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## Your Money: 3 Questions for CNote's Yuliya Tarasava

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*Yuliya Tarasava is the co-founder and chief operating officer of CNote, a financial technology company in Silicon Valley, California, that allows people to “invest with impact” online by earning 2.5% on money they invest. Those same investments also help fund women and minority-led businesses, build schools and affordable housing, and support economic development throughout the U.S.*

*Tarasava, who was raised in Eastern Europe in the country of Belarus and moved to the U.S. when she was 20, has thought a lot about reframing how we think about our money. She encourages people, through her innovative startup, to see their money as a tool for change. The company promotes the idea of “investing in people, not products.”*

*Knowledge@Wharton High School caught up with Tarasava this week at the Fearless in Fintech conference in New York City, to discuss CNote, which was founded in 2015, and to find out her best financial advice.*

*An edited version of our conversation appears below.*

**Knowledge@Wharton High School:** Did your personal experience with money inspire you to start CNote?

**Yuliya Tarasava:** I grew up in a family where we had to be strict with our money because we did not have debt available to us. We could only spend what we had. We never had enough and we were always operating in this scarcity mode. I was raised to be very careful with money. What was interesting for me when I moved to the U.S. is that even though we talk about the U.S. as a very rich country, you see the discrepancy between poor and rich here as big as any developing country. So many resources, so much capital, so much everything! How in the world could you have such a discrepancy with access to financial services?

**KWHS:** CNote’s promise is that investors will earn 2.5% with 100% social impact. Why was it important to build a product that earned money for both investors and underserved communities?

**Tarasava:** I see our users getting so excited about doing good, but also doing well for themselves. For us, the inequity is on both sides – on the investor side and with the person who needs the investment. Think about on the investor side. For a really long time, only people who have money could make money. You have money to hire an investment advisor. But if you only have \$100 (a CNote), then you are shut out of the system. Many women and millennials are terrified to invest in the market. They are risk-averse.

On the other [social impact] side, people in underserved communities can’t get access to finance. Women business owners don’t have access to loans. African-American women have trouble buying houses because they can’t get a mortgage. If you need money, you are shut out of the system because banks don’t trust to lend to you. At CNote, we built our product by talking to people on both sides. We thought about our role in fixing those inequalities on both sides and how we could go out of the system and create something new. We wanted to make sure that even if you have a bank account [earning 0%], you don’t have to keep your money there, and at the same time you can invest in your local communities.

**KWHS:** What is your best money advice?

**Tarasava:** Don’t just think about your finances from a place of “I need to be wealthy.” So many people think they must make higher returns on their investments, they need to be wealthy, and they want more. But they don’t have any real

reasons for why they want to be wealthy. They want to be financially free and they want to have enough money so that they can have the life they want. But what is that life? It's not about having the biggest amount, it's about the life you want to have and how money will help you get there. It's about your lifestyle. We all have different definitions of the life that will make us happy. Think about the life you see for yourself, and then think about how money is going to help you get there.

I also think that your financial independence is up to you. At the end of the day, nobody is going to help you. There's a reason why CNote focuses on women and younger investors. When I worked in financial services, I had friends who got past college and started accumulating wealth. They did not have a retirement account or an investment account. Nobody taught them, and they were terrified. Every time they were trying to enter the system, the hurdle was so high that they walked away. A friend had a checking account at a bank and walked in asking about an investment account. This person came out and gave her this big stack of papers to read. She never went back. She got scared about the industry forever. You can be educated, have money, and still feel incredibly intimidated and shut out.

Don't get discouraged. Unless you take care of yourself, nobody is going to take care of you. Connect back to those goals. If you have an ideal lifestyle in mind, even if someone shuts you down, you don't have to stay that way. If you tried once or twice and feel that traditional financial services don't hear you, then you have other resources. Try financial bloggers. There are wonderful people who will give you an education in a much more story-telling way. It teaches you from a lifestyle perspective.