

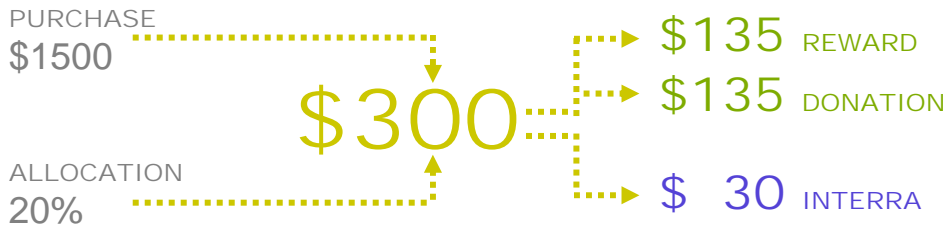
Imagine...

Sara arrives at Fifth Avenue Suites, an eco-friendly hotel in Portland. On her PDA are recommendations for an organic restaurant within walking distance.

She pays for the hotel room and buys dinner for her client with an Interra-registered Mileage Plus card. The total, \$300.00, provides Sara with a \$12 rebate. \$12 is also automatically donated to MercyCorps back home in Seattle.



Keith is redoing his home. At a friend's suggestion, he checks out the Interra directory and finds a variety of green building materials, and energy-efficient appliances he didn't know existed. He chooses a refrigerator that includes a \$135 rebate he can use at a store a mile from his house. In addition to the \$135 rebate, he learns that he can choose a nonprofit to receive \$135 donation from his purchase. He picks his son's school.



Debbie pays with her co-branded MoveOn.org/Interra card everywhere she goes. Her purchases, along with 2 million other Interra affinity card holders, each of whom spend an average of \$800 per month on their cards, add up to \$96 million per year in donations benefiting affinity groups

\$800 per month
 X 2 million users

\$96 million
 in affinity group donations



What do they have in common?

Desire for healthy lives, communities, and planet.

How can they help?

Consumer spending = 70% of GDP.

“Sustainability” isn’t enough. We can do better.

Interra was founded by leaders of the socially responsible business movement including Greg Steltenpohl, founder of Odwalla Inc., and Dee Hock, founder of Visa International. In the context of a growing dominance of large, centralized businesses, eroding sense of community and connection, failing local economies, and environmental degradation, Greg and Dee imagined an alternative.

Interra: Enabling citizen-driven “regenerative” commerce

Vision. Along with others working toward “The Next Industrial Revolution,”* Greg and Dee envisioned producing a world in which living standards have improved worldwide,

we have decreased our need for natural resources while improving quality of life, homes produce more energy than they use, there are few, if any, landfills, involuntary unemployment no longer exists, the petroleum market becomes nearly obsolete, CO2 levels are dropping, and citizens everywhere feel responsibility as stewards of their communities and our world.

What could bring this about? Enough people choosing products made with the right standards can shape what companies produce, how they operate, and their footprint on the planet. Enough people supporting local merchants and organizations can bring jobs, dollars and social services to communities. We call it “**regenerative commerce.**”



Interra: Fueling regenerative commerce

Consuming or doing business in a way that re-circulates sales proceeds within a community in order to benefit all of its stakeholders—citizens, nonprofits, businesses, and natural ecosystems.

Regenerative products are made with ingredients and design that have no—or a positive—impact on the environment and human health.

Regenerative manufacturers make products in ways that have a low or positive impact on natural ecosystems and are respectful of individual human rights and the health and prosperity of their surrounding community.

Regenerative merchants sell regenerative products and services and contribute economically and socially to the communities in which they do business.

* *Cradle to Cradle*, Bill McDonough

Putting the power of change into the hands of citizen consumers

In contrast to the many top-down, government-led efforts to improve the economic, environmental, and cultural health of communities, Interra was founded on the belief that vibrant communities are created by the citizens who live and participate in them.

Interra will move society toward this vision by enabling citizen consumers to wield a tool they use everyday—payment cards—to influence how things are made and disposed of, how money circulates within their communities, and how businesses, in general, behave.

