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These Criteria are intended to establish (1) that the environmental claims are valid, significant, and are not outweighed by environmental drawbacks; and (2) evidence for innovation.

PLEASE EMAIL COMMENTS TO standards@green seal.org SUBJECT: GS-20 Soli Points

CRITERIA FOR VALIDATION/CERTIFICATION
ENVIRONMENTAL INNOVATION: PRODUCTS, SERVICES, PROCESSES, AND TECHNOLOGIES, GS-20 Edition 1.0

Sub-Category: Customer Carbon-Reduction Reward Plan



APPLICANT INFORMATION:	
Company Affiliation:	335, Inc. dba Soli
Product Name:	SoliPoints
Website:	www.solipoints.com

Once all certification criteria listed below are met and evidence for innovation is verified, **Green Seal will be able to certify this service as Environmentally Innovative**, under the categories of

- **Unusual for the market category.** Creates increased value for better performance or environmental impacts, in ways that are different from common practice.
- **Improved technical or environmental efficiency.** Functions with fewer resources or less environmental impact, or provide better technical performance. These also include innovations that enable users to do things that were not possible previously.
- **Beneficial alternative to an existing practice:** Helps to avoid, reduce, or eliminate hazards to human health and environment, reduce the use of limited resources (energy, water, land, etc.), and help to reduce or eliminate waste and pollution.

Validation of Environmental Benefits: If the service can demonstrate conformance with the criteria, the following environmental benefits can be validated by Green Seal:

- Soli Points provide a direct means for consumers to reduce carbon emissions in a way not possible previously.
- Soli Points are a means for consumers to be rewarded for reducing the carbon footprint as they shop and getting cash back in the process. “It Pays to Save the Planet™.”
- Carbon offsets and credits that back coupon Points are sourced from tons sold in State regulated cap & trade utility markets such as the Regional Greenhouse Gas Initiative and the California Western Climate Initiative. Each ton is uniquely numbered by States to prevent re-use or double-dipping. Soli converts short tons of carbon dioxide credits, allowances, and offsets into Points based on the formula of 2,000 pounds as the numerator and 1,000 Points as the denominator, wherein the quotient is a Point of 2 pounds. Upon their purchase, Soli retires tons to prevent their use as permits to pollute, and converts them into unique, traceable, non-duplicable Points. Points are embedded in coupons used by commercial enterprise to promote goods and services at the rate of no less than one Point per retail dollar value.
- Consumers can use Soli Points to actively engage in climate remediation without having to pay for it. Commercial enterprises pay for the carbon-backed coupon Points attached to their offers and/or

PROPOSED GS-20 CRITERIA, Soli Points – June 6, 2017

upon their redemption. Consumers can make daily purchases on-line, in e-commerce or at retail from Soli-sponsoring enterprises.

- The reward program will not allow its carbon denominated coupons to be associated with products or services that are not environmentally and socially responsible.
- A consumer purchasing a cumulative \$1,000 of goods and services accompanied by Points would effectively reduce the carbon footprint by one ton (using current conversion metrics).
- Additionally, that consumer would have earned cash-value, which may be donated to climate charities or non-profit educational institutions.
- Unredeemed cash-value is automatically donated to climate causes or non-profit educational institutions when Points expire.
- Each Point earned by a consumer is tracked and taken off the market to prevent duplication or re-use. Soli carbon inventories are decremented accordingly.

Statement of Basis for Certification (to accompany the Certification Mark)

“This retail reward program is certified by Green Seal™ for Environmental Innovation as a verified tool for consumers and retailers to reduce their carbon emissions footprint. GreenSeal.org/GS20”

Section A: Certification Criteria

1.0 Criteria for Evaluation

1.1 Functional Performance

1.1.1 Carbon offsets and credits backing the Points coupons shall be sourced from State-regulated Cap and Trade utility markets.

1.1.2 Issued Points shall be tracked and shall be verified by a third party audit to ensure that the number of points allocated to each pound of carbon emission credits matches the declared amount (currently 1,000 Points for each 2,000 pounds of carbon emission credits).

