Public Information Summary

Host Country(ies)	Brazil
Name(s) of Borrower(s)	Stone ACR I SPV
Project Description	The Project is the financing of up to $14 billion of credit card receivables generated by micro, small, and medium enterprises in Brazil, thereby affording these businesses a stable source of working capital with which to operate and grow their businesses.
Proposed DFC Loan	$467.5 million
All-Source Funding Total	$500 million
Policy Review	
Developmental Objectives	The Project is expected to have a positive development impact in Brazil by helping address the country's micro, small and medium enterprise ("MSME") financing gap, which is estimated to be approximately $482.7 billion, or 27% of GDP. More specifically, the Project will respond to the MSME segment's need for immediate short-term working capital by financing consumer credit card receivables that are due to be paid to MSMEs on oftentimes irregular and longer-term repayment cycles. Recognizing the disparities in the financing gap in MSMEs throughout Brazil, the Project will primarily focus on purchasing receivables and providing liquidity to women-led or women-owned MSMEs and secondarily, MSMEs that operate in low-income Brazilian states.
Environment and Social Assessment	The Project has been reviewed against the DFC's 2020 Environmental and Social Policies and Procedures manual ("ESPP") and has been determined to be categorically eligible. DFC direct loans to financial intermediaries for the purpose of securitizing credit receivables of small, and medium enterprises are screened as a Category C for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all those downstream investments have been pre-screened as Category C and further review and consent is not required for these investments. To ensure that the Borrower's investments are consistent with the DFC's statutory and policy requirements, the DFC loan will be subject to conditions regarding the use of proceeds. The primary environmental and social issues identified in this transaction relate to the need for an Environmental and Social Policy ("ESP") that meets the 2012 IFC Performance Standards. Under the DFC's ESPP, the Borrower is required to comply with applicable local and national laws and regulations related to environmental and social performance and applicable provisions of the 2012 International Finance Corporation's Performance Standard ("PS") 1 and 2. A desk-review based due diligence assessment indicates that because the Project will use DFC support to securitize credit receivables for MSMEs in Brazil, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous peoples, and cultural heritage are not anticipated; therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered at this time. The Borrower has a basic Environmental and Social Risk Policy, grievance mechanisms, and human resources policies commensurate with its business and that generally meet the DFC's 2020 Environmental Policy and Procedures.