Our core beliefs

- Our own well-being depends on the health of our community and the world at large.
- Community forms around things held in common: beliefs, interests, desires, needs, resources.
- Tying self-interest to community interest is vital.
- People want to do the right thing.
- Access to information and choice drives good decisions and action.

Interra: a simple, transaction- based platform:

- Works through payment cards (credit, debit and stored value) which 88% of adults already use.
- Gives consumers information and incentives to consider regenerative products and merchants.
- Drives community loyalty, enabling connection around common interests and rewarding good choices.
- Supports community causes with every purchase.

Together, citizens can. . .



Interra enables citizens, through their everyday purchase decisions, to contribute to the wellbeing of their communities and society.

How does this work?

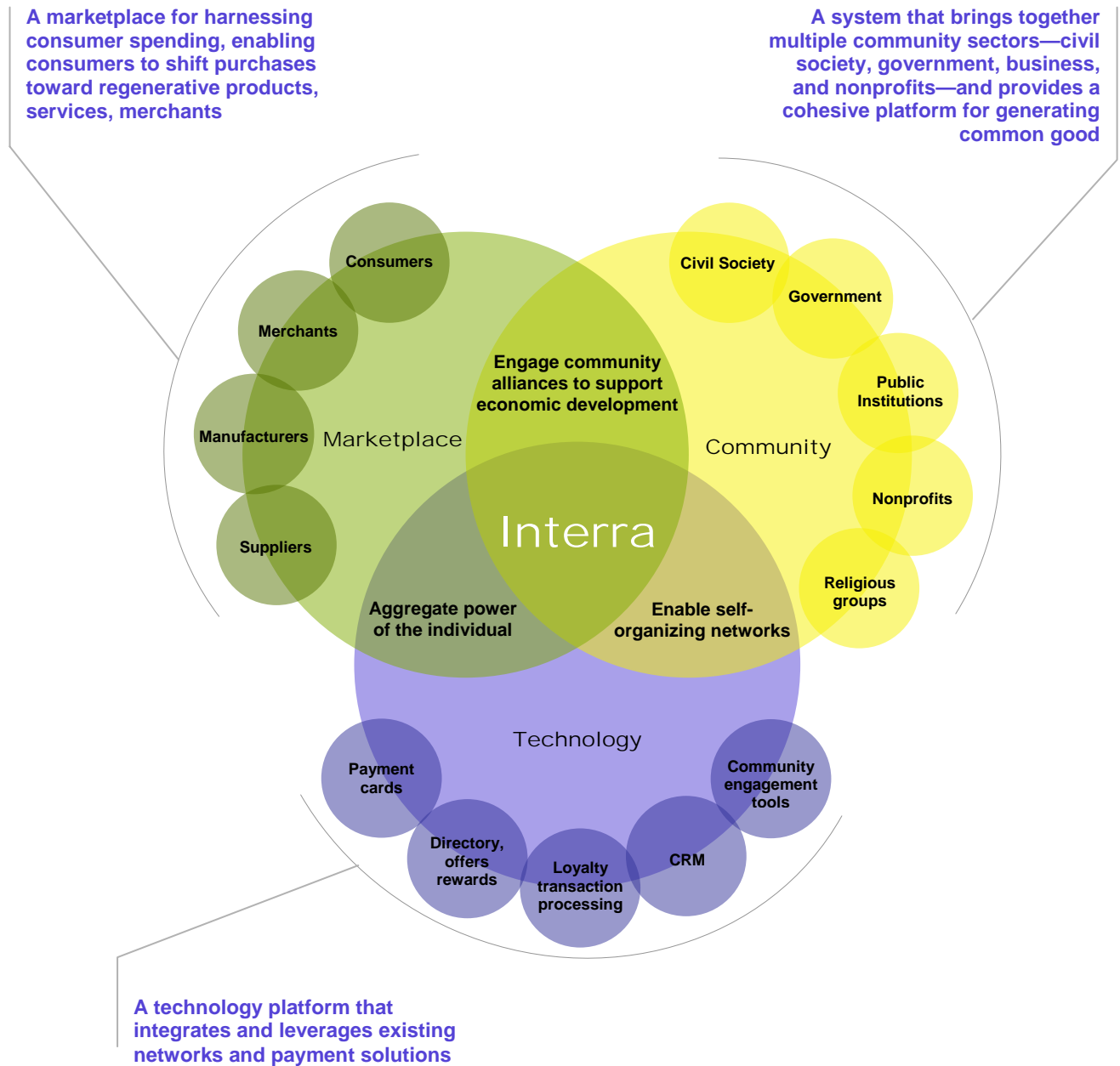
Imagine combining Visa's point-of-sale transaction terminals, Amazon's item-to-item collaborative filtering technology, Friendster's online community, eBay's rating system, and Network For Good's ability to channel donations to nonprofits, in one user-friendly system that benefits individuals, businesses, communities, and the environment.

