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July 8, 2020

By Email

Karen Marcotte
Director for Licensing Activities
Office of the Comptroller of the Currency
400 7th Street SW
Washington, D.C. 20219

Re: SoFi Bank, National Association: Charter Application

Dear Ms. Marcotte:

On behalf of the organizers of SoFi Bank, National Association ("SoFi Bank"), a proposed *de novo* national bank, we hereby respectfully submit a charter application (the "Application") to the Office of the Comptroller of the Currency (the "OCC"). The Application includes (a) a Main Application, (b) a Public Exhibits Volume and (c) a Confidential Exhibits Volume.

Karen Marcotte
July 8, 2020
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Request for Confidential Treatment. Confidential treatment is requested under the federal Freedom of Information Act, 5 U.S.C. § 552 (the “FOIA”), and the implementing regulations of the OCC, for the information contained in the Confidential Exhibits Volume (the “Confidential Materials”). The Confidential Materials include information regarding the business strategies and plans of Social Finance, Inc. and SoFi Bank and other information of a similar nature, the public disclosure of which would result in competitive harm to those companies. Certain information in the Confidential Materials also includes confidential supervisory information. In addition, the Confidential Materials include nonpublic information about individuals, the public disclosure of which would constitute an unwarranted invasion of personal privacy. None of this information is the type of information that would otherwise be made available to the public under any circumstances. All such information, if made public, could result in substantial and irreparable harm to the individuals and companies involved. Other exemptions from disclosure may also apply. Accordingly, confidential treatment is respectfully requested with respect to the Confidential Materials under 5 U.S.C. § 552(b) and the OCC’s implementing regulations. Please contact Richard K. Kim (212/403-1354) or Jeffrey A. Watiker (212/403-1330) before public release of any of this information pursuant to a request under the FOIA or a request or demand for disclosure by any governmental agency, congressional office or committee, court or grand jury. Such prior notice is necessary so that the affected persons and companies may take appropriate steps to protect such information from disclosure.

Sincerely,

A handwritten signature in black ink, appearing to read 'Richard K. Kim', with a stylized, wavy line.

Richard K. Kim

RKK:mlg

cc by email:

Stephen A. Lybarger, OCC
Patricia Roberts, OCC

APPLICATION
to the
OFFICE OF THE COMPTROLLER OF THE CURRENCY
to organize
SOFI BANK, NATIONAL ASSOCIATION

July 8, 2020

INTERAGENCY CHARTER AND FEDERAL DEPOSIT INSURANCE APPLICATION

(Check all appropriate boxes)

Type of Charter

- ☒ National Bank
- ☐ State Bank
- ☐ Federal Savings Bank or Association
- ☐ State Savings Association
- ☐ Other

Charter Agency

- ☒ Comptroller of the Currency
- ☐ State

Special Focus

- ☐ Community Development
- ☐ Cash Management
- ☐ Trust
- ☐ Bankers' Bank
- ☐ Credit Card ☐ Non-CEBA ☐ CEBA
- ☐ Other

Type of Insurance Application

- ☐ De Novo
- ☐ Operating Noninsured Institution
- ☐ Other

Federal Reserve Status

- ☒ Member Bank
- ☐ Nonmember Bank

For OCC: ☒ Standard ☐ Expedited

Proposed Depository Institution (institution)

Name SoFi Bank

Street 2750 E. Cottonwood Parkway City Cottonwood Heights State UT Zip 84121

Holding Company Identifying Information (if applicable)

Name Social Finance, Inc.

Street 234 First Street City San Francisco State CA Zip 94105

Contact Person

Name Paul Mayer

Title/Employer Social Finance, Inc.

Street 234 First Street City San Francisco State CA Zip 94105

Phone # 571-303-0499 Fax # E-mail Address pmayer@SoFi.org

INTERAGENCY CHARTER AND FEDERAL DEPOSIT INSURANCE APPLICATION

1. Overview

- (a) Provide a brief overview of the application. The overview should describe the institution's business and any special market niche, including the products, market, services, and any nontraditional activities.**

De Novo Application

SoFi Bank, National Association ("SoFi Bank," or "the Bank"), a proposed de novo, national bank, chartered by the Office of the Comptroller of the Currency ("OCC") and headquartered in Cottonwood Heights, Utah, will be a wholly owned subsidiary of Social Finance, Inc. ("SoFi, Inc." or the "Company"), a Delaware corporation headquartered in San Francisco, California.

SoFi, Inc. was founded to meet the needs of individuals that are not well served by more established financial institutions, and the Company has continued to evolve to provide its members a broad suite of products and content to help them "Get Their Money Right." This includes providing convenient mobile, digital access to financial solutions, and offering information and tools to help members make thoughtful decisions on managing their financial lives.

Establishing SoFi Bank is a logical extension of this mission. It will enable SoFi, Inc. to deliver a fuller suite of deposit products to its members, and, by funding its lending activities in part with deposits, to compete on a more "level playing field" with bank competitors.

Several features of this application are distinctive in comparison to a typical de novo bank, all of which are related to the Company's scale and experience:

- Although the Bank will be new, SoFi, Inc.'s lending business is not. In fact, SoFi, Inc. has been originating a diverse set of consumer loans at scale for more than five years. Since 2012, the Company originated more than \$50 billion in loans, across Student Loan Refinance, Personal Loans, Home Loans, and other categories. All these origination activities will be moved inside SoFi Bank, enabling the Bank to originate at scale from Day One;
- SoFi, Inc. also has direct experience originating deposits. Introduced in 2018, "SoFi Money" is an interest-bearing Cash Management Account, based at the Company's broker-dealer, with a broad set of checking account features, offered in partnership with FDIC-insured banks. The Company's experience with SoFi Money will give SoFi Bank a head start in building a diverse and growing set of deposit products;
- The Company has a strong capital base, and plans to contribute ample resources for the Bank's initial capitalization;

- The Company brings substantial brand equity and a distinctive market presence. With a high-quality, mobile-first, member-focused customer experience, SoFi, Inc. has established strong market positions in the Student Loan Refinance and Personal Loan categories, and it has been rapidly growing its Home Loans business. The Company also has substantial brand recognition, particularly in the Millennial and young professional segments, that will help position the Bank for success; and
- The Company's leadership team is deep, seasoned, and experienced in large scale financial services management. Drawn from firms such as JP Morgan Chase, Citibank, Goldman Sachs and Capital One, SoFi, Inc.'s leaders have a strong appreciation for risk management and for operating in regulated environments.

SoFi, Inc. Overview

Founded in 2011, SoFi, Inc. is a mobile-first, member-focused, personal finance company that focuses on helping people achieve financial independence in order to realize their ambitions. SoFi, Inc.'s product suite includes tools for borrowing, saving, spending, investing and protecting to help the company's more than one million members "Get Their Money Right."

Shortly after its founding, the Company quickly became the market leader in refinancing federal and private student loans. Over time, the product suite has expanded to include home loans, personal loans, investment management, SoFi Money (Cash Management Account) and in-school student loans. The Company has also announced plans to introduce a credit card product in the near future. Complemented with financial planning tools, and insurance products offered via partnerships, SoFi, Inc. is now positioned to help members with a broad array of financial needs across their life stages.

SoFi, Inc.'s customers, or "members," are typically well-educated, with strong credit profiles, but face a range of financial challenges, ranging from managing current levels of student loans and other debt, to making home ownership possible, developing financial plans, and learning to save and invest. SoFi, Inc. offers at least some products in all 50 states, and is licensed in states where required. The Company is also regulated by the Consumer Finance Protection Bureau (CFPB) and the Financial Industry Regulatory Authority (FINRA), among other agencies.

Key SoFi, Inc. statistics include:

- Locations: Offices in 12 cities; headquarters in San Francisco, CA
- Number of Employees: More than 1,700

- Largest Employment Location: 700+ employees, in Cottonwood Heights / Murray, UT
- Loan Originations: More than \$50 billion since 2012
- Membership: More than 1.1 million unique members since the Company's founding
- Capital Markets: Issued more than \$30B in asset-backed securities, becoming a top U.S. ABS issuer

In May 2020, the Company completed the acquisition of Galileo Financial Technologies. Galileo provides a range of technology and transaction processing services to banks and other financial companies, particularly related to debit and credit cards.

Although the Galileo business will operate outside the Bank, it will contribute substantial revenue and profit to the consolidated Company.

With the onset of the COVID-19 crisis, the Company has moved proactively to address the needs of its members and employees, as well as its financial stability. For members, the Company has offered an automated, streamlined, no-fee forbearance program, along with enhanced content and disclosures to help them make informed decisions. For employees, the Company shifted quickly and effectively to a work-from-home model, and it has strengthened its internal communication programs and support resources. To address liquidity and financial resilience, the Company has substantially increased its cash position, increased its committed warehouse financing capacity, moderated loan origination volumes, and executed a series of sizable loan sales/securitization transactions in a challenged capital markets environment.

Bank Rationale and Overview

A bank charter is a logical next step in SoFi, Inc.'s evolution.

As a large-scale consumer lender and emerging deposit provider, the Company's business model and product offerings already share many characteristics of a bank. The Company's scope of businesses also fits within the permitted activities under the Bank Holding Company Act.

Establishing SoFi Bank will also help put SoFi, Inc. on a "level playing field" with traditional banking competitors. This will enhance competition for consumers, and will ensure that the Bank's customers nationwide have access to a high-quality, fully digital, mobile-first customer experience, and an innovative set of personal finance products, priced as competitively as possible.

In addition, there are clear economic, operational, and regulatory compliance benefits:

- *Funding benefit.* Establishing SoFi Bank will enable the Company to fund at least part of its lending operations via consumer deposits at lower cost, and with greater diversification than a pure wholesale funding model;
- *Business resilience.* SoFi Bank will enable the Company to transition gradually from an “originate and sell” business model today, towards becoming more of an “originate and hold” lender, with a growing balance sheet of high-quality assets. The originate and hold business model is more stable and resilient over time, and will ensure that the Company will be able to fulfill customer demand through a variety of economic cycles;
- *Operational efficiency.* By creating a bank subsidiary, the Company can be less reliant on third-party partners, enabling cost savings, faster time to market, and greater reliability;
- *Regulatory compliance and control.* Today, the Company operates nationwide under a variety of state licenses, which requires the Company to manage to a patchwork of varying requirements. This approach creates complexity for SoFi, Inc. and its members. A national bank charter will enable the Company to align its operations to a clear, primary set of governing rules, simplify the Company’s compliance management program, and provide a more cohesive set of product options to our members across the country.

The initial capitalization of the Bank will include a mix of cash and high-quality consumer loans. From the start of its operations, the Bank will undertake all of SoFi, Inc.’s new loan origination activities. Lending products will include Student Loan Refinance Loans, Personal Loans, Home Loans, In-School Student Loans, and Credit Cards. On the deposit side of the business, the Bank plans to offer checking, savings, and certificate of deposit accounts. SoFi, Inc. will work with its SoFi Money account holders to convert their SoFi-branded cash management accounts into checking accounts inside SoFi Bank. In addition, the full set of deposit products will be offered to existing SoFi, Inc. members, as well as to the broader market. The Bank plans to address a deep and growing market for online deposits that feature a seamless online experience, innovative transaction capabilities and financial management tools, competitive interest rates, and fair and transparent pricing.

All of SoFi Bank’s products will be delivered nationally, digitally, through “mobile first” technology, and supported with a variety of content and money management tools to help empower its members.

Other SoFi, Inc. businesses will continue to operate outside SoFi Bank, including the Company's investment management business, the Galileo processing business, and certain partnership businesses.

The Bank will operate from its main office in Cottonwood Heights, Utah, as well as other SoFi, Inc. operating locations around the country. The Bank will have strong internal operating and risk management capabilities. The Bank will also contract with SoFi, Inc. to provide targeted services in a number of areas, particularly related to technology and marketing services; all intercompany arrangements will fully comply with Regulation W.

For additional details of SoFi, Inc.'s existing business and SoFi Bank's business plan, please see Confidential Exhibit A (Business Plan).

(b) Describe any issues about the permissibility of the proposal with regard to applicable state or federal laws or regulations. Identify any regulatory waiver requests and provide adequate justification.

There are no issues regarding the permissibility of the proposal with regard to applicable state or federal laws or regulations.

Waiver of the residency requirement of 12 U.S.C. 72

SoFi Bank seeks a waiver of the residency requirement of 12 U.S.C. 72, so that all of the bank's directors will not be required to satisfy the residency requirement. It is proposed that SoFi Bank's board of directors will initially have five members. Upon election to the board of directors and with the approval of this request, none of the five directors will reside in Utah, or within 100 miles of the national bank's main office for at least one year immediately preceding their election.

As discussed in Section 2(b) below, the proposed directors are:

- Pamela Dearden, proposed Independent Director of SoFi Bank
- John Douglas, proposed Independent Director of SoFi Bank
- Paul Mayer, proposed Director and President, SoFi Bank, and currently Vice President of Strategy at SoFi, Inc.
- Kris McIntire, proposed Independent Director of SoFi Bank
- Anthony Paquette, proposed Chairman of the Board of Directors of SoFi Bank, and currently Senior Vice President of Treasury, Regulatory Operations, and SoFi International at SoFi, Inc.

Please see Section 2(b) below for a discussion of their respective qualifications and experience. Each will enhance the board by adding their extensive industry

experience and expertise. Each have also demonstrated through their past job performance that they can be counted on to carry out his or her duties and responsibilities effectively to ensure that SoFi Bank meets its operating goals.

Granting the requested waiver will support the safety and soundness of SoFi Bank because it will allow the bank to (a) attract and retain more experienced directors and (b) collectively form a more diversified board than if the directors needed to be selected from in-state applicants. Further, it is anticipated that SoFi, Inc. and SoFi Bank will be coordinated in their mission and business plans. Not only will this waiver permit SoFi Bank to attract experienced independent directors, it will also allow SoFi Bank to include on its board persons who have valuable management experience at SoFi, Inc. but do not reside in Utah.