1.1.3 Point coupons shall be unique and traceable to the original carbon credit, and a third-party audit shall verify that they have not been counted more than once against the carbon credit purchased on the Cap and Trade markets.

1.1.4 Cash-back redemptions, voluntary donations to climate action, and automatic donations of the cash value of expired Points shall all be audited by a third party to verify that their sum is equal to the issued Points.

1.1.5 Unredeemed cash-back value and donations shall be audited by a third party to verify that they are donated to organizations that work to mitigate climate change

1.2 Human and Environmental Health¹

1.2.1 The Reward Plan shall establish criteria to determine which types of products and services are not considered environmentally and socially responsible, and maintain a list of those types that are not eligible to participate.

1.3 Reducing the use of limited resources (energy, water, land, etc.)²

1.3.1 None additional.

1.4 Claims that do not need to be demonstrated for this application³

1.4.1 The Points provide a direct means for consumers to reduce carbon emissions by shopping from the reward program's network of commercial and industrial merchants. Points represent fractions of established credible tons of carbon offsets and credits formed into coupons redeemable by consumers as they shop, even if the purchase is not considered a 'green' product or service.

1.4.2 Soli Points are a means for consumers to be rewarded for reducing the carbon footprint and getting cash back in the process. "It Pays to Save the Planet™."

2.0 Environmental Innovation

This product shall be a patented method and system, and first of its kind in the market.

¹ The functional requirements provide significant environmental benefits.

² The functional requirements provide significant contributions to the retirement of greenhouse gas emission credits.

³ These claims are self-evident from the other claims being validated or from the product description.

Section B: Analysis of Claims

1.0 Performance/Function/Purpose

Description of the Service by the Applicant⁴:

Soli provides commercial enterprises a universal tool and means to gain and retain customers while enhancing their brand by being regarded socially responsible, and with the ability to accurately measure ROI. Soli expects to scale rapidly into a consumer movement addressing climate change and create meaningful environmental impact.

Soli converts short tons of carbon dioxide credits into Points, where each 1,000 Points are set equivalent to 2,000 pounds. Carbon offsets and credits that back coupon Points are sourced from tons sold in State-regulated cap & trade utility markets such as the Regional Greenhouse Gas Initiative and the California Western Climate Initiative; each ton is uniquely numbered by States to prevent re-use or double-dipping. Upon their purchase, Soli retires tons to prevent their use as permits to pollute, and converts them into Points. As Soli fractionalizes each numbered ton into increments it appends alpha-numeric extensions to form unique, traceable, non-duplicable Points. Points are embedded in coupons used by commercial enterprise to promote goods and services at the rate of no less than one Point per retail dollar value.

A consumer purchasing a cumulative \$1,000 of goods and services accompanied by Points would effectively reduce the carbon footprint by one ton (using current conversion metrics). Additionally, that consumer would have earned \$10 in cash-value, which may be donated to climate foundations. Unredeemed cash-value (known as ‘breakage’) is automatically donated to climate causes when Points expire. Points are recorded by their numbers in Soli’s carbon Point inventories. Each Point earned by a consumer is tracked and taken off the market to maintain legitimacy and protect Soli against fraud and attendant costs and prevent duplication or re-use. Soli carbon inventories are decremented accordingly.

Soli assiduously avoids ‘greenwashing’ and double-dipping to maintain the integrity of Points, by making sure there will be no situation where multiple points are distributed for the same credit or fraction thereof.

Consumers can use Soli Points to actively engage in climate remediation without having to pay for it. Commercial enterprises pay for the carbon-backed coupon Points attached to their offers and/or upon their redemption. Consumers can make daily purchases on-line, in e-commerce or at retail from Soli-sponsored enterprises.

Donations to non-profit Climate Remediation Foundation of unredeemed and expired Points are expected to have a value equal to 20% or more of all issued Points (known as ‘breakage’ among loyalty plans), with the remainder expected to be used by the consumer as cash back or in making voluntary donations to environmental causes, at their election.