Interra uses a cross-sectoral approach:

1. Engaging communities,
2. Connecting them to a regenerative marketplace, and
3. Leveraging action through technology.

In so doing, Interra aligns the interests and meets the needs of a multi-sided marketplace.

Interra is:



Interra Components: Independently valuable, but when combined, incredibly powerful

Interra plans to launch programs at both the national and local level. There are 3 components, all of which are based on, or connect to, the Interra technology platform. For every purchase a consumer makes, the platform will automate consumer rewards for purchasing regenerative products and services, consumer and merchant donations to nonprofits, and support for network operations.

Affinity Card Program:

To build its membership base, Interra has developed relationships with over 20 national and local affinity groups, all of whom are enthusiastic about creating a co-branded affinity card in order to give their members a way to take action, while generating support for their organizations. They range from small groups like Boston Mainstreets, who aren't large enough to get a competitive affinity card rate on their own, to large groups like MoveOn.org, Working Assets, and Care2, who are excited about the opportunity to broaden their reach and enable their members to be a part of making a bigger difference. When aggregated, these groups quickly represent millions of consumers who share Interra's values.

Partnering with these groups, who already have loyal member communities and incentive to encourage member participation, will greatly facilitate adoption and will drive usage for Interra.

National Directory, Offers, Rewards:

On the heels of the affinity card program, Interra will launch, and make available to affinity card holders, a national online directory of regenerative products and services at discounted prices or with built-in rewards. To develop the directory, Interra will reach out to desirable manufacturers and merchants through partner networks in the conscious consumerism space such as Coop America and BALLE. Interra supports those organizations' goals by giving their members a powerful way to take action.

For consumers, this directory and related offers represents an invaluable source of information about the full range of regenerative products and merchants available, along with valuable discounts.

For manufacturers and merchants, The opportunity to be listed in this directory and post specialized offers, represents a highly efficient way to reach out to a targeted, self-selected market, predisposed to their products.

Local Economy Implementation:

Local implementation enables the most seamless experience possible for both consumers and merchants, fully automating loyalty rewards and donations triggered by card usage at the point of sale.






The process starts by engaging civic groups in a local Community Alliance, working together to map and reach out to qualifying local businesses and nonprofits.

Beyond including participating businesses in the online directory, Interra helps merchants implement a Customer Relationship Management (CRM system) that enables them to customize loyalty programs. Interra also gives merchants access to transaction processing rates comparable to those enjoyed by big-box retailers (2 vs. 3%), made possible through the aggregation of thousands of small businesses. Where needed, Interra also upgrades merchants' card terminals.

Local Community Alliance members play a central role in encouraging merchant and citizen participation, with the mutual goal of supporting community economic health and wellbeing.

