From Access to Fit: The Future of Responsible Credit

Building Credit for the way money actually moves

Whitepaper
Nov 2026

FROM ACCESS TO FIT →

Table of Contents

–	Introduction	03
Section 1	From a borrowing history to a financial life	05
	1.1 Lending has always depended on what creditors know about borrowers	05
	1.2 Credit scores widened access, but still miss people without borrowing history	05
	1.3 Account data can move credit from access to fit	06
Section 2	Flexible credit gives customers more ways to meet their needs	07
	2.1 Customers choose among products, even when they already have credit available	08
	2.2 Customers want clear costs and repayment commitments	10
	2.3 Customers' choices reveal what they increasingly value from credit	12
Section 3	New credit tools can better fit longstanding timing needs	14
	3.1 Bridging timing: credit closes the gap between an expense and available money	16
	3.2 Preserving cash for other needs: credit keeps liquidity available and/or invested	17
	3.3 Creating on-demand capital: funding work before income arrives	17
	3.4 Different expenses call for different credit structures	18
	3.5 Customers need to compare credit against the job it will do	20
Section 4	Block turns financial intelligence into credit choice	21
	4.1 Different credit structures fit different money moments	21
	4.2 Block turns broader access into more useful credit	25
	4.3 The relationship can build a financial record customers can use	26
	4.4 The result is a more contextual credit system	27
Section 5	Regulation decides how much room there is for credit that fits	28
	5.1 Better underwriting means better use of data	28
	5.2 Financial products should evolve with customer needs	29
	5.3 Credit disclosures should reflect the product and its actual cost	29
–	Conclusion	30
–	Citations	31

Introduction

In a 1993 television report covering Burger King's trial acceptance of credit cards, two customer reactions captured the structural tensions of twentieth-century payment systems. One customer worried about the wait:

"I just hope it doesn't slow things down at the cash-and-carry that people are going to be having to call New York and get the confirmation, or whatever it is, because when I want a whopper, I want it now."[1] *(source)*

As humorous as this reaction appears from the vantage point of 2026, it recalls a financial system in which obtaining information could itself be an obstacle to using money. The customer's imagined call to New York described that obstacle: someone, somewhere else, had to know enough about the transaction to approve it. The speed of the purchase depended on the speed of the information behind it.

Another customer objected to the idea itself: *"I think it's pretty bad if you have to use a credit card when you go to a fast food restaurant. For something as little as $3.10."*

Her objection contained an assumption that has outlasted the technology in the first customer's complaint. To use credit for a small purchase was to reveal that one could not afford it. But we know this is wrong today: technology has made paying with credit, even for a $3.10 lunch, entirely ordinary.

In the modern financial landscape, the operational friction that defined this 1993 moment has largely disappeared. The phone call that customer imagined has given way to systems that assess thousands of fraud signals in milliseconds. Technology has also expanded how credit can be offered and used, giving customers more choices about when money leaves their accounts. Choosing credit at checkout need not suggest an empty bank account. It can be a simple payment convenience, or it can be a deliberate way to manage the timing between spending and incoming money.

In 1993, the novelty was that a person would use credit to make a purchase as ordinary as lunch. Today, paying with a credit card at a quick-service restaurant is routine. Credit has also moved beyond the card: into online checkouts, consumer accounts, business software, and the payment systems companies use every day. A customer can split a purchase at checkout or after the transaction; a seller can receive financing through the same software they use to take payments.

These newer products are part of the same evolution. Technology keeps changing where credit appears, how quickly it can be offered, and how closely it can fit the moment of need. Yet flexible credit products, including Buy Now Pay Later, now face a familiar skepticism: whether using credit for ordinary purchases signals financial strain, or simply gives customers another way to manage money.

Through Cash App, Afterpay and Square, Block has built a new credit system around the movement of money. Everyday financial activity can establish a customer's capacity to borrow, shape the credit available to them, and inform the next decision as their circumstances change. Different products turn that understanding into choices about when to use capital and how to repay it. Together, these capabilities change both who can access credit and what they can do with it.

This is embedded financial intelligence[2] working for the customer, reducing the effort between a financial need and the means to act. Cash App Score puts the assessment behind access to credit into customers' hands, while our announced partnerships create a path for them to carry that record beyond Block. Understanding the customer becomes a service to the customer, not only a decision about whether to lend. Policy should protect customers from harmful practices while giving responsible products room to meet changing financial needs.



Section 1
From a borrowing history to a financial life

1.1 Lending has always depended on what creditors know about borrowers

Credit has always had the same practical problem: money is advanced today against a promise to repay tomorrow. A lender has to make that decision with incomplete information.

For centuries, when record-keeping was manual and data was localized, risk assessment depended entirely on personal relationships and neighborhood acquaintances: a lender advanced it to people they knew, or to people vouched for by someone they trusted. As lending industrialized throughout the 20th century, banks required a mechanism to standardize trust across populations they did not know; that judgment was written into rules, along with the exclusions.

From 1935, the Home Owners' Loan Corporation graded neighborhoods in 239 cities from A to D for mortgage risk. Appraisers recorded the presence of Black and immigrant residents as grounds to mark an area down.[3] Sex and marital status counted as well. This practice of redlining structurally starved minority communities of mortgage capital, creating deep generational wealth disparities.[4]

Until the Equal Credit Opportunity Act (“*ECOA*”) took effect in 1975, a lender could refuse a creditworthy woman an account in her own name, or require her husband's signature even where she qualified on the lender's own standards.[5] And even though ECOA legally outlawed explicit discrimination based on race, sex, age, and marital status, the underlying mathematical architecture remained highly exclusionary. Because retail banks still lacked visibility into daily cash flows, they were forced to utilize broad, proxy-based risk buckets.

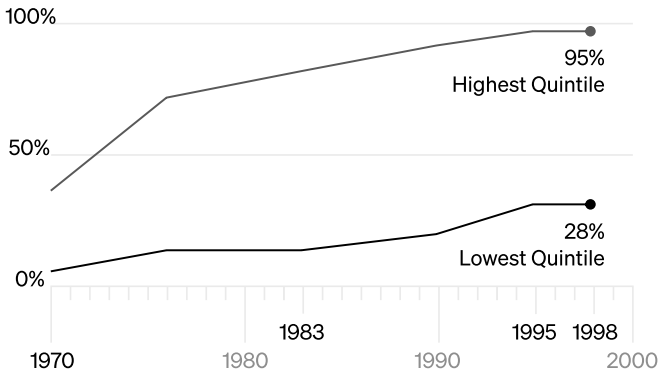
1.2 Credit scores widened access, but still miss people without borrowing history

Credit reporting made borrowing history portable. A customer’s experience with one lender could inform another lender’s decision. In 1989, FICO introduced a score that helped standardize repayment-risk assessment, turning past borrowing and repayment behavior into a single three-digit measure.

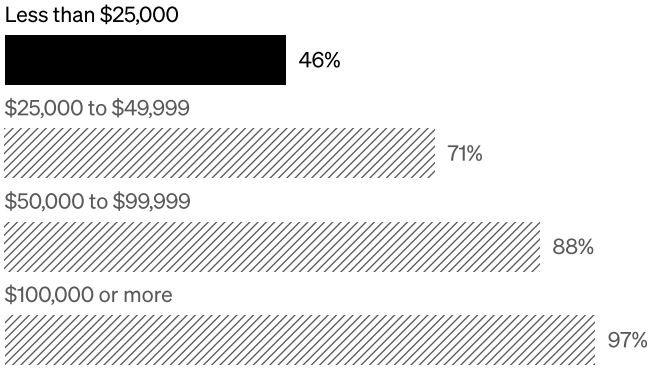
That standardization helped expand access. In 1970, just 2% of families in the lowest income quintile used a credit card, against 33% in the highest.

By 1998, those figures were 28% and 95%, respectively *(Figure 1)*.[6] Fast-forward to 2025 and almost half (46%) of adults with family income below $25,000 now have a credit card, compared to 97% of those at $100,000 or more.[7] As access expanded, consumers changed how they paid: Cash accounted for roughly 59% of household purchases in a 1995 Federal Reserve survey, compared with 14% of consumer payments in 2024; debit cards went from 2% to 30%, credit cards from 8% to 35%, and checks and other methods from 31% to 21%.[8,9]

Figure 1: Credit card holding climbed in every income group from 1970 onward.[10,11]



Share of US families holding a bank-type credit card, lowest and highest income quintiles, 1970 to 1998. Source: Thomas A. Durkin, Federal Reserve Bulletin, September 2000. "Credit Cards: Use and Consumer Attitudes, 1970-2000".



Share of US adults with a credit card by family income, 2025. Source: Federal Reserve Board, Economic Well-Being of U.S. Households in 2025 (Survey of Household Economics and Decisionmaking, SHED), May 2026.

But for all its success, the conventional scoring system retains a circular flaw: access depends on having already had access. The scoring depends on what happened to obligations that were created and reported. It cannot fully describe transactions that never involved a lender, or income that has not been used to service reported debt.

Someone who regularly earns money and meets commitments can have a thin borrowing history. Nearly 50 million Americans have insufficient credit history, including 28 million with no credit file at all.[12] For these individuals, the system's blind spot becomes their borrowing constraint: too little evidence is treated as too little creditworthiness.

1.3 Account data can move credit from access to fit

Fortunately, newer approaches to underwriting have begun to overcome this limitation and its bias against those with little borrowing history, recognizing evidence of creditworthiness in how people earn and manage money, not only in how they have borrowed it.[13]

Underwriting based on current cash flow can assess the frequency and stability of income against the timing of recurring commitments. Machine learning can help interpret these patterns across transactions, distinguishing circumstances that a conventional score might group together. Transaction-specific information adds further precision: the circumstances of a particular payment can inform its fraud assessment, while the amount and repayment schedule of a proposed loan help determine whether it fits the customer's capacity.

That precision has changed the choices available to lenders, customers and sellers. Greater information density and speed also allow those decisions to happen where credit is used. Lenders can assess a particular amount and repayment schedule against a seller's or customer's current finances, expanding access beyond what broad risk categories would permit. The change since the Burger King customer imagined "*calling New York*" is therefore more than faster authorization; underwriting can now shape the offer within the transaction itself.

These advances in underwriting, combined with innovation in product design, have helped credit take different shapes, giving customers more ways to use it. How customers are choosing among those options reveals the needs driving demand for more flexible credit products.

Section 2

Flexible credit gives customers more ways to meet their needs

Product innovation has brought more ways to borrow into the accounts and checkouts customers already use, making it easier to choose credit suited to the occasion and repay it on terms that work for them. In Block's Credit Demand Spaces Study of 3,138 U.S. deferred-payment users aged 18–59, BNPL was used by roughly two-thirds in the past year, overdraft by 54%, and cash advances or early wage access by 49%.[14] Personal loans or credit lines and store or provider installment plans were each used by 43%.[15] Customers often use more than one of these tools. Looking at when they choose each one helps explain the needs shaping the market.

2 in 3 deferred-payment users aged 18–59 used BNPL in the past year

54% of deferred-payment users aged 18–59 used overdrafts in the past year

49% of deferred-payment users aged 18–59 used cash advances or early wage access in the past year

Figure 2: Alternative Financing Methods Used[16]

	Total	Under $50K	$50K-$100K	$100K or more
Buy now, pay later or checkout financing	66%	61%	65%	69%
Overdraft on a bank account	54%	59%	57%	50%
Cash advance or early pay access	49%	52%	50%	47%
Split a purchase into payments after making it	44%	37%	42%	49%
Installment plan from a store, provider or lender	43%	30%	40%	50%
Personal loan, installment loan or line of credit	43%	37%	42%	47%
Short-term loan	36%	35%	36%	36%

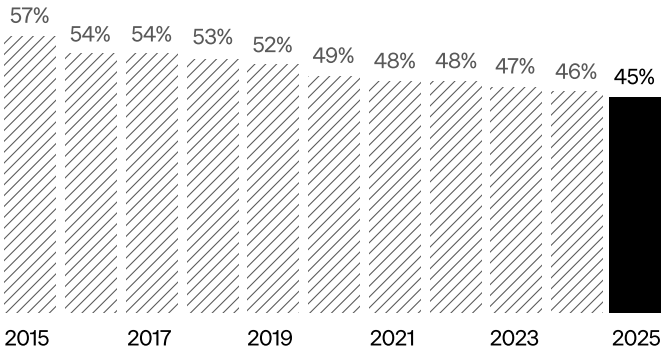
Share of deferred-payment users aged 18 to 59, in total and by household income, who used each method at least once in the past 12 months.

