

Cooperative Fund of New England

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Invest in Cooperation

Information for Social Investors

Information for Social Investors

Cooperative Fund of New England (“CFNE” or the “Fund”) is offering Social Investment Notes or Loans, which are referred to in this prospectus collectively as “Notes.” CFNE will offer the Notes for sale directly and without any agent. No third party has been authorized to sell or promote the Notes, or to be paid any commission. The entire proceeds of this offering will be used to make loans and other investments in cooperative businesses and non-profits as described herein. This prospectus will be updated periodically and may be accessed on CFNE’s website, www.coopfund.coop. You should read this prospectus carefully before investing.

NO SECONDARY MARKET CURRENTLY EXISTS FOR THE NOTES, NOR WILL ONE EXIST AFTER THIS OFFERING. THE NOTES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. YOU SHOULD BE AWARE THAT YOU MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. INVESTMENT IN THE NOTES IS NOT TAX DEDUCTIBLE; NOR IS IT TREATED AS A DONATION.

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IN MAKING AN INVESTMENT DECISION, YOU SHOULD RELY ON YOUR OWN EXAMINATION OF THE NOTES AND THEIR TERMS AND OF US, INCLUDING THE MERITS AND RISKS INVOLVED.

NONE OF THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION, STATE BANKING COMMISSION OR ANY OTHER REGULATORY BODY HAS APPROVED OR DISAPPROVED OF THE NOTES OR PASSED ON THE ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON.

THESE SECURITIES WILL BE OFFERED AND SOLD ONLY IN JURISDICTIONS IN WHICH A REGISTRATION STATEMENT IS IN EFFECT OR IN WHICH THE OFFERING IS EXEMPT FROM REGISTRATION.

THESE SECURITIES ARE BEING OFFERED AND SOLD ONLY TO ENTITIES WITH THEIR PRINCIPAL PLACES OF BUSINESS IN, AND TO RESIDENTS RESIDING IN, THE FOLLOWING JURISDICTIONS: ALASKA, CONNECTICUT, DELAWARE, HAWAII, ILLINOIS, IOWA, KANSAS, MAINE, MASSACHUSETTS, MISSISSIPPI, NEBRASKA, NEW HAMPSHIRE, NEW JERSEY, NEW MEXICO, NEW YORK, OREGON, RHODE ISLAND, SOUTH DAKOTA, TEXAS, UTAH, VERMONT, VIRGINIA, WEST VIRGINIA, AND WYOMING.

THIS PROSPECTUS IS NEITHER A SOLICITATION TO BUY NOR AN OFFER TO SELL TO PERSONS IN THE FOLLOWING JURISDICTIONS: ALABAMA, ARIZONA, ARKANSAS, CALIFORNIA, COLORADO, DISTRICT OF COLUMBIA, FLORIDA, GEORGIA, IDAHO, INDIANA, KENTUCKY, LOUISIANA, MARYLAND, MICHIGAN, MINNESOTA, MISSOURI, MONTANA, NEVADA, NORTH CAROLINA, NORTH DAKOTA, OHIO, OKLAHOMA, PENNSYLVANIA, PUERTO RICO, SOUTH CAROLINA, TENNESSEE, WASHINGTON, AND WISCONSIN AND NO PURCHASE OF THESE SECURITIES BY PERSONS IN THESE JURISDICTIONS IS AUTHORIZED.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE BANKING COMMISSIONER OF THE STATE OF CONNECTICUT OR ANY OTHER STATE NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THE OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

Cooperative Fund of New England

Information for Social Investors

OVERVIEW

The Cooperative Fund of New England is a non-profit organization supporting cooperative development in the Northeast area of the United States. The Fund provides alternative financial services and related technical assistance to cooperative organizations at favorable rates and terms. Its policies generally accord eligibility on the basis of community service, need and merit.

Operating on a modest budget, the Fund has been successfully assisting a wide variety of cooperatives, non-profits, worker owned businesses, and community groups since 1975.

Funds for program lending are provided by "social investment loans" from individuals, religious groups, cooperatives and other organizations. Social investment loans are furnished on a long-term basis at low to moderate rates of interest. This investment option may be of interest to persons with discretionary financial resources who have strong social concerns about the use of their funds. Support may also be provided through tax- deductible contributions.