The applicant is aware of the citizenship and stock ownership requirements of the persons nominated to serve as directors on its board and will review their qualifications to ensure compliance with those requirements in 12 U.S.C. 72.

- (c) List and provide a copy of all applications filed in conjunction with this proposal, such as applications for holding company, trust powers, branch offices, service corporations, and other subsidiaries.**

Copies of (i) the application to the FDIC for deposit insurance for SoFi Bank and (ii) the application to the Federal Reserve for SoFi, Inc. to become a bank holding company will be provided under separate cover to the OCC when they are filed with those agencies.

- (d) When available, provide a copy of all public or private offering materials and the proposed form of stock certificate, including any required restrictive legends.**

A proposed form of stock certificate is included as Confidential Exhibit B of this application. There are no offering materials for this proposal, as SoFi, Inc. will be the sole shareholder of the Bank.

- (e) Provide a copy of the proposed articles of association, articles of incorporation, or charter, and proposed bylaws.**

See Confidential Exhibits C and D of this application.

- (f) Provide a copy of the business plan. The business plan should address, at a minimum, the topics contained in the appropriate regulatory agency's Business Plan Guidelines.**

The Business Plan for SoFi Bank is included in Confidential Exhibit A of this application.

2. Management

- (a) **Provide a list of the organizers, proposed directors, senior executive officers, and any individual, or group of proposed shareholders acting in concert that will own or control 10 percent or more of the institution's stock. For each person listed, attach an Interagency Biographical and Financial Report, a fingerprint card, and indicate all positions and offices currently held or to be held with the institution's holding company and its affiliates, if applicable. Include the signed "Oath of Director" for each proposed director. For an FSA filing, provide a RB 20a Certification for each person listed.**

SoFi, Inc. will own 100% of the Bank's stock.

Organizers

The Bank's organizers are:

- Michelle Gill, proposed Co-Head of Banking Products at SoFi Bank, and currently Executive Vice President of Lending and Capital Markets at SoFi, Inc.
- Robert Lavet, General Counsel of SoFi, Inc.
- Paul Mayer, proposed Director and President, SoFi Bank, and currently Vice President of Strategy at SoFi, Inc.
- Anthony Paquette, proposed Chairman of the Board of Directors of SoFi Bank, and currently Senior Vice President of Treasury, Regulatory Operations, and SoFi International at SoFi, Inc.
- Aaron Webster, proposed Chief Risk Officer of SoFi Bank, and currently Chief Risk Officer of SoFi, Inc.

Directors

The Bank's proposed Directors, in addition to Mr. Mayer and Mr. Paquette, listed above, include:

- Pamela Dearden, Independent Director
- John Douglas, Independent Director
- Kris McIntire, Independent Director

Senior Executives

The Bank's senior executives will be:

- Paul Mayer, President (see above)
- Allyson Huve, Chief Financial Officer, currently SoFi, Inc., Vice President of Finance and Strategy, and Head of Financial Planning and Analysis
- Michelle Gill, Co-Head of Banking Products (see above)
- Maria Renz, Co-Head of Banking Products, currently Executive Vice President of SoFi, Inc. overseeing the Money, Invest, and Credit Card businesses
- Aaron Webster, Chief Risk Officer (see above)

An Oath of Bank Director for each proposed director is included at Exhibit 1 to this application.

A Corporate Background and Financial Report for SoFi, Inc. and an Interagency Biographical and Financial Reports for each organizer, proposed director and/or proposed senior executive officer will be provided under separate confidential cover directly to the OCC case manager.

- (b) Describe each proposed director's qualifications and experience to serve and oversee management's implementation of the business plan. Describe the extent, if any, to which directors or major stockholders are or will be involved in the day-to-day management of the institution. Also list the forms of compensation, if any.**

The Bank will have five directors, the majority of whom will be independent, outside (non-employee) directors. Their collective experience represents deep expertise in banking and financial services, the products, services, and competitive environment specific to SoFi Bank, bank regulation and compliance, and the legal, financial management, and operating issues critical to the Bank's success. The resumes of each of the proposed Directors are included in Confidential Exhibit A (Business Plan, Appendix D).

The proposed directors are:

Pamela J. (PJ) Dearden

PJ Dearden was a Managing Director and Anti-Money Laundering ("AML") Executive for JPMorgan Chase ("JPMC") until 2019. In this capacity, Ms. Dearden was the bank's designated officer to ensure compliance with the requirements of all AML & Sanctions regulatory enforcement actions. Previously, she held other senior executive roles at JPMC including the bank's Chief Culture & Conduct Officer and was the board-designated Global Head for Financial Crimes Compliance. Prior to

JPMC, Ms. Dearden held similar senior positions at Citi and Deutsche Bank. Ms. Dearden has also held several senior positions in the U.S. federal government, serving as the Senior AML Coordinator for the Board of Governors of the Federal Reserve System, and Assistant Director and Counselor to the Director at the U.S. Department of Treasury Financial Crimes Enforcement Network. Ms. Dearden holds an M.S. in Management from Lesley College and a B.A. in Economics from Bates College.

John Douglas, Independent Director

Mr. Douglas is Senior Executive Vice President, Chief Oversight and Advocacy Officer for TIAA. He oversees the risk management, legal and compliance functions for the enterprise. Mr. Douglas has 40 years of experience advising financial institutions on legal, business and regulatory matters, including regulatory compliance, acquisitions, investments, and FinTech. He has guided financial services companies through significant legislative and regulatory changes, from Garn-St. Germain to FIRREA to Dodd-Frank. Prior to joining TIAA in 2018, Mr. Douglas was a partner in Davis Polk's Financial Institutions Group, heading the firm's bank regulatory practice. During his tenure at the firm, he acted as a strategic legal advisor to TIAA regarding its 2017 acquisition of EverBank. As General Counsel of the Federal Deposit Insurance Corporation (the "FDIC") in the 1980s, he supported the financial system through reform and restructuring efforts, participating in the landmark Financial Institutions Regulatory Reform and Restructuring Act of 1989 and assisting in the organization of the Resolution Trust Corporation.

Mr. Douglas holds a B.A. degree from Davidson College, and a J.D. degree from the University of Georgia.

Paul Mayer, President, SoFi Bank

Mr. Mayer, who will be the SoFi Bank President, will serve as an inside director. Mr. Mayer has more than 30 years of professional experience, including more than 18 years in senior executive roles in financial services.

He was a founding Director of Sallie Mae Bank, which today has more than \$30 billion in assets. As a senior executive at Sallie Mae and a successor company, Navient, for 17 years, he oversaw corporate development and strategy, several operating lines of business (including Home Loans, Payments, and Upromise college savings), and the planning, startup, and initial operations of both Sallie Mae Bank and the federal government loan servicing business. He led the evaluation and acquisition of Earnest, a leading student loan refinance provider. In addition, he led the evaluation and acquisition of a number of other companies spanning student lending, mortgage lending, loan servicing, financial processing, and other forms of business process outsourcing.

In addition to his role at Sallie Mae Bank, Mr. Mayer gained additional banking experience at J.P. Morgan and Cross River Bank. He also spent 13 years as a strategy and organization management consultant, working with clients across the financial

services, education, government, and non-profit sectors. He holds an undergraduate degree with honors from Cornell University, and an MBA degree in Finance and Public Policy from the Wharton School of the University of Pennsylvania.

Kris A. McIntire, Independent Director

Mr. McIntire is a Senior Advisor for Promontory Financial Group. He formerly worked as a banking regulator with the OCC. Mr. McIntire's OCC career spanned 32 years, beginning in March 1987 and ending in May 2019. He held a variety of roles with increasing scope and responsibility supervising community, mid-size, and large banks. These included serving as Deputy Comptroller for Large Bank Supervision and Examiner-in-Charge at three large financial institutions.

Mr. McIntire developed broad banking expertise, with notable areas consisting of corporate governance/risk management/management and board oversight, lending, Bank Secrecy Act/Anti-Money Laundering/Compliance, and accounting/finance.

In addition to direct supervision responsibilities, Mr. McIntire served on the OCC's National Risk Committee, coordinated interagency meetings with the FDIC and Federal Reserve Board, participated in the 2014 International Peer Review of OCC Midsize and Large Bank Supervision, and served as an international member of the Basel Committee on Bank Supervision's Cross Border Crisis Management Group.

Mr. McIntire holds a bachelor's degree from the University of Iowa.

Anthony (Tony) Paquette, Inside Director and Board Chair

Mr. Paquette is currently Head of Treasury, Regulatory Operations, and SoFi International at SoFi, Inc. He has more than 20 years of experience in the financial services industry, joining SoFi in 2018.

Prior to joining Sofi, Mr. Paquette worked at J.P. Morgan Chase from 2010 to 2018, where he was a Managing Director and most recently the Global Head of Funding & Liability Management for the company. In this role he had global responsibility for funding & liquidity management, collateral management, equity capital actions, ratings agency relationships, fixed income investor relations, and Americas Treasury. During this time, Mr. Paquette was a member of the Firmwide ALCO, Treasury/CIO Risk Committee and CIO Investment Committee, and held prior leadership roles in Asset & Liability Management (ALM) Strategy, and Portfolio Management in the Treasury & Chief Investment Office. Prior to JP Morgan Chase, Mr. Paquette spent six years at Bank of America, where he was a Managing Director in Corporate Treasury, serving as Head of Long-Term Funding for the company during the acquisition of Merrill Lynch, and through the common equity capital raise in 2009. Prior to this role, he served as a Portfolio Manager in Corporate Investments Group, and in the Equities division.

Prior to Bank of America, Mr. Paquette worked at Goldman Sachs in Equity Investment Research and the Equities Division. Mr. Paquette holds an undergraduate degree in Business Economics from Brown University, and is a CFA Charterholder.

Directors will be compensated through a mix of cash (annual retainer and per meeting fees) and SoFi, Inc. stock.

(c) Provide a list of board committees and members.

The Bank's Board will have a Risk Committee, an Audit Committee, and a Compensation Committee. Details of the roles and responsibilities of each committee can be found in Confidential Exhibit A (Business Plan, Section V):

- The Audit Committee will be comprised of the three independent directors.
- The Risk Committee will include independent and inside directors, with the exact composition to be determined.
- The Compensation Committee will include the four directors other than the President, Mr. Mayer.

(d) Describe any plans to provide ongoing director education or training.

The Bank will maintain a director training program designed to ensure that directors possess the knowledge they require to oversee the Bank effectively. New external directors will undergo an orientation that includes an introduction to the fundamentals of the Bank's business activities; the organization, management structure, platforms, and business activities of the Bank and those of SoFi that support the Bank; and the Bank's approach to risk management. Directors will then participate in periodic director training programs.

(e) Describe each proposed senior executive officer's duties and responsibilities and qualifications and experience to serve in his/her position. If a person has not yet been selected for a key position, list the criteria that will be required in the selection process. Discuss the proposed terms of employment, including compensation and benefits, and attach a copy of all pertinent documents, including an employment contract or compensation arrangement. Provide the aggregate compensation of all officers.

The Bank's senior executive officers will include the President, Chief Financial Officer, Chief Risk Officer, and Co-Heads of Banking Products. Details of each senior executive officer's duties and qualifications are included in Confidential Exhibit A (Business Plan, Section V). The proposed officers are:

- **Paul Mayer, Bank President.** As noted above, Mr. Mayer brings more than 18 years of financial services executive experience, including as a founding Director of Sallie Mae Bank. He has deep knowledge of the Bank's products and competitive environment, the financial and risk management issues the Bank will need to manage, and the operating requirements for a consumer lending business.

- **Allyson Huve, Chief Financial Officer.** Ms. Huve is currently SoFi, Inc.'s Vice President of Finance and Strategy, leading the Company's Financial Planning, & Analysis activities. She joined SoFi Inc. in 2016, and previously served as the Company's Controller. Prior to SoFi, Inc., Ms. Huve was an accounting Principal at RSM McGladrey (formerly Battelle & Battelle, LLP), where, during her eight years in the accounting and assurance practice, she focused on serving community banks and credit unions, and was a member of the firm's quality standards committee. In addition to her work with banks and credit unions, Ms. Huve also gained experience in a senior accounting and regulatory reporting role with CareSource, the second-largest Medicaid plan in the United States. Ms. Huve has an undergraduate degree in accounting from Cedarville University, and is a Certified Public Accountant.
- **Michelle Gill, Co-Head of Banking Products.** Ms. Gill most recently served as SoFi, Inc.'s Chief Financial Officer, and currently serves as SoFi, Inc.'s EVP and Head of Lending and Capital Markets. She brings industry-leading experience in consumer lending and financing. Ms. Gill spent 14 years at Goldman Sachs & Co., where most recently she was a Partner co-heading the Structured Finance business. She received her JD from Cornell Law School and her BA from the University of California at Los Angeles.
- **Maria Renz, Co-Head of Banking Products.** Ms. Renz currently serves as SoFi, Inc.'s EVP and Group Business Leader for SoFi Money, Invest and Credit Card. Ms. Renz joined SoFi, Inc. from Amazon where for over 20 years her roles included Vice President of Global Operations Customer Experience and technical advisor to Amazon CEO Jeff Bezos. Ms. Renz brings a deep understanding of technology-enabled customer experience and digital marketing. Ms. Renz received her MBA from Vanderbilt University and her BS from Drexel University.
- **Aaron Webster, Chief Risk Officer.** Mr. Webster currently serves as the Chief Risk Officer for SoFi, Inc. He will bring to SoFi Bank extensive experience in running effective risk management programs for consumer banking businesses. Currently, Mr. Webster is responsible for the Company's risk, fraud, and credit management frameworks, as well as its credit risk and underwriting activities. Prior to SoFi, Mr. Webster served as Chief Risk Officer – U.S. Retail Bank and Mortgage and Head of Global Regulatory Analytics for Citibank, NA. Mr. Webster was previously Managing Director, Americas Risk Management at Toyota Financial Services, the world's largest automotive lender. Earlier in his career he held positions of increasing responsibility at GE Capital, Washington Mutual Bank, FSB, and Wachovia Bank, NA. Mr. Webster holds a BA in International Studies from the University of North Carolina at Chapel Hill.

