



Socially responsible lending for the underbanked

Agenda

- 1. Introduction to Fig and our story**
- 2. What is Fig36?**
 - What does it mean for FoundCom clients?
- 3. How does it work?**
- 4. Live demo of Fig36 application website!**

Introduction to Fig and our story



Product Financial products that build credit and improve financial stability

Customer \$30k-\$60k income and can't access bank loans, credit cards or online lending

Difference Consumer-focused lender dedicated to being a non-profit community partner

Some of our partners:



“Payday loans are now more prevalent than McDonald’s.”

Barack Obama

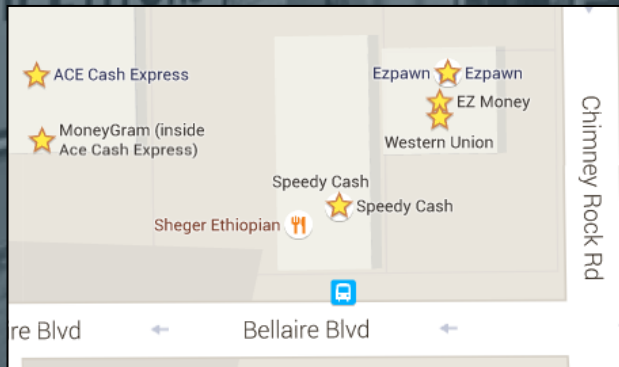
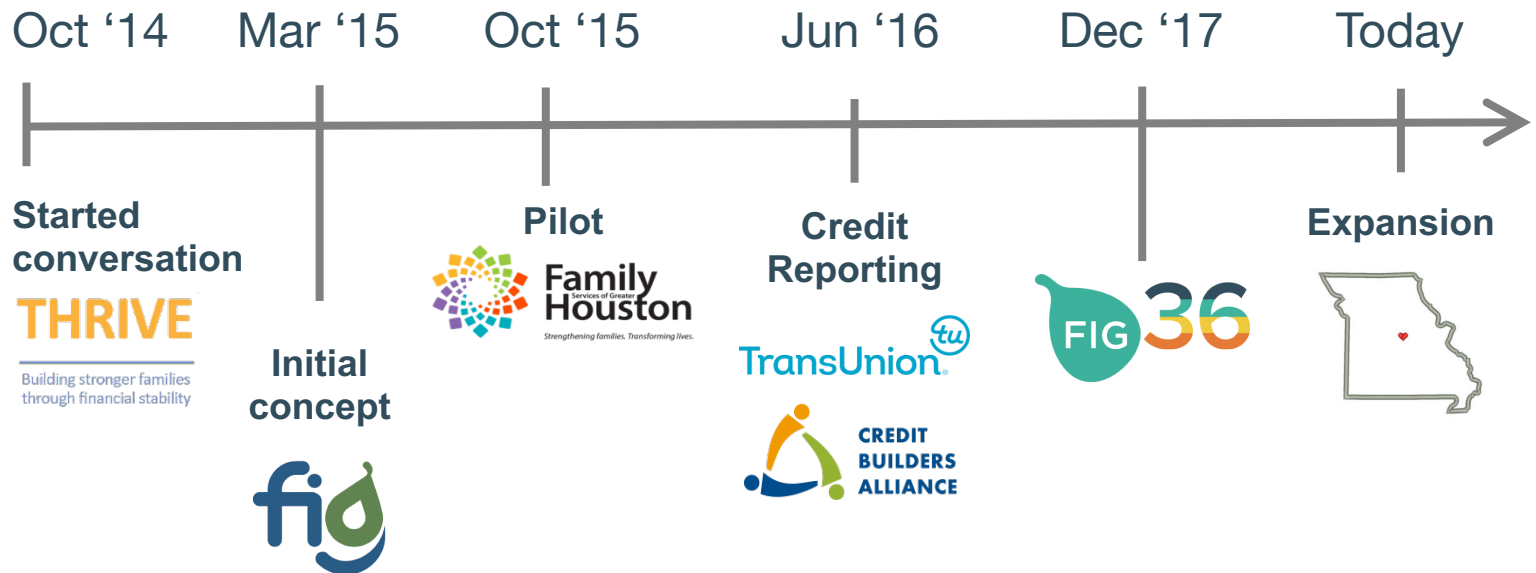


Fig grew out of the United Way of Greater Houston



“Fig addresses a desperate need where payday lenders currently control the market...”