Interra has made significant progress organizing civic groups in Seattle, Portland and Boston to create strong, localized Interra networks. We plan to launch 3, scalable programs within 2005 either independently of, or simultaneously with, the launch of the affinity card program (sequence depends on funding). Interra has identified 100+ U.S. communities as probable markets over the next 3-5 years

How It Works: Consumers

1 REGISTER →	2 PERSONALIZE →	3 SEARCH & GET REWARDS →	4 RATE
<p>Customers register their existing credit and debit cards (average 6 per U.S. household) or apply for a new Interra card issued from a participating local or national bank.</p>	<p>They choose a nonprofit beneficiary from the directory of qualified local and national organizations.</p> <p>They can provide additional information that will help Interra further personalize their user experience (e.g., have services proactively delivered to their PDA).</p>	<p>Once registered, users can search the Interra directory for environmentally and socially minded products and services at the national and local level and obtain valuable offers and rewards.</p> <p>For example, at the national level, a hybrid car manufacturer might offer Interra members a rebate and would direct them to a dealer through the network. On the local level, a user could find an organic restaurant in Portland and a coupon for \$10 off a meal there.</p>	<p>Every listing on Interra includes an at-a-glance 5-star rating of the manufacturer or merchant. Consumers can discover companies' track records through third party certifications, as well as contribute their own ratings.</p> <ul style="list-style-type: none">  Local ownership  Environmental sustainability  Fair trade and social justice  Community contribution  user-rated excellence

Cardholder Benefits

Members join and use their Interra card because they can:

- Find values-aligned products, services, and merchants through national and local directories.
- Receive valuable offers and rebates for shopping within the Interra network.
- Support nonprofit organizations of their choice automatically through their daily purchasing.
- Connect with others in the network who share their values and interests.
- Get direct feedback on the tangible impact of their purchases, and those of the aggregate community.

How It Works: Manufacturers and merchants

1 JOIN →	2 QUALIFY →	3 INTEGRATE →	4 ALLOCATE
<p>Manufacturers and merchants agree to a set of regenerative commerce principles, established by Interra and the community (online and on land).</p>	<p>To join, they must provide the Interra network public records or third-party verification of positive community contributions.</p>	<p>Interra helps:</p> <p>Merchants develop tailored customer loyalty programs, upgrading point-of-sale terminals where required.</p> <p>Manufacturers develop attractive offers and rewards programs targeted to the Interra community.</p>	<p>Manufacturers and merchants allocate an average of 5 percent of every purchase into the Interra network (actual amount depends on industry sector). They get a high return on investment (see below).</p>

Manufacturer and Merchant Benefits

Regenerative businesses join and offer discounts and rewards, because they can:

- Reach a ready market of consumers.
- Enjoy payment card transaction processing rates that are competitive with big-box retailers (2% vs 3%).
- Access a world-class loyalty program and database management services to optimize sales and profits.
- Donate automatically to local nonprofits of their choosing, demonstrating good corporate citizenship, which enhances brand equity and customer loyalty.
- Receive special financing available for small business sustainability initiatives.
- Drive additional business through new products like stored value cards.
- Access data on national and local consumer trends.

How It Works: Nonprofits

1 ACCEPT→	2 PROMOTE→	3 RECEIVE→	4 SERVE
Nonprofits are nominated by the Interra network or local community alliances, register in the directory, and are selected by citizen consumers to become beneficiaries.	Nonprofits promote Interra membership to their constituents and encourage support through card use.	Nonprofits receive a regular flow of donations on every constituent transaction. They also receive donor relationship management software to help maximize the yield on fundraising efforts.	With a new source of funding, nonprofits are better able to deliver on their missions, adding value to the community.

Nonprofit Benefits

Nonprofits participate and help promote Interra to their constituents, because they can:

- Receive a reliable, ongoing source of funding, enabling them to focus on their missions rather than fundraising.
- Access a robust customer relationship management system enabling them to attract,
- cultivate and retain donors more effectively.
- Enjoy a means to build awareness and broaden their support base through the Interra network.

How Communities Benefit

Community benefits become exponential once Interra is up and running:

Engagement

- Consumers become more mindful, engaged citizens, aligning their choices with their values.
- Tools enable citizens to invest in local community development and community-driven projects, enabling more civic participation and ownership.