Planned compensation arrangements, by senior officer and in aggregate for the group, are provided in Confidential Exhibit E.

- (f) Describe any potential management interlocking relationships (12 U.S.C. § 1467a(h)(2), 3201-3208), or applicable state law) that could occur with the establishment or ownership of the institution. Include a discussion of the permissibility of the interlock with regard to relevant law and regulations or include a request for an exemption.**

Not applicable.

- (g) Describe any potential conflicts of interest.**

Not applicable. There are no potential conflicts of interest.

- (h) Describe any transaction, contract, professional fees, or any other type of business relationship involving the institution, the holding company, and its affiliates (if applicable), and any organizer, director, senior executive officer, shareholder owning or controlling 10% or more, and other insiders. Include professional services or goods with respect to organizational expenses and bank premises and fixed asset transactions. (Transactions between affiliates of the holding company that do not involve the institution need not be described).**

- 1) State whether the business relationship is made in the ordinary course of business, is made on substantially the same terms as those prevailing at the time for comparable transactions with non-insiders, and does not present more than the normal risk of such transaction or present other unfavorable features.**

There are no proposed transactions with insiders. As discussed (i) in Section 1(a), above, under the heading “Bank Rational and Overview” and (ii) in Sections 5(f), 6(b) and 6(d), below, the Bank proposes to enter into various transactions and service agreements with SoFi, Inc. and its affiliated companies.

- 2) Specify those organizers that approved each transaction and whether the transaction was disclosed to proposed directors and prospective shareholders.**

Not applicable.

- 3) Provide all relevant documentation, including contracts, independent appraisals, market valuations, and comparisons.**

Not applicable.

- (i) Describe all stock benefit plans of the institution and holding company, including stock options, stock warrants, and other similar stock-based compensation plans, for senior executive officers, organizers, directors, and other insiders. Include in the description:**

- 1) **The duration limits.**
- 2) **The vesting requirements.**
- 3) **Transferability restrictions.**
- 4) **Exercise price requirements.**
- 5) **Rights upon termination.**
- 6) **Any “exercise of forfeiture” clause.**
- 7) **Number of shares to be issued or covered by the plans.**

Provide a list of participants, allocation of benefits to each participant, and a copy of each proposed plan. (Plans must conform to applicable regulatory guidelines.)

SoFi Inc. has a stock plan a copy of which is attached at Confidential Exhibit F. Employees of SoFi Bank will participate in the plan.

3. Capital

- (a) **For each class of stock, provide the number of authorized shares, the number of shares to be issued, par value, voting rights, convertibility features, liquidation rights, and the projected sales price per share. Indicate the amount of net proceeds to be allocated to common stock, paid-in surplus, and other capital segregations.**

The Bank’s Articles of Association (the “Articles”) and Bylaws are enclosed as Confidential Exhibits C and D, respectively. The Articles currently provide for authorized capital stock consisting of [*] shares of voting common stock, with a par value per share of [*]. The actual amount of authorized voting common stock and its par value will be finalized prior to the time the organizers file the Bank’s Articles and organization certificate with the OCC in order for the Bank to become a body corporate or legal entity.

The voting common stock will have unlimited voting rights. Unless otherwise specified in the Articles or required by law, all shares of voting stock shall be voted together as a class, on any matters requiring shareholder approval. There is cumulative voting in the election of directors. The voting common stock will not be convertible. The voting common stock will be entitled to receive dividends as and when declared by the Bank Board out of legally available funds. In any liquidation, dissolution or winding up of the Bank, after payment of or provision for all debts and liabilities, holders of voting common stock will be entitled to share equally and ratably in all assets available for distribution. Also see Confidential Exhibit A (Business Plan, Section X) for additional details on the adequacy of the Bank’s capital.

(b) Describe any noncash contributions to capital, and provide supporting documents for assigned values, including an independent evaluation or appraisal.

The initial capital of the Bank will consist of at least 30% cash, and the balance loan assets, as described in more detail in the Business Plan.

The loan assets will consist of high-quality, held-for-sale loans that will have been originated by SoFi, Inc. in the ordinary course of business, close to the time of the opening of the Bank, valued at that time under GAAP, and consistent with market conditions at that time. Given the expected time period between now and the opening of the Bank, and given the volatility of current market conditions, it seems that an independent appraisal completed today would not be helpful to the OCC's evaluation of the loans that will be contributed. SoFi, Inc. is prepared to provide supporting analyses of loan values closer to the time of the Bank's opening, or to make other arrangements to ensure that the Bank realizes the value attributed to these assets.

(c) Discuss the adequacy of the proposed capital structure relative to internal and external risks, planned operational and financial assumptions, including technology, branching, and projected organization and operating expenses. Present a thorough justification to support the proposed capital, including any off-balance-sheet activities contemplated. Describe any plans for the payment of dividends.

The Bank intends to hold capital commensurate with the level and nature of the risks to which it is exposed. The Bank will begin with a strong capital position, with and throughout the Business Plan period, the Bank will maintain a substantial capital cushion above the regulatory minimum capital ratios.

Before the opening of the Bank, SoFi, Inc. plans to fund the necessary technology, facilities, and people start-up expenses necessary to open the Bank, in addition to the initial capitalization in cash and loan equity. The initial capital amount is more than adequate to establish an appropriate allowance for loan and lease losses, and to grow the balance sheet prudently. The initial capitalization is designed to ensure that the Bank's capital levels continually exceed its targets in the baseline scenario, and its policy minimums in a variety of stress scenarios, including those related to interest rate movements, spikes in unemployment, and dislocations in the capital markets. The capitalization is also designed to address risks associated with the Bank's de novo status.

The Bank's Capital and Asset-Liability Management ("CALM") Policy (attached in an Appendix to the Business Plan) establishes the Bank's minimum and target capital levels. Also see Confidential Exhibit A (Business Plan, Section X) for additional details on the adequacy of the Bank's capital.

The Bank does not expect to pay dividends for the first three years of business activity to allow for reinvestment of capital in the business. In no event will the Bank pay a dividend that would cause the Bank to become less than "well-capitalized."

- (d) List all known subscribers to stock. For organizers, directors, 10 percent shareholders, senior executive officers, and other insiders, include the number of shares and anticipated investment and the amount of direct and indirect borrowings to finance the investment. Discuss how any debt will be serviced.**

SoFi, Inc. will own 100% of the common stock of the Bank.

- (e) List recipients and amounts of any fees, commissions, or other considerations in connection with the sale of stock.**

Not applicable.

- (f) Indicate whether the institution plans to file for S Corporation tax status.**

SoFi Bank does not plan to file for S Corporation tax status.

4. Convenience and Needs of the Community

NOTE: This information must be consistent with the proposed business plan.

(a) Market Characteristics

- 1) Define the intended geographical market area(s). Include a map of the market area, pinpointing the location of proposed bank's offices and offices of competing depository institutions.**

SoFi Bank will operate nationally, delivering products and services digitally. See Confidential Exhibit A (Business Plan).

- 2) Describe the competitive factors the institution faces in the proposed market and how the institution will address the convenience and needs of that market to maintain its long-term viability.**

Building on SoFi, Inc.'s success to date as a national, digital lender, SoFi Bank will serve the convenience and needs of its customers by offering a broad suite of consumer lending and deposit products, delivered via intuitive, convenient digital delivery channels. There are many competitors in these products lines. SoFi, Inc. and SoFi Bank's offerings are specifically designed to address market gaps for customers not well served by traditional financial institutions. SoFi Bank's value proposition will include products that are priced competitively and transparently, and are supported by personalized content, money management tools, and experiences for members. See Confidential Exhibit A (Business Plan).

- 3) Discuss the economic environment and the need for the institution in terms of population trends, income, and industry and housing patterns.**

SoFi, Inc. and SoFi Bank's offerings are specifically designed to address market gaps for customers not well served by traditional financial institutions.

SoFi Bank's focus on combining innovative technology and tools with competitively priced financial services products responds particularly to the emerging segments of the overall market that are seeking to manage their finances via mobile, digital, delivery channels. See Confidential Exhibit A (Business Plan).

(b) Community Reinvestment Act (CRA) Plan¹

NOTE: The CRA Plan must be bound separately.

1) Identify the assessment area(s) according to the CRA regulations.²

Pursuant to 12 C.F.R. § 345.41, the Bank expects to designate the Salt Lake City-Provo-Orem Combined Statistical Area ("SLC-Provo-Orem CSA" or "CSA") as its Prime Assessment Area for purposes of evaluation under the Community Reinvestment Act (the "CRA"). This CSA is comprised of ten counties in northern Utah and includes three metropolitan and two micropolitan areas as outlined below:

- **Metropolitan Statistical Areas**
 - Salt Lake City (Salt Lake and Tooele counties)
 - Ogden–Clearfield (Box Elder, Davis, Morgan, and Weber counties)
 - Provo–Orem (Juab and Utah counties)
- **Micropolitan Statistical Areas**
 - Heber City (Wasatch County)
 - Summit Park (Summit County)

Based on the FFIEC's 2019 census estimate, the SLC-Provo-Orem CSA had a population of 2,438,050, comprising approximately 78.5% of Utah's population (<https://www.ffiec.gov/census/default.aspx>).

Because SoFi Bank will not operate any physical branches or deposit-taking ATMs, the Bank delineates its Assessment Area based on its Cottonwood Heights, Utah main office, which is located in Salt Lake County. Aside from the Bank's Cottonwood Heights location, the Bank does not plan to add any deposit-taking facilities, deposit-taking ATMs or physical branches.

In addition to the Prime Assessment Area, the Bank expects to designate a Broader Statewide or Regional Area ("BSRA") for which it will also plan to conduct a program of lending, qualified investment, and community development services. This BSRA would include the parts of Utah not included in the Prime Assessment Area as well as the States of Nevada, Arizona, California, New Mexico and Texas. Use of the BSRA will provide the Bank with additional opportunities to identify underserved community

¹ See applicable state requirements.

² See 12 C.F.R. 25.41, 345.41, 195.41.

needs and will reflect, at least in part, the Bank's broader national market, as well as its California and Texas employee footprints.

See Exhibit 2 (Business Plan, Appendix A, Approach to Community Reinvestment Act).

2) Summarize the performance context for the institution based on the factors discussed in the CRA regulations.³

See Exhibit 2 (Business Plan, Appendix A, Approach to Community Reinvestment Act).

3) Summarize the credit needs of the institution's proposed assessment area(s).

Based on research performed to date, it appears that within the Utah Prime Assessment Area, affordable housing is the dominant unmet credit need. Capital for small business formation also appears to be an important need.

See Exhibit 2 (Business Plan, Appendix A, Approach to Community Reinvestment Act).

4) Identify the CRA evaluation test⁴ under which the institution proposes to be assessed.

As outlined in the Approach to CRA document, SoFi Bank intends to be evaluated under a Strategic Plan that will be fully developed over the coming months, based on further consultation with the communities within the Bank's Prime Assessment Area and BSRA, and additional research and planning. Evaluation metrics will span lending, investment and community development activities.

5) Discuss the institution's programs, products, and activities that will help meet the existing or anticipated needs of its community(ies) under the applicable criteria of the CRA regulation, including the needs of low- and moderate-income geographies and individuals.

The Bank has identified four main themes to its planned CRA programs:

- Affordable housing;
- Small business formation, financing, employment and growth;
- Financial literacy and financial planning; and
- Expanding digital access.

See Exhibit 2 (Business Plan, Appendix A) for a preliminary list of activities under each of these themes designed to meet the needs of low- and moderate-

³ See 12 C.F.R. 25.21(b), 345.21(b), 195.21.

⁴ See 12 C.F.R. 25.21(a), 345.21(a), 195.21.

income geographies and individuals, across lending, investment, and community development categories.

Although SoFi Bank will not have a “traditional” physical branch footprint, its digital delivery infrastructure, and its experience as part of a relatively young “fintech” company, will position the Bank to meet CRA objectives in distinctive ways. These include digital delivery of financial literacy and planning modules, expertise to support entrepreneurship and small business success, and targeted investments to help bridge the “digital divide,” in addition to more traditional lending and investment programs.

5. Premises and Fixed Assets

- (a) Provide a physical description for permanent premises and discuss whether they will be publicly and handicapped accessible. Indicate the level and type of property insurance to be carried.**

The Bank’s main office will be located at 2750 East Cottonwood Pkwy, Suite 300, Cottonwood Heights, Utah 84121, which is currently leased by SoFi, Inc. The Company will sublease a portion of this space to the Bank (subject to required separate access, security and systems, as required) upon conditional approval of this application. A copy of SoFi, Inc.’s lease is included in Confidential Exhibit A (Business Plan, Appendix E). The sublease agreement will be made available in the future when it is executed. The Bank will pay its pro-rata portion of the hazard and liability insurance maintained by SoFi, Inc. for this location.

The premises will be located behind locked doors, and only accessible via secure means. The premises will be handicapped accessible.

The Bank plans to utilize additional SoFi, Inc. facilities in addition to the main office to house Bank staff across a number of functions, including operations roles. Additional details are provided in Section III.F of the Bank’s Business Plan (Confidential Exhibit A).

The Bank will not have branches.

- (b) If the permanent premises are to be purchased, provide name of seller, purchase price, cost and description of necessary repairs and alterations, and annual depreciation. If the premises are to be constructed, provide the name of the seller, the cost of the land, and the construction costs. Indicate the percentage of the building that will be occupied by the bank. Provide a copy of the appraisal.**

Not applicable.

- (c) **If the permanent premises are to be leased, provide name of owner, terms of the lease, and cost and description of leasehold improvements. Provide a copy of the proposed lease when available.**

A copy of the lease agreement for the Bank's headquarters in Cottonwood, Utah is included in Confidential Exhibit A (Business Plan, Appendix E).