AMY CORRON UNITED WAY HOUSTON



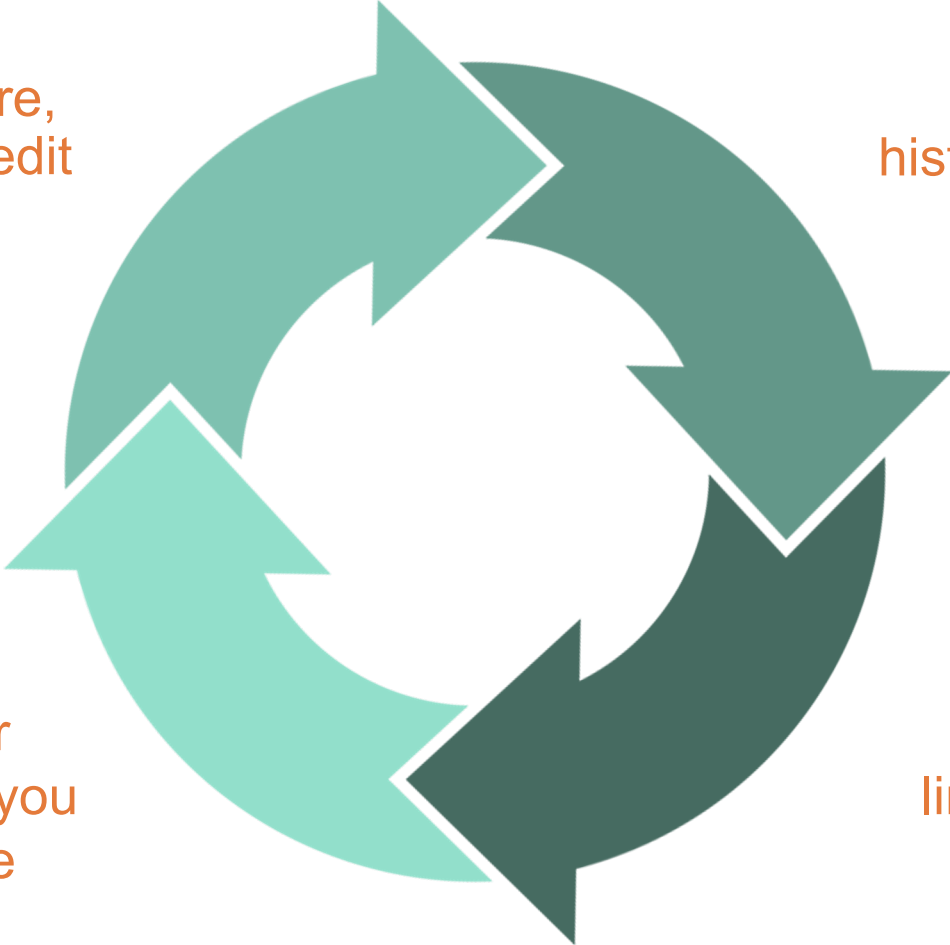
Building credit is a Catch-22

To get a score,
you need credit
history

To build credit
history, you need
credit lines

To qualify for
credit lines, you
need a score

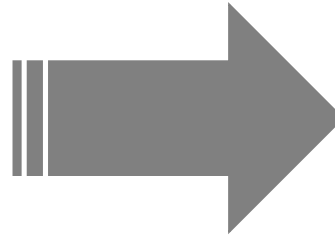
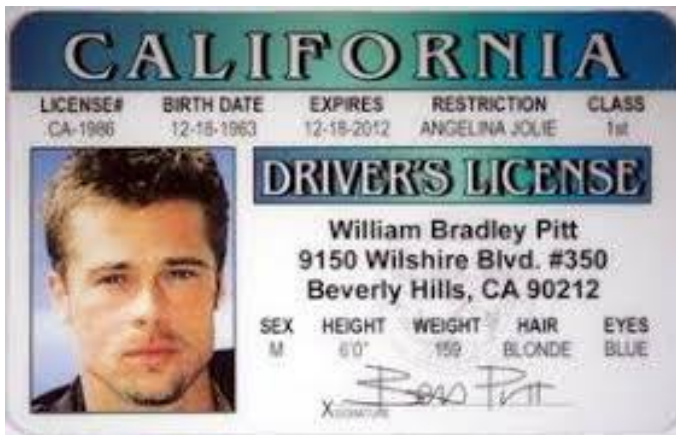
To get credit
lines, you need
to qualify





gives clients a second chance at credit

Our client's credit scores are like the photo on Brad's license...



Not an up-to-date picture!

Fig lends and reports credit to fix the Catch-22

What is Fig36?

streamlines FC's lending programs by offering:

Full service lending

Fig provides online loan application, underwriting tech and customer service

Credit reporting

All loans report to all major credit bureaus

Better loan outcomes

36% APR loans that help build clients credit so financial emergencies aren't financial set backs.

Current pilots:



Fig handles everything, starting with the application

Full service lending

The screenshot displays the Fig 36 website interface for the Foundation Communities Community Loan Program. The top navigation bar includes links for ABOUT, HELP CENTER, CREDIT BUILDER, BLOG, SIGN IN, and an APPLY button. The main content area features the Foundation Communities logo and the text "Community Loan Program". A prominent call to action reads "Begin building your credit history today!". Below this, there is a dropdown menu for the state (Texas), a loan amount slider set to \$300, and a table of loan details. An "APPLY NOW" button is positioned below the table, and a link for "Notices and Rate Disclosures" is at the bottom of the form.

Original Loan	Repayment Length	Monthly Payment	Total Amount Repaid	APR
\$300	4	\$80.71	\$322.84	36.00%

www.figloans.com/foundation-communities

Including management of the finalized loans

Full service lending

Loan Management

Members contact Fig to manage payments

- Online -- www.figloans.com
- Text / Phone -- 832-802-0344
- Email -- service@figloans.com

Fig collects payments by ACH or Debit Card

VISA



Credit Reporting

Fig automatically reports to all three major credit bureaus



Fig provides online portal for staff to check real-time status of sponsored loans

All Fig products have the same consumer friendly terms

Flexible repayment

No late fees

No rescheduling or change fees

Reschedule to any date with no additional interest charged

Break into smaller payments at no additional cost

4 ways to reschedule:

- www.figloans.com/me
- Email: service@figloans.com
- Text: 361-792-0367
- Phone: 832-802-0344

