

Board Summary

Figure Technologies, Inc.
 650 California Steet, Suite 2700, San Francisco, CA 94108
 Alana Ackerson, Chief People Officer
 Financial Services

Date: July 11, 2018
 Main Location: Carson City

Business Type: New County: Washoe County Development Authority Representative: Stan Thomas - EDAWN

APPLICATION HIGHLIGHTS

- Figure Technologies, Inc is considering locating a facility in downtown Reno, NV.
- The Reno facility would house the company's customer service, loan servicing, financial advisory, and engineering operations.
- Figure Technologies, Inc. would seek to create a partnership with UNR, to provide mentorship, internship and career programs, particularly encouraging young female engineers to enter the finance and technology sectors.

PROFILE

Figure Technologies, Inc. is a financial technology company with the mission of leveraging blockchain, AI, and advanced analytics to unlock new access points for consumer credit products that can transform the financial lives of its customers. The company provides home equity release solutions, including home equity lines of credit, home improvement loans and home buy-lease back offerings for retirement. Concurrently, Figure Technologies, Inc. is building a blockchain protocol for the origination, custody, trading and securitization of whole loans and other assets. The company has significantly de-risked capital for equity release takeout, with participation from multiple leading buy and sell side firms who will transact using the blockchain. The company also provides its members with financial literacy products via content and support on its site. The products are built on the three pillars of financial literacy, financial empowerment, and action. Figure Technologies, Inc. currently has offices in San Francisco, California, and Bozeman, Montana. *Source: Figure Technologies, Inc.*

SIGNIFICANCE OF ABATEMENTS IN THE COMPANY'S DECISION TO RELOCATE/EXPAND

The abatement program is a critical component of Figure Technologies, Inc.'s final site selection. The company is planning on heavily investing in a site that values community, education, and growth, and is eager to provide long-term career opportunities in the finance and technology sectors. The abatement program shows the company's dedication to the location is matched by a community that values honest, transparent, and exciting companies for a continued relationship as Figure Technologies, Inc. grows its operations. *Source: Figure Technologies, Inc.*

REQUIREMENTS	Statutory	Application	Sufficient	% Over / Under
Job Creation	50	65	Yes	30%
Average Wage	\$21.95	\$30.01	Yes	37%
Equipment Capex (SU & MBT)	\$1,000,000	\$264,615	No	-74%
Equipment Capex (PP)	\$1,000,000	\$264,615	No	-74%

INCENTIVES	Requested Terms	Estimated \$ Amount
Sales Tax Abmt.	2% for 2 years	\$16,578
Personal Property Tax Abmt.	50% for 10 years	\$4,346
Total		\$20,924

NEVADA BUSINESS LICENSE

Current Pending Will comply

JOB CREATION	Contracted	24-Month Projection	5-Year Projection
	50	65	240

OTHER CAPITAL INVESTMENT	Land	Building Purchase	BTS / Building Improvements
	\$0	\$0	\$250,000

ECONOMIC IMPACT ESTIMATES (10-Year Cumulative)	Total	Construction
Total Jobs Supported	936	3
Total Payroll Supported	\$358,074,129	\$111,575
Total Output Estimate	\$1,741,637,941	\$392,443

Estimate includes jobs, payroll & output by the company assisted as well as the secondary impacts to other local businesses.

NEW TAX REVENUE ESTIMATES (10-Year Cumulative)	Direct	Indirect	Total
Local Taxes			
Property	\$288,142	\$10,596,323	\$10,884,465
Sales	\$10,181	\$5,627,769	\$5,637,950
Lodging	\$0	\$209,415	\$209,415
State Taxes			
Property	\$14,036	\$637,820	\$651,856
Sales	\$8,542	\$2,220,060	\$2,228,602
Modified Business	\$1,876,176	\$2,716,639	\$4,592,815
Lodging	<u>\$0</u>	<u>\$69,805</u>	\$69,805
Total	\$2,197,077	\$22,077,831	\$24,274,908

EMPLOYEE BENEFITS

- Percentage of health insurance covered by company: 100%.
- Health care package cost per employee - \$6,000 annually with options for dependents.
- Overtime, PTO/Sick/Vacation, Retirement Plan / Profit Sharing / 401(k), Merit Increases, Bonus.