- (d) **If temporary quarters are planned, provide a description of interim facility, length of use, lease terms, and other associated commitments and costs.**

Not applicable.

- (e) **State whether proposed premises and fixed asset expenditures conform to applicable statutory limitations.**

The proposed premises and fixed asset expenditures will conform to applicable statutory limits.

- (f) **Outline the security program that will be developed and implemented, including the security devices.⁵**

SoFi Bank will benefit from SoFi, Inc.'s comprehensive information security and privacy programs and practices, which will be provided to the Bank under an intercompany Business Services Agreement.

SoFi, Inc. maintains industry-standard administrative, technical and physical safeguards designed to ensure the confidentiality, integrity and availability of our systems and data. Information Security and Privacy programs are managed by a specialized team headed by a Chief Security and Privacy Officer. The team is responsible for designing security and privacy controls and maintaining compliance of SoFi's data and services, taking a risk-based approach to addressing security threats and vulnerabilities.

The team manages the information security program according to a data protection framework (policies, procedures, standards, records) derived from ISO 27002, Financial Services Sector Coordinating Council ("FSSCC") Profile, NIST SP800-53, FFIEC guidance and CIS Critical Security Controls ("CSC"). The scope of the program also includes supplier risk management, a disaster recovery program and M&A due diligence.

Details of the Bank's Information Security program are included in Confidential Exhibit A (Business Plan, Section VI). The Bank's Information Security Policy is included in Confidential Exhibit A (Business Plan, Appendix B), provides for controls around storage, access (physical and software), backup, transmission and of member data. The Information Security Policy complies with Section 501(b) of the

⁵ See 12 C.F.R. 21, 326, 168.

Gramm-Leach-Bliley Act, and the Bank will require all vendors to comply with the policy.

- (g) **Discuss any significant effect the proposal will have on the quality of the human environment. Include in the discussion changes in air and/or water quality, noise levels, energy consumption, congestion of population, solid waste disposal, or environmental integrity of private land within the meaning of the National Environmental Policy Act, 42 U.S.C. 4321, *et seq.***

Not applicable.

- (h) **Describe any plan to establish branches or relocate the main office within the first three years. Any acquisition or operating expenses should be reflected in the financial projections.**

The Bank does not anticipate establishing branches or relocating its main office within the first three years of operations.

- (i) **Indicate if the establishment of the proposed main office and/or any branch site may affect any district, site, building, structure, or object listed in, or eligible for listing in, the National Register of Historic Places pursuant to the National Historic Preservation Act, 16 U.S.C. 470f. (See the Advisory Council on Historic Preservation at www.achp.gov for the Act and implementing regulations.) Specify how such determination was made:**

- 1) **Consultation with the State Historic Preservation Officer (“SHPO”) and/or Tribal Historic Preservation Officer (“THPO”) (when tribal lands or historic properties of significance to a tribe are involved).**
- 2) **Reviewed National Register of Historic Places (see www.nps.gov/nr).**
- 3) **Applied National Register criteria to unlisted properties.⁶**
- 4) **Reviewed historical records.**
- 5) **Contact with preservation organizations.**
- 6) **Other (describe).**

The Bank’s proposed office is not listed in or eligible for listing in the National Register of Historic Places.

As appropriate, provide a copy of any documentation of consultation with the SHPO and/or THPO. *You are reminded that if a historic property may be affected, no*

⁶ See 36 C.F.R. 60.4.27.

site preparation, demolition, alterations, construction or renovation may occur without the appropriate regulatory agency's authorization.

6. Information Systems

- (a) State whether the institution plans to market its products and services (the ability to do transactions or account maintenance) via electronic means. If yes, specifically state the products and services that will be offered via electronic banking or the Internet.**

The Bank will offer all of its products and services exclusively via electronic means through its mobile smartphone app and on its website. These products are in-school student loans, student loan refinancing loans, home loans, personal loans, credit cards, checking accounts, certificates of deposit and savings accounts.

- (b) Outline the proposed or existing information systems architecture and any proposed changes or upgrades. The information should describe how: (1) the information system will work within existing technology; (2) the information system is suitable to the type of business in which the institution will engage; (3) the security hardware, software, and procedures will be sufficient to protect the institution from unauthorized tampering or access; and (4) the organizers and directors will allocate sufficient resources to the entire technology plan.**

Comprehensive technology services will be provided to the Bank by SoFi, Inc. under a Business Services Agreement, leveraging SoFi, Inc.'s extensive existing technology infrastructure, as well as several new components to be built out prior to the Bank's opening. This infrastructure is a mix of internally developed software, externally developed systems and a set of vendors who provide specialized tools and capabilities. The Bank will benefit from SoFi's existing scale lending and deposit product operations, supported by an already operational banking core system.

Bank systems will be deployed on Amazon Web Services ("AWS") Elastic Compute Cloud instances, which are distributed across multiple AWS data centers, or "availability zones," across the U.S. SoFi Bank will leverage AWS infrastructure dynamic resource allocation for vertical and horizontal scalability, and will implement only one primary function per container to prevent functions that require different security levels from coexisting on the same container.

The technology environment contains a set of SoFi-built components and third-party vendor integrations, all of which will be used to support SoFi Bank's deposit and lending operations. In addition, SoFi, Inc. today uses Oracle NetSuite for general ledger accounting management. Once SoFi Bank is operational, Oracle NetSuite will be used for Bank general ledger management and regulatory reporting.

The Company currently uses a third-party core banking system to support the SoFi Money product. The Bank intends to use this system as its core system to support a full suite of Bank deposit products. Additional details on the Bank's information systems are included in Confidential Exhibit A (Business Plan, Section VI).

- (c) **Provide lists or descriptions of the primary systems and flowcharts of the general processes related to the products and services. The level of detail in these system descriptions should be sufficient to enable verification of the cost projections in the *pro formas*.**

Detailed descriptions and charts of the Bank's systems can be found in Confidential Exhibit A (Business Plan, Section VI).

- (d) **Estimate the start-up budget for the information systems related to the products and services and the expected annual operating and maintenance costs (including telecommunications, hardware, software, and personnel).**

Comprehensive technology services will be provided to the Bank by SoFi, Inc. under a Business Services Agreement, leveraging SoFi, Inc.'s extensive existing technology infrastructure, as well as several new components to be built out prior to the Bank's opening. Details on the scope of technology-provided, and technology-related costs, can be found in Confidential Exhibit A (Business Plan, Sections VI and X).

- (e) **Describe the physical and logical components of security. Describe the security system and discuss the technologies used and key elements for the security controls, internal controls, and audit procedures. Discuss the types of independent testing⁷ the institution will conduct to ensure the integrity of the system and its controls.**

The Company today leverages both internal and external assessments to measure its programs against compliance obligations, industry standards and stakeholder expectations. Annual external assessments include PCI DSS, enterprise penetration testing, SOC 1 and SOC 2 reports, and investor and partner reviews. Annual internal assessments include Information Technology and Information Security internal audits, threat assessments, FSSCC Profile self-assessment, and CIS CSC self-assessment. The Bank will take a similar approach.

Details of the Bank's Information Security program are included in Confidential Exhibit A (Business Plan, Section VI). The Bank's Information Security Policy is included in Confidential Exhibit A (Business Plan, Appendix B), provides for controls around storage, access (physical and software), backup, transmission and of member data. The Information Security Policy complies with Section 501(b) of the Gramm-Leach-Bliley Act, and the Bank will require all vendors to comply with the policy.

⁷ Independent tests should cover general and environmental controls as well as audit, monitoring and balancing controls. Independent testing will provide an objective opinion on the adequacy of these controls.

(f) Describe the information security program that will be in place to comply with the “Interagency Guidelines Establishing Standards for Safeguarding Customer Information.”⁸

The privacy program will be focused on protecting the personal information of the Bank’s members and employees, respecting their rights for privacy as defined by applicable laws and regulations, and meeting their privacy expectations. The privacy principles, policies and procedures created to support the program are based on the Generally Accepted Privacy Principles.

The Bank’s and Company’s key compliance obligations include PCI DSS, GLBA – The Gramm-Leach-Bliley Act, Breach Notification Laws, SSAE18 – Statement on Standards for Attestation Engagements (SSAE) No. 18, Reporting on Controls at a Service Organization, FINRA – The Financial Industry Regulatory Authority, state privacy and cybersecurity legislation, and contract-specific language with partners.

Details of the Bank’s Information Security program are included in Confidential Exhibit A (Business Plan, Section VI). The Bank’s Information Security Policy and Privacy Policy are included in Confidential Exhibit A (Business Plan, Appendix B).

7. Other Information

(a) List activities and functions, including data processing that will be outsourced to third parties, identifying the parties and noting any affiliations. Describe all terms and conditions of the vendor management activities and provide a copy of the proposed agreement when available. Describe the due diligence conducted and the planned oversight and management program of the vendors’ or service providers’ relationships (for general vendor management guidance, see the Appendix of the FFIEC’s guidance, Risk Management of Outsourced Technology Services).

The Bank will execute its operations through a mix of activities performed in-house by dedicated Bank staff, activities outsourced to unaffiliated third parties, and, where appropriate, activities performed by corporate affiliates under arm’s-length services agreements fully compliant with Regulation W.

Section III and VI of the Business Plan, included in Confidential Exhibit A, provide a detailed description of the Bank’s operating approach, including a table detailing where third parties and Bank affiliates will be used. A copy of SoFi Bank’s Supplier Risk Management policy is included as Confidential Exhibit A (Business Plan, Appendix B).

⁸ See 15 U.S.C. 6801, 6805(b); 12 C.F.R. 30; 308 and 364; 168 and 170.

- (b) List all planned expenses related to the organization of the institution and include the name of recipient, type of professional service or goods, and amount. Describe how organization expenses will be paid.**

All expenses associated with the organization of SoFi Bank have been and will be paid by SoFi, Inc. These include expenses for legal and consulting support, buildout of physical facilities and technology platforms, and the hiring of staff prior to the opening of the Bank.

- (c) Provide evidence that the institution will obtain sufficient fidelity coverage on its officers and employees to conform with generally accepted banking practices.**

The Bank will provide evidence of fidelity coverage after conditional approval and prior to commencing operations.

- (d) If applicable, list names and addresses of all correspondent depository institutions that have been established or are planned.**

Not applicable.

- (e) Provide a copy of management's policies for loans, investments, liquidity, funds management, interest rate risk, and other relevant policies. Provide a copy of the Bank Secrecy Act program. Contact the appropriate regulatory agencies to discuss the specific timing for submission.**

Copies of the following SoFi Bank draft policies are included in Confidential Exhibit A (Business Plan, Appendix B):

- Enterprise Risk Management Policy
- Affiliate Transaction Policy
- Anti-Money Laundering Policy
- Compliance Management Program Policy
- Risk Appetite Framework Policy
- Supplier Risk Management Policy
- Credit Risk Policy
- Capital and Asset-Liability Management (CALM) Policy
- Business Continuity Management Policy
- Disaster Recovery Policy
- Privacy Program Authorizing Policy
- Security Program Authorizing Policy

- (f) For Federal Savings Banks or Associations, include information addressing the proposed institution's compliance with qualified thrift lender requirements.**

Not applicable.

- (g) If the institution is, or will be, affiliated with a company engaged in insurance activities that are subject to supervision by a state insurance regulator, provide:**

- 1) The name of insurance company.**

Social Finance Life Insurance Agency, LLC. ("SoFi Agency"). SoFi Agency is wholly owned by SoFi, Inc.

- 2) A description of the insurance activity that the company is engaged in and has plans to conduct.**

Although SoFi Agency has insurance agency/producer licenses as described in Section (g)(3) below, SoFi Agency does not offer insurance products directly. Rather, SoFi Agency refers SoFi members who may be interested in life, property and/or casualty insurance to third-party insurance providers.

- 3) A list of each state and the lines of business in that state in which the company holds, or will hold, an insurance license. Indicate the state where the company holds a resident license or charter, as applicable.**

Currently, SoFi Agency has insurance producer licenses for life, property and casualty insurance licenses in all 50 states and the District of Columbia, *except* Florida, Maryland, New Jersey, New York and Tennessee.

- In New York, SoFi Agency has an insurance agency license for life insurance and a pending agency license for property and casualty insurance.
- In Florida, Maryland, New Jersey and Tennessee, SoFi Agency has pending insurance agency licenses for life, property and casualty insurance.

SoFi Agency holds a residency license in Utah.

We, the organizers, certify that the information contained in this application has been examined carefully and is true, correct, and complete, and is current as of the date of this submission. We also certify that any misrepresentations or omissions of material facts with respect to this application, any attachments to it, and any other documents or information provided in connection with the application for the organization of the proposed financial institution and federal deposit insurance may be grounds for denial or revocation of the charter and/or insurance, or grounds for an objection to the undersigned as proposed director(s) or officer(s) of the proposed financial institution, and may subject the undersigned to other legal sanctions, including the criminal sanctions provided for in 18 U.S.C. §§ 1001, 1007, and 1014. We request that examiners be assigned to make any investigations necessary.

We acknowledge that approval of this application is in the discretion of the appropriate federal banking agency or agencies. Actions or communications, whether oral, written or electronic, by an agency or its employees in connection with this filing, including approval of the application if granted, do not constitute a contract, either express or implied, or any other obligation binding upon the agency, other federal banking agencies, the United States, any other agency or entity of the United States, or any officer or employee of the United States. Such actions or communications will not affect the ability of any federal banking agency to exercise its supervisory, regulatory or examination powers under applicable law and regulations. We further acknowledge that the foregoing may not be waived or modified by any employee or agent of a federal banking agency or of the United States.