Defaults

No returned payment fees

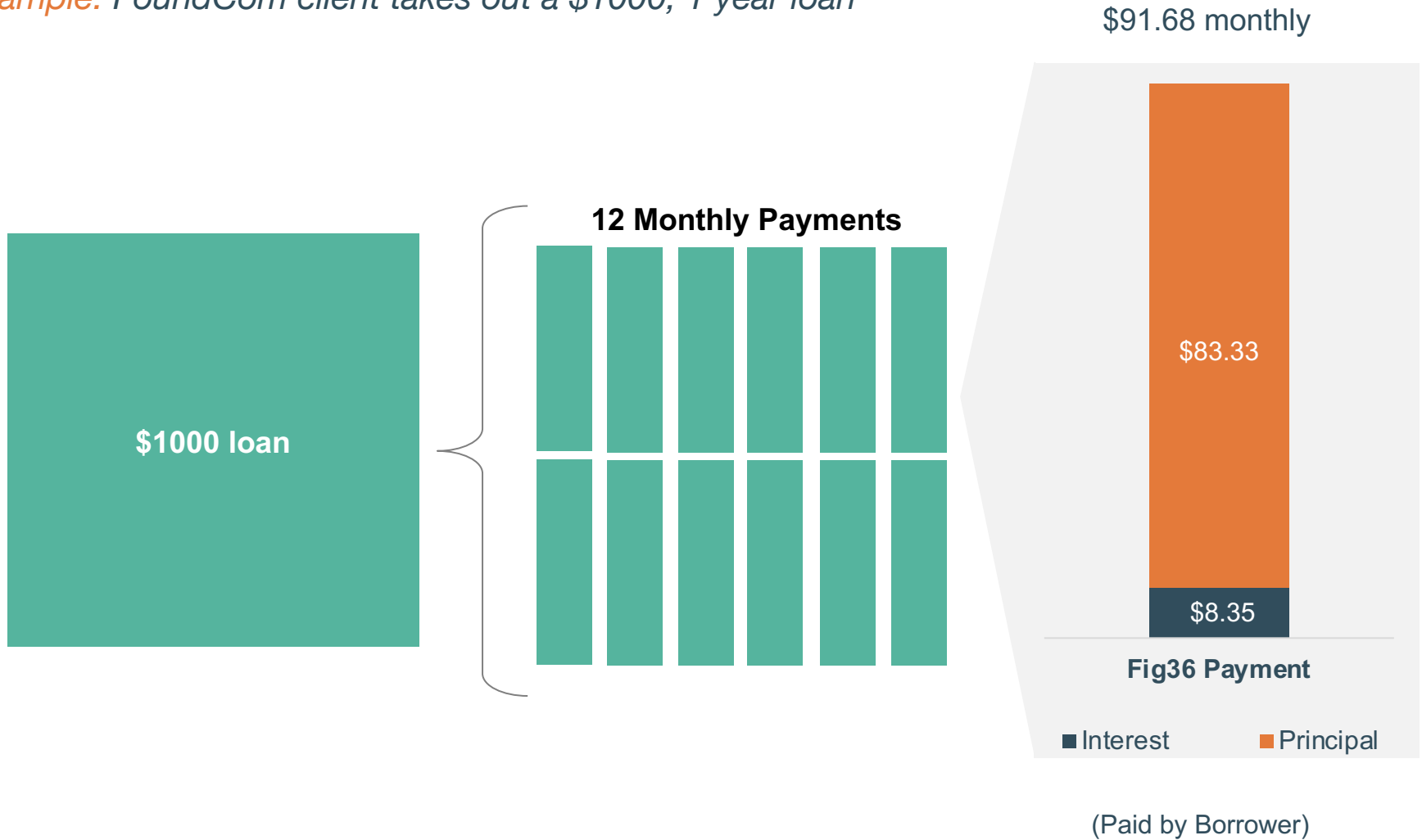
Notification by text and email for returned payments

Notification by email after negative information has been reported to credit bureaus

Loans are never sold to collections or any other third party

Fig36 at 36% APR

Example: FoundCom client takes out a \$1000, 1 year loan



This is great but...

What does it mean for my clients?

Average Fig borrower's score increases by 47 pts

Credit Reporting

Starting Band	Avg. Starting Score	Avg. Ending Score	Now has access to
350-499	450	544 (+94)	<ul style="list-style-type: none">Gov't assisted mortgagesLow limit secured credit cardsAuto loans at 13%-20% interest
500-549	520	567 (+47)	
550-599	580	603 (+23)	<ul style="list-style-type: none">Mortgages at 8%-10% interestLow limit unsecured credit cardsAuto loans at 4%-5% interest

FIG 36 saves clients on average **\$1379.97** per loan

Assumption: all loans are \$500 loans for 6 months

	Amount	Loan cost	Total amount to be repaid	APR
	\$500	\$1282.72	\$1782.72	662%
	\$500	\$1439.20	\$1939.20	731%
	\$500	\$1579.36	\$2079.36	792%
	\$500	\$53.79	\$553.79	36%

\$1379.97 in savings per loan goes a long way

Over two full weeks of income...

128% of an average client's savings...

Two months of groceries for a family of four...

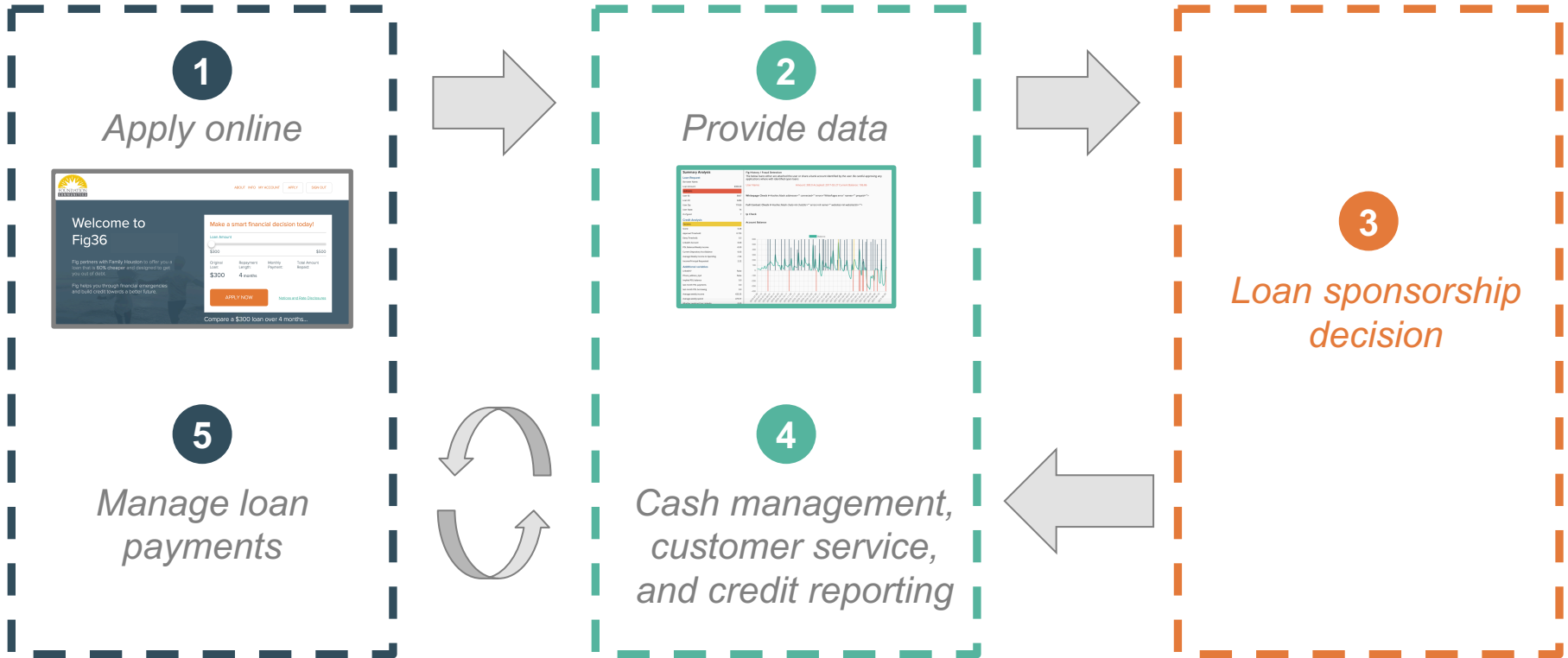
One month of rent for a family of four...