How many times did you do each of the following in the past 12 months? Source: U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of deferred payment users aged 18-59, August 2026).

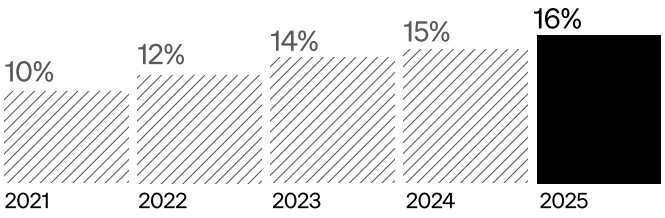
2.1 Customers choose among products, even when they already have credit available

Credit cards remain widespread, but consumers are using them differently. The share of cardholders who carried a balance at some point in the year fell from 57% to 45% over the past decade, while BNPL use rose from 10% of adults in 2021 to 16% in 2025 *(Figure 3)*.[17] This does not mean credit cards are disappearing, but that consumers have more ways to decide how a purchase should be financed. BNPL's growth is one sign of that change, alongside the use of account-based funds and longer-term loans.

Figure 3: Trend of BNPL use and cardholders carrying a balance[18]



Cardholders carrying a balance in the year. Share of cardholders who carried a balance at any point in the year.



The share of credit cardholders carrying a balance has steadily fallen while usage of tools like BNPL rose. Share of all adults who used buy now, pay later in the past 12 months. Buy now, pay later was first measured in 2021. Source: Federal Reserve Board, Economic Well-Being of U.S. Households in 2025 (Survey of Household Economics and Decisionmaking, SHED), May 2026.

BNPL is often discussed as an alternative for people who lack access to traditional credit, but that is not the whole story.

The Consumer Financial Protection Bureau found that 81% of BNPL users in its credit-record sample also held a credit card; 76% of those cardholders had at least $300 in unused credit.[19] In other words, many customers are not choosing BNPL because they have no other credit option. They are choosing it alongside other options.

Usage of newer flexible credit products extends across the income spectrum. In the Credit Demand Spaces Study, use of BNPL, post-purchase splits, store or provider plans, and personal loans or credit lines increased across the income bands shown in *Figure 2*. Among these deferred-payment users, store or provider plans were used by 30% earning under $50,000 and 50% earning $100,000 or more.[20] Overdraft and advances or early wage access ran in the other direction. While Federal Reserve data shows BNPL use concentrated among lower-income adults, other third-party sources place users closer to the income profile of the online U.S. population.[21,22] Block's Brand Health research found that about two in five Afterpay Pay in 4 and Pay Monthly users earned $100,000 or more.[23]

Cash App Borrow users, in contrast, lean more toward lower-income groups: 38% earned under $50,000 compared with 31% of adults in the tracker comparison.[24] Internal comparisons also found less recorded outside bankcard credit among Borrow customers than among customers using both Afterpay and Cash App.[25] This shows that flexible credit is not one market serving one customer type. Different products are reaching different customers and serving different situations.

Figure 4: Household Income Distribution of Afterpay and Cash App Borrow Users[26]

	Under $50K	$50K–$100K	Over $100K
Afterpay Pay in 4 n= 1,389	28%	33%	39%
Afterpay Pay Monthly n= 1,222	27%	33%	40%
Cash App Borrow n= 2,915	38%	31%	31%
All adults, 18-65 n= 12,146	31%	32%	37%

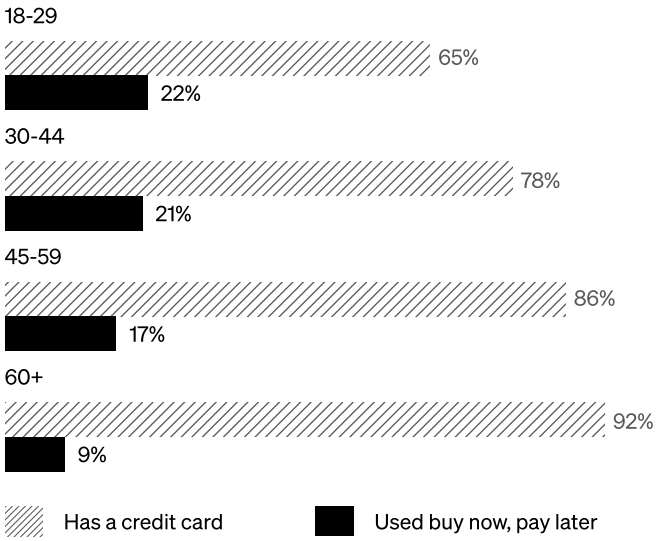
Afterpay and Cash App Borrow reach different parts of the income distribution. Share of each product's users by household income band. Source: U.S. Brand Health Equity & Tracking Study (Q1–Q2 2026; total pooled n=12,317) and Cash App Commerce Product Tracker (Q4 2025 and Q2 2026; total pooled n=6,700), conducted by Material+ (Block-commissioned online surveys of adults aged 18–65).

Generational attitudes also help explain the shift. Card holding rises with age, while BNPL use falls with it *(Figure 5)*. Block reports that 62% of surveyed Cash App Gen Z customers distrust traditional cards.[27] A generation's relationship with debt can be shaped by the economy it grew up in. For example, the 2008 crisis and its aftermath can offer one plausible explanation for that distrust: the consequences of debt outrunning income were visible before these customers applied for cards themselves.[28]

Young adults are still borrowing though, and across more forms of credit. Their BNPL use rose from 13% in 2021 to 22% in 2025, the highest of any age group *(Figure 6)*.[29] Deloitte's more recent survey points the same way, finding the share of Gen Z carrying a card balance for more than a month rose between 2023 and 2026, while it declined for every older generation.[30] They tie the increase to young adults starting out in a tougher entry-level job market, which suggests part of the recent rise is cyclical.[31]

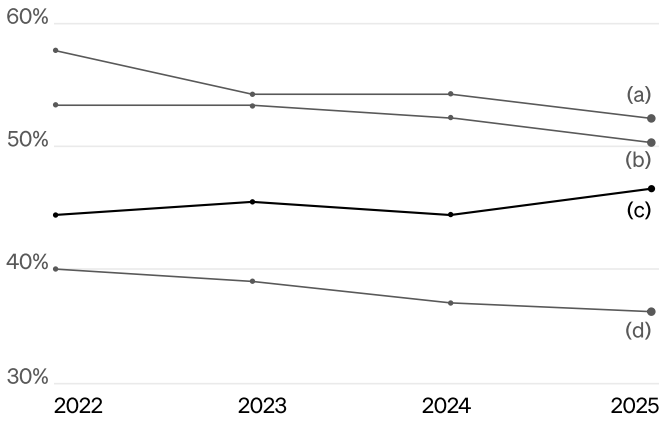
Their discomfort with card debt has actually held steady over the same period.[32] The key trend is that many people, including young ones, now have more ways to choose the structure of credit they want for a specific purchase.

Figure 5: BNPL use and credit card ownership by age group[33]



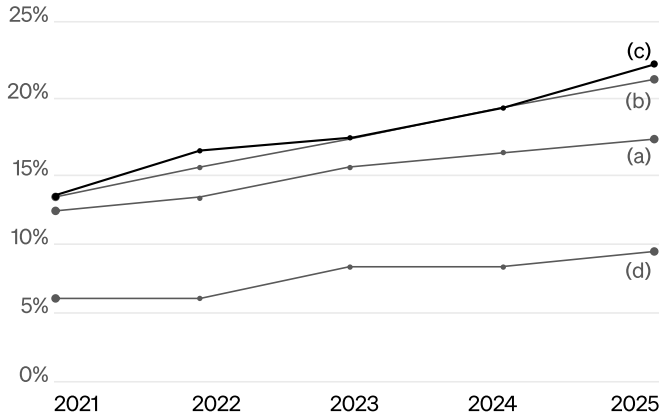
BNPL use is highest in younger age groups, while credit card ownership rises with age. Share of all adults in each age band who hold a credit card, and share who used buy now, pay later in the past 12 months, 2025. Source: Federal Reserve Board, Economic Well-Being of U.S. Households in 2025 (Survey of Household Economics and Decisionmaking), May 2026, tables 40 and 41. Fielded October 2025.

Figure 6: Trend of BNPL use and cardholders carrying a balance, by age group[34]



(a) 45-59, 52% (b) 30-44, 50% (c) 18-29, 46% (d) 60+, 36%

Share of credit cardholders who carried a balance at some point in the year, 2022 to 2025.



(a) 45-59, 17% (b) 30-44, 21% (c) 18-29, 22% (d) 60+, 9%

Gen Z are carrying a balance at similar rates to 2022 (46% against 44%) but have almost doubled their BNPL usage. Share of all adults who used buy now, pay later in the past year, 2021 to 2025, by age. The two panels use different bases. Source: Federal Reserve Board, Economic Well-Being of U.S. Households, reports for 2021 to 2025, credit tables by demographic characteristics.

For a large planned purchase, people often decide how to pay before they buy. In the Credit Demand Spaces Study's "*The Big Upgrade*" category, 68% did so. The purchases included electronics, furnishings and appliances, with a median financed expense of $1,000. Store or provider plans accounted for 17% of financing methods and personal loans for 15%.[35] In that same planned-purchase group, 25% prioritized avoiding additional credit-card balances and 24% wanted to avoid affecting their credit score or utilization.[36] Customers in this situation are often matching a larger expense to a repayment structure that feels more manageable.

When the expense is unexpected, customers have less time to prepare. For vehicle costs, household item replacements, and other large unplanned expenses, revolving cards accounted for 23% of financing methods, store plans for 17%, and personal loans for 15%. The median financed expense was $700.[37] Customers in this situation are not only choosing a product; they are choosing how to absorb a shock without destabilizing the rest of their finances.

For everyday necessities, the product mix looks different again. Overdraft accounted for 29% of financing methods and advances or early wage access for 20%.[38] Getting access to the money needed was a priority for 41%.[39] The study groups advances and wage access together, so this includes both borrowing and access to earned income. For bills, advances or early wage access accounted for 23% of financing methods, overdraft for 20%, and short-term loans for 18%.[40] Utilities and housing payments were the leading expenses, and getting the money needed was a priority for 42% of those who financed bills.[41,42]

2.2 Customers want clear costs and repayment commitments

The reasons consumers choose new flexible products point to what they want from credit more broadly: clearer cost, more manageable timing, and a repayment path with a clear endpoint.