NOTES

- Percentage of market outside of Nevada: 90%.
- The company is also considering Las Vegas, NV; Austin, TX; Dallas, Texas, and Bozeman, MT as potential locations.

June 6, 2018

Director Paul Anderson
Governor's Office of Economic Development
808 West Nye Lane
Carson City, NV 89703

Re: Figure Technologies

Dear Paul;

EDAWN hereby supports the application of Figure Technologies for the Sales & Use Tax Abatement, Modified Business Tax Abatement, Personal Property Tax Abatement incentives; WINN and Transferrable tax credits.

Figure Technologies is a financial technology company that leverages blockchain, artificial intelligence, and advanced analytics for consumer credit products. The company is planning to relocate its operations from San Francisco, CA to downtown Reno.

The company will be investing approximately \$264,615 in capital equipment and plans to hire 65 employees by the end of Year Two at an average wage of \$30.01 per hour and 240 employees at the end of 5 years.

The company's compensation package includes medical, dental, and vision benefits. Additional compensation includes merit increases, overtime, PTO/sick/vacation, retirement plan/profit sharing/401K, and bonus. Employee health insurance is covered 100% by the company and commences upon the first month after hire.

EDAWN supports this application as the company meets two of three program requirements. Your consideration and support of the incentive application for Figure Technologies is a significant factor in their pending decision to expand in northern Nevada and speaks favorably to the State's business-friendly environment.

Sincerely,



Stan Thomas
EDAWN, Executive Vice-President
Business Development

FIGURE

FIGURE TECHNOLOGIES INC.
650 California Street, Suite 2700
San Francisco, CA 94108

May 31, 2018

Governor's Office of Economic Development
808 West Nye Lane
Carson City, NV 89703

Dear Commission Members:

Figure Technologies is a financial technology company with the mission of leveraging blockchain, artificial intelligence and advanced analytics to unlock new access points for consumer credit products that can transform the financial lives of our customers.

The plan is to expand from our current headquarters in San Francisco to Reno. We intend to hire and train employees from the local Reno area, and begin operations in a space we will be building out downtown.

Figure Technologies has facilities in California and Montana. The decision to expand the operation to Reno, Nevada was due to several factors, including the business tax structure, cost of living, talent pool and logistic advantages offered by the region. In addition, Figure Technologies is aware of the benefits of the State Incentive Program, and this also was a critical factor in deciding to expand the customer service, loan servicing, financial advisory and engineering operations to Reno.

A key deciding factor in Figure considering the move to Reno has been our assessment that there is a very real opportunity to invest deeply into the academic and start up communities there. We intend to create a partnership with UNR, providing mentorship, internship and career programs, particularly encouraging young female engineers to enter the field.

The expansion plan to Reno involves the hiring and training of new customer service, loan servicing, financial advisory and engineering team. In order to staff and operate our operations, the plan is to begin by hiring a total of 65 employees, but this could easily grow to north of 120 employees. The average hourly rate of the employees is projected to be \$30.00 to start, ramping to over \$40.00.

We are excited about the market opportunities presented by this expansion and the advantages that locating this facility in Reno will offer our company. In conjunction with Nevada's business-friendly environment, we see this as a first step in what will be increased growth for Figure Technologies.

Sincerely,



Alana Ackerson
Chief People Officer
Figure Technologies, Inc.

FIGURE

FIGURE TECHNOLOGIES INC.
650 California Street, Suite 2700
San Francisco, CA 94108

Mr. Paul Anderson
Executive Director
Nevada Governor's Office of Economic Development
555 E. Washington 808 W. Nye Lane
Carson City, NV 89703

RE: REQUEST FOR CONFIDENTIALITY OF RECORDS AND DOCUMENTS

Dear Director Anderson:

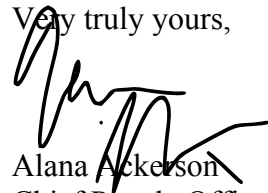
On June 7th, Figure Technologies Inc submitted an application to you as the Executive Director of the State of Nevada Governor's Office of Economic Development ("GOED") requesting approval of economic incentives for their new operation in Nevada. The purpose of this letter is to request confidentiality pursuant to Section 4 of Assembly Bill No. 17 (2015 Regular Session) as codified in NRS 231.069.

