

KARAT REWARDS TERMS AND CONDITIONS

Last Updated: January 1, 2025

The Karat Rewards Program is a promotional rewards program offered by Pawn America Minnesota, L.L.C., a Minnesota limited liability company, and Pawn America Wisconsin, LLC, a Minnesota limited liability company (collectively, "Pawn America"). The following Karat Rewards Terms and Conditions (these "Terms and Conditions") apply to you if you have enrolled in the Karat Rewards Program. You consent to any revisions to these Terms and Conditions by remaining a member of the Karat Rewards Program. These Terms and Conditions are also subject to our [Website Terms of Use](#) and [Privacy Notice](#). THESE TERMS AND CONDITIONS CONTAIN A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES AND A WAIVER OF YOUR CLASS ACTION RIGHTS.

DEFINITIONS

The following terms have the following meanings:

"Enrollment Date" means the date you enroll in the Karat Rewards Program.

"Karat Rewards Account" means your individual account associated with the Karat Rewards Program in which records relating to available Karat Rewards Points are maintained.

"Karat Rewards Points" means the rewards points that accumulate in a Karat Rewards Account and that can be used as described in these Terms and Conditions.

"Karat Rewards Website" means the website at www.pawnamerica.com/karat at which you may login and view information about your Karat Rewards Account, designate certain merchants or other options for various bonus Karat Rewards Points that may be available from time to time, and otherwise obtain information about the Karat Rewards Program.

"Net Qualifying Transactions" means Qualifying Transactions, less any returns, credits, or adjustments.

"Qualifying Transaction" means any of the following transactions:

- Completed sale of an item from you to Pawn America either at a Pawn America retail location or using the "Get a Quote" function on pawnamerica.com;
- Retail purchases you make at a Pawn America retail location or pawnamerica.com;
- Payment of service fees resulting from the redemption of a pawn loan between you and Pawn America; and
- Payment of service fees resulting from the extension of a pawn loan between you and Pawn America.

"You" or **"your"** means each individual (whether one or more) who has enrolled in the Karat Rewards Program.

KARAT REWARDS PROGRAM STATUSES AND LEVELS

The Karat Rewards Program consists of three levels: (1) Silver; (2) Gold; and (3) Diamond. Your Karat Rewards Account begins at the Silver level. You may achieve the Gold level by earning a balance of 1,500 Karat Rewards Points during each points accumulation cycle and extension period thereof, as described

in the following section. You may achieve the Diamond level by earning a balance of 15,000 Karat Rewards Points during each points accumulation cycle.

MAINTAINING YOUR MEMBERSHIP LEVEL; POINTS ACCUMULATION CYCLES

Levels are achieved on Karat Rewards Points earned during a twelve-month points accumulation cycle. Your initial points accumulation cycle begins on your Enrollment Date and expires twelve months thereafter. Upon achieving the Gold level, your points accumulation cycle expiration date will be extended for twelve months, beginning on the date you achieve the Gold level, during which you must either earn enough new Karat Rewards Points to maintain your Gold level or accumulate enough additional Karat Rewards Points to reach the Diamond level. Karat Rewards Points already earned during the current points accumulation cycle (i.e., prior to reaching Gold level) will count toward reaching Diamond level but not toward maintaining your Gold level. Upon reaching the Diamond level, a new twelve-month points accumulation cycle will commence, during which you must earn enough new Karat Rewards Points to maintain your Diamond level or, if you do not earn enough Karat Rewards Points to maintain your Diamond level, earn enough new Karat Rewards Points to revert to the Gold level. If you fail to earn enough Karat Rewards Points to maintain your Gold or Diamond level, as applicable, during any points accumulation cycle, your membership will revert to the Silver level upon the expiration of the points accumulation cycle which shall be the commencement date of a new points accumulation cycle.