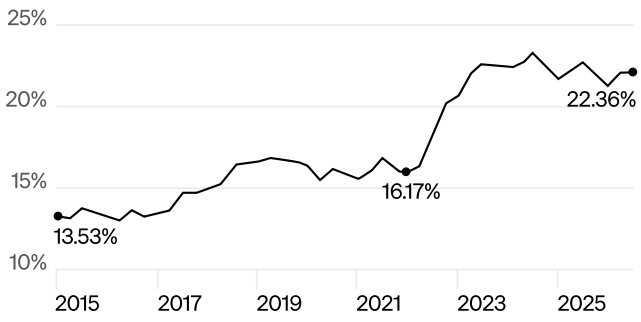
Cost is often the first point of comparison. In the Credit Demand Spaces Study, 35% of respondents financing a planned upgrade or an unexpected large expense prioritized low cost.[43]

Cardholders choosing a payment plan expressed that preference more specifically (*Figure 7*): 26% wanted to avoid card interest or fees and 24% did not want to add to a balance that could keep growing.[44,45]

Federal Reserve data shows a similar preference among higher-income BNPL users: avoiding interest was the main reason for 26% of those earning $100,000 or more, against 9% of those below $25,000.[46]

Higher interest rates make that choice more pressing. Most card accounts have variable rates that move with prime. The average rate on accounts assessed interest rose from about 16% in early 2022 to 22% in August 2026, and stayed above 20% from late 2022 (*Figure 8*).[48] When carrying a balance becomes more expensive, a plan with a defined cost and payoff date can become more attractive.[49]

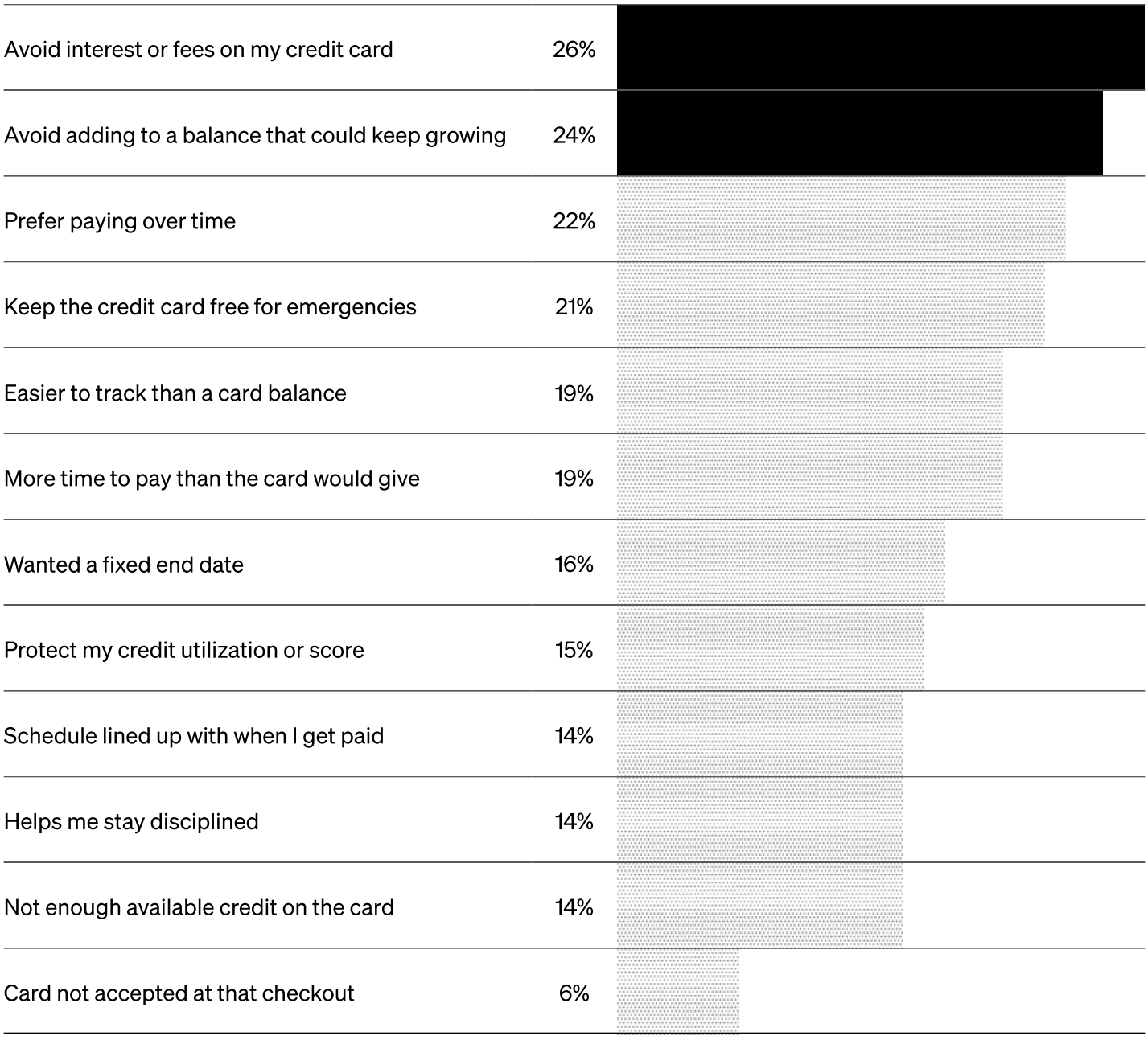
Figure 8: **Average interest rate on commercial bank credit card accounts charged interest, quarterly, 2015 to 2026** [50]



The average rate on card accounts charged interest rose from 16% in early 2022 to 22% in August 2026, and has stayed above 20% since late 2022. Source: Federal Reserve Board, G.19 Consumer Credit, terms of credit at commercial banks. Quarterly readings are for February, May, August and November.

One customer explained the appeal this way: *"But if I'm putting it on my credit card and I'm not paying off the full thing in a month, then I'm paying interest on it. So I was like, if I use one of these services where I'm just splitting up the payment over a few months, and as long as I stay up to date on those payments, I'm not paying anything additional on it. That seemed more appealing to me."* [51]

Figure 7: Why cardholders chose pay over time instead of their credit card [47]



Among credit cardholders who used buy now, pay later for their recent transaction. You chose to pay over time for that purchase, and you also have a credit card. Why did you choose to pay over time rather than use your credit card for that specific purchase?

Source: U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=1,606 deferred payment users aged 18-59, August 2026).

Spreading payments can help customers accommodate an expense alongside their other commitments. In the Federal Reserve's survey, 31% of BNPL users named spreading payments as their main reason; 29% said it was the only way they could afford the purchase.[52] One customer may need financing to make the purchase at all. Another may want to keep cash available for something else.

One participant in Block's qualitative research described it this way: "*I'm gonna buy the big thing anyways. So spreading the burden out amongst four different payments is appealing to me because ... I don't know what could possibly come up where I have to buy a train ticket for work or buy a plane ticket for a trip. And so I want to make sure I'm kind of spreading things out so it feels like less of a hit to my account.*" [53]

Customers also respond to repayment certainty. In the Credit Demand Spaces Study, 57% preferred a fixed payment schedule with the same amount, the same date and a clear endpoint over payment flexibility.[54] Part of the appeal is avoiding the risk of a revolving balance that becomes more expensive and harder to pay off as interest accumulates. Knowing what will leave the account, and when the payments will end, can make it easier to plan intentionally for repayment alongside their other commitments. For customers financing bills, 38% prioritized knowing what they owed and when to pay it.[55] Advances or early wage access and overdraft were the most-used methods for that occasion.

Knowing what is owed and when to pay it also affects how customers feel about the commitment *(Figure 9)*. In the Credit Demand Spaces study's comparison, 67% reported more control with BNPL than with cards for those reasons.[56]

How long customers want to repay depends on what they are paying for. For everyday necessities, where overdraft and advances were the most-used methods, 40% prioritized paying back quickly and being done; 82% expected to repay within six weeks.[58] For bills, the figures were 38% and 73%.[59] A short commitment can be cleared before the next round of expenses arrives.

For a larger expense, customers may want more time. In the Big Upgrade category, 54% expected repayment to take at least three months; for unexpected large expenses, 55% did.[60] Personal loans and store plans featured in both. For unexpected expenses, 39% prioritized longer repayment.[61] Spreading the cost can leave more available for the other commitments they still have to meet.

2.3 Customers' choices reveal what they increasingly value from credit

The trends suggest that today's "alternative" credit is becoming tomorrow's mainstream, much as credit cards became an ordinary way to pay for lunch after 1993. Innovation has given customers more ways to finance an expense, and they are choosing these products across income groups, including when they already have credit available. Their choices reveal what consumers increasingly value: understandable costs and repayment commitments suited to the need, whether that means clearing an everyday expense quickly or spreading a larger purchase over months.

The same product can serve different purposes. A payment plan can make a purchase affordable or preserve cash for another commitment.

To understand where these newer credit tools fit, we need to move from product categories to customer jobs: What is the customer asking credit to do?

Figure 9: Stated preferences when comparing BNPL vs credit cards[57]



n = 3,138

I prefer a fixed payment schedule – same amount, same date, clear end point

I prefer flexibility - being able to adjust payments when I need to



n = 2,835*

I feel more in control with “Buy Now, Pay Later” because I know what I owe and when

A credit card helps me feel more in control because there's more flexibility



n = 3,138

These payment methods help me feel in control – I know what I owe and when

Using these payment methods makes it harder to keep track of what I owe

More people associate control with BNPL than with cards. Shares include respondents who leaned toward a statement. *Asked only of people who use both a credit card and BNPL.

Please read each pair of statements about using payment or financing methods like the ones asked about earlier, and choose the one you agree with more. Source: U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of deferred payment users aged 18-59, August 2026)

Section 3

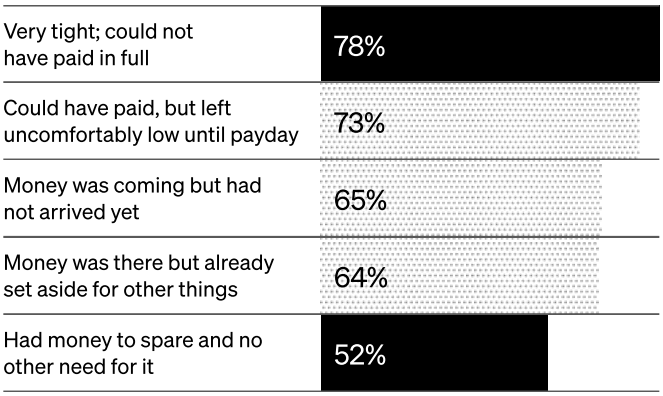
New credit tools can better fit longstanding timing needs

A customer's account balance records what is there at one moment. Their money state also includes what is coming in, what is already committed, and what they want to keep available. Someone with cash in the account may still have a reason to borrow; someone with little cash today may have ample capacity to repay after payday *(Figure 10)*.

Managing these flows is a form of household treasury. Customers decide which money should meet which expense and when, while leaving enough available for what comes next *(Figure 11)*. Credit gives them another way to arrange those payments. Sometimes money is expected but has not arrived yet. Sometimes money is available, but spending it now would leave too little for something else. Sometimes money must be spent before it can generate income or value.

This section examines those three jobs: bridging timing gaps, preserving liquidity, and creating on-demand capital. Each calls for repayment timed to the cash flow that will support it.

Figure 11: Money situations behind financing in the past 12 months [63]



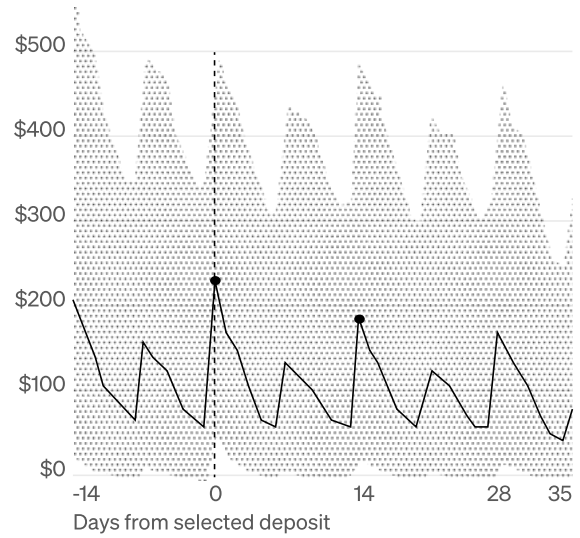
Respondents borrow across every money state, from very tight to money to spare. Share who used a way to pay over time, access money before payday or borrow at least once in the past 12 months in each situation. Respondents could report more than one situation.

Thinking about the past 12 months, how many times did you use a way to pay over time, access money before your next paycheck, or borrow money in each of the following situations? Summary of any (1 or more times) across the past 12 months. Source: U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

Figure 10: Checking Balances around a tagged deposit[62]

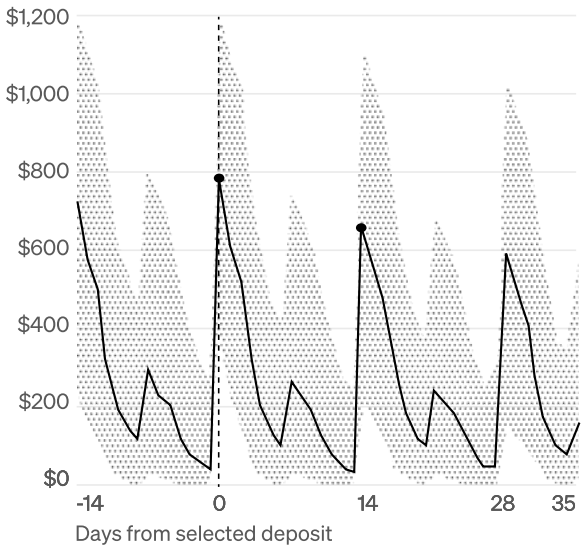
Under $500 deposit

Day 0	Day 14	Day 35
$232	$189	$90



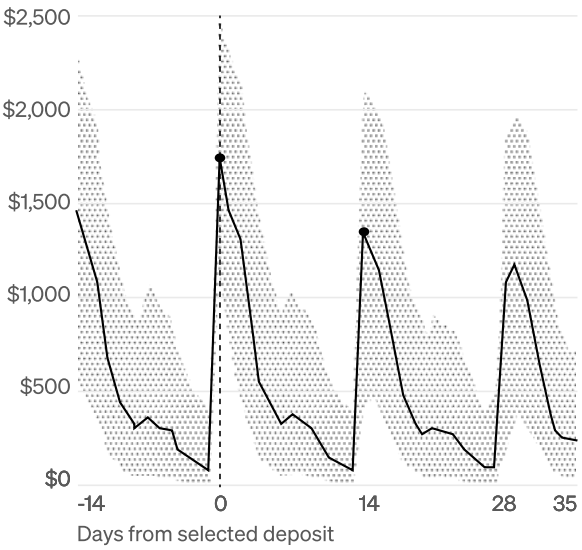
$500 to under $1,500 deposit

Day 0	Day 14	Day 35
$780	$654	$159



$1,500 or more deposit

Day 0	Day 14	Day 35
$1,866	$1,438	$255



Median balances over 50 days, grouped by deposit amount: shading shows the middle 50%. Source: Block Internal Data, June 2026.