Please be advised Figure Technologies, Inc specifically deems the following information proprietary and confidential:

- 1) The detailed schedule of Employment List
- 2) The detailed schedule of Capital Equipment List

Thank you for your consideration. If you have any questions or require any further information, please do not hesitate to contact me.

Very truly yours,



Alana Ackerson
Chief People Officer
Figure Technologies, Inc

REQUEST FOR CONFIDENTIALITY DETERMINATION

Pursuant to NRS 231.069, and upon the request of applicant Figure Technologies, Inc. the Executive Director of the Office has determined the:

- (i) The detailed schedule of Capital Equipment List, 6(A)
- (ii) The detailed schedule of Employment List, 6(B)

are confidential proprietary information of the business, are not public records, and shall be redacted in its entirety from the copy of the application that is disclosed to the public.



Paul Anderson
Executive Director



Date

ECONOMIC DEVELOPMENT

Incentive Application

Company Name: Figure Technologies Inc.
 Date of Application: June 4, 2018

Company is an / a: (check one)

- New location in Nevada
- Expansion of a Nevada company

Section 1 - Type of Incentives

Please check all that the company is applying for on this application:

- Sales & Use Tax Abatement
- Modified Business Tax Abatement
- Personal Property Tax Abatement
- Sales & Use Tax Deferral
- Recycling Real Property Tax Abatement
- Other: TBD/WINN and Transferrable Tax Credits

Section 2 - Corporate Information

COMPANY NAME (Legal name under which business will be transacted in Nevada) <u>Figure Technologies, Inc.</u>		FEDERAL TAX ID # <u>82-3999124</u>	
CORPORATE ADDRESS <u>650 California Street, Suite 2700</u>	CITY / TOWN <u>San Francisco</u>	STATE / PROVINCE <u>CA</u>	ZIP <u>94108</u>
MAILING ADDRESS TO RECEIVE DOCUMENTS (If different from above)	CITY / TOWN	STATE / PROVINCE	ZIP
TELEPHONE NUMBER <u>628-236-5820</u>	WEBSITE <u>www.figure.com</u>		
COMPANY CONTACT NAME <u>Alana Ackerson</u>	COMPANY CONTACT TITLE <u>Chief People Officer</u>		
E-MAIL ADDRESS <u>aackerson@figure.com</u>	PREFERRED PHONE NUMBER <u>415-971-3542</u>		

Has your company ever applied and been approved for incentives available by the Governor's Office of Economic Development? Yes No

If Yes, list the program awarded, date of approval, and status of the accounts (attach separate sheet if necessary):

Section 3 - Program Requirements

Please check two of the boxes below; the company must meet at least two of the three program requirements:

- A capital investment of \$1,000,000 in eligible equipment in urban areas or \$250,000 in eligible equipment in rural areas are required. This criteria is businesses. In cases of expanding businesses, the capital investment must equal at least 20% of the value of the tangible property owned by the business.
- New businesses locating in urban areas require fifty (50) or more permanent, full-time employees on its payroll by the eighth calendar quarter following the quarter in which the abatement becomes effective. In rural areas, the requirement is ten (10) or more. For an expansion, the business must increase the employees on its payroll by 10% more than its existing employees prior to expansion, or by 25 (urban) or 6 (rural) employees, whichever is greater.
- In urban areas, the average hourly wage that will be paid by the business to its new employees is at least 100% of the average statewide hourly wage. For in rural areas, the average hourly wage will equal or exceed the lesser of the county-wide average hourly wage or statewide average hourly wage.

Note: Criteria is different depending on whether the business is in a county whose population is 100,000 or more or a city whose population is 60,000 or more (i.e., "urban" area), or if the business is in a county whose population is less than 100,000 or a city whose population is less than 60,000 (i.e., "rural" area).