Economics

- More dollars are re-circulated.*
- Local job markets and tax bases grow exponentially, enhancing overall quality of life.

Standards

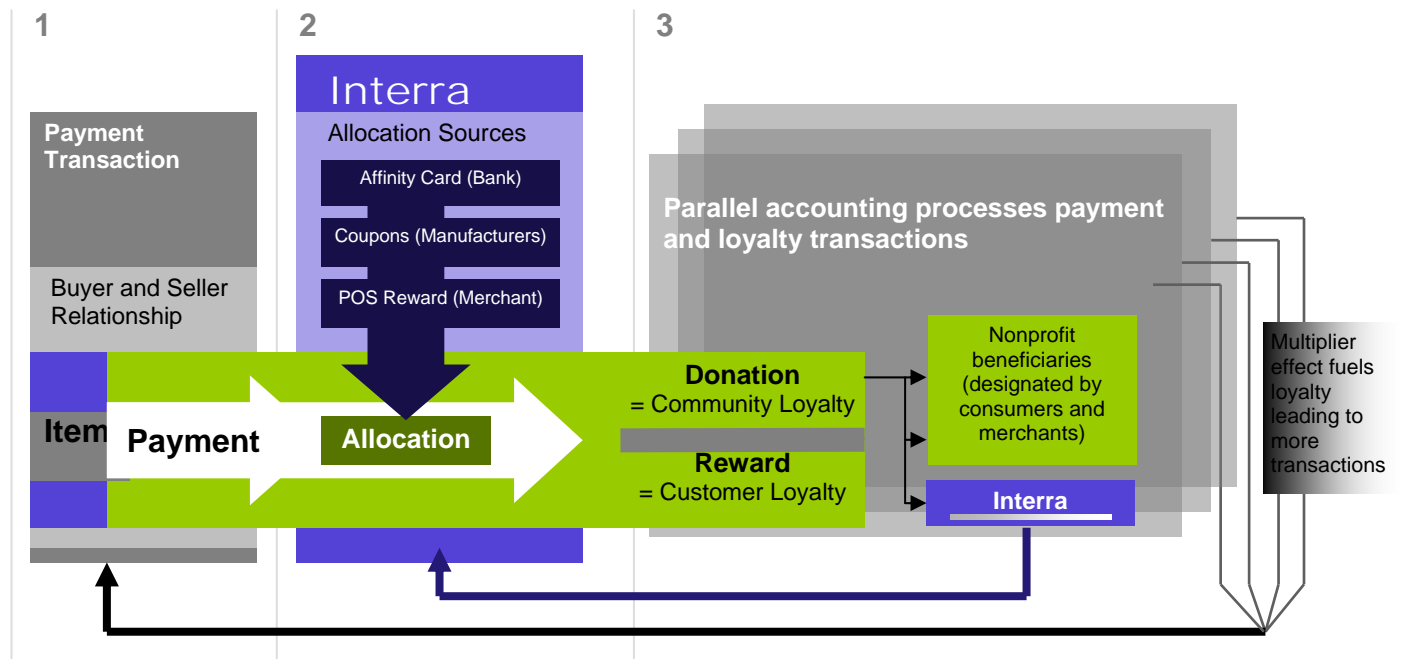
- Social service organizations prioritized by community members have funds to provide more services.
- Local and global ecosystems are preserved/improved as consumer demand shifts toward products and services with increasingly higher environmental standards.

Sustainability

- Local community alliances have a source of ongoing financial support.
- Interra operations fund ongoing development. As the Interra community grows, so does its value and impact.

* For every \$1 spent with a local business, an average of \$.88 is re-circulated 3.5 times. In comparison, for every \$1 spent with a large centralized retailer, an average of \$.12 is re-circulated 3.5 times.