Michelle Gill
Typed Name

Robert Lavet
Typed Name

Paul J. Mayer
Typed Name


Anthony Paquette
Typed Name

Aaron J. Webster
Typed Name

OCC CERTIFICATION

We, the organizers, certify that the information contained in this application has been examined carefully and is true, correct, and complete, and is current as of the date of this submission. We also certify that any misrepresentations or omissions of material facts with respect to this application, any attachments to it, and any other documents or information provided in connection with the application for the organization of the proposed financial institution and federal deposit insurance may be grounds for denial or revocation of the charter and/or insurance, or grounds for an objection to the undersigned as proposed director(s) or officer(s) of the proposed financial institution, and may subject the undersigned to other legal sanctions, including the criminal sanctions provided for in 18 U.S.C. §§ 1001, 1007, and 1014. We request that examiners be assigned to make any investigations necessary.

We acknowledge that approval of this application is in the discretion of the appropriate federal banking agency or agencies. Actions or communications, whether oral, written or electronic, by an agency or its employees in connection with this filing, including approval of the application if granted, do not constitute a contract, either express or implied, or any other obligation binding upon the agency, other federal banking agencies, the United States, any other agency or entity of the United States, or any officer or employee of the United States. Such actions or communications will not affect the ability of any federal banking agency to exercise its supervisory, regulatory or examination powers under applicable law and regulations. We further acknowledge that the foregoing may not be waived or modified by any employee or agent of a federal banking agency or of the United States.

_____ Signature	_____ Date	<u>Michelle Gill</u> Typed Name
 _____ Signature	<u>7/8/2020</u> Date	<u>Robert Lavet</u> Typed Name
_____ Signature	_____ Date	<u>Paul J. Mayer</u> Typed Name
_____ Signature	_____ Date	<u>Anthony Paquette</u> Typed Name
_____ Signature	_____ Date	<u>Aaron J. Webster</u> Typed Name

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<u>Paul Mayer</u> Signature	<u>7/8/2020</u> Date	<u>Paul J. Mayer</u> Typed Name
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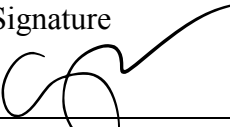
_____ Signature	_____ Date	<u>Michelle Gill</u> Typed Name
_____ Signature	_____ Date	<u>Robert Lavet</u> Typed Name
_____ Signature	_____ Date	<u>Paul J. Mayer</u> Typed Name
_____ Signature	_____ Date	<u>Anthony Paquette</u> Typed Name
 _____ Signature	<u>7/8/2020</u> Date	<u>Aaron J. Webster</u> Typed Name

EXHIBIT VOLUME INDEXES

PUBLIC EXHIBITS VOLUME INDEX

Exhibit 1	Oaths of Bank Directors
Exhibit 2	Approach to Community Reinvestment Act

CONFIDENTIAL EXHIBITS VOLUME INDEX

Confidential Exhibit A	Business Plan
Confidential Exhibit B	Form of Stock Certificate
Confidential Exhibit C	Draft Articles of Incorporation
Confidential Exhibit D	Draft Bylaws
Confidential Exhibit E	Compensation Information
Confidential Exhibit F	Stock Plan

EXHIBITS (check all that apply)

- ☒ Business Plan
 - ☒ Financial Projections
- ☒ CRA Plan
- ☒ Articles of Association, Articles of Incorporation, or Charter
- ☒ Bylaws
- ☒ Oaths of Directors
- ☐ Interagency Biographical and Financial Reports
- ☐ Fingerprint cards (appropriate regulatory agency)
- ☐ Publication Certification / Affidavit / Notice of Publication
- ☒ Copies of contracts / agreements
 - ☐ Employment / compensation
 - ☐ Service providers
 - ☐ Other
- ☒ Stock Benefit Plans
- ☐ Economic survey or market feasibility study
 - ☐ Market Area Map
- ☐ Waiver request, specify:
- ☐ Offering Materials
- ☒ Proposed stock certificate
- ☒ Corporate or holding company audited statements or financial reports
- ☒ Copy of policies, specify: Please see item 7.e, above, for the list of policies.

FSA ONLY:

- ☐ RB 20a Certification

PUBLIC EXHIBIT VOLUME

to the

APPLICATION

to the

OFFICE OF THE COMPTROLLER OF THE CURRENCY

to organize

SOFI BANK, NATIONAL ASSOCIATION

July 8, 2020

PUBLIC EXHIBIT VOLUME

APPLICATION TO ORGANIZE SoFi BANK, NATIONAL ASSOCIATION

JULY 8, 2020

DOCUMENT INDEX

TAB

<u>Approach to Community Reinvestment Act</u>	2
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Public Exhibit 2

Approach to Community Reinvestment Act



Approach to Community Reinvestment Act

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APPROACH TO COMMUNITY REINVESTMENT ACT

1. INTRODUCTION

1.1 EXECUTIVE SUMMARY

Social Finance, Inc. (“SoFi, Inc.” or the “Company”) was founded to meet the needs of individuals that are not well served by more established financial institutions, and has continued to evolve to provide its members a broad suite of products and content to help them “Get Their Money Right.” This includes providing convenient digital access to financial solutions and offering information and tools to help members make thoughtful decisions on managing their financial lives.

Building on this legacy, SoFi Bank (the “Bank” or “SoFi”) in organization, recognizes its important obligation to serve the convenience and needs of the communities in which it will draw its deposits and operate. Consistent with this obligation, as well as with safe and sound banking practices, the Bank will pursue a robust Community Reinvestment Act (“CRA”) program of lending, qualified investment and community development services within its proposed Assessment Area, as well as a broader, multi-state region adjacent to its Assessment Area. Management intends to administer its CRA program with an objective of achieving a performance rating of “Outstanding”.

The Bank will have its main office in Cottonwood Heights, UT, with no planned branches. SoFi’s Business Plan envisions the Bank providing a range of transactional, savings and credit products and services to customers nationwide. Given the Bank’s national, digital footprint, the Bank plans to address CRA via a Strategic Plan in order to provide appropriate flexibility in structuring a program that is as impactful as possible. The Bank expects to consult with the OCC, in addition to further consultation with the communities it will serve, as it finalizes and seeks approval for the Strategic Plan before it begins operations. The Bank would then be evaluated under this CRA Strategic Plan from the inception of its operations.

The Bank will designate a CRA Officer to lead its CRA program. The Bank’s CRA program will be supported by credit experts and executives of the Bank. Consistent with SoFi’s Corporate Social Responsibility Program (“CSR”), all full-time SoFi Bank employees, including senior management, both inside and outside of the Assessment Area, are expected to be engaged in CRA activities including community outreach and community development services.

In addition to its CRA program, SoFi Bank is committed to fair lending practices. Specifically, SoFi Bank, consistent with the practices of SoFi, Inc. to date, will focus on safe and sound lending practices that are fully supported by a comprehensive compliance program that monitors and tests for adherence to applicable law and regulations, including those addressing fair lending, disparate impact, and the avoidance of abusive lending practices. SoFi, Inc. and its affiliates have been regularly examined by the CFPB and state regulators, as well as FINRA and the SEC. SoFi Bank will continue to work with its regulators to ensure compliance with laws and regulations.

1.2 SOFI BANK OVERVIEW

SoFi Bank will be a wholly-owned subsidiary of Social Finance, Inc., a Delaware corporation headquartered in San Francisco, CA. SoFi Bank will offer credit and deposit products. Credit

offerings will include Student Loan Refinance Loans, In-School Student Loans, Personal Loans, Home Loans and a Credit Card product.

SoFi, Inc., founded in August 2011, is a mobile-first, member-focused, personal finance company that focuses on helping people achieve financial independence in order to realize their ambitions. SoFi, Inc.'s product suite includes tools for borrowing, saving, spending, investing and protecting to help the company's more than one million members Get Their Money Right.

SoFi, Inc. quickly became the market segment leader in refinancing federal and private student loans. Over time, the product suite expanded to include home loans, personal loans, wealth management, SoFi Money, and in-school student loans. A credit card product is scheduled to launch in the fourth quarter of 2020. SoFi, Inc. also offers financial planning tools and insurance products via partnerships, positioning itself to help members with a broad array of financial needs across their life stages. Upon approval for a charter and the opening of SoFi Bank, the credit and savings products will reside within the Bank.

2. PERFORMANCE GEOGRAPHIES

2.1 ASSESSMENT AREA AND BROADER STATEWIDE OR REGIONAL AREA ("BSRA")

Pursuant to 12 C.F.R. § 345.41, the Bank expects to designate the Salt Lake City-Provo-Orem Combined Statistical Area ("SLC-Provo-Orem CSA" or "CSA") as its Prime Assessment Area for purposes of evaluation under the CRA. This CSA is comprised of ten counties in northern Utah and includes three metropolitan and two micropolitan areas as outlined below:

- **Metropolitan Statistical Areas ("MSAs")**
 - Salt Lake City (Salt Lake and Tooele counties)
 - Ogden–Clearfield (Box Elder, Davis, Morgan, and Weber counties)
 - Provo–Orem (Juab and Utah counties)
- **Micropolitan Statistical Areas ("μSAs")**
 - Heber City (Wasatch County)
 - Summit Park (Summit County)

Based on the FFIEC's 2019 census estimate, the SLC-Provo-Orem CSA had a population of 2,438,050¹, comprising approximately 78.5 percent of Utah's population.

Because SoFi Bank will not operate any physical branches or deposit-taking ATMs, the Bank delineates its Assessment Area based on its Cottonwood Heights, Utah main office which is located in Salt Lake County. Aside from the Bank's Cottonwood Heights location, the Bank does not plan to add any deposit-taking facilities, deposit-taking ATMs or physical branches.

In addition to the Prime Assessment Area, the Bank expects to designate a Broader Statewide or Regional Area ("BSRA") for which it will also plan to conduct a program of lending, qualified investment, and community development services. This BSRA would include the parts of Utah not included in the Prime Assessment Area as well as the states

¹ <https://www.ffiec.gov/census/default.aspx>

of Nevada, Arizona, California, New Mexico and Texas. Use of the BSRA will provide the Bank with additional opportunities to identify underserved community needs and will reflect, at least in part, the Bank's broader national market, as well as its California and Texas employee footprints.

The Bank's proposed designated Assessment Area consists only of whole geographies, does not reflect illegal discrimination and does not arbitrarily exclude low- or moderate-income geographies. Please see Exhibit A for a Map of Utah Counties in SoFi Bank's Proposed Prime Assessment Area. Please see Exhibit B for a Map of SoFi Bank's Broader Statewide or Regional Area.

3. PERFORMANCE CONTEXT

Note: Sections 3 through 5 address demographic and economic data for the Prime Assessment Area only (vs. the BSRA). In addition, the data referenced does not reflect the recent 2020 COVID-19-related crisis. Depending on the pace of the economic recovery and the impact on low- and moderate-income individuals and communities, the Bank's Strategic Plan could address emerging needs specifically related to the COVID-19 crisis.

Utah has been among the nation's fastest growing populations and economies for over a decade. Led by booming technology, healthcare and manufacturing sectors, Utah's economy has become one of the most diverse in the nation, resulting in tremendous job growth, a tight labor market with low unemployment rates and a high quality of life, all of which served to attract in-migration. The drivers behind Utah's growth are multifaceted - a growing labor pool, a healthy and well-educated workforce, a high state fertility rate, and a very young and growing and tech-savvy population.

3.1 PRIME ASSESSMENT AREA DEMOGRAPHIC CHARACTERISTICS²

The Bank's proposed Assessment Area, the SLC-Provo-Orem CSA, is dominated by the state capital, Salt Lake City, which is also the state's most populous city. Approximately 34.7%³ percent of the state of Utah's inhabitants live in Salt Lake County; 78.5⁴ percent of Utah's inhabitants live in the SLC-Provo-Orem CSA.

The tables below provide key income and housing demographic data for each of the MSAs and μSAs that comprise the SLC-Provo-Orem CSA.

² FFIEC Online Census Data System, <https://www.ffiec.gov/census/default.aspx>.

³ Ibid.

⁴ Ibid.

Table 1
Salt Lake City MSA Demographics⁵
Salt Lake and Tooele Counties

Income Level	Median Family Income (2019 Est. Tract)		Population		Census Tracts	
			#	%	#	%
Low		< \$40,900	34,117	3.00%	8	3.59%
Moderate	>= 40,900	< \$65,440	258,010	23.77%	53	23.77%
Middle	>= \$65,440	< 98,160	511,844	44.99%	93	41.70%
Upper	>= \$98,160		324,089	28.48%	65	29.15%
Unknown	N/A	N/A	9,706	0.85%	4	1.79%
Total			1,137,766	100.00%	223	100.00%

Table 2
Housing Statistics for Salt Lake and Tooele Counties

Total Housing Units	1 to 4 Family Units	Owner Occupied 1 to 4 Family Units	Renter Occupied Units	Median Value of Owner Occupied Units (Salt Lake/Tooele)
393,138	316,390	238,891	123,084	\$281,800 ⁶ /\$209,700 ⁷

Table 3
Ogden–Clearfield MSA Demographics
Box Elder, Davis, Morgan and Weber Counties

Income Level	Median Family Income (2019 Est. Tract)		Population		Census Tracts	
			#	%	#	%
Low		< \$41,599	11,230	1.77%	5	4.24%
Moderate	>= 41,600	< \$65,559	131,880	20.81%	30	42.37%
Middle	>= \$65,560	< 99,839	282,770	44.63%	50	25.42%
Upper	>= \$99,840		207,719	32.78%	33	27.97%
Unknown	N/A	N/A	0	0.00%	0	0.00%
Total			633,599	100.0%	118	100.00%

⁵ <https://www.ffiec.gov/census/default.aspx>

⁶ <https://www.census.gov/quickfacts/saltlakecountyutah>, Period 2014-2018.

⁷ <https://www.census.gov/quickfacts/tooelecountyutah>, 2014-2018 Period.