THE ORGANIZATION

The Cooperative Fund of New England was organized in 1975 through the efforts of people active in the region's cooperative movement and social investors associated with the Haymarket Peoples Fund. The impetus for the formation of the Cooperative Fund was the common perception of the need for a funding source to support and enhance the cooperative sector.

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A	Loans Outstanding 12/31/18
B	Board of Trustees and Advisors
C	CFNE Financial History
D	Investor Risk Factors
E	Sample Promissory Note
F	Investor Response Form

The **stated mission** and purpose of the Fund is as follows:

We work for economic, social, and racial justice by advancing community based, cooperative, and democratically owned or managed enterprises with a preference to assisting cooperatives in low-income communities by:

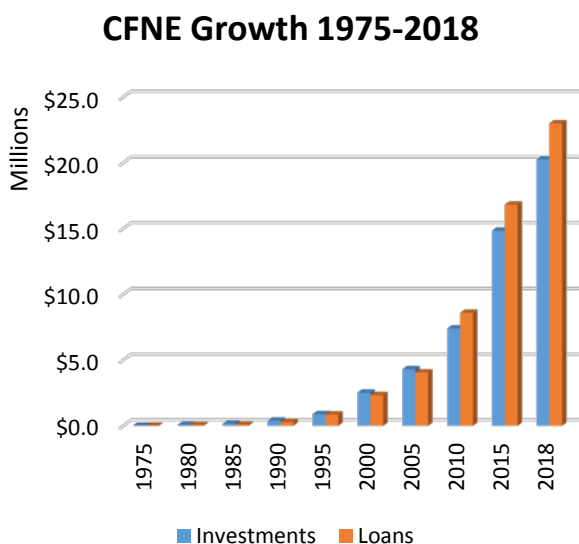
- **Providing financial products at reasonable rates**
- **Developing business skills**
- **Offering an investment opportunity that promotes socially conscious enterprise**

The Cooperative Fund is organized and operated for charitable and educational purposes. The Internal Revenue Service has recognized it as a nonprofit, tax exempt 501(C)(3) organization since 1986. It is subject to regulation as a public charity by the Commonwealth of Massachusetts where it is incorporated.

The Fund is managed and directed by trustees and staff experienced in financial and developmental issues affecting co-ops. Most are actively involved with cooperative organizations and non-profits of various types. The Board of Trustees of the Fund is drawn from the New England states and encompasses a talented and socially-committed group of people who are active in the operations of the Fund and, except for special projects, serve without compensation. The recently retired Executive Director has been replaced effective 2/1/2019 by a well-trained interim co-director team until a permanent director is chosen by the board. Summary resumes of trustees and staff may be found in the Appendix B of this document.

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A summary chart of CFNE's growth follows:



THE NEED

The Fund started by lending primarily to food co-ops. However, as cooperative development in New England expanded the fund's loan market expanded to include worker-owned businesses, land trusts, housing co-ops, nonprofits, and community based organizations.

Co-ops and other nonprofits Cooperative Fund of New England serves need capital to function efficiently, but these funds are obtainable from members only over extended periods of time. For groups in the impacted urban and rural areas, the problem is usually more pressing. Meeting these capital needs is critical in the economically depressed areas that exist in many parts of New England.

The problem of under-capitalization for these small organizations is compounded by a widespread lack of commercial financing for such groups. Other challenges to cooperative development include the limited size of the funding requirements of small co-ops, lack of management and financial skills, novelty and riskiness of their activities, and lack of readily marketable collateral.

Closely related to the lack of financial resources is the pervasive need for technical and educational services among small co-ops. Cooperatives have a unique body of organizational principles, corporate laws, tax provisions, accounting practices and financial management techniques that differ markedly from conventional rules. Except in major urban and agricultural areas, qualified technical

assistance is often unavailable at any price. Co-ops most needing such services are often the ones least able to pay for them.

In short, the experience of the Cooperative Fund indicates that the need for financial and technical assistance among small co-ops and non-profits in the area served is a significant and growing problem.

ELIGIBILITY STANDARDS

Program loans of the Cooperative Fund are available only to organizations operated on a cooperative or nonprofit basis. Applicants must also be located within the New England states of Massachusetts, Vermont, New Hampshire, Maine, Connecticut and Rhode Island or within parts of eastern New York State.