EARNING KARAT REWARDS POINTS

The Karat Rewards Program applies to all Qualifying Transactions linked to your Karat Rewards Account as follows:

For every one dollar associated with a Qualifying Transaction, as applicable, you may receive the amount of Karat Rewards Points shown below corresponding to your Karat Rewards Program level:

Point Allocation Per Dollar	Silver	Gold	Diamond	Comments
Completed Sale to Pawn America	0.5	0.75	1	Points awarded based on net dollar amount paid to you by Pawn America.
Retail Purchase at a Pawn America retail location or at pawnamerica.com	0.5	0.75	1	Points awarded for cost of the item only. No points are awarded for sales tax, shipping fees, etc.
Redemption of Pawn Loan	1	1.5	2	Points awarded for service fees only.
Extension of Pawn Loan	2	3	4	Points awarded for service fees only.
Extension of Pawn Loan (using the MyAccount function on pawnamerica.com)	3	4	5	Points awarded for service fees only.

Earned Karat Rewards Points will be reflected in your Karat Rewards Account on the first business day after the Qualifying Transaction is completed.

OTHER LIMITATIONS

The Karat Rewards Program is based on Net Qualifying Transactions and Karat Rewards Points are not earned for any transactions that are not Qualifying Transactions. Karat Rewards Points are deducted for returns, credits, and adjustments. Pawn America, in its sole discretion, will determine whether any transaction is a Qualifying Transaction. All such determinations by Pawn America are final but may be subject to redetermination, at Pawn America’s sole discretion. The Karat Rewards Program is a

temporary incentive for loyalty, award, or promotional purposes and is not actual cash or currency, stored value, or account credit, and Karat Rewards Points cannot be redeemed or exchanged for cash. You have no property interest in the Karat Rewards Program or Karat Rewards Points.

MERCHANT SPECIFIC BONUS POINT OFFERS

From time to time, specific merchant bonus point offers may be available through the Karat Rewards Website. If a purchase meets the requirements for the specific merchant bonus points, the applicable Karat Rewards Account may earn Karat Rewards Points at the participating merchants in addition to the standard Karat Rewards Points detailed in these Terms and Conditions.

Offers extended by some participating merchants may apply to online qualifying transactions only. Online offers at participating merchants must be accessed by clicking on the link for the specific offer displayed on the Karat Rewards Website. For offers only available online, if you visit a participating merchant directly without clicking on the link in the specific offer, you will not earn Karat Rewards Points.

Specific merchant bonus point rewards are provided by merchants who participate in the Karat Rewards Program but are not affiliated with or sponsors of the Karat Rewards Program. Pawn America is not responsible for the performance by any merchant, service provider, or common carrier.

BONUS POINT OFFERS

Bonus Karat Rewards Points offers are special offers for extra Karat Rewards Points that may be offered from time to time. Bonus Karat Rewards Points offers are subject to change or cancellation at any time without notice at our discretion. The expiration date for bonus Karat Rewards Points differs from the expiration date of other earned Karat Rewards Points. Please refer to the following section (Expiration of Your Karat Rewards Points) for information about the expiration of bonus Karat Rewards Points. Please refer to the specific bonus Karat Rewards Points information available to you either by text, email, mail, or online at the Karat Rewards Website for details regarding the terms of any bonus Karat Rewards Points offer. Bonus Karat Rewards Points offers may be customer specific and you may not be eligible for a bonus Karat Rewards Points offer, even if you take or have taken the action specified in the bonus Karat Rewards Points offer.

Upon enrolling in the Karat Rewards Program, you may receive 1,000 Karat Rewards Points. This reward can only be earned once per Karat Rewards Account.

Upon completing a Qualifying Transaction using the "Get a Quote" function on pawnamerica.com for the first time, you may receive 500 Karat Rewards Points. This reward can only be earned once per Karat Rewards Account.

EXPIRATION OF YOUR KARAT REWARDS POINTS

Your Karat Rewards Points earned from Qualifying Transactions expire if 180 days have elapsed since the last Qualifying Transaction associated with your Karat Rewards Account, unless we tell you otherwise.

Any bonus Karat Rewards Points earned expire forty-five (45) days after the date they are earned (i.e., the date the bonus Karat Rewards Points offer is completed).

REDEMPTION OF KARAT REWARDS POINTS

Karat Rewards Points may be redeemed in any increment at Pawn America retail locations and pawnamerica.com for rewards, including discounts on retail items, payment of service fees associated with pawn loans, and other special promotional offers. Unless otherwise stated, each Karat Reward Point will provide a \$0.01 discount on qualifying rewards.