Cool! How does it work?

Fig36 @ Foundation Communities: operationally simple!

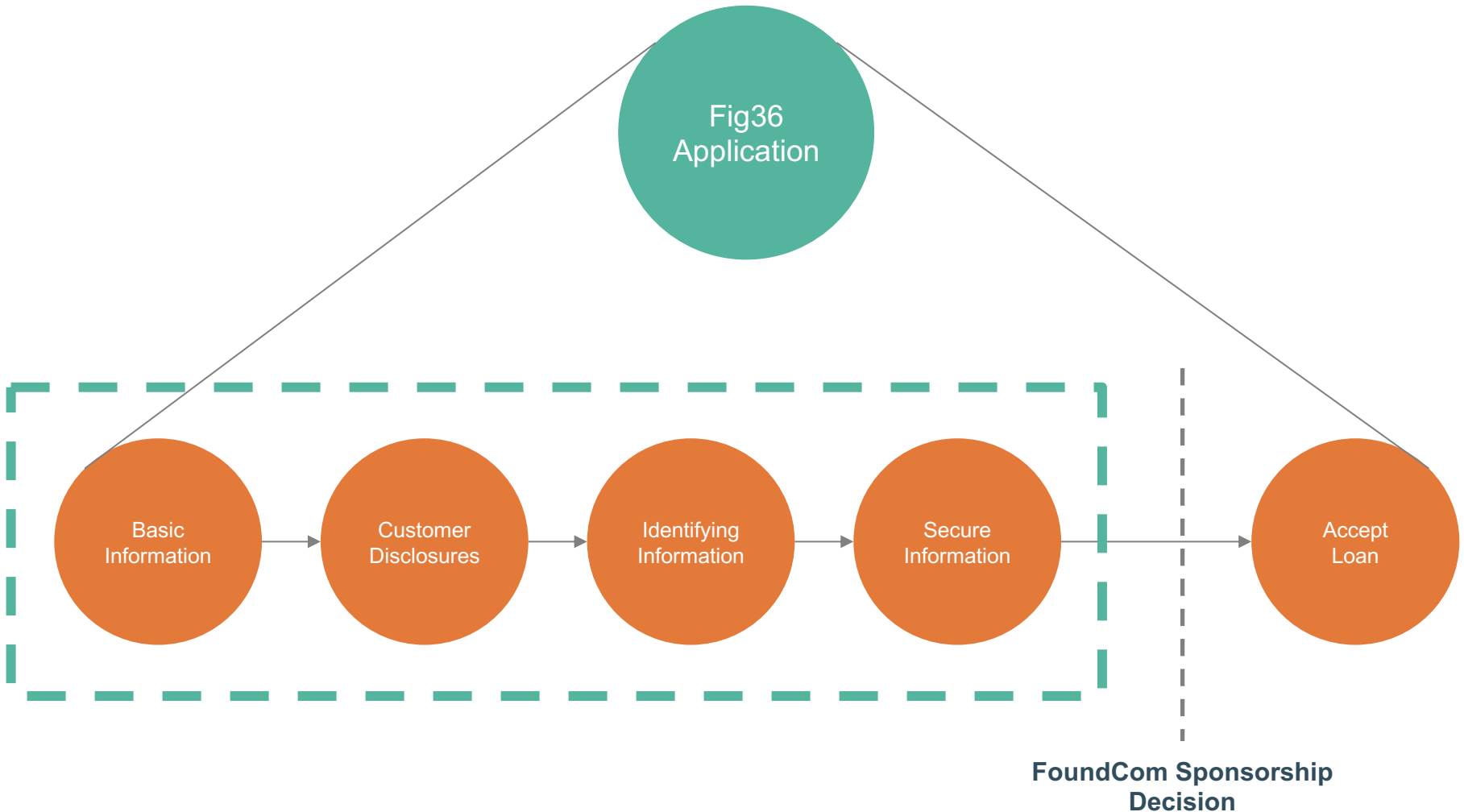


Clients



Application Demo

The client goes through the Fig36 Application in 5 steps



Landing Page: Clients select their loan terms

FIG 36

ABOUT HELP CENTER CREDIT BUILDER BLOG SIGN IN **APPLY**

FOUNDATION COMMUNITIES

Community Loan Program

Begin building your credit history today!

Texas

Loan Amount

\$300 \$500

[Looking for a bigger loan?](#)

Original Loan	Repayment Length	Monthly Payment	Total Amount Repaid	APR
\$300	4	\$80.71	\$322.84	36.00%

APPLY NOW

[Notices and Rate Disclosures](#)

Basic Info: Clients register on the site

Your loan of \$300 over 4 months in Texas EDIT

1 2 3 4 5
Registration Disclosures Personal Information Secure Information Accept

Step 1: Registration

Email Address

Password Confirm Password

For your security, your password must contain at least 8 characters and include 1 letter and 1 number. "welcome1" is an example of a valid password.

Referral Code (Optional)

Referral Code Get a referral from a fellow Fig customer and you both get \$10 toward your loan!

SUBMIT

Consumer Disclosures: Clients read and sign

Fig uses electronic signatures to process your loan faster. Please click and read the [E-Sign Disclosure](#) and consider printing a copy for your records. This disclosure contains the basic terms and conditions for delivering certain electronic communication.

Yes, I have read and agree to the terms and conditions set forth above in the E-Sign Disclosure and I hereby give you my affirmative consent to provide electronic communication to me as described therein

Yes, I also agree and certify that I have access to a computer that meets the hardware and software requirements and other access requirements specified in the disclosure, that I can access this [pdf](#) and that I have provided you with a valid email address.