How an Interra transaction works

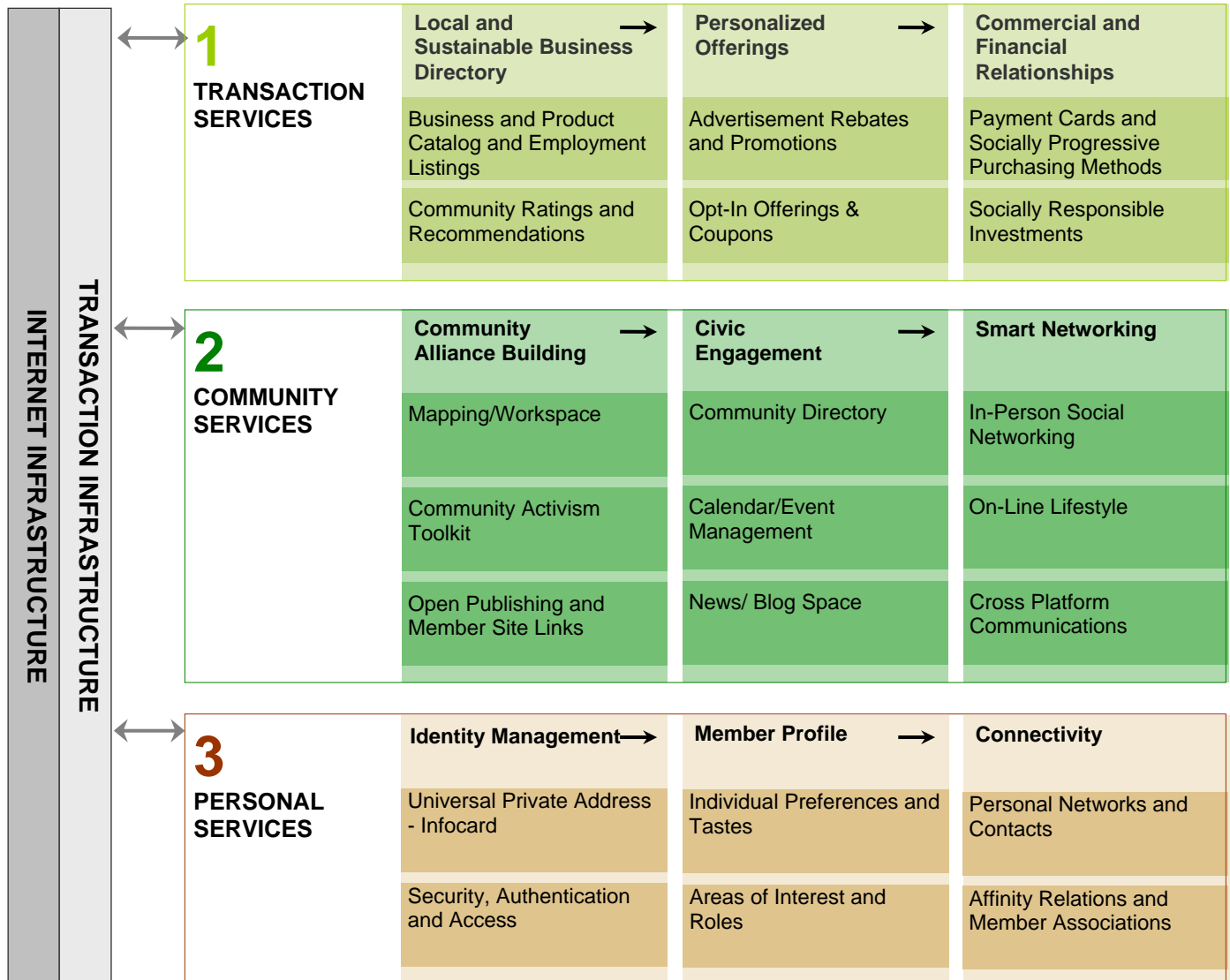


1. A customer pays for a product or service with an Interra card or Interra-registered card.
2. Upon swiping the card or entering the card number, the transaction terminal/online payment processor recognizes that it is an Interra transaction. A message is routed to the Interra technology platform (see below) to process Interra system allocations that fund community loyalty donations, customer loyalty rewards, and system sustainability. Allocations come from three sources:
 - **The issuing bank** makes an allocation on purchases made using an affinity card.
 - **Manufacturers** make an allocation when they offer discounts for Interra members on particular products.
 - **Local merchants** make an allocation when they offer a loyalty reward to Interra members that buy at their location.
3. Parallel to the transaction payment, the system processes the loyalty allocation. The allocation percentage of the transaction varies by industry segment (average of 5%). The allocation supports three things:
 - **Reward.** A percentage of the allocation (40%) is issued back to the customer as an instant rebate to drive customer loyalty.
 - **Donation.** Another portion of the purchase (40%) is channeled toward community loyalty programs, chosen by the customer and merchant.
 - **Sustainability.** A portion of the donation (20% of the allocation) goes to Interra and its partners (including local organizations that participate in implementation) to cover transaction fees and operations.

The Technology behind Interra

To create a truly useful service, Interra is bringing together a variety of technologies into one, integrated platform. The design of the system will enable a highly personalized, simple user interface that engages and empowers the user, enhances their connection to the community, and keeps them coming back.

Interra makes use of existing Internet and payment system infrastructure, while integrating additional components in a modular fashion. The combined platform, designed by Interra, will operate as a "Trust Federation"—an open system that enables a variety of interoperable tools and services to come together and seamlessly share data to enhance the user experience. These tools and services have been broken down into three main categories: transactions services, community services, and personal services.



1 Transaction Services

Interra transaction services give members a variety of ways to take concrete financial action, from regenerative purchases to investment.

Local and sustainable business directory. The Interra directory provides information, opportunities and ratings to help consumers understand their alternatives. The directory is dynamic, fed by business and citizen input, as well as CIC (community information commons) data information exchange (see below). It can allow for online purchasing from Interra network manufacturers. Social accounting tools for rating, referral, and reputation management help shift advertising dollars to targeted outreach, and shift transactions based on brand to transactions based on community ratings.