An organization is considered by the Fund to operate on a "cooperative" basis only if it exhibits the following characteristics:

- its purpose is supportive of the common good;
- its membership is open to persons who will use its services and accept its responsibilities;
- its membership policies are not applied to discriminate in any arbitrary or prohibited manner;
- its activities are broadly participatory by its members
- its governance is democratic or based on consensus;
- its monetary return on invested capital is strictly limited;
- its earnings are either equitably used within the organization or distributed on the basis of patronage.

To be considered as operating on a "non-profit" basis an applicant organization must not be controlled by or for persons who merely provide equity capital, nor may investors be permitted to realize more than a limited monetary return for the use of their money. In most cases, these criteria will be automatically satisfied by an organization that meets the above characteristics of a cooperative.

Eligible recipients of the assistance provided by the Cooperative Fund encompass the entire spectrum of cooperatives and non-profits. These include not only the more familiar consumer and

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farmer co-ops but also, for example, worker-owned businesses, community service organizations, craft marketing co-ops, fishermen's co-ops, day care centers, cooperative charter schools, health centers, housing cooperatives, co-housing, and community land trusts.

Those who use its services may organize virtually any group on a cooperative basis and it may be operated for purposes other than maximizing investment profits. The function of the Cooperative Fund is to encourage and assist this type of community economic development, particularly for organizations that are resource poor but otherwise sound and promising.

PRIORITY CRITERIA

The financial assistance provided by the Cooperative Fund is intended primarily to benefit co-ops of greatest need. Priority among eligible organizations is therefore accorded to low-income co-ops and others with special problems of access to needed financial resources.

Low-income status is defined by the Fund to include organizations meeting any of the following standards:

- the cooperative serves an economically disadvantaged community and this community is reflected in its membership and patronage;
- more than half of cooperative members are low income persons; or
- the cooperative has, through unusual and unavoidable circumstances, suffered a significant economic adversity that exceeds the ability of the organization and its members to rectify.

Low-income co-ops and non-profits are provided a number of benefits and prerogatives by the Fund in addition to being given priority over other applicants for available funds. For example, their application fee might be reduced and they receive the lowest practicable interest rates on their loans. As the resources of the Fund permit, they may also be provided technical assistance services on a low-fee or gratis basis.

LENDING POLICIES

The standards that the Fund uses in evaluating and deciding upon loan requests include the following:

- the need for and importance of the services provided by the co-op;
- the viability of the organization;
- the commitment and support of its members;
- the skill and effectiveness of its management;
- the adequacy of its capitalization program;
- its current and prospective financial condition;
- the adequacy of available collateral; and
- the ability of the co-op to repay the loan.

The Fund's lending practices are characterized by an unusually high degree of fairness, flexibility and service. Program loans are provided for any reasonable purpose. The interest rates charged to borrowers are below or at market levels, and repayment terms are arranged to accommodate the needs of the borrowing organization.

All borrowers are required to pledge adequate collateral as security for their loans, but the many contacts of the Fund among cooperative organizations in the region allow it to accept collateral of a type and quantity at variance with commercial lenders.

The terms and conditions of the loan agreement entered into with borrowers are significantly less restrictive and obtrusive than most commercial loan contracts. The agreement is nevertheless a detailed and comprehensive one that is fully protective of the legal rights and financial solvency the Fund. Reporting requirements are quite strict in requiring borrowers to submit substantial information on a regular and timely basis. The Fund is thus able to closely monitor the financial performance and organizational development of its borrowers.

The Fund provides technical assistance services to its borrowers in connection with the loan application process and subsequently as circumstances warrant. The education and experience of staff and Trustees of the Fund allow it to provide a wide range of quality services, particularly in the areas of organizational development, financial management, and training in consensus process.

Because of the Fund's purposes and policies, many of its loans are of a high-risk nature. However the actual losses which the Fund has incurred from uncollectible loans have been remarkably low by any standard--less than two percent (1.59%) of all disbursed loans to date. The success the Cooperative Fund has enjoyed

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over its history can be attributed in large part to its extensive loan review and oversight activities, the availability of its technical assistance services, and the involvement of its Trustees on a local level. Much of the success is a direct result of the sense of shared responsibility flowing from its integral involvement with the New England network of the several of cooperative organizations as well as the integrity of the borrowers.