3.1 Bridging timing: credit closes the gap between an expense and available money

A key reason people borrow is to cover an expense before the money they expect to use for it becomes available. A bill may come due before income arrives, even when that income has already been earned. An account balance may already be committed to rent, groceries, or another obligation. In these moments, people use credit as a timing bridge.

Among surveyed deferred-payment users, 65% reported using deferred payment at least once in the past year because money was coming from a paycheck, refund, or another source, but had not arrived yet.[64]

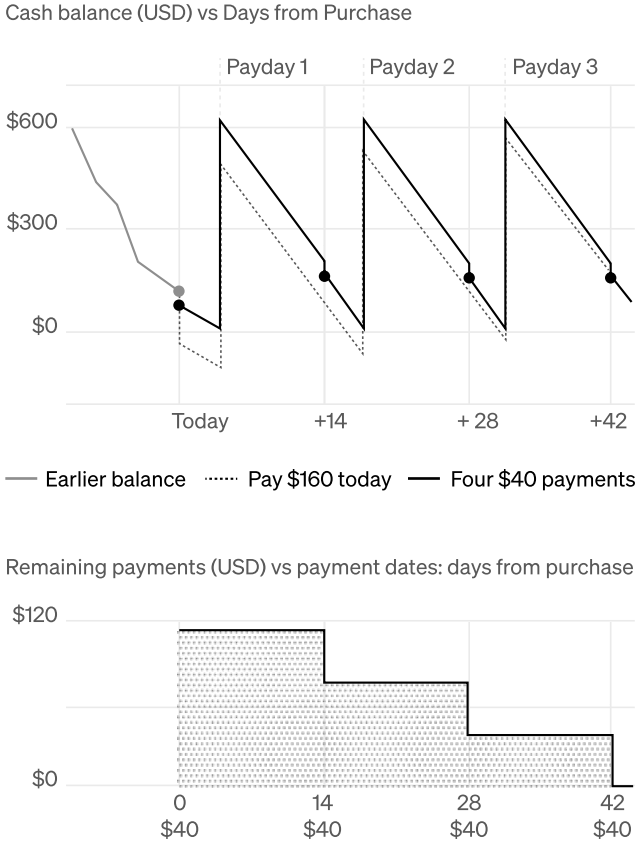
A category of products has grown up specifically around this need. Earned wage access, pay advances and overdraft coverage now reach people through payroll, banking apps and employers. They address a large pool of money: at any given time, about $260 billion of wages have already been earned by US workers and are waiting to be paid.[65] The products are relatively new, but the needs they serve are much older and increasingly important as income arrives on less predictable schedules.

The Credit Demand Spaces Study shows that when people financed groceries or bills, they more often used overdraft, cash advances, earned wage access and/or short-term loans.[66] Together, these products accounted for 58% of financed everyday basics transactions and 61% of financed bills-due transactions.[67] Among people financing everyday basics, 41% prioritized getting the money they needed and 40% wanted to pay it back quickly.[68] The need then, is not simply for more credit, it is for a bridge that matches the expense, the place it has to be paid, and the income expected to repay it.

A rideshare and delivery driver described borrowing to solve a timing mismatch: *"I use the Borrow feature on Cash App to borrow money whenever I need it in any immediate times or when I feel like I need money faster than when I'll be receiving it in paychecks."*[69]

Another example illustrates how BNPL helps a worker make a necessary purchase while avoiding immediate and later cash shortfalls *(Figure 12)*.

Figure 12: Safety Boots BNPL Illustration[70]



Same balance after day 42. Four $40 payments: today, then days 14, 28 and 42, No fee. Both paths meet after the last payment. Source: Block Illustration, October 2026.

With $120 in the account, paying $160 for safety boots upfront would leave too little to cover the purchase, before accounting for other expenses. Splitting the cost into four no-fee $40 payments lets the worker buy the boots now and distribute the remaining payments across future paychecks. In this example, the balance stays above zero throughout repayment.

3.2 Preserving cash for other needs: credit keeps liquidity available and/or invested

People also use credit to keep cash available for other needs. The money may be there, but spending it now would leave less available for other priorities. Sometimes this is defensive: avoiding a thinner cushion for rent, bills, or emergencies. Sometimes it is productive: keeping money in savings, investments, or another use where the customer believes it creates more value.

The defensive case can arise when expenses concentrate in one pay cycle, or when a larger purchase would leave too little buffer to absorb another cost. Among surveyed deferred-payment users, 72% said they had financed an expense at least once in the past year because paying the full amount at once would have felt like a strain, even though they technically had the money.[71] Another 70% said they had used deferred payment to keep cash as a cushion.[72]

"We could probably buy this upfront, but then we'd be talking about a cushion of 200, 300 dollars at the end of October, which is probably cutting it too close."[73]

Pay-over-time products have made this easier for customers by enabling them to spread payments over time so they can avoid using up cash needed for other expenses, and by making total cost clear so they can decide if using credit for this purpose is worth it.

Sometimes preserving cash is productive rather than defensive. People with assets have long borrowed rather than sell investments when they wanted to keep money working.

What is changing is that smaller, more embedded pay-over-time products let consumers make a similar tradeoff: weighing the cost of financing against the value of keeping cash available, invested, or reserved for another use.

Among surveyed deferred-payment users, 58% said they had used deferred payment at least once in the past year to keep money in savings or investments rather than use it right away, rising to 64% among those with household income of $100,000 or more.[74] For these customers, the objective is not simply access, but timing and allocation.

"For a big purchase, like when I bought World Cup Tickets, it seemed worth it to keep the money gaining interest ... even that small amount of BNPL where I can allocate the money elsewhere, I'll do it."[75]

The distinction also appears at the transaction level. The Credit Demand Spaces Study classified 53% of respondents' most recent financed transactions as necessity-driven, where available funds could not cover the expense when needed.[76] The other 47% were strategic: customers could pay upfront but chose to preserve cash for other uses.[77] These are not fixed customer types. They are different financial situations. The same customer may use credit out of necessity in one moment and strategically in another.

Preserving cash depends on cost clarity. Customers need to compare the cost of financing against the value of keeping cash available, invested, or directed toward another priority. The same purchase may therefore look different depending on the customer's cash position, upcoming obligations, and confidence in future income.

3.3 Creating on-demand capital: funding work before income arrives

Credit can also act like on-demand capital: a way to cover a work-enabling expense before the income tied to that work arrives. This is the third timing problem. In an on-demand capital moment, the expense comes first because it may help generate future income or value.

This job is becoming more important as more people work for themselves. Solo businesses are growing quickly. In 2024, 32 million U.S. firms had no employees other than their owners, and new business applications ran at 524,000 a month in 2026, roughly double the pre-pandemic monthly rate.[78] AI and accessible business tools have made it easier than ever to start and operate a business of one, but they do not eliminate the cash-flow gap between spending money to do the work and getting paid for it.

The nature of this work means payments do not always arrive like regular wages. Solopreneurs may be paid after a project is delivered, on net-30 or net-60 terms, or through platforms that settle after the work is complete. Earnings often come by project, shift, sale, or gig, often across several forms of work.[79] Expenses, however, like rent, taxes, subscriptions, inventory, equipment, transportation, and household bills, still arrive on fixed schedules.[80] That timing mismatch creates a need for on-demand capital: credit that can fund expenses or growth before the income tied to that work arrives.

Materials may be needed before a client project starts. Inventory may need to be purchased before the next sales cycle. A creator may need a new computer, camera, or equipment before the work produces income.

A freelance photographer, for example, explained:

"And so I kind of also see it as like an investment, but I know that the job that needs a wide angle lens will pay off the lens."[81]

For these customers, borrowing feels safer when repayment is tied to money they can already see coming such as a signed contract, booked job, recurring client, platform payout, unpaid invoice, or completed work awaiting settlement. It feels riskier when the debt could outlast the job or income intended to bridge that debt.

For a business of one, business and personal money are connected even when accounts are formally separate. A computer may be both a household device and a productive asset.

A vehicle repair may preserve family mobility and the ability to earn. Credit gives the customer another way to decide when a work expense affects the rest of their household finances.

Thirty-eight percent of deferred-payment users in the Credit Demand Spaces Study had used credit during the previous year for something related to work or earning.[82] Solopreneurs are also more likely to turn to BNPL. In the 2026 Modern Earners study, commissioned by Block, 70% of solopreneurs had used BNPL in the past year, compared with 60% of those who are not solopreneurs.[83]



3.4 Different expenses call for different credit structures

These jobs do not happen in the abstract. They happen through specific expenses: groceries, bills, repairs, travel, equipment, inventory, and planned upgrades. The amount needed, where the expense must be paid, and the time needed to repay can all affect which credit structure fits.

The Credit Demand Spaces Study *(Figure 13)* analyzed recent financed purchases and expenses and grouped them into six demand spaces: Covering the Basics, Bills Due, Unexpected Large Expenses, Little Treats, Occasions & Social, and The Big Upgrade. These are situations in which people use credit, not fixed types of customers.

Repayment horizons often differ substantially by expense. Everyday basics had a median financed transaction size of $100, compared with $350 for bills, $700 for unexpected large expenses, and $1,000 for the big upgrade.[85] Eighty-two percent of those financing basics and 73% financing bills reported repayment horizons within six weeks.[86]

Figure 13: Demand Spaces Summary[84]

	Covering the Basics n=517	**Bills Due** n=309	**Unexpected Large Expense(s)** n=553	**Little Treats** n=546	**Occasions & Social** n=363	**The Big Upgrade** n=850
In a nutshell	Groceries and fuel, a few days before payday	Rent or the utility bill - the predictable trigger	The car, heater, tooth - it broke, couldn't wait	Something small they wanted; easy to split	A trip, gift, celebration - a fixed-date event	The planned big-ticket: electronics & furniture
Money at the time	Very tight 57%	Very tight 60%	Very tight 50%	Paycheck hadn't arrived 20%	Money to spare 17%	Funds set aside 17%
Top trigger	Regular purchase or daily needs idx 482	A bill or payment that was due idx 980	Replacing broken or worn out items idx 433	A treat or splurge for myself idx 275	A specific occasion or event idx 525	Upgrading to something nicer idx 333
Why they spread payments	Avoid borrowing from family or friends idx 152	Avoid overdrafting idx 136	Only way to get approved idx 140	Interest-free idx 136	Keep savings earning idx 129	Keep savings earning idx 157
What mattered most	Access to the money I needed 41%	Access to the money I needed 42%	Longer time to pay back 39%	Keeping my bank or card balance free 27%	Rewards or cashback 20%	Rewards or cashback 19%
Repayment	■ Within 6 weeks ▒ 3 months or longer 82% 14% 	73% 23% 	44% 55% 	80% 18% 	55% 44% 	45% 54% 
Top category	Groceries 38%	Utilities 44%	Vehicle 27%	Apparel 41%	Travel 33%	Electronics 38%
Payment method	Pay later (BNPL, store plans, post-purchase split) 20%	15%	37%	48%	46%	47%
	Liquidity (Short-term loan, cash advance or EWA, overdraft) 58%	61%	25%	34%	23%	25%
	Traditional (Credit card balance or personal loan) 22%	24%	38%	18%	31%	27%
Median ticket	$100	$350	$700	$150	$550	$1,000

Source: U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026.