Personalized offerings. Businesses can make offers available to Interra members. They may be offered to Interra members that search for them (pull), targeted to member interests on an opt-in basis (push), or awarded automatically at the point of sale per consumer buying patterns.

Commercial and financial relationships. Interra can provide payment cards to members, or register existing ones. A card swipe enables loyalty rewards and donations to be processed independent of the payment card used.

A natural extension is for members to exercise their values via investment in regenerative companies. Interra will partner to offer members a channel via which they may connect to socially responsible investment alternatives.

Together, this set of transaction services offers members a great deal of choice. It also affords the opportunity to capture data about the buying decisions made by members of the Interra community. Data aggregated across the network provides evidence of consumer demand for regenerative products, services and merchants, a signal which can in turn encourage more companies to produce regenerative products and do business in regenerative ways.

2 Community Services

Connection to a community, whether formed by shared geography, interests, values or needs is often what motivates action. Interra community services are designed to provide a forum and tools that support connection, engagement and action.

Community Alliance Building. These organizing tools include a process for mapping and engaging community resources, a tool-kit to support community self-organizing activities, as well as shared online workspaces for group-forming networks to communicate and collaborate.

Civic Engagement. Beyond the business directory, this space includes a community directory of participating nonprofits and other organizations. Community calendars link to events produced by member groups and organizations. Members can publish and subscribe to news feeds, and community blogs.

Smart networking. Interra members can identify and connect with others of shared interests, online or on land. In addition, to fully support community-minded, conscious consumption as a way of life, the system is designed for cross-platform access, making it easy for members to connect to Interra information and services via mobile devices.

These features are further leveraged through the Community Information Commons (CIC), which empowers exchange of community and economic resources. The CIC is a member-centric common-pool resource to leverage the strengths of the constituent systems, provide interoperability between them, and enable creation of a consistent and straightforward interface to the federated network resources. These services and tools enable a shift from knowledge as a scarce resource to knowledge as a common-pool resource that enables one-to-one or one-to-many networks to become facilitated subgroups within a trusted network. For example, the members of the CIC agree to share data for mutual updating of community calendars and directories. This provides for dynamic information management that improves the quality of every member organization's services.