LENDING HISTORY

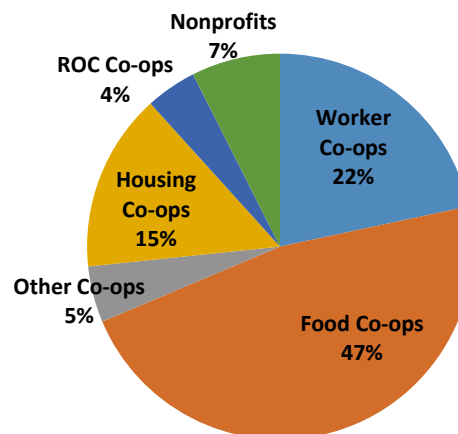
During its early years, the Fund's program loans were made exclusively to food-related co-ops. This sector still represents a significant portion of the activities of the Fund. Included in this group are both producer and consumer co-ops involved in the production, processing and distribution of natural food products.

The fund has financed several bulk-food buying groups and dozens of small retail food co-ops in every part of New England. Over the years it has assisted in financing food co-op warehouses and federations. Food processing co-ops, which have benefited from the financial assistance of the Fund, have included a bakery, a grain milling project and several community canneries. The Fund's lending activities have been growing among community service, worker, and other nonfood co-ops. The activities of these organizations have included alternative education, marketing of home-produced craft products, wool spinning, fishing, and small-scale manufacturing. In the educational area, for example, financing has been furnished to co-ops engaging in printing, publishing, local and regional book distribution, community pre-school, elementary and adult education. The Fund has also provided for housing cooperatives, co-housing, land trusts and non-profit housing developers. In addition, loans have been made to non-profit groups that serve community needs in healthcare, housing, job training and family services.

Since 1975 the Cooperative Fund has extended over 970 program loans. Most of these have been to co-ops. These loans have benefited many thousands of families in low-income areas of New England. They have also helped to provide an alternative means of livelihood, jobs, greater control of workplace and community, and self-empowerment for hundreds of workers and co-op members. A description of the currently outstanding program loans is presented in the appendix.

The following is a chart that depicts the mix of the Cooperative Fund's loan portfolio:

Loans by Type 2018



FUNDING

Since its inception, the Cooperative Fund has operated with an unusually small budget without significant impairment to capital. Most of the Fund's revenue and support are derived from interest on program loans and cash reserves. The function and scale of the organization have, however, required some subsidization of operations. Subsidies are furnished by contributions and grants and by the volunteer services of trustees, members, outside persons and even its staff. Social investors who forego higher interest rates, lower risk factors, and greater liquidity for their investment funds in favor of conscientious social considerations also provide an important measure of support.

Social investment loans have been received by the fund from individuals, cooperatives, trusts, religious groups, and banks. Even co-ops, some of which are former borrowers, have supported the Fund in this way. Most social investment loans are lent on a definite long-term basis. Since many of these loans have been provided at no interest or at low interest, the weighted average rate that the Fund pays on all its investments is less than two percent.

Financial statements of the Cooperative Fund are presented in Appendix B. They summarize the financial condition and results of activities of the Fund over the last six years. Audited financial statements are prepared annually. In addition, an unaudited financial statement is prepared on a

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tertiary basis and sent to all investors.

TERMS OF SOCIAL INVESTMENT LOANS

Social investment loans to the Cooperative Fund are provided on terms chosen by the investor within a range of options. The interest rate may vary between zero and two percent. The social investor may also designate whether the interest will accumulate with principal or be paid out on an annual basis. Repayment may be set at either a fixed or indefinite term.

The Fund encourages long-term investment. Social investment loans, however, may be called for repayment within a short period of time. For those that are particularly large, the Fund may ask that repayment be limited to one hundred thousand-dollar increments within each 30-day period after it receives notice of withdrawal.

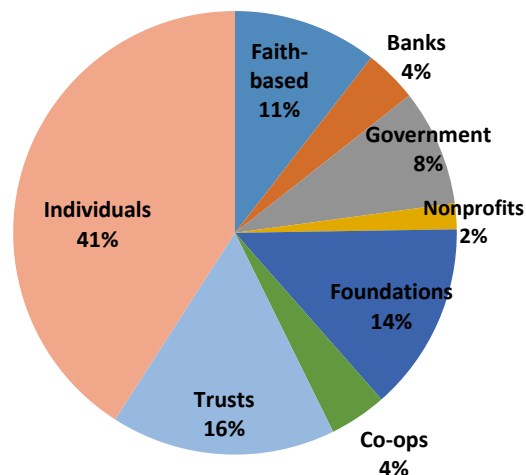
Social investment loans are not insured in any way or collateralized through secured interests in any property of the Fund. They rest only on the general credit of the Cooperative Fund of New England. Social investment loans are however provided with a significant measure of security. There is protection in the form of loan loss reserves as well as first loss money. Several social investors have agreed to designate their funds as the first to assume losses that would otherwise prevent full repayment to other investors.