Idx compares each occasion to the total, where 100 is the total average. Repayment shares do not add to 100% because 'Not sure' responses are not shown.

By contrast, 55% of those financing unexpected large expenses and 54% of those financing the big upgrades reported repayment horizons of three months or longer. For unexpected large expenses, having more time to repay was the leading priority, selected by 39%.[87]

These differences matter because urgency and repayment capacity are not the same thing. A customer may need money immediately but still need several pay cycles to repay it. Another may have cash available but choose to preserve a cushion.

The point is not to assign one product to each expense category. It is to give customers credit options they can use where they need to pay, with amounts, costs, and repayment schedules that fit both the expense and their money state.

3.5 Customers need to compare credit against the job it will do

To choose credit that fits their needs, customers need to know how much they can access, where it can be used, what it will cost in dollars, when each payment is due, when the obligation ends, and what happens if repayment does not go as planned.

That is especially important when products have different repayment structures. APR can be useful for some comparisons, but it does not always show the practical cost of short-duration or small-dollar credit. A short-term product can have a high annualized rate but a lower dollar cost than a lower-rate balance carried for longer. Conversely, a product that looks manageable payment by payment can become harder to manage if the customer cannot see the total cost or payoff path.

Rethinking the APR, a study commissioned by Block, illustrates how the presentation of cost can influence customers' stated preferences.[88]Respondents ranked five credit options from most to least likely to use for a hypothetical unexpected $500 expense they could not cover.

Respondents were randomly divided into groups. Each group evaluated the same five credit options but saw borrowing costs presented in a different way, such as APR, the total dollar cost of borrowing, or the cost per $100 borrowed. The BNPL option, which had the lowest cost in the scenario, ranked fourth among respondents shown APR and first among those shown typical realized cost (a dollar measure of borrowing costs that includes late fees and reborrowing). These were stated preferences in a survey, but they show that presenting the same products differently can change which options customers favor.[89]

Comprehension also matters. Only 31% of respondents in the Rethinking the APR study said they could very confidently explain APR.[90] Confidence was similarly limited for the alternative measures tested, so changing the metric alone is not enough. In a separate UK Financial Conduct Authority experiment, only 17% of participants shown APR and repayment duration correctly identified the cheaper product when the lower-APR option cost more overall.[91] Adding the total amount repayable increased correct identification by 53 percentage points in that comparison. The research also found that using different metrics for different products could make comparisons harder.[92]

Customers need to be able to compare the costs and repayment terms of different credit options. A dollar-cost figure should make clear the repayment schedule it assumes. If taking longer to repay or missing payments would increase the cost or delay the payoff date, that should be clear before the customer commits.

Product innovation and understandable disclosure belong together. Customers need access to different ways of bridging timing, preserving liquidity and funding an expense, along with information that lets them choose among those options. A framework for pricing and access should accommodate new repayment structures while making their costs comparable.

That is the connection to Block's portfolio: account-based underwriting expands who can be considered, while different products give eligible customers choices about where to use credit and how to repay it.

Section 4
Block turns financial intelligence into credit choice

Block has built a credit system around the customer's financial life. Through Cash App, Afterpay and Square, its risk system brings together signals from account activity, transactions, cards, balances, repayment and business sales. Those signals help Block understand the customer's changing money state and offer different forms of credit within an existing relationship, so they can choose what serves the expense without starting over with another provider. Each new product can draw on a financial relationship established before the customer ever uses it.

4.1 Different credit structures fit different money moments

Block's products *(Figure 14)* turn this understanding into choices about where credit can be used, how much is available, who funds its cost and when repayment is due. The same product can serve different purposes, and the same customer can choose different products as their circumstances change.

Pay for a purchase over time. Afterpay Pay in 4 gives an eligible purchase its own repayment schedule, with four payments generally spread over six weeks. Customers can spread the expense without adding it to a revolving balance. For the standard Pay in 4 offer, the merchant funds the service, allowing customers to spread payments without interest.[94] Merchant funding creates a customer cost benefit as merchants pay for a service that helps complete a purchase, and the customer receives an interest-free plan.[95] Block can therefore offer a payment structure whose economics do not depend on the customer carrying an interest-bearing balance.

A customer may need more time than a six-week plan allows, but still want a defined schedule rather than a revolving balance. Afterpay Pay Monthly serves that moment by spreading eligible purchases over a fixed term, with no late or origination fees. Afterpay Pay Monthly gives customers more time for a larger purchase, with monthly payments over a fixed term. Interest applies at the offered APR, with no late or origination fees. The choice concerns how much future income to commit to this purchase, and for how long.[96]

Figure 14: U.S. Product Summary Table[93]

Product	What the structure enables	Where used	Customer cost	Repayment
Cash App Borrow (source)	Bridge a short timing gap before income arrives	Cash deposited into the account	Fixed fee	Optional weekly payments or incoming cash, or one payment by the due date
Cash App Overdraft (source)	Cover a purchase where cash falls short	Eligible Cash App Card purchases	No interest or fees	Incoming cash repays the balance
Afterpay Pay in 4 (source)	Spread a purchase over six to eight weeks	Participating merchant checkouts and out of network merchants	No interest; late fees may apply to the standard offer	Payments due every 2 weeks. First payment is usually due at time of purchase. Four payments over six weeks; first payment at purchase
Afterpay on Cash App Card (source)	Spread a purchase beyond Afterpay checkouts	Eligible Cash App Card purchases	Fixed fee	Six weekly payments over six weeks; no down payment
Post-Purchase Afterpay (source)	Restore cash after a purchase	Eligible completed payments	Fixed fee	Optional scheduled payments over six weeks, or one payment on the due date; no down payment
Afterpay Pay Monthly (source)	Spread a larger purchase over months	Participating merchant checkouts and select out of network merchants	Interest at the offered APR; no late or origination fees	Monthly payments over a fixed term
Square Loans (source)	Fund business expenses before sales arrive	Cash disbursement deposited into the account	Fixed fee	Fixed share of processing volume sales; minimum payments and maturity final due date apply
Square Credit Card (source)	Fund ongoing business expenses	Business card purchases	Interest on carried balances; no annual fee	Monthly minimum payments; balance can revolve; scheduled monthly ACH payments with optional repayment by fixed share of processing volume

Selected U.S. products. Eligibility and offer terms apply.
Examples describe capabilities, not exclusive customer uses.
The Pay in 4 row describes the standard merchant-funded offer.

Customers use both Pay in 4 and Pay Monthly across a range of purchases, with different spending patterns *(Figure 15)*. In July 2026, men's and women's clothing stores accounted for 19.8% of US Pay in 4 purchase dollars.[97] Travel agencies and tour operators accounted for 16.4% of US Pay Monthly purchase dollars at participating merchants, compared with 5.7% for Pay in 4.[98] Eighty-eight percent of surveyed Pay Monthly customers reported financing a planned purchase or occasion in the past year. Eighty-four percent reported financing at least once to keep cash available.[99]

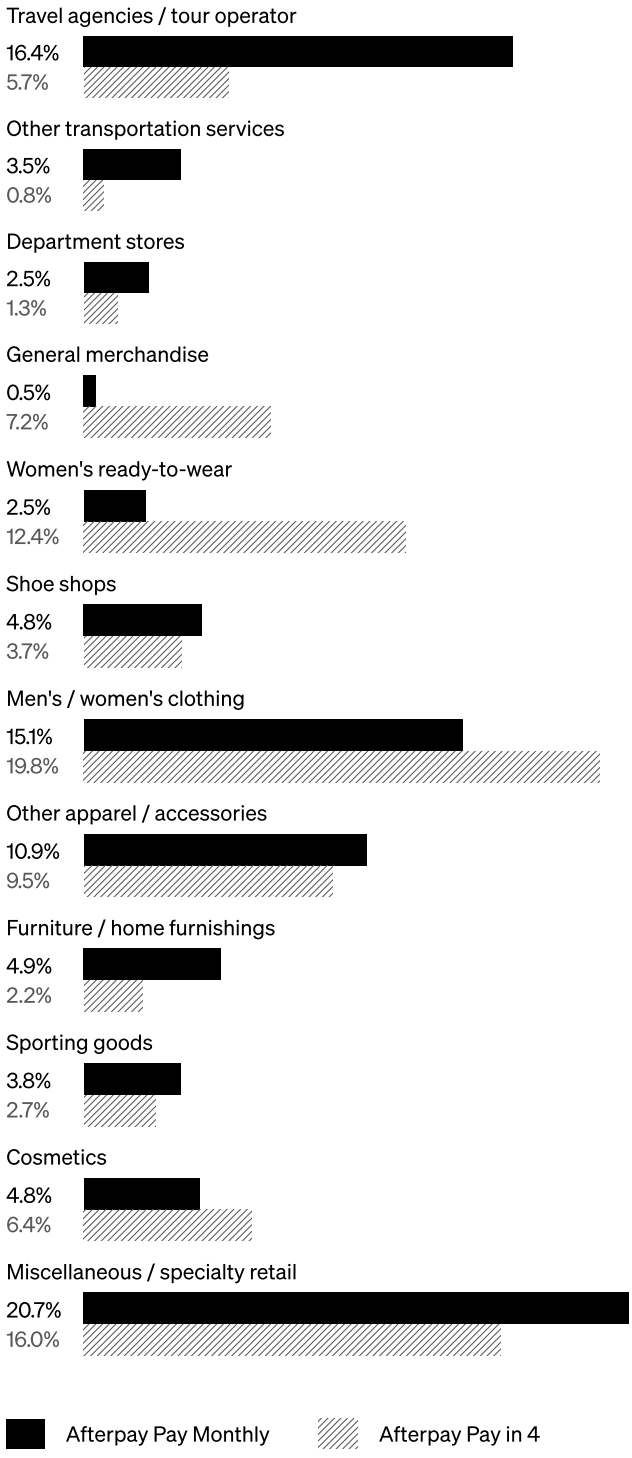
"If I would've put [$1,400 of concert tickets] on my credit card, it would've just been a little stressful to have that paid off in one month, so that's why the buy now, pay later Afterpay was the best decision."[100]

Extend payment plans beyond the merchant checkout. When the purchase happens outside an Afterpay checkout, Afterpay on Cash App Card and Post-Purchase Afterpay extend the same pay-over-time structure to more everyday payment contexts. Customers can finance an eligible card purchase or, with Post-Purchase Afterpay, split an eligible payment after it clears and restore cash to the account. Financing no longer has to be arranged at the merchant's checkout. Both products charge a consumer fee, with the amount and repayment terms shown before acceptance.[102]

In an internal study, 19% of customers who had used free Afterpay Pay in 4 later used paid out-of-network Cash App credit products.[103] Customers used both arrangements as their payment options expanded.

That portability matters because many money moments do not happen at a participating merchant checkout *(Figure 16)*. Grocery stores, fuel merchants and utilities accounted for 30.2% of Afterpay on Cash App Card purchase dollars and 29.8% for Post-Purchase Afterpay in an internal study.[104] The corresponding figure for Overdraft was 26.6%, showing that different product structures can serve the same purchase categories.[105]

Figure 15: Afterpay purchase categories at participating merchants, July 2026.[101]



Travel agencies account for 16.4% of Pay Monthly purchase dollars. July 2026 US purchases at participating merchants. Share of purchase dollars. Source: Block Internal Data, July 2026.

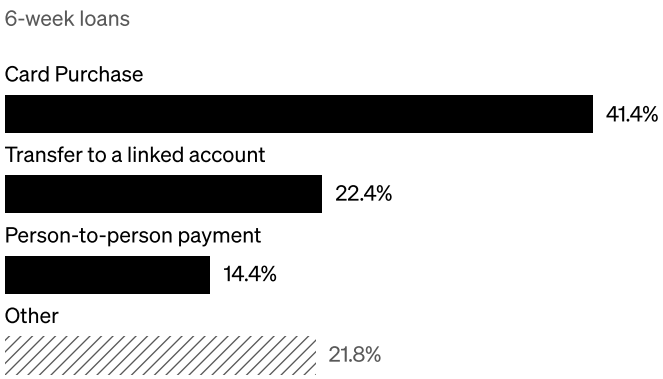
Figure 16: July purchases across 3 financing products[106]

	Afterpay on Cash App Card	Post-Purchase Afterpay	Overdraft
Groceries	16.0%	16.6%	10.6%
Fuel	11.4%	8.7%	15.1%
Utilities	3.2%	5.0%	1.8%
Restaurants	16.1%	12.5%	15.9%

July 2026 share of linked purchase dollars, using the same merchant-category definitions. Source: Block Internal Data, July 2026.