Section 4 - Nevada Facility

Type of Facility:

- Headquarters
- Technology
- Back Office Operations
- Research & Development / Intellectual Property
- Service Provider
- Distribution / Fulfillment
- Manufacturing
- Other: Business Operations

PERCENTAGE OF REVENUE GENERATED BY THE NEW JOBS CONTAINED IN THIS APPLICATION FROM OUTSIDE NEVADA <u>90%</u>	EXPECTED DATE OF NEW / EXPANDED OPERATIONS (MONTH / YEAR) <u>Jun-2018</u>		
NAICS CODE / SIC <u>520000</u>	INDUSTRY TYPE <u>Financial Services</u>		
DESCRIPTION OF COMPANY'S NEVADA OPERATIONS <u>Business Operations focused on customer success, loan processing and servicing, and software engineering</u>			
PROPOSED / ACTUAL NEVADA FACILITY ADDRESS <u>Unknown, pending leasing agreement</u>	CITY / TOWN <u>Reno</u>	COUNTY <u>Washoe County</u>	ZIP <u>TBD</u>
WHAT OTHER STATES / REGIONS / CITIES ARE BEING CONSIDERED FOR YOUR COMPANY'S RELOCATION / EXPANSION / STARTUP? <u>Las Vegas, Nevada; Austin, Texas; Dallas, Texas; Bozeman, MT</u>			

Section 5 - Complete Forms (see additional tabs at the bottom of this sheet for each form listed below)

Check the applicable box when form has been completed.

- 5 (A) Equipment List
- 5 (B) Employment Schedule
- 5 (C) Evaluation of Health Plan, with supporting documents to show the employer paid portion of plan meets the minimum of 65%.

Section 6 - Real Estate & Construction (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up - Plans Over the Next <u>Ten</u> Years	Expansions - Plans Over the Next <u>10</u> Years
<p>Part 1. Are you currently/planning on leasing space in Nevada? <u>Yes</u></p> <p>If No, skip to Part 2. If Yes, continue below:</p> <p>What year(s)? <u>2018 onward</u></p> <p>How much space (sq. ft.)? <u>30,000</u></p> <p>Annual lease cost of space: <u>\$300,000.00</u></p> <p>Do you plan on making building tenant improvements? <u>Yes</u></p> <p>If No, skip to Part 2. If Yes *, continue below:</p> <p>When to make improvements (month, year)? <u>Jun-2018</u></p> <hr style="border-top: 1px dashed black;"/> <p>Part 2. Are you currently/planning on buying an owner occupied facility in Nevada? <u>No</u></p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p>Purchase date, if buying (month, year): _____</p> <p>How much space (sq. ft.)? _____</p> <p>Do you plan on making building improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p>When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 3. Are you currently/planning on building a build-to-suit facility in Nevada? <u>No</u></p> <p>If Yes *, continue below:</p> <p>When to break ground, if building (month, year)? _____</p> <p>Estimated completion date, if building (month, year): _____</p> <p>How much space (sq. ft.)? _____</p>	<p>Part 1. Are you currently leasing space in Nevada? <u>No</u></p> <p>If No, skip to Part 2. If Yes, continue below:</p> <p>What year(s)? _____</p> <p>How much space (sq. ft.)? _____</p> <p>Annual lease cost at current space: _____</p> <p>Due to expansion, will you lease additional space? _____</p> <p>If No, skip to Part 3. If Yes, continue below:</p> <p>Expanding at the current facility or a new facility? _____</p> <p>What year(s)? _____</p> <p>How much expanded space (sq. ft.)? _____</p> <p>Annual lease cost of expanded space: _____</p> <p>Do you plan on making building tenant improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p>When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 2. Are you currently operating at an owner occupied building in Nevada? <u>No</u></p> <p>If No, skip to Part 3. If Yes, continue below:</p> <p>How much space (sq. ft.)? _____</p> <p>Current assessed value of real property? _____</p> <p>Due to expansion, will you be making building improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p>When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 3. Do you plan on building or buying a new facility in Nevada? <u>No</u></p> <p>If Yes *, continue below:</p> <p>Purchase date, if buying (month, year): _____</p> <p>When to break ground, if building (month, year)? _____</p> <p>Estimated completion date, if building (month, year): _____</p> <p>How much space (sq. ft.)? _____</p>
<p>* Please complete Section 7 - Capital Investment for New Operations / Startup.</p>	<p>* Please complete Section 7 - Capital Investment for Expansions below.</p>