Table 4
Housing Statistics for Box Elder, Davis, Morgan and Weber Counties

Total Housing Units	1 to 4 Family Units	Owner Occupied 1 to 4 Family Units	Renter Occupied Units	Median Value of Owner Occupied Units (Box Elder/ Davis/ Morgan/Weber)
393,138	316,390	238,891	123,084	\$189,900 ⁸ /\$265,900 ⁹ /\$359,300 ¹⁰ /\$197,800 ¹¹

Table 5
Provo - Orem MSA Demographics
Juab and Utah Counties

Income Level	Median Family Income (2019 Est. Tract)		Population		Census Tracts	
			#	%	#	%
Low		< \$39,799	34,117	3.00%	10	7.63%
Moderate	>=39,800	< \$63,679	258,010	23.77%	17	12.98%
Middle	>= \$63,680	< 95,519	511,844	44.99%	62	47.33%
Upper	>= \$95,520		324,089	28.48%	41	31.30%
Unknown	N/A	N/A	9,706	0.85%	1	0.76%
Total			572,757	100.00	131	100.00%

Table 6
Housing Statistics for Juab and Utah Counties

Total Housing Units	1 to 4 Family Units	Owner Occupied 1 to 4 Family Units	Renter Occupied Units	Median Value of Owner Occupied Units (Juab/Utah)
162,501	143,044	102,383	50,203	\$203,200 ¹² /\$280,100 ¹³

⁸ <https://www.census.gov/quickfacts/boxeldercountyutah>, Period 2014-2018.

⁹ <https://www.census.gov/quickfacts/daviscountyutah>, Period 2014-2018.

¹⁰ <https://www.census.gov/quickfacts/morgancountyutah>, Period 2014-2018.

¹¹ <https://www.census.gov/quickfacts/webercountyutah>, 2014-2018 Period.

¹² <https://www.census.gov/quickfacts/juabcountyutah>, 2014-2018 Period.

¹³ <https://www.census.gov/quickfacts/utahcountyutah>, 2014-2018 Period.

Table 7
Wasatch County μSA Demographics

Income Level	Median Family Income (2019 Est. Tract)		Population		Census Tracts	
			#	%	#	%
Low		< \$34,399	0	0.00%	0	0.00%
Moderate	>= 34,400	< \$55,039	0	0.0	0	0.00%
Middle	>= \$55,040	< 82,559	37,003	69.40%	3	60.00%
Upper	>= \$82,560		16,319	30.60%	2	40.00%
Unknown	N/A	N/A	0	0.00	0	0.00%
Total			53,322	100.00	5	100.00%

Table 8
Housing Statistics for Wasatch County

Total Housing Units	1 to 4 Family Units	Owner Occupied 1 to 4 Family Units	Renter Occupied Units	Median Value of Owner Occupied Units
11,352	10,520	5,841	2,186	\$388,900 ¹⁴

Table 9
Summit County μSA Demographics

Income Level	Median Family Income (2019 Est. Tract)		Population		Census Tracts	
			#	%	#	%
Low		< \$34,399	0	0.00%	0	0.00%
Moderate	>= 34,400	< \$55,039	0	0.00%	0	0.0%
Middle	>= \$55,040	<82,559	12,377	32.13%	4	30.77%
Upper	>= \$82,560		25,936	67.33%	8	61.54%
Unknown	N/A	N/A	208	0.54%	1	7.69%
Total			38,521	100.00%	13	100.00%

Table 10
Housing Statistics for Summit County

Total Housing Units	1 to 4 Family Units	Owner Occupied 1 to 4 Family Units	Renter Occupied Units	Median Value of Owner Occupied Units
27,083	20,640	10,069	3,539	\$598,900 ¹⁵

¹⁴ <https://www.census.gov/quickfacts/wasatchcountyutah>, 2014-2018 Period.

¹⁵ <https://www.census.gov/quickfacts/summitcountyutah>, 2014-2018 Period.

3.2 ECONOMIC AND DEMOGRAPHIC INFORMATION

The SLC Provo-Orem CSA consists of 490 census tracts of which 23 (4.69 percent) and 100 (20.41 percent) tracts, respectively, are classified as low- and moderate-income. The FFIEC's 2019 estimate of the Assessment Area's total population was 2,438,050, with 3.56% and 19.09% of the population, respectively, classified as low- to moderate-income. For the same period, the FFIEC estimated that of the 755,815 households in the Assessment Area, 3.56 percent and 20.98 percent were low- and moderate-income, respectively.

The tables below provide summary median family income data as well as aggregate Assessment Area demographic data including census tract, population and household distributions for the Bank's SLC-Provo-Orem CSA Assessment Area.

Median Family Income Data

County	Metropolitan Statistical Area ("MSA")	2019 FFIEC Est. MSA/MD Median Family Income ("MFI")	Low Income >0 and <50% of MFI	Moderate Income >=50% and < 80% of MFI	Middle Income >=80% - <120% of MFI	Upper Income >=120% of MFI
Salt Lake	41620	\$81,800	\$0 - \$40,899	\$40,900 - \$65,439	\$65,440 - \$98,159	\$98,160
Tooele	41620	\$81,800	\$0 - \$40,899	\$40,900 - \$65,439	\$65,440 - \$98,159	\$98,160
Davis	36260	\$83,200	\$0 - \$41,599	\$41,600 - \$65,559	\$66,560 - \$99,839	\$99,840
Morgan	36260	\$83,200	\$0 - \$41,599	\$41,600 - \$65,559	\$66,560 - \$99,839	\$99,840
Weber	36260	\$83,200	\$0 - \$41,599	\$41,600 - \$65,559	\$66,560 - \$99,839	\$99,840
Box Elder	36260	\$83,200	\$0 - \$41,599	\$41,600 - \$65,559	\$66,560 - \$99,839	\$99,840
Utah	39340	\$79,600	\$0 - \$39,799	\$39,800 - \$63,679	\$63,680 - \$95,519	\$95,520
Juab	39340	\$79,600	\$0 - \$39,799	\$39,800 - \$63,679	\$63,680 - \$95,519	\$95,520
Wasatch	N/A (1)	\$68,800	\$0 - \$34,399	\$34,400 - \$55,039	\$55,040 - \$82,559	\$82,560
Summit	N/A (2)	\$68,800	\$0 - \$34,399	\$34,400 - \$55,039	\$55,040 - \$82,559	\$82,560

N/A (1) Outside of MSA/MD; included in Heber, UT μ SA

N/A (2) Outside of MSA/MD; included in Summit Park, UT μ SA

Assessment Area Aggregate Demographic Information

Income Level	# of Census Tracts	% of Census Tracts	# of Individuals	% of Individuals	# of Households	% of Households
Low	23	4.69%	86,754	3.56%	26,871	3.56%
Moderate	100	20.41%	465,493	19.09%	158,593	20.98%
Middle	212	43.27%	1,135,027	46.55%	349,138	46.19%
Upper	149	30.41%	740,862	30.39%	217,123	28.73%
Unknown	6	1.22%	9,914	0.41%	4,090	0.54%
Total	490	100.00%	2,438,050	100.00%	755,815	100.00%

3.3 POPULATION

U.S. Census Bureau estimates indicate that Utah was the fastest growing state in the nation between 2010 and 2019, with a 16.5 percent cumulative increase over the period¹⁶. According to estimates prepared by the Utah Population Committee, at June 30, 2019, Utah's population was estimated at 3,220,262. In the 2010 to June 30, 2019 period, Utah's estimated cumulative population increase was 456,377, with Salt Lake County adding over 120,000 new residents during the period, accounting for over 25 percent of the increase. In the year ending June 30, 2019, Utah's population grew by 53,596 year-over-year, led by Salt Lake County which added 10,879 new residents, second only to Utah County which added 17,827 new residents¹⁷.

Population change is the sum of natural increase (births minus deaths) plus net migration (in-migration minus out-migration). Total births for the state of Utah continued the trend of decline seen since 2008, dropping most recently from 47,628 in 2018 to 46,990 in 2019¹⁸. For the 2010-2019 period, Salt Lake led the state, with 174,658 births, 34.7 percent of the state's total. In 2019, Salt Lake County led all Utah counties with 15,971 births, accounting for 34 percent of all births in the state, followed by Utah County with 11,558 births.

Utah's birth rate dropped through June 30, 2019 to the lowest level since 2000. The birth rate in Utah women aged 15-44 years declined from 15.7 in 2017 to 14.9 in 2018, directionally mirroring that of the nation where the birth rate declined from 11.8 in 2017 to 11.6 in 2018.

Despite the precipitous decline in the birth rate, natural increase remained the mainstay of Utah's population growth in 2019, contributing just over half (53%) of the state's population growth.¹⁹ In the 2010-2019 post-Census period, Utah's natural increase was 338,475. During the comparable period, Salt Lake County's natural increase of 112,377 led Utah's 29 counties and comprised 33.2 percent of the state's natural increase. In 2019, Utah's natural increase was 28,609 (46,990 births/18,381 deaths), led again by Salt Lake County, with a natural increase of 9,174 (15,971 births and 6,797 deaths). Salt Lake County accounted for 32.0 percent of the state's 2019 natural increase, closely followed by Utah County at 32.1 percent.

Of Utah's 2019 population growth, about 47 percent came from net in-migration as people moved to the state to take advantage of economic opportunity. In absolute terms, net migration increased to 24,987 in 2019 from just over 23,000 in 2018.

The total fertility rate is the number of children each woman would expect to have in her lifetime. For decades, Utah had the highest fertility rate in the nation. The state's total fertility rate has now declined for 11 consecutive years, from 2.68 in 2007 to 2.03 in 2018, Utah's lowest fertility rate in history. This new rate is less than half of Utah's 4.3 fertility rate from 1960. This rate also represents the first time that Utah's fertility rate has fallen below the state's current 2.1 replacement rate, the level where the current population can

¹⁶ <https://gardner.utah.edu/wp-content/uploads/StateCountyPopEst-Dec2019.pdf>

¹⁷ Ibid.

¹⁸ <https://gardner.utah.edu/wp-content/uploads/StateCountyPopEst-Dec2019.pdf>

¹⁹ 2020 Economic Report to the Governor (UT)

replace itself. For the first time, Utah families are not having enough babies to replace the population. Utah’s total fertility rate was ranked second highest in the nation behind South Dakota in 2017; in 2018, it slipped to fourth in the nation behind South Dakota, North Dakota, and Nebraska. While Utah’s 2018 2.03 fertility rate was still significantly higher than the national rate (1.73), Utah’s declining fertility patterns are mirroring national trends.

The median age nationwide has been edging up as the baby boomer generation ages and fertility rates decrease. In 2018, median age edged up to 32.9 and 31.0 years²⁰, respectively, in Salt Lake County and Utah. Despite Utah’s gradual increase in median age, Utah, in 2018, continued to have the youngest median age, the largest share of youth and the lowest share of adults 65 and older in the nation²¹. The median age for Salt Lake County was 32.4 and 31.2 in 2017 and 2013, respectively. For Utah, the median age was 30.5 and 29.6 years for 2017 and 2013, respectively²².

	<u>Salt Lake County</u>		<u>Utah</u>		<u>United States</u>	
	<u>2013</u>	<u>2017</u>	<u>2013</u>	<u>2017</u>	<u>2013</u>	<u>2017</u>
Median Age (Years)	31.2	32.4	29.6	30.5	37.3	37.8
Population <20 Years	31.1%	30.0%	34.3%	33.4%	26.6%	25.7%
Population <35 years	55.4%	53.6%	58.4%	56.6%	47.1%	46.4%
Population >=65 Years	9.3%	10.5%	9.2%	10.2%	13.4%	14.9%

3.4 EMPLOYMENT

In US News Today’s “Best States 2019” report, Utah ranked fourth overall and first in the nation for employment²³. The employment ranking consisted of three metrics: job growth, unemployment, and labor force participation rates.

The Utah economy has continued to prosper, demonstrating consistent growth over the past decade, with a good prognosis for the future. From 2010 through 2017, Utah’s non-farm employment base grew 24.3²⁴ percent, a compound annual growth rate of 3.16 percent. Over the December 2018 to December 2019 period, Utah led the nation in non-farm employment growth, with a 3.1 percent year-over-year growth rate, nearly double the national 1.6 percent growth rate. Utah added 47,900 jobs during 2019. From 2017 to 2018, Utah added 46,400²⁵ jobs, a growth rate of 3.1 percent, trailing behind only Nevada and Arizona.

Utah’s unemployment rate crept lower throughout 2019. At year end, Utah, along with South Carolina and Vermont, had the lowest seasonally-adjusted unemployment rates in the nation, at 2.3 percent (preliminary), well below the nation’s 3.5 percent rate²⁶. For Utah, this represented a material 0.9% year-over-year improvement, driven largely by a strong and growing economy. For Salt Lake County, the seasonally-adjusted unemployment rate

²⁰ Ibid.

²¹ 2020 Economic Report to the Governor (UT)

²² <https://www.census.gov/quickfacts/fact/table/UT,saltlakecountyutah,US/SEX255218>

²³ <https://www.usnews.com/news/best-states/rankings/economy/employment>

²⁴ 2019 Economic Report to the Governor Prepared by the Utah Economic Council, p.30.

²⁵ Ibid, p.31.

²⁶ Bureau of Labor Statistics, News Release, State Employment and Unemployment, - December 2019, <https://www.bls.gov/news.release/pdf/laus.pdf>

has consistently been below that of the state and the nation. At year-end 2019, the seasonally-adjusted unemployment for Salt Lake County was 2.2%, following rates of 2.9% and 3.0%, in the comparable 2018 and 2017 periods, respectively.²⁷

Utah's industry clusters are diverse and include aerospace and defense, energy, financial services, life sciences, outdoor products and recreation, and software development and information technology. Approximately 600,000 people were employed in Salt Lake County in 2019, with Health Care/Social Assistance, Retail Trade, and Educational Services employing the largest number of people. The highest paying industries in Salt Lake County were Mining/Quarrying, Oil/Gas Extraction, Agriculture, Forestry, Fishing/Hunting, and Professional, Scientific and Technical Services. Going forward, the Assessment Area's "Silicon Slopes" high-tech hub, high education levels and entrepreneurial culture are expected to continue to promote job growth in new businesses and established firms. Major infrastructure projects in the Assessment Area, which include the \$3.6 billion expansion of the Salt Lake City International Airport, with Phase I scheduled to open September 2020, should also continue to drive near-term economic growth and employment in the Assessment Area.