Bridge an income timing gap. Cash App Borrow gives customers cash they can direct to the expense they choose, including bills and payments to businesses that do not offer financing. Among six-week loans taken in July 2026 *(Figure 17)*, the next recorded outgoing movement was a card payment in 41.4% of cases, a linked-account transfer in 22.4%, and a peer payment in 14.4%, showing that customers can put the cash to use through the payment channel their expense requires.[107] Customers can see all terms, including the loan amount and fixed fee, before deciding whether to borrow.

Figure 17: What happens after a Borrow loan? First recorded outgoing movement after Borrow (on 6-week loans)[108]



First recorded outgoing movement within seven days of drawdown, July 2026. Every loan remains in the denominator. Other includes remaining movement types, ties and unobserved outcomes. Source: Block Internal Data, July–August 2026.

In an August 2024 survey of active Borrow customers, 54% reported using their loan for bills and 19% for rent, compared with 7% for a discretionary purchase.[109] These uses show why the ability to direct cash to an expense matters.

One customer described using Borrow when a bill came due before payday: *"I needed it during an urgent time for payday, I mean before payday, ... I can use for a bill because the bill was due and payday wasn't for like 2, 3, or 4 days out ... I used the $100 and it was very meaningful because not having to go to any buy or ask any anybody ... You just borrow the $100 and pay it back."*[110]

Cash App Overdraft covers eligible Cash App Card purchases when cash falls short, with no interest or fee.[111] Incoming money is used to repay the overdraft balance and typically reaches the amount drawn within two days.[112] By comparison, 2023 CFPB research has shown median overdraft fees of $35.[113] Cash App Overdraft is available to all Cash App customers who make $300 in qualifying deposits or $500 of Cash App Card/Cash App Pay purchases monthly.[114]

"So I wasn't scared of getting declined because I know that I can use my overdraft coverage, and I wasn't scared of getting fees and it not being worth it."[115]

Fund everyday and planned business expenses. For sellers, business financing can solve the same timing problem consumers face: the expense comes before the money that will repay it. A seller may need inventory, equipment, or working capital before the sales arrive. Square Loans fit that pattern by tying repayment to a share of Square-processed sales. When sales rise, repayment accelerates; when sales slow, repayment falls.[116]

Square Credit Card provides revolving capacity for ongoing business purchases, with unlimited 1.5% rewards and no annual fee. Interest applies at the stated APR. A seller can use a cash loan or a card for business expenses, with different access routes and repayment commitments.[117]



In an internal survey of Square banking customers, 79% of retailers reported using a loan for inventory.[118] Equipment was reported by 61% of food-and-beverage respondents and 65% of health-and-beauty respondents.[119] Purposes could overlap.

Sales variation is part of the circumstances these structures must accommodate. In a study of 464,153 Square Flex loans activated from July 2023 through June 2024, 46.4% encountered four consecutive weeks of recorded sales at least 20% below their pre-loan twelve-week average within the expected portfolio losses of the underwriting model.[120] The sales-share mechanism adjusts collections as receipts change. This analysis measures sales variation, not loan losses or repayment performance.

The range of products gives customers more ways to finance an expense. Their value becomes clearer when we look at who uses them and how those commitments compare with the money customers have coming in. Block is reaching people with limited traditional credit, while also serving customers who have cash or credit available and choose a different way to pay.

4.2 Block turns broader access into more useful credit

Block's products bring financing to customers with limited traditional credit and give customers with existing resources more ways to use them. Borrow shows how far that access can reach. About 70% of Borrow customers have FICO scores below 580.[121]

In an internal analysis, just 18.4% of Borrow customers had at least $1,000 in recorded bankcard credit, compared with 48.3% of Cash App's general customer base.[122]

Limited access to traditional credit does not mean limited capacity to repay. People should not need to borrow first to establish that they can handle money. The account a customer uses to receive income and meet financial commitments supplies evidence that a traditional credit file may miss. A seller's payment activity can do the same. Block's customer-centered risk system allows this information to inform credit decisions across its products, recognizing financial capacity through the relationship already in place.[123]

Block is extending credit to people whose capacity to repay is not fully recognized by traditional lenders. In Block's historical model comparisons, a hypothetical common loss threshold would have yielded 63% more approvals for seller loans, 38% more for Borrow and 13% more for BNPL than using a bureau score.[124] The point of these historical model comparisons is not simply more approvals; it is that there are more approvals at the same loss because the provider can understand and manage the risk more precisely.

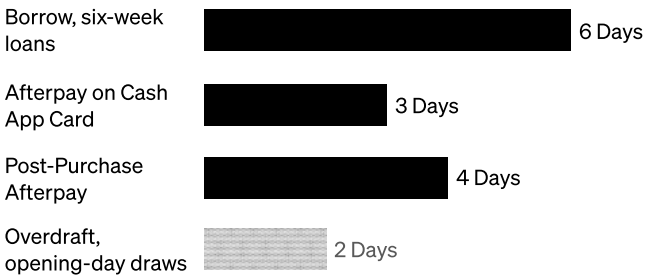
The same account activity can also make credit available early in the relationship. Customers can start by receiving money or making payments and qualify for an offer within weeks. Among the March 2026 borrowers who received an offer, the median time was 41.9 days for Cash App and 14.9 days for Square.[125] They can establish access through everyday use of the platform, before taking their first loan.

As the relationship develops, new account activity informs future offers. Changes in income, sales and existing obligations can support a different loan amount or a smaller commitment when less capacity is available.[126] Credit decisions can reflect the customer's circumstances as they change.

Responsible access also depends on how much is lent and how long customers have to repay it. For at least half of six-week Borrow loans, cumulative external inflows reached the loan amount by day six. The corresponding measures *(Figure 18)* were three days for Afterpay on Cash App Card, four for Post-Purchase Afterpay and two for Overdraft.

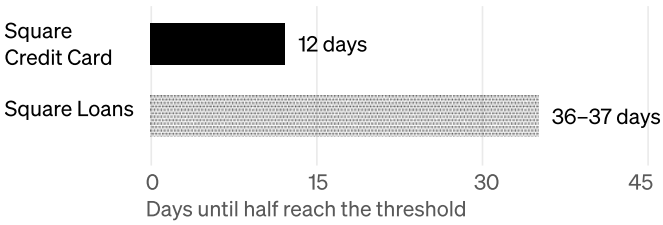
For the installment products, customers have weeks to repay an amount typically matched by just days of incoming money.[127] For sellers, cumulative gross Square payment receipts *(Figure 19)* reached the starting debt within a median of 12 days for Square Credit Card statements and 36–37 days for Square Loans.[128]

Figure 18: Incoming money relative to the amount financed (median days)[129]



Days after financing, counting each loan or opening-day draw. Source: Block Internal Data, September 2025 to September 2026.

Figure 19: Square payment receipts relative to starting debt (median days)[130]



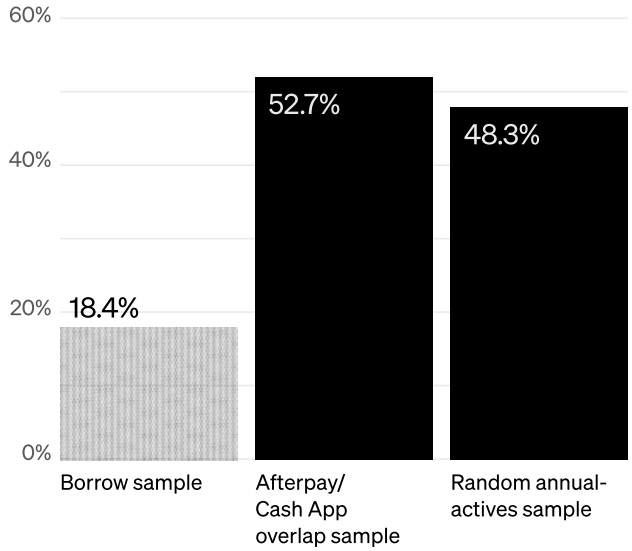
Days until gross payments equal the starting debt. Source: Block Internal Data, July to September 2026.

Customers also choose these products when they already have money or credit available. In the Post-Purchase Afterpay analysis, 45.5% of loans went to customers whose recorded prior-day Cash App balance covered the loan amount.[131] The product gives them a way to spread a completed purchase and keep cash available for other commitments.

The bankcard analysis tells a related story (Figure 20). Roughly half of Cash App customers could be matched to a revolving bankcard (total credit of at least $1,000), with a higher share among customers also using both Afterpay and Cash App and a much lower share among Borrow customers.[132]

For customers with a credit card, Block offers a separate repayment option for a purchase they could otherwise put on a card. The much lower prevalence of bankcards in the Borrow population reflects its role in reaching people traditional credit has underserved.[133]

Figure 20: Recorded bankcard credit of at least $1,000, by customer group[134]



Outside bankcard credit of at least $1,000. Share of each historical sample with an Experian total credit amount of $1,000 or more. Source: Block Internal Data, September 2022.

These alternatives are also changing where customers turn for financing. In an internal analysis, access to Post-Purchase Afterpay reduced customers' use of identified payday lenders by 21% during February–April 2026, measured through recorded Cash App Card transactions with eight payday loan providers.[135]

4.3 The relationship can build a financial record customers can use

The account relationship that expands access also changes the economics of providing credit. Block serves customers through payments and banking as well as lending, so the value of a credit product can extend beyond the return on an individual advance. A loan can help a seller invest in the business they run on Square.



Access to Borrow can give a customer a reason to bring more money movement into Cash App. In both cases, credit strengthens a broader money-management relationship.[136]

In a 2024 Cash App study, customers invited to qualify for Borrow through paycheck deposits had a 13% higher paycheck-deposit attachment rate than the eligible holdout.[137] For sellers, Square Credit Card statements show an increasing amount of card rewards being redeemed into Square's high-yield business savings accounts.[138]

The account relationship should not only help Block make credit decisions. It should also help customers understand and use the financial record they are building. If account activity can support access to credit, then customers should be able to see how that activity is understood and, where appropriate, carry that record with them.

Cash App Score puts financial intelligence in the customer's hands. The account activity that helps Block make a credit decision also gives customers a way to understand their own standing. By showing the score alongside its contributing factors and suggested actions, Cash App makes the assessment something customers can use: they can see what shapes their access and how their financial behavior is reflected.[139]

Through direct lender partnerships and its partnership with Nova Credit, Block is working to let customers share that score with lenders of their choosing. Customers can take the record built through their account activity beyond Block, retaining control over whether and how to share it. Everyday money management could then become evidence a customer brings with them in a fairer credit system.

Traditional credit bureaus sell customer data and assessments to lenders without providing everyday services to those customers. With the Cash App Score, Block has a direct relationship with the people it assesses and a reason to help them understand and improve their financial standing. Using the score for its own lending and sharing it with external lenders means that the value of the score depends on it being genuinely predictive. The score must therefore serve the customer, offer guidance they can act on, and predict risk accurately.[140]

Historical model comparisons indicate what account information could add outside Block's own products. Block reported simulated increases of 30% in auto-loan approvals and 28% in credit-card approvals at identical loss rates compared with traditional credit scores.[141] They demonstrate the potential for a record of everyday money management to support a wider range of credit decisions.

4.4 The result is a more contextual credit system

Block has built a new credit ecosystem around the customer, bringing together information and products that have often been kept apart. Across Cash App, Afterpay and Square, a customer's everyday financial life can inform a credit decision. Different products give that understanding practical uses: cash for an expense outside check-out, a payment plan that preserves money for other commitments, or business financing repaid through sales.

The ecosystem extends beyond the credit Block provides. Cash App Score helps customers understand the assessment behind their access, act on it, and bring that evidence to other lenders. Where customers once waited for a distant institution to judge an application through the narrow record of past borrowing, Block has built a system that recognizes their capacity, gives them more ways to use money, and puts the intelligence behind those choices into their hands.[142,143]

Section 5
Regulation decides how much room there is for credit that fits

Block shares a goal with policymakers and consumer protection advocates: broader, responsible access to credit that helps consumers and sellers manage their money. This paper has highlighted three factors that make that goal reachable:

Factor 1

Better underwriting that recognizes a customer's financial picture, including repayment capacity traditional measures overlook.