Social investment loans made directly to the Cooperative Fund are not tax deductible nor are they included in the income of the investor when they are repaid. Any accrued interest, whether paid out or left to accumulate with principal, is fully taxable to the social investor. An IRS 1099 form is sent out at the end of each year.

A social investment loan may, however, be rendered tax deductible if it is provided indirectly through a self-directed individual retirement account with a bank providing such a service. Under this option, funds are deposited with the participating bank and then self-directed for investment in the Cooperative Fund of New England. Funds on deposit in the IRA account may not be prematurely withdrawn without substantial penalty. They may, however, be removed from the Cooperative Fund and redirected elsewhere. Persons desiring to use this tax benefit are advised to obtain further information regarding the restrictions and dollar limitations that apply to the use of this procedure.

A chart depicting the investor mix follows:

Investors by Type 2018



Funds remitted to the Cooperative Fund will be acknowledged by a promissory note with the terms chosen by the social investor. Under this note the Fund is obligated to provide financial statements and reports on its activities at least three times a year. The specimen promissory note in Appendix E provides full information as to warranties and obligations assumed by the Fund in its relationship with a social investor.

PROVIDING SUPPORT

Social investment loans provided to the Cooperative Fund are used exclusively to further its program services to small co-ops and nonprofit organizations. For persons with discretionary funds who are motivated to invest in social change, social investment in the Cooperative may be a unique option to employ one's funds in a manner rigorously consistent with conscience and principle.

In addition to loan money, the Fund is in need of donations. Support through contributions and grants is vitally important to the development of the Fund and the maintenance of program activities. It is especially needed to extend the limited ability of the Fund to provide technical and educational services that support lending activities and contribute significantly to the success of borrowing co-ops and non-profits. Contributions are tax deductible for federal income, estate and gift tax purposes for persons

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who itemize on their income taxes.

Many of our borrowers and potential borrowers are in need of technical assistance. We often teach cooperative members how to complete business plans and cash flow projections, how to monitor their co-op's progress and how to use consensus process. This develops good borrowers. We also help cooperatives find financing from other sources.

The Fund started with \$11,000 in original capital and has disbursed over \$58 million in over 970 loans. In order to keep growing we need infusions of permanent capital as well as loan dollars. Grant dollars often provide a base upon which further extension of our services may proceed.

Operations are generally supported by the interest charged on loans. As the loan portfolio grows, there is a need to increase both the loss reserve level and the permanent capital base. This protects our investors and makes Cooperative Fund of New England a more creditworthy institution.

Although our loss reserves are rarely used they need to be increased as our investment and outstanding loan balances increase. Although the historical loan loss is under 2% a loss reserve of at least 3.5% of our loan portfolio is our target. As our lending dollars increase, the loss reserve in absolute dollars increases. These reserves, which are funded from the profit of the operations and grants, are not lent out. Investors are encouraged to consider providing a tax-deductible contribution to increase our permanent capital base.

NATIONAL CONNECTIONS:

CDFI

The Cooperative Fund is certified as a Community Development Financial Institution (CDFI) by the US Department of the Treasury. This endorsement says to the financial services industry that the Cooperative Fund of New England is a solid lending institution that is able to meet the credit needs of low-income and underserved areas in a professional manner. Through its underwriting process and loan servicing the Cooperative Fund is able to assist its borrowers in developing their capacity as community development institutions. CFNE was recertified and is up to date on recertification.

CFNE has also been designated as a Community Development Entity so we will qualify for the New Market Tax Credit Program and as a USDA Business and Industry Guarantee eligible lender.

Opportunity Finance Network

The Cooperative Fund of New England is a founding member of the Opportunity Finance Network (OFN) an industry of community development financial institutions that combine social and economic justice with solid business performance. It has instilled a sense and system of mutual accountability across the industry and has built a strong national voice for community development loan funds. OFN's mission is as a catalyst for lasting social, economic, and political justice that helps institutions and individuals provide capital that increases resources and opportunities for economically disadvantage people and communities. Member funds represent thousands of investors and millions of loan dollars. Our past Executive Director has served a term on the Board of OFN.