3 Personal Services

Interra personal services are dedicated to safeguarding the privacy and control members have over their information, supporting the integrity of both transaction and community services.

- **Identity management.** Each member has a universal private address (e.g. I-Name, InfoCard), used to identify and authenticate their system interactions, such as payment card registry, purchases, and access to Interra account statements and balances.
- **Member profile.** Each member also creates a personal profile. This profile contains preferences and interests used to personalize network content and resources. It may drive what offers or news the member sees, what nonprofit(s) benefit from the member's purchases, what type of rewards that member receives, what other members they're connected to, or what computing environment they prefer (e.g. mobile phone, PDA).
- **Connectivity.** Recognizing the community is all about connection, Interra allows members means of managing

their own contacts, as well as connecting to other members from affinity groups or other member associations.

Ultimately, each member chooses how they will interact with Interra. They can seek or share as much or as little as they like, and can manage every aspect of their profiles and accounts directly online. Merchants can tailor their loyalty programs, monitor and manage performance. Nonprofits can see the benefit of promoting Interra to their members, and manage donor relations. Consumers can track the impact of their choices, and those of the Interra community at large. The personal services section is designed to give them the confidence and tools to do that.

Interra: Systemic change and impact

The Opportunity:

Tying self-interest to world benefit.

An estimated 65 million U.S. consumers already spend \$240 billion annually on environmentally and socially responsible products and services. These people link the choices they make to their own well-being, and that of their community and the world. They prove such behavior is possible, but they are only the beginning. Interra will reach the mainstream.

Interra makes it easier for more citizens to find products, services, and merchants that reflect their values—within their own communities and nationwide—enabling them to wield their economic power to support locally-owned businesses, manufacturers who produce environmentally and socially responsible products, and nonprofits who contribute to the social fabric of their communities.

As more and more of the U.S. population wakes up to the issues their communities face, this movement will continue to grow. We believe that Interra has the ability to speed up the process.

A Social Enterprise Business Model:

A self-sustaining, scalable nonprofit

- Interra invites participation, as every stakeholder gets more out than they put in. Moreover, every member benefits more the larger the network becomes, thus encouraging participants to help promote growth.
- A technology platform and approach that allow for self-organizing participation make Interra highly scalable.
- Integration of proven technologies, combined with a collaborative, open-source mentality enable Interra to minimize the development timeframe and investment.
- Outreach via partnership with established member organizations and networks facilitate aggregation of consumers and businesses.
- Transaction-driven earned income will enable the organization to become financially self-sustaining within 3 years. Once Interra operations can fund the organization's growth, potential impact becomes almost unlimited.
- The organizational structure will ensure that Interra always remains true to its mission.

By providing a platform for regenerative commerce, Interra will:

- **Empower consumers to take back ownership of their communities**, improving environmental, cultural, and economic health through their everyday purchasing decisions
- **Speed the growth of environmentally and socially minded industry** by stimulating conscious

consumerism, enabling the “right” products and services to compete, and collecting consumer behavior data that proves consumer interest in buying community regenerative products. This will result in a profound effect on the health of local and global ecosystems—and the people who depend on them—as well as the social standards for how workers are treated

- **Tap into the philanthropic impulse** that resides within American culture, creating a new, reliable source of funding for nonprofits

Regenerative Commerce: The potential of Interra

Sixty-five billion credit card transactions occur each year in the U.S. The average consumer spends \$50 per week on their credit card and donates an average of \$50 per year to a nonprofit. Within five years Interra expects to:

- Generate \$596 million in new nonprofit
- Generate \$596 million in member rewards
- Add \$44 billion in revenue to local economies
- Help retain \$14 billion within local economies due to re-circulation of local consumer dollars
- Retain 90,000 new jobs within local communities

Measurable results
and exponential
social change.
