good faith to informally resolve any differences regarding interpretation of, or compliance with, this Agreement prior to initiating court action. If, thereafter, the United States believes that PayPal has failed to perform in a timely manner any act required by this Agreement, or has otherwise not acted in conformance with any provision thereof, whether intentionally or not, the United States shall notify PayPal in writing of its concerns. PayPal shall have 30 days from the date of the United States' notification to cure the alleged breach.
19. If the Parties are unable to reach a resolution within 30 days of PayPal's effort to cure the alleged breach, the United States may file a lawsuit for breach of this Agreement, or any provision thereof, in the United States District Court for the Northern District of California. This Court shall serve as the exclusive jurisdiction and venue for any dispute concerning this Agreement. The Parties consent to and agree not to contest the jurisdiction of this Court. The Parties further acknowledge that venue in this Court is appropriate and agree not to raise any challenge on this basis.
20. In any lawsuit to remedy breach of this Agreement, the United States may seek, in addition to any remedy available under law or equity, an injunction mandating specific performance of any term or provision in this Agreement, without regard to whether monetary relief would be adequate. If such a civil action is filed, PayPal expressly agrees not to count the time during which this Agreement is in place, or use the terms or existence of this Agreement, to plead, argue or otherwise raise any defenses under theories of claim preclusion, issue preclusion, statute of limitations, estoppel, laches, or similar defenses.
21. Failure by the Parties to enforce any provision of this Agreement shall not operate as a waiver of the Parties' right or ability to enforce any other provision of this Agreement.

VII. DURATION, EXECUTION AND OTHER TERMS

22. This Agreement is effective on the date of the signature of the last signatory to the Agreement (the "Effective Date"). The Agreement may be executed in multiple counterparts, each of which together shall be considered an original but all of which shall constitute one agreement. Electronic signatures and facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.
23. The Parties agree that this Agreement will be in effect until the United States provides its non-objection to PayPal's third Annual Report. The United States will provide such non-

- objection within 60 days of the submission of the Annual Report by PayPal, or will raise any objections and the Parties will meet and confer to resolve their differences.
24. Each party shall bear its own legal or other costs incurred in connection with this matter, including the preparation, negotiation, and performance of this Agreement.
 25. This Agreement constitutes the complete agreement among the Parties. No prior or contemporaneous communications, oral or written, or prior drafts shall be relevant or admissible for purposes of determining the meaning of any provision herein or in any other proceeding.
 26. This Agreement is binding on the Parties and their transferees, successors, heirs and assigns.
 27. This Agreement is governed by and shall be interpreted under the laws of the United States. For purposes of construing or interpreting this Agreement, it shall be deemed to have been drafted by all Parties and shall not be construed or interpreted against any party for that reason in any subsequent dispute.
 28. This Agreement is a public document. The Parties agree and consent to the United States' disclosure of this Agreement to the public.
 29. Should any provision of this Agreement be declared or determined by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby and said illegal or invalid part, term or provision shall be deemed not to be a part of this Agreement.
 30. Should any provision of this Agreement be declared or determined by a federal regulator with supervisory authority over PayPal to be illegal or invalid, PayPal will notify the United States and work in good faith with the United States and the regulator to identify a suitable alternative that will fulfil the remedial goal of this Agreement.
 31. This Agreement may be modified only with the written consent of the Parties. Any modification must be in writing and signed by the Parties through their authorized representatives.
 32. This Agreement does not prohibit PayPal from satisfying its currently existing contractual obligations to entities that received funding as part of the EOF.
 33. PayPal may adjust any aspect of the SBI if needed to comply with the law or operational risk issues. PayPal will notify the United States of any such adjustment.

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FOR THE UNITED STATES:

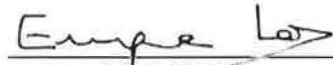
DATED: 5/12/2026



THE HON. HARMEET K. DHILLON
Assistant Attorney General
Civil Rights Division
U.S. Department of Justice

FOR PAYPAL, INC.:

DATED: 05/12/2026



ENRIQUE LORES

President and Chief Executive Officer
PayPal Holdings, Inc.