INVESTING IN THE FUND

The Cooperative Fund is a way to leverage funds. An investor or grantor can put funds to use in a socially responsible manner, aid in empowering others, and promote social change at a grassroots level.

Social investment notes are not guaranteed or insured and investment in the Fund's social investment notes is subject to certain risks, as described herein and summarized in Appendix D. You should not invest in the Notes if you cannot afford to lose all of the principal amount of your investment or if you need liquidity.

The response form at the end of this document should be helpful in choosing among the various terms available for such loans.

Inquiries for further information on any aspect of the Cooperative Fund are always welcome.

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Appendix A

COOPERATIVE FUND OF NEW ENGLAND SCHEDULE OF PROGRAM LOANS

As of December 31, 2018

Borrower and location

(Description of activities and purpose of loan)

A Yard and A Half; Waltham, Massachusetts

A converted worker-cooperative landscaping company; loan for conversion

ANDCO Mobile Home Cooperative; Swanton, Vermont

A nine-unit manufactured housing co-op; loan to purchase the park by its residents

Artisan Beverage Cooperative; Greenfield, Massachusetts

An organic beverage business that was converted to worker ownership; loan for working capital

Associates for Training and Development; St. Albans, Vermont

A nonprofit providing mature worker training programs in Vermont and Connecticut; loan for working capital

Aurora Pocket Neighborhood Cooperative; Ithaca, New York

A new design urban, energy efficient cohousing project; loan for builder costs and affordability maintenance

Beacon Light Alternative Services; Hartford, Connecticut

A community nonprofit serving the needs of families and children; loan for building acquisition

Berkshire Co-op Market; Great Barrington, Massachusetts

A retail food cooperative; loan for expansion

Boston Community Cooperative; Boston, Massachusetts

A housing cooperative; loan to purchase property and renovations

Boston Tech Collective; Boston, Massachusetts

A worker owned technology services provider; loan for start-up expenses

Brattleboro Food Cooperative; Brattleboro, Vermont

A retail food cooperative; loans for expansion and to facilitate member-directed investment loans

Buffalo Street Cooperative; Ithaca, New York

A consumer cooperative bookstore; loan for inventory and working capital

Catamount Solar; Randolph, Vermont

A worker owned solar installer; loan for working capital

Chatham Cooperative Market; Chatham, New York

A small rural retail food store; loan for start-up

Cold Pond Community Land Trust; Acworth, New Hampshire

A community land trust and intentional community; loan to purchase and develop property

Collective Copies; Amherst, Massachusetts

A worker-owned copy store; loans for renovations and working capital

Common Fire Foundation; Tivoli, New York

A housing cooperative; loan to purchase land and for construction

Concord Food Co-op; Concord, New Hampshire

A retail food cooperative; loan for expansion

Cooperative Energy, Recycling & Organics (CERO); Dorchester, Massachusetts

A worker-owned commercial composting cooperative; loan for working capital

Crown O'Maine; North Vassalboro, Maine

A marketing and food distribution co-op; loan for truck purchase

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Appendix A

Schedule of Program Loans (continued)

Borrower and Location

(Description of activities and purpose of loan)

Cultivating Community; Portland, Maine

A nonprofit working on issues of access to healthy food; line of credit to purchase vehicles

Deep Root Farmers Co-op; Johnson, Vermont

A rural farmer co-op; seasonal line of credit for working capital during growing season and building construction

Democracy Brewing; Boston, Massachusetts

A start-up worker-owned brew-pub; loan for equipment purchase

Dollars and Sense; Boston, Massachusetts

A small collectively management publisher; loan for working capital

Dorchester Community Food Cooperative; Dorchester, Massachusetts

An urban retail food cooperative in formation; loan for start-up expenses

Earth Designs; Rosendale, NY

A landscaping company sold by the owner to the employees; loan for conversion

Energia, LLC; Holyoke, Massachusetts

A cooperatively owned company that provides energy audits and creates jobs; loan for working capital

Equal Exchange; West Bridgewater, Massachusetts

A worker-owed fair trade importer of coffee, tea chocolate; loan for working capital