Karat Rewards Points requirements assigned to any reward are subject to change from time to time without notice, and rewards may be removed or substituted at any time. Karat Rewards Points cannot be used with any other offer, promotion, or discount, or earned from or transferred to any credit card, debit card, account, or rewards program, unless otherwise specified.

If you redeem unearned Karat Rewards Points, or if points are deducted from your Karat Rewards Account, causing a negative point balance, any future Karat Rewards Points earned will be reduced in order to eliminate the negative point balance.

COMMUNICATIONS

Current Karat Rewards Points balances are available online to registered users at the Karat Rewards Website. Pawn America may also communicate with you via mail, email, text message, or telephone from time to time to alert you to special offers.

Despite Pawn America's best efforts to ensure accuracy, printing and website errors may occasionally occur. Pawn America reserves the right to correct such errors at any time.

ELIGIBILITY

You must provide and maintain either a valid email address or valid mobile phone number to participate in the Karat Rewards Program, promptly updating your Karat Rewards Account with any changes to same. You must be eighteen (18) years or older to participate in the Karat Rewards Program. By enrolling in the Karat Rewards Program and providing your email address or mobile phone number, you acknowledge and expressly consent to receipt of electronic communications from Pawn America regarding your Karat Rewards Account and promotional offers. The information you provide is subject to Pawn America's [Privacy Notice](#).

If you are no longer eligible for the Karat Rewards Program, your Karat Rewards Account may be terminated and you may be required to forfeit Karat Rewards Points earned. This forfeiture may apply to your entire Karat Rewards Points balance.

Pawn America may not permit you to redeem your Karat Rewards Points if Pawn America terminates your Karat Rewards Account because of conduct that Pawn America deems, in its sole discretion, violates these Terms and Conditions or any applicable law; involves fraud, misuse, or abuse of the Karat Rewards Program; provides benefits not intended by Pawn America; or is harmful to Pawn America's interests or the interests of other Karat Rewards Program members.

Pawn America also reserves the right to deny future participation in the Karat Rewards Program if Pawn America deems, in its sole discretion, your conduct violates these Terms and Conditions or any applicable law; involves fraud, misuse, or abuse of the Karat Rewards Program; provides benefits not intended by Pawn America; or is harmful to Pawn America's interests or the interests of other Karat Rewards Program members.

TRANSACTIONS WITH *MY BRIDGE NOW* EXCLUDED

My Bridge Now is a registered business name held by Pawn America Minnesota, L.L.C., under which Pawn America operates to provide high-value collateral loans to its customers. Any transactions between you and My Bridge Now are excluded from the Karats Reward Program and are not eligible to earn Karat Rewards Points. Additionally, Karat Rewards Points are not eligible for redemption with regard to any transaction between you and My Bridge Now (e.g., to cover service fees associated a collateral loan between you and My Bridge Now).

ENFORCING THESE TERMS AND CONDITIONS

Pawn America may exercise its rights under these Terms and Conditions at any time. Pawn America will not lose rights under these Terms and Conditions because we delay in enforcing them or fail to enforce them. This includes situations where we may enforce our rights under these Terms and Conditions for you, but fail or choose not to enforce our rights for another customer. At our discretion, we may also choose to enforce our rights on one customer but not on another customer without losing any of our rights under these Terms and Conditions.

DISCLAIMER

Pawn America is not responsible for inaccuracies in Karat Rewards Point accrual; lost, stolen, or otherwise destroyed tickets, vouchers, certificates, gift cards, or merchandise; defective or damaged Rewards; or damages or loss resulting from or arising in connection with the use of any rewards.

YOU EXPRESSLY UNDERSTAND AND AGREE THAT YOUR PARTICIPATION IN THE KARAT REWARDS PROGRAM IS AT YOUR SOLE RISK. THE KARAT REWARDS PROGRAM IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. PAWN AMERICA EXPRESSLY DISCLAIMS ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT.