3.5 HOUSING

Economics - Driven by its robust economy, strong job market and changing demographics, Utah's housing market experienced demand for housing far outpacing supply in the recent past. Between 2013 and 2018, median home sales price increased approximately 42 percent, far outpacing wage growth of 20.8 percent over the comparable period. Sales prices continued to climb into 2019 with the median sales price for homes in Utah increasing from \$331,669 to \$362,239 from the third quarter of 2018 to the third quarter of 2019, a 9.2% increase year-over-year.

In 2019, the rate of housing price increases in Salt Lake County was even higher than that for the state as a whole. According to the Salt Lake Board of Realtors, in the third quarter of 2019, the median price for a single-family home in the county reached an all-time record of \$386,000, an increase of \$31,000 from the first quarter of 2019 and an increase of more than \$140,000 from the first quarter of 2014.²⁸ The drivers of the rapid increase in Utah and Salt Lake County housing prices fall into three categories. The first category includes a number of factors that have a direct impact on the price of an individual home including limited stocks of available land and rising construction costs which include building materials, labor, permit fees, impact fees and development costs. These factors combined to push the price of new housing construction higher, constraining overall market supplies for both new and existing homes. The second category includes the broad overall market conditions - strong demographic and economic growth - that have created a housing shortage, putting upward pressure on prices. The third category is the low inventory of homes available for sale which further adds to pricing pressures.

While housing inventory remains tight, a higher level of residential construction over the past two years (2018-2019) has helped ease, but not alleviate, Utah's housing shortage.

²⁷ <https://jobs.utah.gov/wi/update/une/>

²⁸ <https://www.sltrib.com/news/2019/11/19/home-prices-salt-lake/>

Unlike the period from 2010 to 2017, when the increase in households outnumbered new housing units, the two most recent years saw growth in housing units exceed growth in households. This better balance between supply and demand will relieve future price pressure on the housing market.²⁹

Home Ownership - According to the U.S. Federal Reserve, the home ownership rate for Utah was 72.3 percent in fourth quarter 2019, an increase of 0.7 percent year-over-year. The Utah home ownership rate reached a record high of 77.6 percent in the second quarter of 2008 and a record low of 68.0 percent in January 1986. While Utah is still far from its 2008 home ownership peak, its fourth quarter 2019 home ownership rate ranked it seventh in the nation, down four places in year-over-year national rankings³⁰. In the fourth quarter 2019, the national home ownership rate was 65.1 percent (64.9 seasonally-adjusted), not statistically different from the 64.8 rate in both fourth quarter 2018 and third quarter 2019.³¹ In the Salt Lake City MSA, home ownership was 70.8 percent in fourth quarter 2019, slightly lower than the year-earlier period's 72.8³² and also lower than that of the state.

Foreclosure Rate - National foreclosure rates continued their recovery from their peak during the financial crisis. The foreclosure rate in Utah moved in sync with national rates, continuing to decline in 2019. According to the January 2020 Utah Governor's Office of Management and Budget Report, Utah's foreclosure rate peaked in the first quarter of 2010, when an estimated 3.4% of all loans were in foreclosure. The state's foreclosure rate has since declined in each subsequent quarter, with the third quarter 2019 foreclosure rate at 0.29%, the second lowest rate in the country, on the immediate heel of Colorado (0.27%) and well below New York which reported the highest rate at 2.26%.³³

Housing Affordability - With Utah's robust economy, in-migration and tight housing inventory, Utah and Salt Lake County have faced some challenges with housing affordability and availability. Households below the median income are facing a cost burden, sometimes spending in excess of 50 percent of income on housing.³⁴

The 16th Annual Demographia International Housing Affordability Survey (2020 Edition)³⁵ uses the Median Multiple, the median house price divided by the median annual gross pre-tax household income, to assess housing affordability. The Median Multiple is a reliable, easily understood and essential structural indicator for measuring the health of residential markets and facilitates meaningful and transparent comparisons of housing affordability. In the third quarter of 2019, the Median Multiple for the United States and Salt Lake City were 3.9 and 4.6, respectively, versus 3.5 and 4.4, respectively, for the comparable 2018 period. A Median Multiple of less than 4.0 indicates an affordable housing market.³⁶

The Housing Opportunity Index ("HOI") exists for both existing and new homes. For existing

²⁹ <https://gardner.utah.edu/wp-content/uploads/ERG2020.pdf>

³⁰ <https://www.census.gov/housing/hvs/data/rates.html>

³¹ <https://www.census.gov/housing/hvs/files/currenthvspress.pdf>

³² <https://www.census.gov/housing/hvs/data/rates.html>

³³ <https://gomb.utah.gov/wp-content/uploads/2020/01/KePI-2020-01-30.pdf>

³⁴ Kem C. Gardner Policy Institute, University of Utah.

³⁵ <https://fcpp.org/wp-content/uploads/dhi16-FCPP-20200119-2.pdf>

³⁶ Housing Prices and the Threat to Affordability, Ken C Gardner Policy Institute, the University of Utah, March 2018.

homes, the HOI is defined as the share of homes sold in a metropolitan area that were affordable to the median income household in a given year or period. For new homes, the HOI is defined as the share of new homes sold in a county that were affordable to the median income household in a given year or period. An index score of 50 means that housing affordability is in equilibrium or balanced and that half of all homes sold in the area were affordable to the median income household. An HOI above 50 indicates greater affordability whereas an index below 50 indicates less affordability. In 2017, 50.4% of existing homes and 30% of new homes that sold in Salt Lake County were affordable to a median income household.³⁷

While historically low mortgage rates which have existed post the financial crisis have made housing more affordable across the country, the challenge of housing affordability stems largely from the gap between the annual real rate of increase in housing prices and the growth in the annual real rate in household income, the latter of which has not kept pace. Households with below-median income face the biggest affordability challenges. To put the interest rate advantage in perspective, mortgage rates were, on average, under 5 percent for the past eight years. If the mortgage rate had been six percent in 2017 as opposed to 4 percent, the existing home HOI in Salt Lake County would have declined from 50.4 to 26.6. For Salt Lake County, low interest rates were the difference between an affordable and an unaffordable housing market. Higher interest rates, at 6 percent and above, would have significantly reduced housing affordability for prospective homeowners.³⁸ A rising interest rate environment would further strain affordable housing in Salt Lake County.

Rental Housing - Gross rent provides information on monthly housing cost expenses for renters. Gross rent is the contract rent plus the estimated average monthly cost of utilities (i.e. electricity, gas, water and sewer) and fuel (i.e. oil, coal, kerosene, wood, etc.). In 2017, the Median Gross Rent in Salt Lake County was \$1,070, an increase of 2.20% over prior year and 11.34% over the prior three years. Median Gross Rent in Utah was \$986 in 2017, an increase of 1.78% over prior year and 8.71% over the prior three years. For the nation as a whole, Median Gross Rent in 2017 was \$1,012, an increase of 1.61% over prior year and 5.86% over the prior three years. Over the 2006-2017 period, Median Gross Rent in Salt Lake County exceeded that of the state by 4.0 to 8.5 percent per annum, hitting a high of 8.5 percent in 2017. And, while the Median Gross Rent in Utah historically trailed that of the United States, in the 2006-2017 period, Utah Median Gross Rents increased as a percentage of the nation's Median Gross Rent, climbing from a low of 91.3% in 2006, hitting a high of 97.43% in 2017.³⁹

The Rental Vacancy Rate in Salt Lake County was 4.83 percent in 2017, down from its peak of 8.16 percent in 2009. The Rental Vacancy Rates in 2017 for Utah and the United States were 6.15 percent and 6.18 percent.⁴⁰ The tighter rental market in Salt Lake County reflects a tight overall housing market, robust job market which attracted in-migration, and rising home ownership prices, each of which contributed to higher relative Median Gross Rents in that Salt Lake County relative to Utah and the nation as a whole.

³⁷ UtahRealEstate.com and U.S. Census Bureau, American Community Survey 2016, Table S1903, Median Income in the Past 12 Months.

³⁸ Ibid.

³⁹ Ibid.

⁴⁰ <https://www.deptofnumbers.com/rent/utah/salt-lake-county/>

3.6 EDUCATION

Educational attainment levels for residents of Utah and Salt Lake County as reported for 2017 well exceeded national levels. The 2017 U.S. Census Bureau’s ACS reported Utah and Salt Lake County residents 25 years of age and over with at least a high school degree at 92.0 and 90.4 percent, respectively, ranking Utah tenth in the nation versus the national rate of 87.7 percent. In 2017, Utah ranked thirteenth in higher educational attainment, with 34.5 percent of persons 25 years and over having obtained a bachelor’s degree or higher; for Salt Lake County, the comparable level was 33.3 percent.

	<u>Salt Lake County</u>	<u>Utah</u>	<u>United States</u>
High School Grad or Higher	90.4%	92.0%	87.7%
Bachelor’s Degree or Higher	33.3%	34.5%	31.5%

3.7 INSTITUTIONAL CAPACITY AND CONSTRAINTS

SoFi Bank will operate in a highly competitive environment. Using the FDIC Summary of Deposits “Deposit Market Share Report” (June 30, 2019), there were 208 competing branch offices of 39 commercial banks, thrifts and US branches of foreign banks with over \$551.7 billion in deposits operating in the Bank’s Assessment Area.⁴¹ As of that date and based on its expected 3-year business plan-end deposit base, the Bank anticipates initially having less than 2% percent of average market share of deposits in FDIC-insured institutions in its Assessment Area. The largest competitors by market share are Ally Bank with 21.38%, Morgan Stanley Bank with 20.41%, American Express National Bank with 13.2% and Synchrony Bank with 12.43%.

With respect to community development activities, many of the Bank’s competing financial institutions have long track records of support of affordable housing, economic development, qualified investment and community development services. In pursuing its CRA program, the Bank will enter an active, mature and competitive community development marketplace.

4. SUMMARY OF CREDIT AND COMMUNITY DEVELOPMENT NEEDS

The paragraphs below highlight some of the key credit and community development needs in the Prime Assessment Area, but are not exhaustive.

Affordable Housing

The Federal Reserve Bank (“FRB”), Federal Deposit Insurance Corporation (“FDIC”) and Office of the Comptroller of the Currency (“OCC”) co-sponsored a community development forum (“CD Forum”) on September 24, 2015 to identify the community development (“CD”) needs of the Salt Lake City area. The CD Forum was designed to facilitate discussion among financial institutions and community stakeholders to address community development challenges and opportunities within the marketplace. Attendance included four community development financial institutions (“CDFIs”) and eight community development corporations (“CDCs”). The CD Forum identified

⁴¹ <https://www7.fdic.gov/sod/sodMarketRpt.asp?barItem=2&Print=Y>

affordable housing, services for new refugees, early childhood education, job creation/retention benefitting low- and moderate-income (“LMI”) individuals, job training and small business financing as top community development needs. All aspects of affordable housing from homelessness to transitional housing to affordable rental and home ownership opportunities remain the most significant need in the SLC MSA.

In late 2017, the Salt Lake City Council adopted its *Growing SLC: A Five Year Housing Plan, 2018-2022*. The plan characterizes Salt Lake City as in the beginning stages of a “systemic housing crisis” that highlights the shortcomings of the multi-year economic rally. While many factors have contributed to the housing crisis, at its root is the demand for housing in Salt Lake City driving up home prices and rental rates at a faster pace than wage increases. Between 2011 and 2014, rental rates increased two times faster than the wage increase for renters. Nearly one-half of all renters in Salt Lake City are cost-burdened, and nearly one-quarter are extremely cost-burdened (spend more than 50 percent of income on rent). Additionally, home sale prices increased four times faster than the wages of homeowners. Similar to renters, homeowners in Salt Lake City are increasingly cost-burdened. Wages over the last 5 years have not nearly kept pace with the average home sale price in the city. Unabated, this trend will impact greater numbers of low- and middle-income residents of the city every year, pushing out those that make it diverse and dynamic and fill critical roles and occupations in the Salt Lake communities.⁴²

Growing SLC seeks to identify the root causes and systemic failures of the affordability gap and outlines proposed changes to existing City policies, to provide ongoing mechanisms that will produce and preserve housing that is affordable for all residents, especially for low-income households at or below 40% Area Median Income (“AMI”). *Growing SLC* lays out a number of comprehensive solutions and policies to address the lack of affordable housing for households earning 40% or below the Area Median Income, including: updates to zoning regulations, removing impediments to development, innovative construction, increasing homeownership opportunities, eliminating incidences of housing discrimination, and implementing life-cycle housing principles.⁴³

Based on the available housing data and these community priorities, there appears to be an opportunity for SoFi to play a role in helping create greater access to affordable housing for low- and moderate-income individuals. SoFi will consider targeted ways to put capital to work to improve greater access to affordable housing.

Small Business Formation, Financing, Employment and Growth

A strong entrepreneurial spirit lies at the heart of Utah’s economic success. According to the Small Business Administration, 99.3 percent of Utah’s businesses are defined as small businesses, employing 557,794, which accounts for approximately 46.3% of Utah’s working class.⁴⁴ As identified by the CD Forum, the Salt Lake community has the on-going need for small business loans.⁴⁵ In June 2018, an interview of 500 small businesses in Salt Lake County revealed that

⁴² http://www.slcdocs.com/hand/Growing_SLC_Final_%20Exec_Summary.pdf

⁴³ Ibid.