Evergreen Manufactured Housing Cooperative; Warren, Massachusetts

A community owned manufactured housing cooperative; loan to purchase land and to renovate facility

Ewing Controls; Greenfield, Massachusetts

An engineering firm that converted to a worker cooperative; loan for conversion

Fare Share Food Cooperative; Norway, Maine

A small retail food co-op; loan for working capital

FEDCO Seeds; Waterville, Maine

A wholesaler/distributor of seed and gardening products; loan for working capital and facility renovation

Fiddleheads Food Cooperative; New London, Connecticut

An urban retail food store; loan to provide working capital and to purchase equipment

Firehouse Housing Cooperative; Worcester, Massachusetts

A former firehouse purchased by its residents for cooperative housing; loan for acquisition

Flynn Avenue Housing Cooperative; Burlington, Vermont

A limited equity housing cooperative; loan for property renovations

Forest Glen Housing Cooperative; Jamaica Plain, Massachusetts

An urban limited equity housing cooperative; loan for renovations

GAIA Host Collective; Greenfield, Massachusetts

A worker-owned internet hosting service; loan for working capital

Gardiner Food Cooperative; Gardiner, Maine

A retail grocery store; loan for start-up working capital

Good Tern Cooperative; Rockland, Maine

A retail grocery store; loan for working capital

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Appendix A

Schedule of Program Loans (continued)

Borrower and Location

(Description of activities and purpose of loan)

Green Mountain Spinnery; Putney, Vermont

A worker-owned wool spinning mill; loan for seasonal working capital

GreenStar Cooperative; Ithaca, New York

An established retail food cooperative; loan for additional location

Homestead Acres Housing Cooperative; St. Albans, Vermont

A resident-owned manufactured housing co-op; loan for water system repairs

Honest Weight Food Cooperative; Albany, New York

A retail food cooperative; loan to finance expansion

Hunger Mountain Food Cooperative; Montpelier, Vermont

A retail food cooperative; loan for working capital

Intervale Community Farm Cooperative; Burlington, Vermont

A community supported agriculture (CSA) program; loan for tunnel frame construction to expand growth cycle

Island Employee Cooperative; Stonington, Maine

A worker cooperative retail market and hardware store; loan for conversion to employee ownership

Isuken; Lewiston, Maine

A Somali worker-owned farm-to-table food truck; funds to purchase a used food truck and additional equipment

Medomak Mobile Home Park Cooperative; Waldoboro, Maine

A manufactured housing cooperative; participation in loan with the Genesis Community Loan Fund

Midcoast Fishermen's Co-op; Port Clyde, ME

A fishermen's co-op; loan for season working capital

Morrisville Food Co-op; Morrisville, Vermont

A start-up rural food cooperative; loan for working capital

NASCO / Providence East Cooperative Housing; Providence, Rhode Island

A student housing cooperative; loan for building renovations

New England Farmers Union Education Foundation; Turners Falls, Massachusetts

A nonprofit farmers' association; loan for cash flow assistance

New Frameworks Natural Design/Build, LLC; Burlington, Vermont

A worker cooperative building company; loan for conversion to worker-ownership

New Roots; Lewiston, Maine

An immigrant farmers' cooperative; funding for the purchase of equipment

Nonotuck Community School; Florence, Massachusetts

A cooperative school; loan for purchase of property

North Avenue Cooperative; Burlington, Vermont

A manufactured housing cooperative; loan to purchase two additional units

North Country Food Cooperative; Plattsburg, New York

A retail food co-op; loan for equipment purchase

North Quabbin Harvest Food Cooperative; Orange, Massachusetts

A retail food cooperative; loan for working capital and store opening

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Appendix A

Schedule of Program Loans (continued)

Borrower and Location

(Description of activities and purpose of loan)