E-Sign Disclosure

Fig uses text messages and phone calls to contact you faster. Please click and read the [Telephone Consent and Privacy Policy](#) and consider printing a copy for your records. This disclosure contains the basic terms and conditions for communication via telephone.

I agree to the terms and conditions set forth in the [Telephone Consent and Privacy Policy](#).

Text Message Policy

Identifying Info: Clients enter basic contact information

The screenshot shows a web form titled "Apply for a Fig Loan". At the top, it states "Your loan of \$300 over 4 months in Texas" with an "EDIT" button. Below this is a progress indicator with five steps: 1. Registration, 2. Disclosures, 3. Personal Information (highlighted in orange), 4. Secure Information, and 5. Accept. The main heading for this step is "Step 3: Personal Information" with a sub-note: "Your information is private and secure. It will never be sold." The form contains several input fields: "First Name" and "Last Name" (side-by-side), "Birthday MM/DD/YYYY" and "Cell Phone Number" (side-by-side), "Street Address", "City / Town", a state dropdown menu (currently showing "Texas"), and "Zip Code". A "SUBMIT" button is located at the bottom of the form. At the very bottom of the page, there is a small logo for "VERIFY".

Apply for a Fig Loan

Your loan of \$300 over 4 months in Texas [EDIT](#)

- 1 Registration
- 2 Disclosures
- 3 **Personal Information**
- 4 Secure Information
- 5 Accept

Step 3: Personal Information

Your information is private and secure. It will never be sold.

First Name Last Name

Birthday MM/DD/YYYY Cell Phone Number

Street Address

City / Town

Texas Zip Code

[Edit your state HERE.](#)

[SUBMIT](#)

VERIFY

Secure Info (Pt.1): Clients provide bank account # and SSN

Step 4: Secure Information

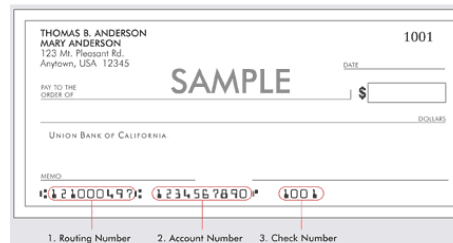
Required to get 100% match of your credit file and report the payment history necessary to improve your credit score. If you don't have an existing credit file, we'll create your first one! Bank level security used.

Social Security (xxx-xx-xxxx)

Driver's License #

Select License State

If you do not have a valid driver's license, please leave the above section blank. Providing a driver's license increases your chances of getting a loan.



Please provide the bank account you would like funds deposited into. It must:

- Be a checking account.
- Be open for longer than 3 months.
- Have regular, monthly direct deposits.
- NOT be a prepaid card.

Routing Number

Account Number


Estimated Monthly Income

We use this to ensure that a Fig loan will help your financial situation. Please only put your individual MONTHLY income after taxes, not for your whole household.

SUBMIT

Secure Info (Pt.2): Clients verify their banking information

Apply for a Fig Loan



1 — 2 — 3 — 4 — 5
Registration Disclosures Personal Information Secure Information Accept

Step 4: Security Information (Bank Verification)

This is the final step to complete your application!

Please verify the bank account you entered on the previous page. Bank verification is required for approval because we make decisions based on the history of your bank account instead of your credit score. Online banking is required to complete this process.

Our system does not accept prepaid cards, i.e.) Metabank, Green Dot, BanCorp or American Express Serve.


How to Verify:

- Click the link below to verify your bank
- Use the login information you would use to sign into your bank's online banking

[LINK YOUR BANK ACCOUNT](#)

If you don't find your bank listed above please use our backup verification service below:

[Backup Bank Verification](#)



VERIFIED
Norton
SECURED
powered by digicert
ABOUT SSL CERTIFICATES

Two third party banking service portals can be used to provide banking information

ES EN

Applicant Information

Fill in the missing information.

First Name
Michael

Last Name
Scott

Bank Name ⓘ


BY CHECKING THIS BOX, YOU APPLY FOR INSTANT BANK VERIFICATION ("IBV") AND ACCEPT THE TERMS AND CONDITIONS IN THIS AGREEMENT AND YOU AGREE, ACKNOWLEDGE AND CONSENT THAT: YOUR PERSONAL INFORMATION WILL BE COLLECTED. USED.

BY CLICKING "NEXT" I AGREE I HAVE READ AND I AGREE TO BE BOUND BY THE TERMS AND CONDITIONS IN THE AGREEMENT, INCLUDING THE PRIVACY POLICY AND THE ARBITRATION CLAUSE CONTAINED THEREIN.

[Terms and Conditions](#)

By clicking "NEXT" I agree to the terms and conditions in the agreement, including the Privacy Policy and the Arbitration Clause contained therein.

[Next](#)