1.1 Main function: Ties consumer purchases to the permanent retirement of carbon credits, allowances, and offsets as sold in state regulated Cap & Trade markets.

1.2 Secondary function: Allows consumers to use their purchasing power with no additional cost to give preference to purchases that are linked to permanent carbon-emission reductions. Provides cash-back to purchasers to increase the attractiveness of the purchase, or alternatively to donate the money to support

⁴ These claims are informational only, and are not necessarily validated by Green Seal.

climate action. Provides an environmental benefit to the purchase of any product or service, allowing consumers to support initiatives to reduce greenhouse gas emissions.

1.3 Alternatives for providing the same function: There is no direct alternative. Consumers can reach the same goals through carbon trading systems or direct donations to climate-change causes, but only at their additional expense.

1.4 Additional performance issues. Soli lends itself to ‘green’ competitions and gamesmanship that can accelerate carbon reduction, and lead to extraordinary social and monetary rewards for participants.

1.5 Comparison of performance parameters for the ‘product’ and the alternatives. This service takes existing mechanisms for carbon reduction and for customer loyalty and combines them to reduce carbon emissions directly at their source rather than indirectly by reducing energy consumption.

1.6 Quality Management. Every carbon ton purchased by Soli is first recorded in Company ledgers by the unique number issued by State regulators. Upon subsequently fractionalizing tons into 1,000 Point increments, each carrying an alpha-numeric extension to form uniquely numbered Points, Soli electronically records each Point in Points inventories available for sale in coupon form. Consumer Points’ transactions are recorded in Points Banks established for each user, who is provided a unique and auditable customer number. Soli tracks and manages all consumer used Points as an auditable process from their origin and throughout the chain to their redemption or expiration. Soli Points inventories are decremented as Points are used, and replaced by new tons purchased and converted into Points.

2.0 Environment/Health

2.1 Life cycle health and environment benefits of the product compared to alternatives

2.1.1 Resources and Manufacture Phases: None

2.1.2 Use Phase. The connection between the Soli Points and the carbon reductions is established during an independent third-party audit of the use of Soli Points and their donations. The money paid by the merchants for the Soli Points associated with their products and services goes to retire carbon-emission credits, and the monetary value of unclaimed Points is donated to non-profit environmental charities, or non-profit educational institutions.

Soli Points have established criteria to determine which types of products and services are not considered environmentally and socially responsible, and maintain a list of examples of products and services that are not eligible to participate in the program, according to the criteria and in response to customer input.

2.1.3 Waste Management and Disposal Phases: None

2.2 Life cycle health and environment drawbacks of the product compared to alternatives

2.2.1 Major concerns: The connection between Soli Points and GHG reductions is meaningful but complex and indirect. Soli systems are designed to ensure that each Soli Point is used only once. Third-party audits are conducted to establish verifiability.

2.2.2 Secondary concerns: None.

2.2.3 Mitigation of concerns: Soli Points are purchased from existing State-run carbon-trading systems that are credible and auditable; Soli Points are audited for uniqueness and non-transferability, ensuring that the Points and carbon credits are not counted more than once.

Points represent a portion of a unique ton, and while the consumer does not see a number, each Point is tied back electronically by Soli systems to a specifically numbered ton-fraction. Tons are decremented by the Point as consumers shop. Soli back-end systems monitor and track consumer purchases and can advise the consumer as to which unique ton their Point(s) came from. When 1,000 Points have been used in the aggregate by Soli shoppers (Members) the ton is fully removed from Soli inventories and all their fractional numbers retired.

3.0 Comments on the performance of the product vs. the alternatives. There is no direct alternative to this program. Credit cards that purchase carbon credits on regulated markets do not engage retailers and none are known to be accepting applications at this time.

4.0 Comment on the health and environment aspects of the product relative to alternatives. There is no direct alternative.

5.0 Innovation

Soli has a patent for this program, U.S. Patent number US 8,527,335 B1 from September 3, 2013.

PROPOSED CRITERIA