⁴⁴ <https://www.sba.gov/sites/default/files/advocacy/2018-Small-Business-Profiles-UT.pdf>

⁴⁵ Ibid.

attaining sufficient capital is a top three concern for small businesses as 13.7% of all respondents ranked loans and financing as their biggest future challenge.⁴⁶

The growing number of small businesses and startups, and their financing struggles, provide opportunities for banks to partner with these businesses in the development of loan, grant or investment programs to help foster economic development. While the Utah Governor's Office of Economic Development has an innovative program known as "TCIP", the Technology Commercialization and Innovation Program, that awards grants designed to help young startup businesses overcome the obstacle of lack of funding to enable them to bring their new technologies to market, there appears to be an opportunity to innovate and re-target this type of program to assist LMI individuals in the start-up space with funding and also through mentorship.

Salt Lake County's Economic Development Revolving Loan Fund Program ("EDRLF Program") is intended to provide enhanced economic opportunities to low-income citizens, encourage businesses to expand employment, and promote economic development within Salt Lake County. The ELF program is a unique financial resource which supports economic development and job creation by providing capital to promising, job-creating startups and businesses that are unable to qualify for loans from traditional financial institutions. While the EDRLF Program has been successful in providing bridge financing to promising start-ups that are unable to secure loans through traditional financing means, its efforts are not comprehensive. Due to Community Development Block Grant ("CDBG") constraints, only businesses residing in certain areas of Salt Lake County, known as Urban County Eligible Areas, are eligible to receive a loan from the EDRLF Program. More than half of Salt Lake County's population and businesses reside in areas that are ineligible for financing through the EDRLF.⁴⁷ This creates an opportunity for SoFi Bank to consider expanding the services of the program to currently ineligible areas and communities.

5. SOFI BANK PRODUCTS AND SERVICES

As described in the Bank's 3-Year Business Plan, the Bank's products and services will include: Student Loans (both Student Loan Refinance and In-School Student Loans), Personal Loans, Home Loans, Credit Cards and Deposits. Consumer deposits will include demand deposit accounts, savings and time deposits. See, *SoFi Bank 3-Year Business Plan*.

6. PROPOSED CRA EVALUATION TEST

Given the strictly digital nature of the Bank's business model and its national footprint, based on its 3-Year Business Plan, the Bank intends to seek approval of a three-year CRA Strategic Plan for purposes of CRA evaluation. The Bank's CRA Strategic Plan will detail measurable goals for lending, qualified investments and community development services that will reflect activity both within the Prime Assessment Area as well as the BSRA.

7. SOFI BANK CRA STRATEGY TO ADDRESS COMMUNITY NEEDS

SoFi Bank's proposed Business Plan envisions the Bank being well-capitalized at inception and profitable during its initial business plan term. Although it will take time to identify, prepare and

⁴⁶ [Salt Lake County Metro Solutions Small Business Forum](#), June 2018.

⁴⁷ [Economic Development Revolving Loan Fund Study, Salt Lake County](#), Dec 2017.

book responsive loans and qualifying investments, upon receipt of the bank charter, the Bank will be equipped with the immediate capacity to perform under the CRA.

The Bank intends to operate a robust program of lending, qualified investments and community development services in support of LMI credit needs in its Prime Assessment Area and the BSRA. The Bank's CRA Strategic Plan will specify measurable goals for serving the credit and community development needs of its LMI communities. The Bank's CRA Strategy will be reflective of SoFi Bank's mission of helping individuals Get Their Money Right, and consistent with the Bank's core values.

In developing its approach to CRA, SoFi Bank, in organization, has conducted initial outreach and investigation of credit and community development needs within its proposed Prime Assessment Area and BSRA. SoFi has also considered common needs among our customers – particularly related to financial literacy and financial planning – where the company has already begun to develop relevant content, tools, and other resources that could be enhanced and leveraged by SoFi Bank. As SoFi builds out its initial Strategic Plan and beyond, SoFi will continue to conduct outreach including community engagement with the goal of identifying additional opportunities in support of LMI needs within the Assessment Area. On the basis of these initial analyses, SoFi has identified the following preliminary list of potential activities to meet its CRA performance goals that focus primarily on the themes of:

- Affordable housing;
- Small business formation, financing, employment, and growth;
- Financial literacy and financial planning;
- Expanding digital access.

Qualified Loans/Qualified Investments

As a digital-only online lender with a national business model, SoFi Bank's predecessor lending entity, SoFi Lending Corp., has sourced a relatively small dollar amount of its consumer loans in the Salt Lake - Provo - Orem CSA Assessment Area. For the purposes of CRA, SoFi Bank expects to propose a "Combined Loans and Investments Goal" as a construct that will enable SoFi to utilize appropriate flexibility in meeting the core objectives of CRA, and supporting the needs of LMI individuals and areas, in both the Prime Assessment Area as well as the BSRA.

The Bank expects to address CRA lending and investment goals through a wide array of opportunities including, but not limited to:

- Origination of loans, and particularly mortgage loans to individuals who are either LMI or reside in LMI census tracts within the Assessment Area - this could include loans originated or purchased by the Bank;
- Loans to individuals residing in Major Disaster Areas ("MDA");
- Loans to financial intermediaries such as CDFIs;
- Purchase of asset-backed securities collateralized by loans originated to LMI borrowers who reside in the Assessment Area;
- Loans to or equity investments in startup ventures founded by LMI individuals or teams (i.e. Kickstart Seed Fund, University Growth Fund/("UGF")) or that have a specific plan to employ LMI individuals;
- Facilitation of loans to LMI-connected small businesses – the SoFi Bank Business Plan does not currently include a small business loan product; however, Social Finance, Inc., the Bank's parent, has created a financial services marketplace called "Lantern" that can be

used to match eligible borrowers with appropriate lenders; this capability was recently deployed during the COVID-19 crisis to facilitate PPP loans with third-party lenders;

- Purchase of bonds that support affordable housing and community development;
- Purchase of municipal obligations (i.e. industrial revenue bonds) that specifically support affordable housing or other categories of LMI community development;
- Loans to or equity investments in New Markets Tax Credit/"NMTC" projects (NMTC projects attract private capital into low-income communities by permitting individual and corporate investors to receive a tax credit against their federal income tax in exchange for making equity investments in specialized financial intermediaries called Community Development Entities ("CDEs"));
- Charitable donations to entities providing services to LMI individuals including development of a scholarship program;
- Charitable donations to entities helping to "bridge the digital divide," enabling LMI individuals access and make full use of the internet.

Community Development Services

Social Finance, Inc. has a strong culture of community service, soon to be formalized as its Corporate Social Responsibility Program. Upon approval of the Bank charter, community service activities will continue under SoFi Bank, under an expanded community development program. The Bank will put in place community development service activities that embrace our mission of helping people Get Their Money Right while simultaneously reflecting of our core values and brand. The program will include measurable goals for community development service activities as performed by its employees in both the Prime Assessment Area and BSRA The program may be comprised of activities designed to:

- Enhance financial literacy and broader financial planning capabilities
- Strengthen entrepreneurship
- Strengthen digital access

Examples of specific activities to address these goals include the following:

- Pre-College Financial Literacy. Aside from purchasing a home, financing one's post-secondary education is often the most significant "investment" and personal financial decision an individual may make. Through SoFi's experience working with hundreds of thousands of individuals who are proactively working to manage and repay their student loan debt, we recognize that this critical financial decision, which typically has long-term financial implications for the student and his/her family, is often made by individuals who may not be well-equipped to make this all-important decision.

SoFi plans to design a hybrid web-based/in-person program to empower students and their parents to make informed and educated financial decisions pertaining to their post-secondary educational opportunities while simultaneously promoting financial well-being over their lifetime.

The program will launch with an introduction to core concepts of financial literacy and expand to more complex personal finance concepts designed to prepare high school students for life after graduation which may include post-secondary education. The program will prepare students and their families for the loan application process while also providing an understanding of what is entailed in the repayment of student loans.

The program will also focus on responsible behaviors surrounding money. At key points in the program, those constituents, who are either directly or peripherally involved in the post-secondary educational and financial decision-making process (i.e. parents, guardians), will be included in the process. The program will provide a guide to navigation of the financial and educational decision-making process.

As a provider of digital financial education for students in key LMI markets, SoFi has the opportunity to invest in, serve, and drive change for communities in need. SoFi will target Title 1 schools in its Assessment Area with at least 50 percent low- and moderate- income students.

- Adult Financial Literacy and Financial Planning. The money management needs of adults can be challenging, complex, and fraught with anxiety, even in the best of times. As the country seeks to navigate the recovery from the COVID-19 crisis, families are facing heightened challenges and stress. The Bank plans to build on existing Social Finance, Inc. resources to design a program of self-study tutorials, webinars, and related tools to help families address topics such as basic financial planning and budgeting, basic investing concepts, options for saving for and paying for college, retirement planning, and, opportunities to access government assistance programs.
- Supporting Entrepreneurship. SoFi will consider supporting startup ventures through targeted mentorship activities (which could be done in the context of an established small business incubator) as well as potential financial or organizational support to small business incubators.

8. DEVELOPMENT AND SUBMISSION OF A CRA STRATEGIC PLAN

The Bank, in organization, will continue to develop its approach to the CRA through additional community outreach and research. Beginning with the needs, strategic themes, and preliminary list of activities identified in this document, the Bank will conduct additional community outreach and research to refine its planned activities and associated performance metrics. The Bank will then prepare a draft, formal CRA Strategic Plan for regulatory review. The Bank will incorporate any regulatory feedback on the draft plan and will then solicit formal public comment regarding the proposed CRA Strategic Plan by publishing notice in at least one newspaper of general circulation in the Bank's Assessment Area. After receiving public comments on its draft plan, the Bank will, if appropriate, amend its plan and submit a final CRA Strategic Plan for regulatory review and approval prior to commencing bank operations

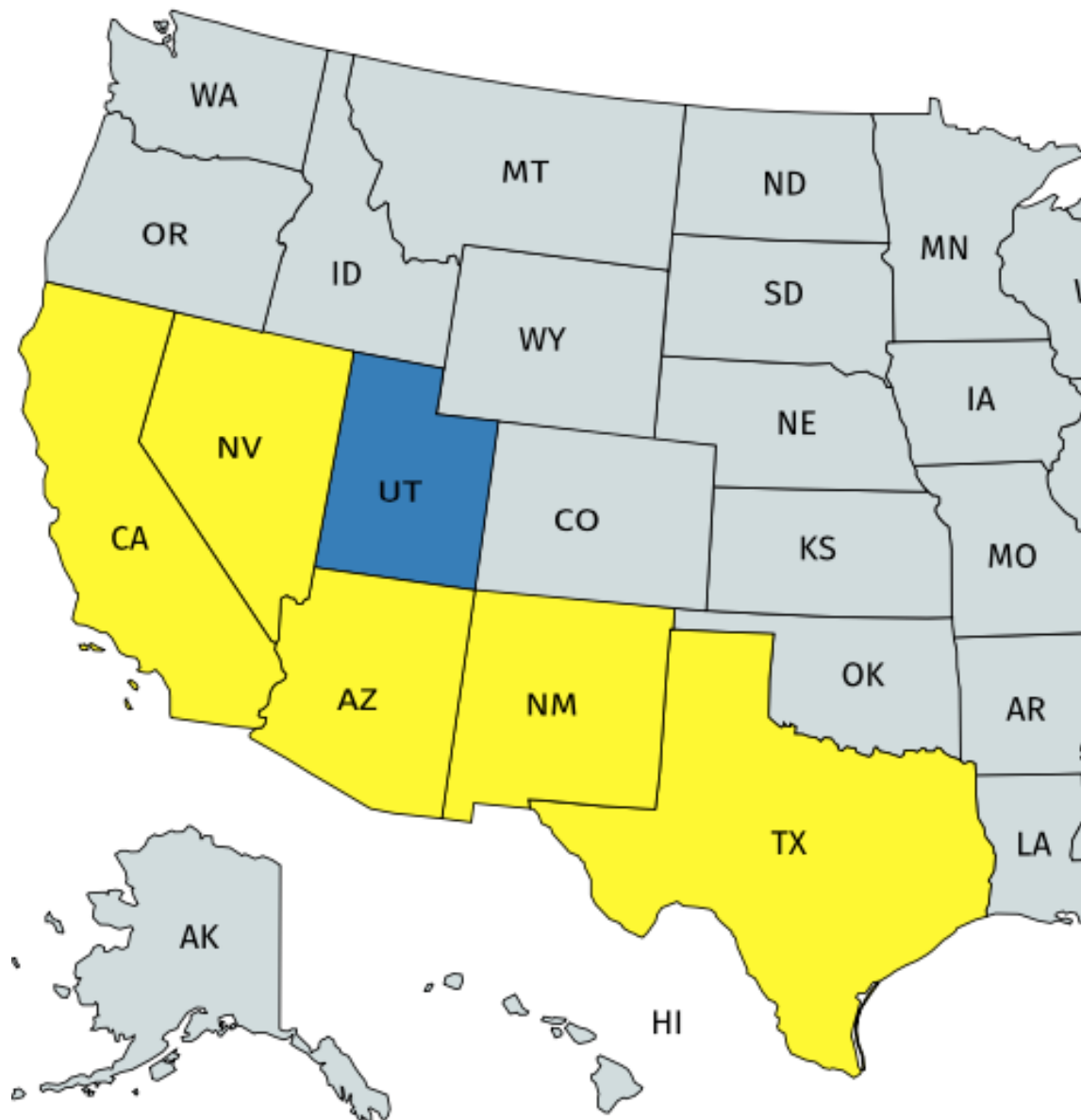
9. EXHIBITS

9.1 EXHIBIT A: MAP OF UTAH COUNTIES IN SOFI BANK'S PROPOSED PRIME ASSESSMENT AREA



Note: The 10 Utah counties highlighted above in yellow comprise the Salt Lake City-Provo-Orem Combined Statistical Area

9.2 EXHIBIT B: MAP OF SOFI BANK’S BROADER STATEWIDE OR REGIONAL AREA



Note: The area highlighted above in yellow represents the broader statewide or regional area (“BSRA”)