 **Security Matters**
[Learn More](#)


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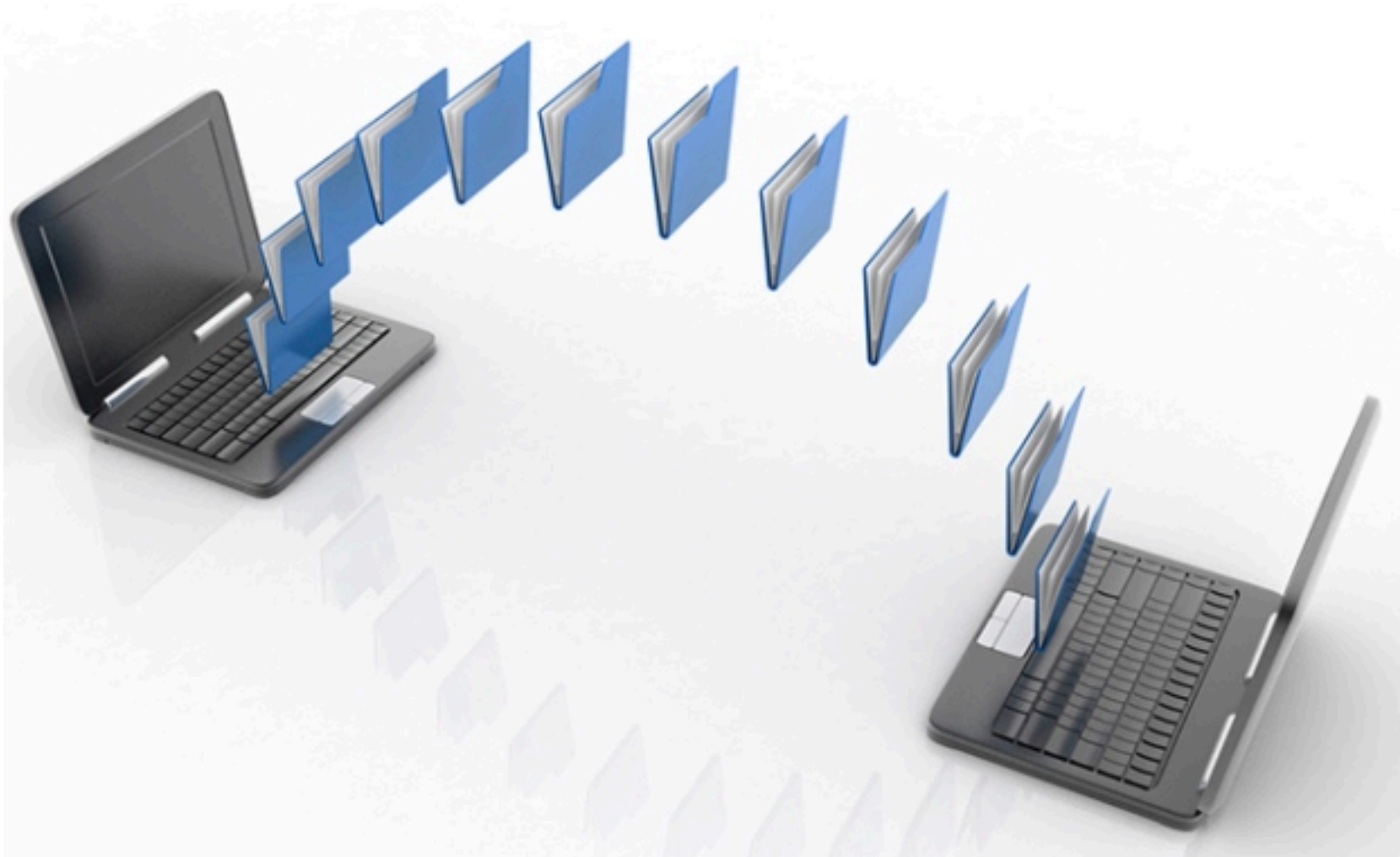
Fig uses Plaid to link your bank

- ✓ **Secure**
Transfer of your information is encrypted end-to-end
- ✓ **Private**
Your credentials will never be made accessible to Fig

[Continue](#)

By selecting "Continue" you agree to the Plaid End User Privacy Policy

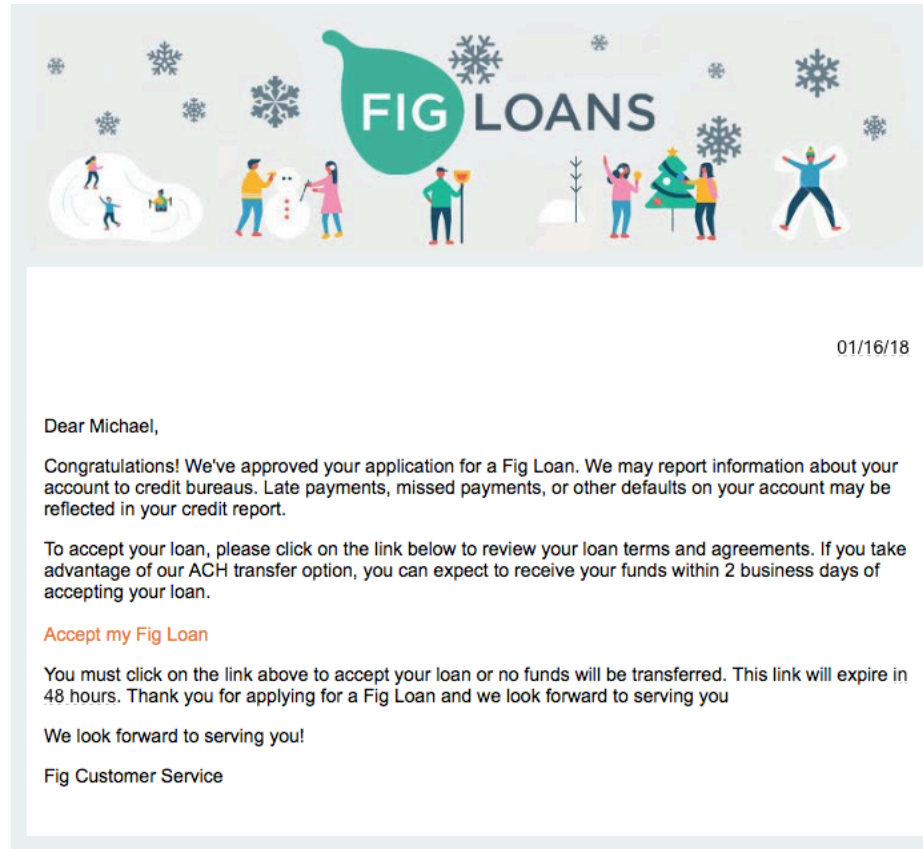
When client completes application, app goes to dashboard



FoundCom leadership decides whether to approve or not

FIG 36 Open Loans		FIG 36		APPLICATION REVIEW OPEN LOANS		
Decision ID	Client	Applied	Amount	Balance	Next Payment	Comment
 36371	Danielle L <input type="text"/>	08/04/2018	\$500.0	\$538.04	10/22/2018	No comment
 48242	Rosa C <input type="text"/>	11/20/2018	\$500.0	\$269.02	12/31/2018	
 49416	Hope B <input type="text"/>	12/02/2018	\$500.0	\$269.02	01/04/2019	No Comment
 52293	Melanie M <input type="text"/>	12/19/2018	\$500.0	\$403.53	01/31/2019	No Comment
 52308	Dan M <input type="text"/>	12/19/2018	\$350.0	\$376.64	03/11/2019	No Comment

If approved, applicants receive an acceptance letter



To accept the loan, clients first confirm via a 6-digit code

Accept your Fig Loan

- 1 Registration
- 2 Disclosures
- 3 Personal Information
- 4 Secure Information
- 5 Accept


Step 5: Your Loan Documents

Document 1

Your phone number allows Fig to notify you when your payments are coming due. Enter the 6-digit approval code (sent via text) and click submit.