Factor 2

Embedded credit to give customers more ways to bridge timing gaps, preserve cash, and finance expenses before income arrives.

Factor 3

Accessible information and disclosures to ensure customers can understand the actual cost, manage repayment, and accurately evaluate their options.

5.1 Better underwriting means better use of data

People should not need to borrow first to establish that they can handle money. Receiving income and meeting financial commitments can demonstrate repayment capacity that a thin credit file misses. Expanding access need not require accepting more risk; it can come from seeing financial capacity that an older measure missed. Cash-flow data can help lenders assess customers with variable income or nontraditional work, including people whose earnings arrive from several sources.

Customers should also be able to understand and use the record their activity builds so that their financial picture can be accessed by lenders. This financial intelligence can help customers see their own financial strengths. It can also give lenders a clearer view of their ability to repay.

Recommendation 1

Policymakers should support the responsible use of cash-flow data and other alternative underwriting indicators. Regulators should evaluate those methods by their effect on access and repayment outcomes.

5.2 Financial products should evolve with customer needs

Financial regulation should preserve and promote access to responsible, lower-cost credit while targeting the harms that matter most. The credit card purchase that once drew disbelief at Burger King is now an ordinary practice. Customers are choosing newer credit products to meet their needs, often alongside cards they already hold. Small, short-duration, and bounded products provide flexibility to meet customers where their actual needs or financial strategies lie. Many of the products customers now depend on, like short-term liquidity tools, earned wage access, and installment options at point of sale, do not fit neatly into the categories existing regulation was designed around.

Fitting these products into legacy frameworks built for credit cards, longer installment loans, or revolving lines of credit produces regulation poorly calibrated to the product's real risk profile and can restrict access to options that are, in practice, lower-risk and lower-cost than the alternatives.

Recommendation 2

As new products evolve, regulators should encourage innovation and assess products through a risk-based approach that asks what the product does: how much is advanced, over how long, on what repayment structure, at what cost, and with what recourse if the customer cannot pay. Those features, rather than the category a product resembles, should determine the protections that apply.

5.3 Credit disclosures should reflect the product and its actual cost

Responsible credit should be assessed by whether customers understand the cost, can manage repayment, and are not left worse off by the commitment. A measurement of APR works well when comparing similar loans carried over months or years, but less well for short-term credit. A fixed fee on a short cash advance can produce an annualized rate that overstates the customer's actual cost, while a longer plan with low monthly payments can obscure the total cost.

Customers need clear, product-specific information about their actual obligations, not one-size-fits-all disclosures reliant on an annualized rate designed for longer-term products. Disclosures should be available where customers manage their credit, including before they commit and throughout the life of the product.

Recommendation 3

Policymakers should require disclosures that clearly state the size of the loan, the total dollar cost, payment due dates, when repayment ends, and the consequences of missed payments. Providers should have flexibility in how they deliver them and remain accountable for making them clear and available at the moment the customer needs them.

Conclusion

The history of credit has been shaped by what lenders could know. Its next chapter is being shaped by what customers can do. Technology has turned more of their financial lives into evidence of capacity and brought more ways to use that capacity within reach. Customers are already choosing credit for different purposes, on terms that let them decide how to put their money to work.

Together, these changes have begun to replace a restrictive system of eligibility and standardized products with one that can recognize more people and respond to more of their needs. Embedded financial intelligence makes that possible. Its value is measured in the choices it creates for the customer. Responsible innovation and regulation should extend that freedom: more people recognized, more needs served, and more control over the decisions that shape their financial lives.

Customers are already choosing credit for different purposes, on terms that let them decide how to put their money to work.

Citations

[1] Go Right News Videos, “Burger King Customers React to Credit Card Implementation Back in the Day,” YouTube, accessed October 15, 2026.

[2] Embedded financial intelligence, in the context of this paper, is the ability to learn from how a customer’s money moves and use that ongoing understanding to make suitable credit available within the accounts and transactions they already use. It connects underwriting with product design, expanding access and giving customers options suited to their circumstances when they need them.

[3] Federal Reserve History, “Redlining”; Daniel Aaronson, Daniel Hartley and Bhashkar Mazumder, “The Effects of the 1930s HOLC ‘Redlining’ Maps”, Federal Reserve Bank of Chicago working paper 2017-12, on the 239 cities mapped between 1935 and 1940 and the role of racial composition in the grades; Federal Housing Administration, Underwriting Manual, 1938, paragraphs 909 and 937. Historians differ on how directly private lenders used the maps themselves; the grading practice and the underwriting instructions are documented in the primary sources.

[4] Federal Reserve History, “Redlining”; Daniel Aaronson, Daniel Hartley and Bhashkar Mazumder, “The Effects of the 1930s HOLC ‘Redlining’ Maps”, Federal Reserve Bank of Chicago working paper 2017-12, on the 239 cities mapped between 1935 and 1940 and the role of racial composition in the grades; Federal Housing Administration, Underwriting Manual, 1938, paragraphs 909 and 937. Historians differ on how directly private lenders used the maps themselves; the grading practice and the underwriting instructions are documented in the primary sources.

[5] Equal Credit Opportunity Act, Pub. L. 93-495, signed October 28, 1974 and effective, with Regulation B, in October 1975. Regulation B: 12 CFR 1002.7(a), “A creditor shall not refuse to grant an individual account to a creditworthy applicant on the basis of sex, marital status, or any other prohibited basis”; 12 CFR 1002.7(d)(1), barring a creditor from requiring a spouse's signature “if the applicant qualifies under the creditor's standards of creditworthiness for the amount and terms of the credit requested”. Congress extended the Act to race, color, religion, national origin, age and receipt of public assistance in 1976.

[6] Thomas A. Durkin, “Credit Cards: Use and Consumer Attitudes, 1970–2000”, Federal Reserve Bulletin, September 2000, table 2, from the Surveys of Consumer Finances. Families were asked about using cards in 1970 and about having cards in later years. Across all families, 16% used a bank-type card in 1970 and 68% had one in 1998.

[7] Federal Reserve Board, Economic Well-Being of U.S. Households in 2025 (Survey of Household Economics and Decisionmaking, SHED), May 2026, table 40. Share of adults with a credit card, by family income. This is a different base from the 1970 and 1998 figures above, which are income fifths of families.

[8] 1995 Survey of Consumer Transactions Accounts Usage, commissioned by the Board of Governors of the Federal Reserve System and conducted by the University of Michigan Survey Research Center, May 1995; preliminary results reported in William B. English, Inflation and Financial Sector Size, Finance and Economics Discussion Series no. 1996-16 (Board of Governors of the Federal Reserve System, revised April 1996). Shares are of household purchases, not all payments.

[9] Federal Reserve Financial Services, “2025 Diary of Consumer Payment Choice Reveals Cash Remains Relevant in an Increasingly Digital Economy,” press release, May 13, 2025

[10] Thomas A. Durkin, Federal Reserve Bulletin, September 2000. Credit Cards: Use and Consumer Attitudes, 1970-2000.

[11] Federal Reserve Board, Economic Well-Being of U.S. Households in 2025 (Survey of Household Economics and Decisionmaking, SHED), May 2026.

[12] Block, Block's Modern Approach to Credit: Expanding Access While Managing Risk, May 2025.

[13] FinRegLab, Advancing the Credit Ecosystem: Machine Learning & Cash Flow Data in Consumer Underwriting (1 July 2025).

[14] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026). Deferred payment users include people who have chosen to pay over time for a purchase or expense in the past 12 months. Market Sizing Estimation based on survey data and U.S. Census Bureau, American Community Survey, ACS 1-Year Estimates.

[15] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[16] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[17] Federal Reserve Board, Economic Well-Being of U.S. Households in 2025 (Survey of Household Economics and Decisionmaking, SHED), May 2026, figures 32 and 33.

[18] Federal Reserve Board, Economic Well-Being of U.S. Households in 2025 (Survey of Household Economics and Decisionmaking, SHED), May 2026, figures 32 and 33. Fielded October 2025.

[19] Consumer Financial Protection Bureau, Making Ends Meet in 2024, November 2024.

[20] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026). Financing Products Used.

[21] Federal Reserve Board, Economic Well-Being of U.S. Households in 2025 (Survey of Household Economics and Decisionmaking, SHED), May 2026, table 41. Share of adults with a credit card, by family income

[22] GWI Core (U.S. nationally representative online survey of internet users aged 16+, Q2 2026). BNPL users are defined as people who used any buy-now-pay-later service in the last week or used Afterpay, Klarna, Affirm, Sezzle, or Zip Co in the last month. Base: n=4,183 of 25,060 total U.S. online users.

[23] U.S. Brand Health Equity & Tracking Study (Q1–Q2 2026; total pooled n=12,317) and Cash App Commerce Product Tracker (Q4 2025 and Q2 2026; total pooled n=6,700), conducted by Material+ (Block-commissioned online surveys of adults aged 18–65).

[24] U.S. Brand Health Equity & Tracking Study (Q1–Q2 2026; total pooled n=12,317) and Cash App Commerce Product Tracker (Q4 2025 and Q2 2026; total pooled n=6,700), conducted by Material+ (Block-commissioned online surveys of adults aged 18–65).

[25] Block Internal Data, September 2022. Represents historical outside bankcard credit.

[26] U.S. Brand Health Equity & Tracking Study (Q1–Q2 2026; total pooled n=12,317) and Cash App Commerce Product Tracker (Q4 2025 and Q2 2026; total pooled n=6,700), conducted by Material+ (Block-commissioned online surveys of adults aged 18–65).

[27] Block, Block's Modern Approach to Credit: Expanding Access While Managing Risk, May 2025, p. 4, citing Cash App, "Why Credit Cards Give Gen Z the Ick," 2025. Base: Cash App customers.

[28] Federal Reserve Board, Economic Well-Being of U.S. Households in 2025 (Survey of Household Economics and Decisionmaking), May 2026, tables 40 and 41. Fielded October 2025.

[29] Federal Reserve Board, Economic Well-Being of U.S. Households in 2025 (Survey of Household Economics and Decisionmaking, SHED), May 2026, table 14 and 41.

[30] Deloitte Insights, More Gen Z borrowers report carrying credit card debt while investing in stocks, October 8, 2026. ConsumerSignals survey of about 1,000 US adults a month, July 2022 to June 2026 (Pooled N=48,000), weighted by age and income. Gen Z is defined as ages 18 to 29.

[31] Deloitte Insights, More Gen Z borrowers report carrying credit card debt while investing in stocks, October 8, 2026. ConsumerSignals survey of about 1,000 US adults a month, July 2022 to June 2026 (Pooled N=48,000), weighted by age and income. Gen Z is defined as ages 18 to 29.

[32] Deloitte Insights, More Gen Z borrowers report carrying credit card debt while investing in stocks, October 8, 2026. ConsumerSignals survey of about 1,000 US adults a month, July 2022 to June 2026 (Pooled N=48,000), weighted by age and income. Gen Z is defined as ages 18 to 29.

[33] Federal Reserve Board, Economic Well-Being of U.S. Households in 2025 (Survey of Household Economics and Decisionmaking), May 2026, tables 40 and 41. Fielded October 2025.

[34] Federal Reserve Board, Economic Well-Being of U.S. Households in 2025 (Survey of Household Economics and Decisionmaking), May 2026, tables 40 and 41. Fielded October 2025.

[35] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[36] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[37] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[38] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[39] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[40] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[41] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[42] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[43] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[44] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[45] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[46] Federal Reserve Board, Economic Well-Being of U.S. Households in 2025 (Survey of Household Economics and Decisionmaking, SHED), May 2026, p. 67, table 42, "Main reason for using Buy Now, Pay Later (BNPL) (by family income)." Survey fielded October 17–28, 2025.

[47] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of deferred payment users aged 18-59, August 2026). Deferred payment users include people who have chosen to pay over time for a purchase or expense in the past 12 months. Base 1,606 (BNPL users who also have a credit card, including BNPL boost sample).

[48] Consumer Financial Protection Bureau, The Consumer Credit Card Market, December 2025, pp. 5, 41, 48, on card rates and the prime rate. Most card accounts carry a variable rate that moves with the prime rate, which tracks the policy rate.

[49] Federal Reserve Board, G.19 Consumer Credit, accounts assessed interest: 13.53% in February 2015, 16.17% in February 2022 and 22.36% in August 2026.

