



DISCLOSURE MATERIALS

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire and B Lab deems them to be material, the company must:

- 1) Be transparent about the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue.
- 3) Demonstrate that management systems are in place to avoid similar issues from arising in the future.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to background checks by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company.

DISCLOSURE QUESTIONNAIRE

Company Name: SoLo Funds

Date Submitted: 10/01/2021

Industries & Products	Yes	No
Please indicate if the company is involved in production of or trade in any the following. Select Yes for all options that apply.		
Animal Products or Services		✓
Biodiversity Impacts		✓
Chemicals		✓
Company Explanation Of Disclosure Item Flags		✓
Disclosure Alcohol		✓
Disclosure Firearms Weapons		✓
Disclosure Mining		✓
Disclosure Pornography		✓
Disclosure Tobacco		✓
Energy and Emissions Intensive Industries		✓
Fossil fuels		✓
Gambling		✓
Genetically Modified Organisms		✓
Illegal Products or Subject to Phase Out		✓
Industries at Risk of Human Rights Violations		✓
Monoculture Agriculture		✓
Nuclear Power or Hazardous Materials		✓
Payday, Short Term, or High Interest Lending		✓
Water Intensive Industries		✓
Tax Advisory Services		✓

Supply Chain Disclosures	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones		✓
Child or Forced Labor		✓
Negative Environmental Impact		✓
Negative Social Impact		✓
Other		✓

Outcomes & Penalties	True	False
Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply.		
Anti-Competitive Behavior		✓
Breaches of Confidential Information		✓
Bribery, Fraud, or Corruption		✓
Company Explanation Of Disclosure Item Flags		✓
Company has filed for bankruptcy		✓
Consumer Protection		✓
Financial Reporting, Taxes, Investments, or Loans		✓
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)		✓
Labor Issues		✓
Large Scale Land Conversion, Acquisition, or Relocation		✓
Litigation or Arbitration		✓
On-Site Fatality		✓
Penalties Assessed For Environmental Issues		✓
Political Contributions or International Affairs		✓
Recalls		✓
Significant Layoffs		✓
Violation of Indigenous Peoples Rights		✓
Other		✓

Practices	True	False
Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "Yes." If false, select "No."		
Animal Testing		✓
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)		✓
Company Explanation Of Disclosure Item Flags		✓
Company prohibits freedom of association/collective bargaining		✓
Company workers are prisoners		✓
Conduct Business in Conflict Zones		✓
Confirmation of Right to Work		✓
Does not transparently report corporate financials to government		✓
Employs Individuals on Zero-Hour Contracts		✓
Facilities located in sensitive ecosystems		✓
ID Cards Withheld or Penalties for Resignation		✓
No formal Registration Under Domestic Regulations		✓
No signed employment contracts for all workers		✓
Overtime For Hourly Workers Is Compulsory		✓
Payslips not provided to show wage calculation and deductions		✓
Sale of Data		✓
Tax Reduction Through Corporate Shells		✓
Workers cannot leave site during non-working hours		✓
Workers not Provided Clean Drinking Water or Toilets		✓
Workers paid below minimum wage		✓
Workers Under Bond		✓
Other	✓	

B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY: SoLo Funds

UPDATED AS OF: 10/01/2021

DISCLOSURE QUESTIONNAIRE CATEGORY	Other
TOPIC	Company operates as financial services provider for its members via their marketplace for emergency capital and neo-banking services. Neo-banking is defined as a tech company that provides banking services via mobile app or website.
SUMMARY OF ISSUE	SoLo is an on-demand community capital marketplace allowing members to access and supply short-term funds for immediate needs & returns. SoLo Funds does not partake in the payday lending industry or provide payday loans or high interest rate loans. SoLo enables consumer-to-consumer access and supply of funds for emergency use as well as supporting neo-banking services. Borrowers are not charged fees or interest.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	Solo Funds receives 100% of their revenue from their capital marketplace services with 65% associated to its lending members in protection services and 35% associated to its borrowing members which is 100% voluntary with a portion being donated to a non-profit. Additional neo-banking services are currently being offered for free such as transactions from consumer deposit accounts. The company also plans to shortly launch debit card, direct deposits and ATM services will also be free. Revenue from borrowing members is earned through a donation that is initially paid by the lending members. Donations are then repaid to the lending members at repayment. Donations are automatically opt in, but there is the option for the borrower to opt out if they wish. A donation defaults to a selection of 3 choices, 7%, 8% and 9%.
IMPACT ON STAKEHOLDERS	The minimum amount that can be borrowed on the marketplace is US\$100 and the maximum is US\$500. Borrowing members are expected to repay the loans in one lump sum within a term of 35 days. Solo Funds, does not charge any interest on the loans made via their marketplace. All loans have 0% interest as borrowing members have 100% optionality and control over the terms they create when requesting funds. This includes the donation, tip, reason, and duration/repayment date. Electing not to tip or donate has no impact on a member's ability to request a loan, nor does the SoLo platform give a member preferential treatment for including a tip or donation. New members that have lower SoLo scores may offer higher tips and provide a more detailed reason until their score increases. Tips are capped at a maximum of 12% of the principle. For SoLo, tips are 100% distributed to the lending members. A member may also make a donation to SoLo to help defray verification and transaction costs associated with a loan. Additionally, a portion of each donation to SoLo is further distributed to a non-profit.
IMPLEMENTED MGT PRACTICES	<p>"All members have to meet AML/KYC obligations that would be consistent to opening a bank account. This includes SSN, PII and drivers license etc. to start. Lending members use the SoLo Score to assess who to lend to. This score is from 30-100. The max score that a new borrowing member can receive is 60 and then positive repayment behavior on the platform enables the score to increase. Additionally, the max loan that a new borrowing member can request is \$100, this also increases with repayment. If a borrower goes delinquent, they no longer use the platform until the original loan has been repaid.</p> <p>The SoLo score is a transaction-based risk assessment populated by banking data. In plain English, the score is determined by taking a look at your cash flow—they integrate their platform with Plaid so you can plug in your banking info—so they can take into account a true snapshot of the customer income and bills as a way to measure a borrower's ability to repay the loan in full. This measure does update as borrowers continue to pay on time and has proved to result in a 3x better risk score than traditional lenders for this market segment."</p>
OTHER MANAGEMENT COMMENTS	SoLo will continue its mission of financial autonomy for all by expanding its financial services offering across its community. As we look into 2022, we will launch additional neo-banking and credit building services as well as premium member benefits ultimately positioning SoLo at the leading neo-bank solution for underserved communities.