SUBMIT

[I don't have my code](#)


powered by **digicert**

#BDUT SSL CERTIFICATES

Then, clients must sign loan documents

Accept your Fig Loan

Step 5: Your Loan Documents

Document 2

This is the high level overview of your loan payment schedule in accordance with the Truth in Lending Act. This is also your promissory note and includes the terms of your loan. Your total monthly payments will be \$80.71 due on the 27th of each month for the next 4 months, beginning the following month.

The monthly payment is inclusive of all payments and fees.

Promissory Note

LOAN NO:	100	DATE OF NOTE:	02/27/2019
CREDITOR/LENDER:	Fig Loans Texas, LLC	BORROWER:	Jose Velson
CREDITOR/LENDER ADDRESS:	Fig Loans Texas, LLC 2245 Texas Drive Suite# 300 Sugar Land, Texas 77479	BORROWER ADDRESS:	123 Easy Street San Antonio, TX 78207

"Loan Documents" means the set of documents including the Promissory Note and Electronic Funds Transfer Agreement (if any). "I" and "me" and "mine" means each person who signs as a Borrower. "You" or "your" or "Lender" means the Lender, Fig Loans Texas, LLC, whose address is Fig Loans Texas, LLC 2245 Texas Drive Suite #300 SugarLand, TX 77479.

ANNUAL PERCENTAGE RATE	**FINANCE CHARGE**	AMOUNT FINANCED	TOTAL OF PAYMENTS
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Truth in Lending Act (TILA) disclosure

Accept your Fig Loan

Step 5: Your Loan Documents

Final Document

To help you get your money as soon as possible, Fig offers complimentary electronic transfers for you to receive money and make payments

Important: Clicking "Submit" will send your funds to the bank account with routing number 909090909 and account number 12345678. If this is incorrect, please email service@figloans.com BEFORE you click "Submit". Incorrect information after clicking "Submit" may lead to the cancellation of your loan.

Electronic Fund Transfer Agreement

You may voluntarily choose to pay your obligations under the Promissory Note with Fig Loans Texas ("Lender") via automatic electronic transfer from your bank or other financial institution account using Automated Clearing House ("ACH") transfer. Participation in this is voluntary—you are not required to agree to ACH payments to obtain loans from the Lender.

If you chose to pay via ACH transfer, payments will be automatically withdrawn from your account until you have notified Lender or your bank that you no longer wish to make your payments by ACH transfer.

You understand that ACH usage is not required for the loan from Lender.

You understand that refusing ACH usage will delay the processing and issuance of your loan from Lender.

You understand that you can stop ACH transfers by notifying your financial institution orally or in writing at least three business days before the scheduled date of the payment.

You also understand that you can instruct Lender to stop ACH transfers orally or in writing at least three business days before the scheduled date of the payment.

You agree that you are solely responsible for any overdraft fees or other fees charged to you by

Electronic Funds Transfer Agreement (EFTA)

The loan is accepted!



Accept your Fig Loan


- 1 Registration
- 2 Disclosures
- 3 Personal Information
- 4 Secure Information
- 5 Accept

Step 5: Your Loan Documents

Congratulations!

Your funds will be deposited into your bank account within two business days!

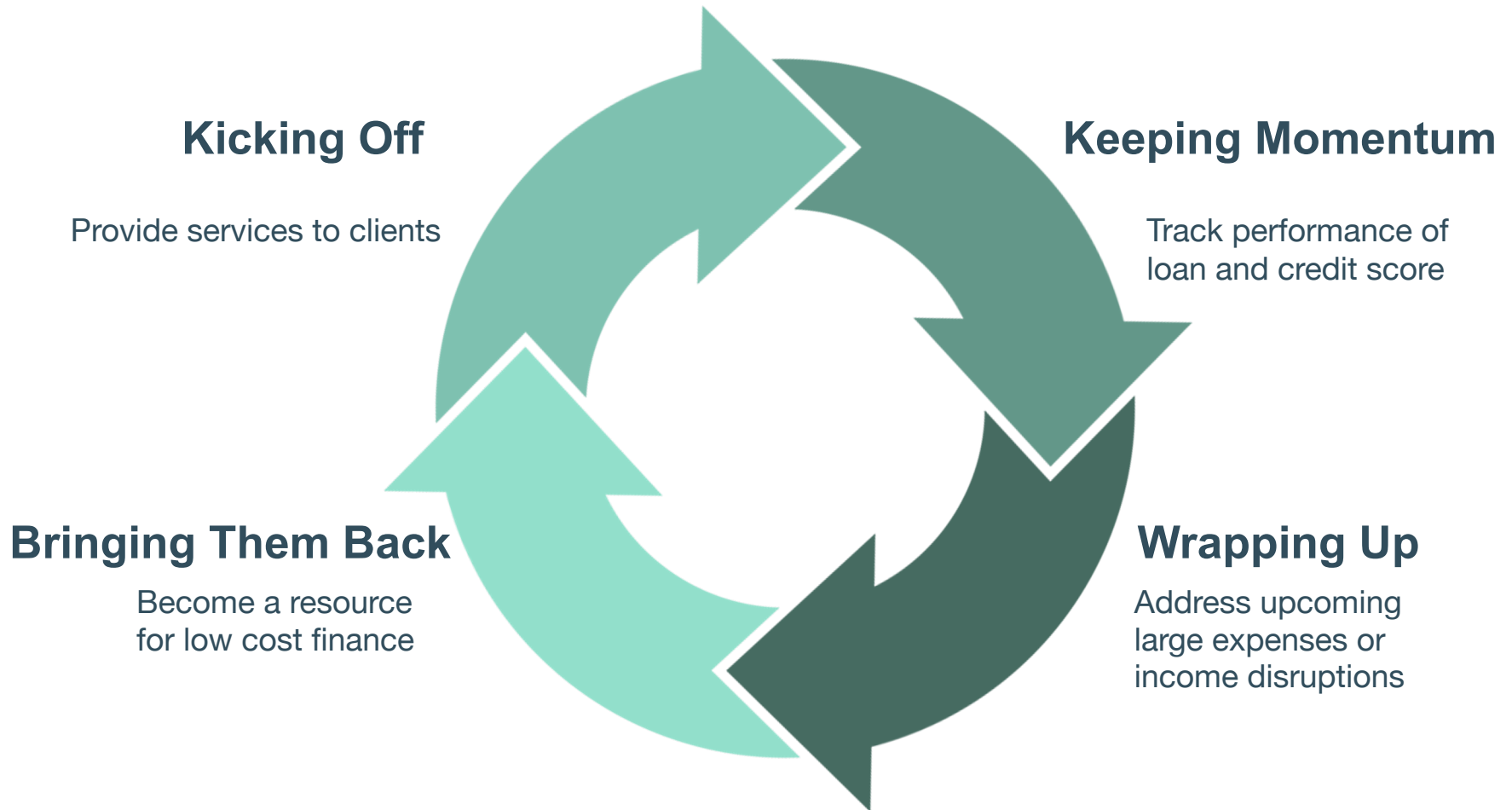
Please contact us at service@figloans.com if you have any additional questions