[50] Federal Reserve Board, G.19 Consumer Credit, terms of credit at commercial banks. Quarterly readings are for February, May, August and November.

[51] Block, Future of Credit qualitative research, Q2–Q4 2026. n=670 US interviews: 20 human-moderated in-depth interviews (60 minutes, median 8,829 words) and 650 AI-moderated sessions via Listen Labs (mean 18 to 32 minutes, median 3,188 words)

[52] Federal Reserve Board, Economic Well-Being of U.S. Households in 2025 (Survey of Household Economics and Decisionmaking), May 2026, table 42. Among adults who used BNPL in the past year.

[53] Block, Future of Credit qualitative research, Q2–Q4 2026. n=670 US interviews: 20 human-moderated in-depth interviews (60 minutes, median 8,829 words) and 650 AI-moderated sessions via Listen Labs (mean 18 to 32 minutes, median 3,188 words)

[54] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[55] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[56] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[57] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[58] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[59] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[60] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[61] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[62] Block Internal Data, June 2026. Represents linked external-account reports.

[63] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[64] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[65] Block calculation from US Bureau of Economic Analysis, wages and salaries ($13.58 trillion at a seasonally adjusted annual rate, August 2026), and Bureau of Labor Statistics, length of pay periods (2023: 27% of businesses pay weekly, 43% every two weeks, 20% twice a month, 10.3% monthly). On average, about seven days of earned wages are unpaid at any moment. This excludes the lag between the end of a pay period and payday, so the true figure is higher.

[66] The U.S. Credit Demand Spaces Study grouped financed purchases and expenses into six spending occasions: Covering the Basics, Bills Due, Unexpected Large Expenses, Little Treats, Occasions & Social, and The Big Upgrade. These describe spending situations, not fixed customer types.

[67] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[68] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[69] Block, Future of Credit qualitative research, Q2–Q4 2026. n=670 US interviews: 20 human-moderated in-depth interviews (60 minutes, median 8,829 words) and 650 AI-moderated sessions via Listen Labs (mean 18 to 32 minutes, median 3,188 words)

[70] Illustrative cash-flow simulation, October 10, 2026.

[71] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[72] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[73] Block, Future of Credit qualitative research, Q2–Q4 2026. n=670 US interviews: 20 human-moderated in-depth interviews (60 minutes, median 8,829 words) and 650 AI-moderated sessions via Listen Labs (mean 18 to 32 minutes, median 3,188 words)

[74] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[75] Block, Future of Credit qualitative research, Q2–Q4 2026. n=670 US interviews: 20 human-moderated in-depth interviews (60 minutes, median 8,829 words) and 650 AI-moderated sessions via Listen Labs (mean 18 to 32 minutes, median 3,188 words)

[76] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[77] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[78] US Census Bureau, 2024. Nonemployer Statistics (released September 29, 2026), table NS00NONEMP; US Census Bureau, Business Formation Statistics, total business applications, seasonally adjusted, January–August 2026 (release of September 11, 2026).

[79] Block, 2026. The Modern Earner Economy: How Changes in Earning Are Reshaping Financial Services.

[80] The State of Modern Earning in 2026 by FactWorks (Cash App-commissioned U.S. nationally representative online survey of n=3973 respondents aged 18-64, March 2026).

[81] Block, Future of Credit qualitative research, Q2–Q4 2026. n=670 US interviews: 20 human-moderated in-depth interviews (60 minutes, median 8,829 words) and 650 AI-moderated sessions via Listen Labs (mean 18 to 32 minutes, median 3,188 words)

[82] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[83] The State of Modern Earning in 2026 by FactWorks (Cash App-commissioned U.S. nationally representative online survey of n=3973 respondents aged 18-64, March 2026)

[84] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[85] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[86] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[87] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned U.S. nationally representative online survey of n=3,138 deferred payment users aged 18-59, August 2026).

[88] Mandala, Rethinking the APR, commissioned by Block, October 2026. Survey of n=997 US consumers and n=600 US SMB owners or financial decision makers, fielded by Bully Pulpit International via Dynata's opt-in panel and weighted to US Census benchmarks.

[89] Mandala, Rethinking the APR, commissioned by Block, October 2026. Survey of n=997 US consumers and n=600 US SMB owners or financial decision makers, fielded by Bully Pulpit International via Dynata's opt-in panel and weighted to US Census benchmarks.

[90] Mandala, Rethinking the APR, commissioned by Block, October 2026. Survey of n=997 US consumers and n=600 US SMB owners or financial decision makers, fielded by Bully Pulpit International via Dynata's opt-in panel and weighted to US Census benchmarks.

[91] UK Financial Conduct Authority, Navigating the Disclosure Trade-off: Balancing Flexibility and Standardisation in Cost-of-Credit Information, 29 April 2026.

[92] UK Financial Conduct Authority, Navigating the Disclosure Trade-off: Balancing Flexibility and Standardisation in Cost-of-Credit Information, 29 April 2026.

[93] Product terms as published by Block, accessed October 2026. Cash App Borrow; Cash App Overdraft; Afterpay Pay in 4; Afterpay on Cash App; Pay Monthly; Square loan repayment; Square Credit Card.

[94] Block, Inc., Annual Report on Form 10-K for the fiscal year ended December 31, 2025, filed February 26, 2026, at 65 (“Revenue from our BNPL products include merchant fees generated from consumer receivables, late fees, gift cards, and certain affiliate and advertising fees.”). (Afterpay, how it works).

[95] Block, May 2025. Block's Modern Approach to Credit: Expanding Access While Managing Risk. p. 14.

[96] Afterpay, accessed October 23, 2026. "Monthly Payments: What is it? How does it work?".

[97] Block Internal Data, July 2026. Represents US Afterpay purchases at participating merchants, by merchant category.

[98] Block Internal Data, July 2026. Represents US Afterpay purchases at participating merchants, by merchant category.

[99] U.S. Credit Demand Spaces Study by FactWorks (Block-commissioned online survey of n=8,705 Cash App or Afterpay customers who are deferred payment users, August 2026).

[100] Block, Future of Credit qualitative research, Q2–Q4 2026. n=670 US interviews: 20 human-moderated in-depth interviews (60 minutes, median 8,829 words) and 650 AI-moderated sessions via Listen Labs (mean 18 to 32 minutes, median 3,188 words)

[101] Block Internal Data, July 2026. Represents US Afterpay purchases at participating merchants, by merchant category.

[102] Cash App, accessed October 23, 2026. "Pay over time with Afterpay for past purchases," Cash App, "Afterpay on Cash App Card," cash.app/help.

[103]Block internal data, April to July 2026. Represents linked Afterpay and Cash App customers in twenty-four states plus D.C. Identity links are inferred.

[104] Block Internal Data, September 2025 to July 2026. Represents linked Cash App Card purchases by merchant category.

[105] Block Internal Data, September 2025 to July 2026. Represents linked Cash App Card overdraft purchases by merchant category. Shares use the whole purchase amount.

[106] Block Internal Data, July 2026. Represents settled Cash App Card purchases linked to Afterpay on Cash App Card, Post-Purchase Afterpay and Overdraft, by merchant category.

[107] Block Internal Data, July to August 2026. Represents six-week Borrow loans created in July.

[108] Block Internal Data, July to August 2026. Represents six-week Borrow loans created in July.

[109] Cash App Borrow customer survey, August 2024. 2,386 active Borrow customers, weighted; other lenders rated by the 259 who had used one; shares strongly agreeing; more than one answer allowed on uses.

[110] Block, Future of Credit qualitative research, Q2–Q4 2026. n=670 US interviews: 20 human-moderated in-depth interviews (60 minutes, median 8,829 words) and 650 AI-moderated sessions via Listen Labs (mean 18 to 32 minutes, median 3,188 words)

[111] Cash App, accessed 23 October 2026, "Free Overdraft Coverage".

[112] Block Internal Data, September 2025 to September 2026. Represents Cash App overdraft draws, with inflows observed through September 2026.

[113] CFPB, Overdraft and Nonsufficient Fund Fees: Insights from the Making Ends Meet Survey and Consumer Credit Panel, Office of Research Publication No. 2023-9, December 2023.

[114] Cash App, 23 October 2026, "Free Overdraft Coverage," cash.app, accessed.

[115] Block, Future of Credit qualitative research, Q2–Q4 2026. n=670 US interviews: 20 human-moderated in-depth interviews (60 minutes, median 8,829 words) and 650 AI-moderated sessions via Listen Labs (mean 18 to 32 minutes, median 3,188 words)

[116] Square, "Repay your loan," Square Support Center, accessed 26 October 2026.

[117] Square, accessed 23 October 2026. "The Square Credit Card".

[118] Block Internal Survey Data, Q3 2024. Represents Square Audience CSAT survey, retail respondents (n=246). Reports stated loan uses, not share of loan dollars.

[119] Block Internal Survey Data, Q3 2024. Represents Square Audience CSAT survey, food and beverage (n=247) and health and beauty (n=306) respondents. Reports stated loan uses, not share of loan dollars.

[120] Block Internal Data, April 2023–September 2026. US Square Flex loans activated July 2023–June 2024.

[121] Block, May 2025. Block's Modern Approach to Credit: Expanding Access While Managing Risk, p. 11.

[122] Block Internal Data, September 2022. Represents Experian Premier bankcard attributes matched to Cash App customer records. Customer groups overlap and are not mutually exclusive.

[123] Block, May 2025. Block's Modern Approach to Credit: Expanding Access While Managing Risk, p. 9.

[124] Block, May 2025. Block's Modern Approach to Credit: Expanding Access While Managing Risk. pp. 10, 12, 13.

[125] Block Internal Data, March 2026. Represents Cash App customers and Square sellers who activated in March 2026 and subsequently borrowed. Median days to first offer, among those offered within 180 days.

[126] Block Internal Data, January to May 2026. Represents Square sellers with loans activated in 2025, grouped by April 2026 sales, repayment history and outstanding balance.

[127] Block Internal Data, September 2025 to September 2026. Represents Cash App lending and inflow events, with Afterpay on Cash App Card from February 2026.

[128] Block Internal Data, July to September 2026. Represents July 2026 seller credit card and loan cohorts, with Square receipts observed for 45 days. Receipts are gross, before operating expenses.

[129] Block Internal Data, September 2025 to September 2026. Represents Cash App lending and inflow events, with Afterpay on Cash App Card from February 2026.

[130] Block Internal Data, July to September 2026. Represents July 2026 seller credit card and loan cohorts, with Square receipts observed for 45 days. Receipts are gross, before operating expenses.

[131] Block Internal Data, September 2025 to July 2026. Represents Post-Purchase Afterpay loans, compared with the most recent Cash App balance in the 24 hours before origination.

[132] Block Internal Data, September 2022. Represents Experian Premier bankcard attributes matched to Cash App customer records. Customer groups overlap and are not mutually exclusive.

[133] Block Internal Data, September 2022. Represents Experian Premier bankcard attributes matched to Cash App customer records. Customer groups overlap and are not mutually exclusive.

[134] Block Internal Data, September 2022. Represents Experian Premier bankcard attributes matched to Cash App customer records. Customer groups overlap and are not mutually exclusive.

[135] Block Internal Data, February to April 2026. Represents Post-Purchase Afterpay-eligible and holdout customers, measuring recorded activity with eight identified payday providers. The 21% is a relative rate difference.

[136] Block, Block's Modern Approach to Credit: Expanding Access While Managing Risk, May 2025, p10. (Block, Investor Day: Business Model).

[137] Block Internal Data, December 2024 (updated February 2025). Represents invite-eligible Cash App customers and an eligibility-matched holdout, comparing paycheck-deposit attachment. Study began September 2024.

[138] Block Internal Data, January to September 2026. Represents Square Credit Card rewards redeemed into Square Savings, by month of redemption.

[139] Block, September 2026. “Block will open its Cash App Score to lenders with Nova Credit's Cash Flow Intelligence Platform as partner”.

[140] Alex Johnson, "An Accountable Credit Score," Fintech Takes, Finity, 24 September 2026 (sponsored content produced in partnership with Block).

[141] Block, September 2026. “Block will open its Cash App Score to lenders with Nova Credit's Cash Flow Intelligence Platform as partner” (Block, Cash App Score historical comparisons).

[142] Block, May 2025. Block's Modern Approach to Credit: Expanding Access While Managing Risk.

[143] Cash App, September 1, 2026, Cash App Score and Nova Credit partnership announcement.