Katapult Holdings

EQUITY OWNERSHIP GUIDELINES

KATAPULT HOLDINGS, INC.
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1.0 PURPOSE

The purpose of the Equity Ownership Guidelines (these "**Guidelines**") of Katapult Holdings, Inc. and its subsidiaries (collectively, the "**Company**") is to align the interests of the Covered Persons (as defined below) with the Company's stockholders and mitigate compensation-related risk by encouraging Covered Persons to acquire and retain meaningful stock ownership in the Company.

2.0 SCOPE

These Guidelines apply to each Director and Officer (as defined below) (each, a "**Covered Person**" and, collectively, the "**Covered Persons**").

- A "**Director**" means a member of the Board who is not an employee of the Company.
- An "**Officer**" means a Company officer (within the meaning of Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended).[1]

3.0 POLICY STATEMENT

To ensure the interests of Covered Persons are aligned with those of stockholders, the Company provides equity-based compensation as part of its overall compensation package. Adoption of these Guidelines will require the Covered Persons to maintain a significant ownership stake over their tenure, without placing undue tax or cash flow burdens on them. These Guidelines are a means to motivate the Covered Persons to perpetuate enduring stockholder value.

4.0 POLICY

Under these Guidelines, Covered Persons are expected to acquire a targeted level of stock ownership (the "**Stock Ownership Requirement**") defined as a multiple of annual base salary (for Officers) or annual Board cash retainer (for Directors), excluding additional retainers for service on Board committees or for service as chairperson or lead independent director, as set forth below:

Chief Executive Officer: 5x base salary
Executive Chairman: 4x base salary
President and Chief Financial Officer: 3x base salary
Other Officers: 2x base salary
Directors: 4x cash retainer

The required time period within which a Covered Person is expected to attain the applicable Stock Ownership Requirement under these Guidelines is five years from the effective date of the Covered

[1] **Note**: As drafted, this policy is applicable to Section 16 officers, which is consistent with KPLT's existing guidelines, a customary approach and usually the broadest companies will extend the scope. Alternatively, we could limit the scope to a smaller group of persons if desired (e.g., "named executive officers" or an enumerated list of persons by title).

Person's entrance into his or her respective role as a Covered Person. In the event that a Covered Person is further promoted to a position with a higher Stock Ownership Requirement, the five-year period will restart on the date of the promotion.

Until the Stock Ownership Requirement is achieved, the Covered Person will be required to retain 50% of Net Profit Shares from each award on exercise, vesting or earning of an equity award granted at or following the later of the implementation date of these Guidelines or the effective date of the Covered Person's entrance into his or her respective role as a Covered Person.

Compliance with the Stock Ownership Requirement will be measured on or about July 1 of each year (the "**Determination Date**") for the immediately preceding 12 month period ending June 30 and reported to the Compensation Committee of the Board (the "**Compensation Committee**") at its next committee meeting following such Determination Date. For purposes of determining compliance with the Stock Ownership Requirement on a Determination Date, each Covered Person will reasonably promptly thereafter receive a notice from the Company indicating the number of Eligible Shares that he or she is expecting to own pursuant to these Guidelines, and the number of Eligible Shares that the Covered Person owns (based on the Company's records). The number of Eligible Shares that the Covered Person is expected to own will equal:

- the product of (1) the Covered Person's stock ownership multiple and (2) his or her base annual salary as of such Determination Date;

  divided by

- the volume-weighted average closing price per share of the Company's common stock for the 30 trading days immediately preceding such Determination Date.

If a Covered Person has attained the Stock Ownership Requirement on the applicable Determination Date, the Covered Person will be exempt from any retention requirements until the next Determination Date (regardless of any change in position or change in annual base salary). So long as a Covered Person is in compliance with the Stock Ownership Requirement as of the applicable Determination Date, he or she is permitted to sell or transfer any shares of common stock of the Company owned in excess of the applicable Share Ownership Requirement (subject to securities laws and the Company's Insider Trading Policy) until the next Determination Date. Such Covered Person's compliance with the Stock Ownership Requirement will be tested again on the next Determination Date.

Once a Covered Person has attained the Stock Ownership Requirement, he or she will not be considered to fall out of compliance solely due to subsequent stock price declines until the next Determination Date.

Notwithstanding anything to the contrary herein, including the limitations described in this section, Covered Persons may sell or otherwise dispose of shares of common stock of the Company at any time to satisfy any applicable tax withholding obligations due in connection with the exercise of options or the vesting or settlement of any equity interests (subject to securities laws and the Company's Insider Trading Policy).

5.0 DEFINITIONS

5.1 "Eligible Shares" means the following shares of Company common stock, each of which counts towards a Covered Person's Stock Ownership Requirement:

- shares directly owned or owned jointly with spouses or shares held by immediate family members that would be beneficially owned and reported for purposes of the stock ownership table in the Company's proxy statement (excluding shares subject to a right to acquire);
- shares beneficially owned by a partnership, limited liability company or other entity to the extent of the Covered Person's interest therein (or the interest therein of his or her immediate family members residing in the same household), but only if the Covered Person has or shares power to vote or dispose of the shares;
- unvested shares of restricted stock and restricted stock units;
- unvested performance share awards for which the applicable performance criteria have been satisfied;
- shares held by the purchase of stock through an employee stock purchase plan;
- shares held in a 401(k) or similar qualified or non-qualified retirement plan; and
- shares held in a trust established by a Covered Person for the benefit of the Covered Person and/or family members.

5.2 "Net Profit Shares" means:

- shares of the Company's common stock received on vesting or earning of restricted stock/restricted stock units, net of Shares for Taxes; and
- shares of the Company's common stock received on exercise of stock options, net of shares tendered or withheld for payment of exercise price and Shares for Taxes.

5.3 "Shares for Taxes" means, regardless of whether share withholding is actually used:

- the amount of taxes on the income realized by the Covered Person on the vesting, earn-out or exercise date, calculated using maximum marginal tax rates applicable to the Covered Person;

  divided by

- the volume-weighted average closing price of shares the Company's common stock for the 30 trading days immediately preceding the vesting, earning or exercise date.

6.0 COMPLIANCE AND REPORTING

These Guidelines are interpreted solely by the Compensation Committee and administered by the Compensation Department.

The Compensation Department shall report the results of the measurement on each Determination Date to the Compensation Committee in accordance with Section 4.0 hereof.

If a Covered Person does not meet the Stock Ownership Requirement, the Compensation Committee may take such fact into account in determining the awards of future equity awards to such Covered Person, and may require all stock attained through Company grants of equity be retained until the Guidelines are satisfied, or take any other action the Compensation Committee deems appropriate. There may be instances in which these Guidelines would place an undue hardship on a Covered Person or prevent a Covered Person from complying with a court order (e.g., a divorce settlement). It is expected that these instances would be rare. The Compensation Committee may consider such hardship and grant additional transitional relief in its sole discretion. The Compensation Committee may also consider a Covered Person's compliance with these Guidelines in connection with compensation decisions, promotion opportunities and similar decisions to the extent it determines appropriate in its discretion.

These Guidelines supersede any previous policy of the Company concerning stock ownership. Questions regarding these Guidelines should be directed to the Chairperson of the Compensation Committee.

7.0 REVIEW CYCLE

These Guidelines shall be reviewed annually by the Compensation Committee and may be amended or terminated at any time by the Compensation Committee in its discretion.