BRIEF DESCRIPTION OF CONSTRUCTION PROJECT AND ITS PROJECTED IMPACT ON THE LOCAL ECONOMY (Attach a separate sheet if necessary):

Tenant improvements are being planned for a leased area to support our 55+ employees focusing on Customer Success, Servicing, and Technology. This will include employing general contractors, AV/electricians, carpeting/flooring and painting professionals, purchasing of office equipment, and furnishing lounge/rest areas. This will include ongoing support requests and a lease for the space, as well as potential for future growth.

Section 7 - Capital Investment (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up	Expansions
How much capital investment is planned? (Breakout below): Building Purchase (if buying): <u>TBD</u> Building Costs (if building / making improvements): <u>\$250,000</u> Land: <u>TBD</u> Equipment Cost: <u>\$264,615</u> Total: <u>\$514,615</u>	How much capital investment is planned? (Breakout below): Building Purchase (if buying): _____ Building Costs (if building / making improvements): _____ Land: _____ Equipment Cost: _____ Total: _____ Is the equipment purchase for replacement of existing equipment? _____ Current assessed value of personal property in NV: _____ (Must attach the most recent assessment from the County Assessor's Office.)

Section 8 - Employment (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up	Expansions
How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of new operations?: <u>65</u> Average hourly wage of these <u>new</u> employees: <u>\$30.01</u>	How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of expanded operations?: _____ Average hourly wage of these <u>new</u> employees: _____ How many FTE employees prior to expansion?: _____ Average hourly wage of these <u>existing</u> employees: _____ Total number of employees after expansion: _____

* FTE represents a permanent employee who works an average of 30 hours per week or more, is eligible for health care coverage, and whose position is a "primary job" as set forth in NAC 360.474.

OTHER COMPENSATION (Check all that apply):

- | | | | |
|---|---|---|---|
| <input checked="" type="checkbox"/> Overtime | <input checked="" type="checkbox"/> Merit increases | <input type="checkbox"/> Tuition assistance | <input checked="" type="checkbox"/> Bonus |
| <input checked="" type="checkbox"/> PTO / Sick / Vacation | <input type="checkbox"/> COLA adjustments | <input checked="" type="checkbox"/> Retirement Plan / Profit Sharing / 401(k) | <input type="checkbox"/> Other: _____ |

BRIEF DESCRIPTION OF ADDITIONAL COMPENSATION PROGRAMS AND ELIGIBILITY REQUIREMENTS (Attach a separate sheet if necessary):

Incentive plans are still being finalized, but will continue to grow in robustness to meet competitive market requirements.

Section 9 - Employee Health Insurance Benefit Program

Is health insurance for employees and an option for dependents offered? Yes (**copy of benefit plan must be attached**) No

Package includes (check all that apply):

- Medical Vision Dental Other: _____

Qualified after (check one):

- Upon employment Three months after hire date Six months after hire date Other: 1st of the month after hire

Health Insurance Costs:	Percentage of health insurance coverage by (min 65%):
Cost of health insurance for company (annual amount per employee): <u>\$18,000</u>	Company: <u>100%</u>
Health Plan annual out-of-pocket maximum (individual): <u>\$6,000</u>	Employee: <u>0%</u>

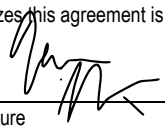
[SIGNATURE PAGE FOLLOWS]

Section 10 - Certification

I, the undersigned, hereby grant to the Governor's Office of Economic Development access to all pertinent and relevant records and documents of the aforementioned company. I understand this requirement is necessary to qualify and to monitor for compliance of all statutory and regulatory provisions pertaining to this application.

Being owner, member, partner, officer or employee with signatory authorization for the company, I do hereby declare that the facts herein stated are true and that all licensing and permitting requirements will be met prior to the commencement of operations. In addition, I and /or the company's legal counsel have reviewed the terms of the GOED Tax Abatement and Incentives Agreement, the company recognizes this agreement is generally not subject to change, and any material revisions have been discussed with GOED in advance of board approval.