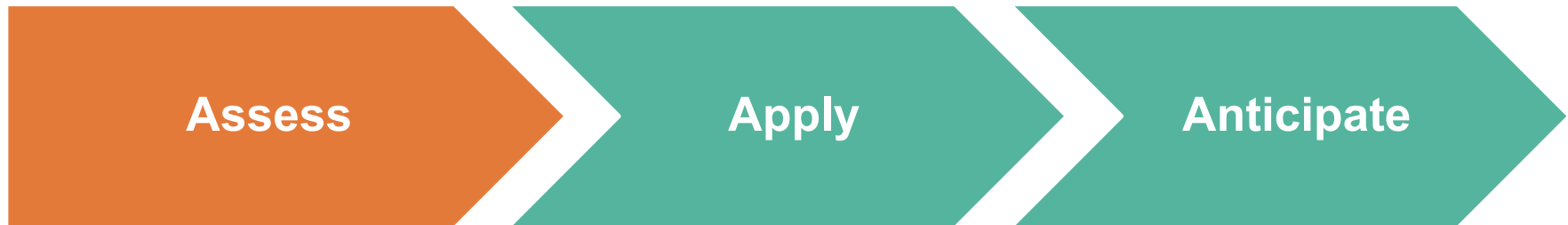
Questions? Feedback?

Appendix

Where does Fig36 fit in the coaching cycle?

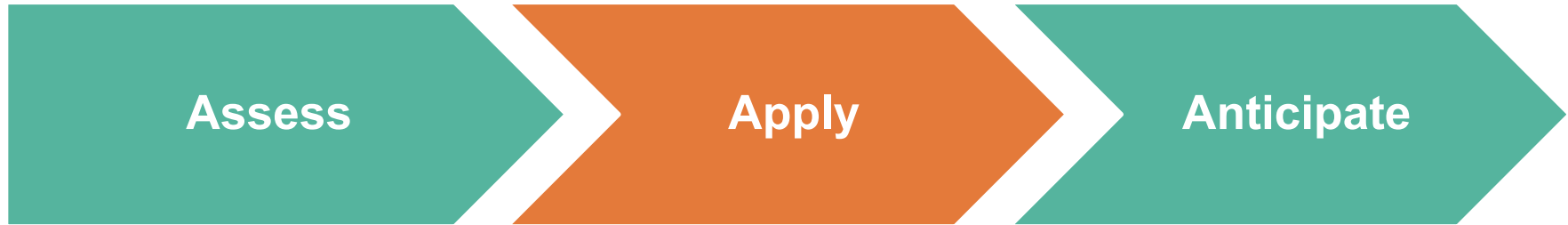


How to talk to your clients about using Fig36



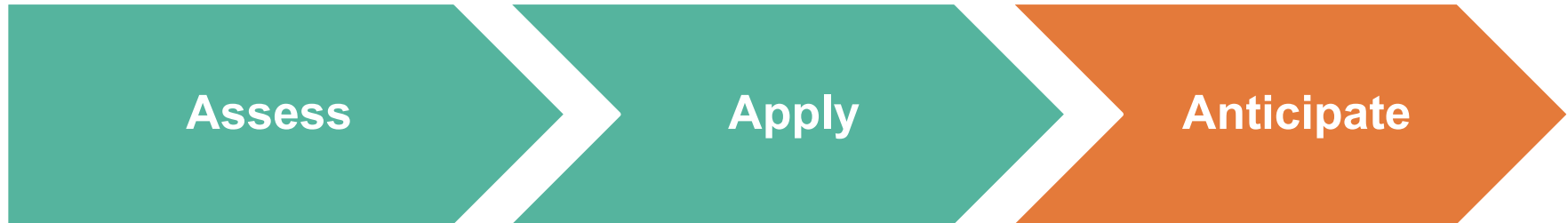
- Does your client need emergency financing?
- Does your client have not enough access to other forms of finance?
- Does your client meet the requirements?
- Does your client have a good relationship with you?
- What might be unusual about your client's application? *Surprises are bad!*

How to talk to your clients about using Fig36



- **Guide your clients through the application process**
- **Let them know that Fig36 doesn't use traditional credit scores**
- **Make sure they know that the relationship with their financial coach matters**

How to talk to your clients about using Fig36



- **Manage expectations – sponsorship is not guaranteed!**
- **Deflect questions about approval to a loan committee that makes a final decision – don't take personal responsibility for your client's approval**
- **Prepare for if the application is denied – highlight areas for improvement**

Clients can apply if they meet the following:

- Has existing title/ payday loans (FC requirement)
- Valid Social Security number
- Valid checking account
- Online banking set up with their banking provider
- Valid Texas address
- Not using prepaid card

In an ideal world, the best Fig36 applicants have...

- Online banking for a checking account with:**
 - At least 30 transactions
 - At least 60 days of history
 - Balance of greater than -\$500

- Sustainable debt levels (<25% of monthly income)**

- Regular take home pay of at least \$300 a week**

- No imminent risk of bankruptcy or default on majority of debts, or critical bills like utilities or housing**

- Good relationship with financial coach**



www.figloans.com

founders@figloans.com