You agree to hold Pawn America and its affiliates and any vendors or other providers associated with the Karat Rewards Program harmless if Pawn America fails to meet its contractual or other obligations, resulting in Karat Rewards Program interruption or termination prior to your redeeming your Karat Rewards Points or receiving any other rewards. You also agree to hold Pawn America and its affiliates and any vendors or other providers associated with the Karat Rewards Program harmless if Pawn America, its affiliates, or any Karat Rewards Program merchant files for bankruptcy or otherwise goes out of business prior to receiving, earning, redeeming, or using any Karat Rewards Points, program benefit, or other reward.

LIMITATION OF LIABILITY

YOU EXPRESSLY UNDERSTAND AND AGREE THAT PAWN AMERICA SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES, INCLUDING BUT NOT LIMITED TO, DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA, OR OTHER INTANGIBLE LOSSES (EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), RESULTING FROM YOUR USE OR THE INABILITY TO USE THE KARAT REWARDS PROGRAM. IN NO EVENT WILL OUR MAXIMUM LIABILITY TO YOU EXCEED THE AMOUNT YOU PAID FOR QUALIFYING KARAT REWARDS PROGRAM PURCHASES IN THE THREE MONTHS PRECEDING THE APPLICABLE CLAIM OR \$1,000, WHICHEVER IS GREATER.

TERMINATION OR CHANGES TO THE KARAT REWARDS PROGRAM

The Karat Rewards Program, including these Terms and Conditions, may be modified, suspended, or cancelled, and the redemption value of already accumulated points may be changed at any time without notice and without restriction or penalty. The most current version of these Terms and Conditions is available at the Karat Rewards Website. Rewards must be redeemed on or before the Karat Rewards Program ends and/or any applicable Karat Rewards Point expiration date. Karat Rewards Points may be forfeited due to violations of these Terms and Conditions. The Karat Rewards Program is void where prohibited or restricted by law. You are responsible for any applicable federal, state, or local taxes.

Rewards accumulated are not your property and, except as specifically provided herein, cannot be bought, sold, or transferred (including upon your death or as part of a domestic relations settlement).

DISPUTE RESOLUTION

You agree that: (1) Any claim, dispute, or controversy (whether in contract, tort, or otherwise) arising out of, relating to, or connected in any way with the Karat Rewards Program will be resolved exclusively by final and binding arbitration conducted pursuant to the American Arbitration Association (“AAA”) Procedures for Consumer-Related Disputes in conjunction with the AAA Commercial Arbitration Rules (if and as applicable depending on the amount in controversy); (2) This arbitration agreement is made pursuant to a transaction governed by the Federal Arbitration Act (“FAA”), 9 U.S.C. §§ 1-16; (3) The arbitration will be held at the AAA regional office nearest you; (4) The arbitrator’s decision will be controlled by these Terms and Conditions; (5) The arbitrator will apply Minnesota law consistent with the FAA and applicable statutes of limitations and will honor claims of privilege recognized at law; (6) There will be no authority for any claims to be arbitrated on a class or representative basis; arbitration can decide only your individual claims and the arbitrator may not consolidate or join the claims of other persons or parties who may be similarly situated; (7) The arbitrator will not have the power to award punitive damages against any party; (8) In the event that the administrative fees and deposits you are required to pay under the AAA rules exceed \$125, and you are unable to pay the additional fees and deposits, Pawn America retains the right to forward them to the AAA on the your behalf, subject to ultimate allocation by the arbitrator. In addition, if you are able to demonstrate that the costs of arbitration will be prohibitive as compared to the costs of litigation, Pawn America retains the right to pay as much of your filing and hearing fees in connection with the arbitration as the arbitrator deems necessary to prevent the arbitration from being cost-prohibitive; and (9) If any part of this Arbitration Provision is deemed to be invalid or otherwise unenforceable or illegal, the balance of this Arbitration Provision will remain in full force and effect and will be construed in accordance with its terms as if the invalid or illegal provision were not contained herein. You understand that, in the absence of this provision, you would have had a right to litigate disputes through a court, including the right to litigate claims on a class-wide or class-action basis, and that You have expressly and knowingly waived those rights and agreed to resolve any disputes through binding arbitration in accordance with the provisions of this paragraph.