Alana Aldag Ackerson
Name of person authorized for signature


Signature

Chief People Officer
Title

6/5/18
Date

Nevada Governor's Office of Economic Development
555 E. Washington Ave., Ste 5400 • Las Vegas, Nevada 89101 • 702.486.2700 • (Fax) 702.486.2701 • www.diversifynevada.com

Site Selection Factors

Company Name: Figure Technologies, Inc.

County: Washoe County

Section I - Site Selection Ratings

Directions: Please rate the select factors by importance to the company's business (1 = very low; 5 = very high). Attach this form to the Incentives Application.

Availability of qualified workforce:	<u>5</u>	Transportation infrastructure:	<u>2</u>
Labor costs:	<u>3</u>	Transportation costs:	<u>2</u>
Real estate availability:	<u>3</u>	State and local tax structure:	<u>4</u>
Real estate costs:	<u>3</u>	State and local incentives:	<u>5</u>
Utility infrastructure:	<u>3</u>	Business permitting & regulatory structure:	<u>5</u>
Utility costs:	<u>3</u>	Access to higher education resources:	<u>5</u>

Please summarize the importance of the abatement program to your decision (please include at least a paragraph summary):

The abatement program is a critical component of our final site selection. We are planning on heavily investing in a site that values community, education, and growth, and we are eager to provide long-term career opportunities in the finance and technology sectors. The abatement program shows that our dedication to the location is matched by a community that values honest, transparent, and exciting companies for a continued relationship as Figure grows its operations.

Equipment Schedule, Detailed

The Office has determined the detailed equipment schedule as described in this application constitutes confidential proprietary information of Figure Technologies, Inc., and is not a public record.

Employment Schedule, Detailed

The Office has determined the detailed employment schedule as described in this application constitutes confidential proprietary information of Figure Technologies, Inc., and is not a public record.

5(C) Evaluation of Health Plans Offered by Companies

Company Name: Figure Technologies, Inc. County: Washoe

Total Number of Full-Time Employees:	65	
Average Hourly Wage per Employee	\$30.01	
Average Annual Wage per Employee (implied)	\$62,416.00	
Annual Cost of Health Insurance per Employee	\$18,000.00	<i>This is variable.</i>
Percentage of Cost Covered by:		
Company	100%	
Employee	0%	
Health Plan Annual Out-of-Pocket Maximum	\$6,000	

Generalized Criteria for Essential Health Benefits (EHB)

[following requirements outlined in the Affordable Care Act and US Code, including 42 USC Section 18022]

Covered employee's premium not to exceed 9.5% of annual wage	0.0%	<input type="text" value="MMQ"/>
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Annual Out-of-Pocket Maximum not to exceed \$7,150 (2017)	\$6,000	<input type="text" value="MMQ"/>
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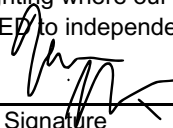
Minimum essential health benefits covered (Company offers PPO):

- (A) Ambulatory patient services
- (B) Emergency services
- (C) Hospitalization
- (D) Maternity and newborn care
- (E) Mental health/substance use disorder/behavioral health treatment
- (F) Prescription drugs
- (G) Rehabilitative and habilitative services and devices
- (H) Laboratory services
- (I) Preventive and wellness services and chronic disease management
- (J) Pediatric services, including oral and vision care

No Annual Limits on Essential Health Benefits

I, the undersigned, hereby declare to the Governor's Office of Economic Development that the facts herein stated are true, and that I have attached sufficient plan information highlighting where our plan reflects meeting the 65% minimum threshold for the employee paid portion of the plan for GOED to independently confirm the same.

Alana Aldag Ackerson
Name of person authorized for signature


Signature

Chief People Officer
Title

6/5/18
Date

FIGURE TECHNOLOGIES INC.

Business Entity Information			
Status:	Active	File Date:	05/18/2018
Type:	Foreign Corporation	Entity Number:	E0243472018-2
Qualifying State:	DE	List of Officers Due:	05/31/2019
Managed By:		Expiration Date:	
Foreign Name:		On Admin Hold:	No
NV Business ID:	NV20181359548	Business License Exp:	05/31/2019