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Intuit to Acquire Financial Health Startup SeedFi

SeedFi's Credit Builder feature will join Intuit's Credit Karma business to help more members build credit while saving money

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- [Intuit](#) (Nasdaq: INTU), the global financial technology platform that makes [TurboTax](#), [Credit Karma](#), [QuickBooks](#), and [Mailchimp](#), announced today it has entered into an agreement to acquire SeedFi, the partner behind Credit Karma's Credit Builder¹, which helps low, or no-credit borrowers build credit while saving money, all for free. Credit Builder offers a line of credit and a secured savings account enabling members to build their credit while building up savings. By combining SeedFi's Credit Builder technology with Credit Karma's long standing relationships with credit bureaus and others in the credit ecosystem, Intuit will be able to move with greater speed and scale to help Credit Karma members make financial progress.

Late last year, Credit Karma entered into a partnership with SeedFi to offer Credit Builder to its members, enabling them to make regular payments, starting with as little as \$20 per month or \$10 per paycheck. By reporting these payments to the credit bureaus, members took steps toward improving their financial health. Through this partnership, members increased their score by an average of 21 points in as little as 30 to 45 days² and built up over \$10 million in savings. This acquisition will enable Credit Karma Money to continue to build on that momentum and help put more members on a path to financial security.

"Credit Karma Money was built to change consumers' relationship with money and help them develop responsible financial habits, like staying on top of their bills and spending within their means," said Poulomi Damany, SVP and GM for Credit Karma Money and Tax. "With Credit Builder, we are able to differentiate ourselves as one of the best accounts for building credit. We have long standing relationships with credit bureaus and others in the credit ecosystem, and SeedFi has built great technology, so when combined, we will move even faster and build products to help more members, including those who need it the most."

A recent study from the Consumer Financial Protection Bureau (CFPB) showed that nearly three-quarters of Americans with no emergency savings have credit scores below 660. The correlation between low credit scores and lack of emergency savings persists over time, and SeedFi takes that problem head-on. Similar to Credit Karma, SeedFi's mission is to break the cycle of debt and help Americans realize their financial potential.

"We have already been working with the Credit Karma Money team for over a year to help members build their credit score and have been impressed with how Credit Karma's mission comes through in everything the company does. SeedFi has a similar mission to help consumers become financially fit, so joining forces just makes sense," said SeedFi co-founder and CEO Jim McGinley. "Together, leveraging Credit Karma's resources and scale,

we will be able to accelerate the momentum of Credit Builder and SeedFi's technology capabilities to help more consumers improve their financial health.”

The transaction between Intuit and McBurberod Financial, Inc. which does business as SeedFi, is subject to closing conditions, and is expected to close in the coming months. Upon close, SeedFi will become part of Intuit's Credit Karma business. The transaction is not expected to have a material impact on Intuit's operating results for the full fiscal year 2023. Terms of the transaction have not been disclosed. Intuit Ventures was an investor in SeedFi's last financing round.

About Intuit

Intuit is the global financial technology platform that powers prosperity for the people and communities we serve. With more than 100 million customers worldwide using [TurboTax](#), [Credit Karma](#), [QuickBooks](#), and [Mailchimp](#), we believe that everyone should have the opportunity to prosper. We never stop working to find new, innovative ways to make that possible. Please visit us for the latest information [about Intuit](#), our products and services, and find us on [social](#).

About Credit Karma

Founded in 2007 by Ken Lin, Credit Karma, an Intuit company (Nasdaq: INTU), is a consumer technology company with nearly 130 million members in the United States, U.K. and Canada, including almost half of all U.S. millennials. While best known for pioneering free credit scores, the company's members turn to Credit Karma for everything related to their financial goals, including identity monitoring, applying for credit cards, shopping for loans (car, home and personal), auto insurance, savings accounts and now checking accounts through our bank partner, MVB Bank, Inc., Member FDIC — all for free. Learn more about how Credit Karma members are making financial progress on TikTok, Instagram and Twitter.

Cautions About Forward-looking Statements

These materials contain forward-looking statements, including expectations regarding the impact of the transaction on Intuit's operating results. Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause our actual results to differ materially from the expectations expressed in the forward-looking statements. These risks and uncertainties may be amplified by the effects of global developments, conditions or events like inflationary pressures, the Russia-Ukraine war and the COVID-19 pandemic, which have caused significant global economic instability and uncertainty. These factors include, without limitation, the following: our ability to compete successfully; potential governmental encroachment in our tax businesses; our ability to adapt to technological change; our ability to predict consumer behavior; our reliance on third-party intellectual property; our ability to protect our intellectual property rights; any harm to our reputation; risks associated with acquisition and divestiture activity, including the integration of Credit Karma and Mailchimp; the issuance of equity or incurrence of debt to fund an acquisition; cybersecurity incidents (including those affecting the third parties we rely on); customer concerns about privacy and cybersecurity incidents; fraudulent activities by third parties using our offerings; our failure to process transactions effectively; interruption or failure of our information technology; our ability to maintain critical third-party business

relationships; our ability to attract and retain talent; any deficiency in the quality or accuracy of our products (including the advice given by experts on our platform); any delays in product launches; difficulties in processing or filing customer tax submissions; risks associated with international operations; changes to public policy, laws or regulations affecting our businesses; litigation in which we are involved; the seasonal nature of our tax business; changes in tax rates and tax reform legislation; global economic conditions (including, without limitation, inflation); exposure to credit, counterparty and other risks in providing capital to businesses; amortization of acquired intangible assets and impairment charges; our ability to repay or otherwise comply with the terms of our outstanding debt; our ability to repurchase shares or distribute dividends; volatility of our stock price; and our ability to successfully market our offerings. More details about these and other risks that may impact our business are included in our Form 10-K for fiscal 2022 and in our other SEC filings. You can locate these reports through our website at <http://investors.intuit.com>. Forward-looking statements represent the judgment of the management of Intuit as of the date of this presentation. Except as required by law, we do not undertake any duty to update any forward-looking statement or other information in this presentation.

¹ Credit Builder plan is serviced by SeedFi and requires a no-fee SeedFi line of credit and SeedFi savings account provided by Cross River Bank, Member FDIC. You're eligible to apply through Credit Karma Money if your TransUnion credit score is 619 or below at the time of application. Banking services for Credit Karma Money accounts are provided by MVB Bank, Inc, Member FDIC. Maximum balance and transfer limits apply per account. Credit Builder is not provided by MVB Bank.

² From January to June of 2022, members with a TransUnion credit score of 619 or below who opened a Credit Builder plan and had it reported on their TransUnion report saw an average credit score increase of 21 points within 2 months of opening the plan. Late payments and other factors can have a negative impact on your score, including activity with your other credit accounts.

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