- November Collective Cooperative; Cambridge, Massachusetts
A limited equity housing cooperative; loan for refinancing and building renovation
- Nuestra Raices; Holyoke, Massachusetts
A nonprofit agricultural business incubator; loan for a start-up mobile market and working capital
- Onion River Food Cooperative d/b/a City Market; Burlington, Vermont
A large retail food cooperative; loans for working capital and land purchase
- Park View Cooperative; Cambridge, Massachusetts
A limited equity housing cooperative; loan for working capital
- Pelham Auto Co-op; Belchertown, Massachusetts
An employee-owned auto repair shop; loan to purchase additional real estate
- Pioneer Valley Photovoltaics; Greenfield, Massachusetts
A worker-owned solar installation cooperative; loan for leasehold improvements and an operating line of credit
- Plainfield Food Cooperative; Plainfield, Vermont
A small retail food cooperative; loan for energy related renovations and working capital
- Portland Food Cooperative; Portland, Maine
A retail food cooperative; loan for start-up working capital
- Putney Food Co-op; Putney, Vermont
A rural retail food cooperative; loans to purchase point of sale system and for working capital
- Raise-Op (formerly Faire Bande a Part) Housing Cooperative; Lewiston, Maine
A limited equity housing cooperative; loan for property purchase
- Real Pickles; Greenfield, Massachusetts
A worker cooperative pickle producer; loan for leasehold improvements
- Red Sun Press; Jamaica Plain, Massachusetts
A worker cooperative; loans for real estate refinancing and working capital
- River Valley Co-op; Northampton, Massachusetts
A retail food cooperative; loan for working capital and startup costs
- Rutland Food Cooperative; Rutland, Vermont
A retail food cooperative; loan for working capital
- Spirit of 76 Realty Company; Medford, Massachusetts
A housing cooperative founded in 1971; loan for refinance and renovations
- Springfield Co-op; Springfield, Vermont
A retail food cooperative; loan for real estate refinancing
- Stone Soup; Worcester, Massachusetts
A community nonprofit; loan for renovations following a fire
- The New School; Montpelier, Vermont
A worker cooperative school for children with special needs; loan for conversion
- Toolbox for Education and Social Action (TESA); Holyoke, Massachusetts
A worker cooperative and maker of the game Co-opoly and Rise Up; loan for working capital

Information for Social Investors

Appendix A

Schedule of Program Loans (continued)

Borrower and Location

(Description of activities and purpose of loan)

- Triangle Cooperative of Brandon; Brandon, Vermont
A 126 unit manufactured housing cooperative; loan for property purchase
- Turnpike Park Cooperative; Westborough, Massachusetts
A 46 unit manufactured housing cooperative; loan for acquisition of their park
- Unitarian Universalist Community Cooperatives; Roxbury, Massachusetts
A limited equity housing cooperative; loans for property purchases
- Upper Valley Food Cooperative; White River Junction, Vermont
A retail food store; loan to purchase their building.
- Urban Greens Community Co-op; Providence, Rhode Island
An urban retail grocery store in the start-up phase; loan for working capital.
- Warrenstreet Architect; Concord, New Hampshire
A worker owned architectural firm; loan for debt restructuring
- Wayfinders (fka Hampden Hampshire Housing Partnership or HAP, Inc.); Springfield, Massachusetts
A nonprofit providing a wide range of housing services to low income clients; loan for working capital
- Wellspring Harvest Corporation; Springfield, Massachusetts
A worker-owned commercial hydroponic greenhouse; loan for land purchase
- Wellspring Upholstery Corporation; Springfield, Massachusetts
A cooperatively owned upholstery shop; loan for working capital
- Windy Hollow Mobile Home Cooperative, Inc.
A rural manufactured housing cooperative; loan towards purchase of property
- Wolfeboro Community Food Co-op; Wolfeboro, New Hampshire
A cooperative grocery store; loan for working capital
- Woodbelly Pizza and Catering; Montpelier, Vermont
A worker cooperative; loan to secure permanent space
- Worcester Roots Project; Worcester, Massachusetts
A youth development program and co-op developer; loan for working capital

Other Loans Pending and Past Loans Repaid

- Blue Hill Community Co-op Market and Café; Blue Hill, Maine (pending)
A retail grocery store; loan to finance expansion construction
- East Aurora Cooperative Market; East Aurora, New York (repaid)
A retail grocery store; loan in participation with Shared Capital Cooperative for working capital
- Hartbeat Ensemble; Hartford, Connecticut (repaid)
A nonprofit social justice motivated community theater group; loan for working capital
- Lexington Real Food Community Cooperative, Albany, New York (pending)
A retail food store; loan in participation with Shared Capital Cooperative to provide working capital
- Sol Chariots Cooperative; Providence, Rhode Island (repaid)
A worker-owned pedicab company; loan to purchase equipment
- Vermont Computing; Randolph, Vermont (repaid)
A recently converted worker cooperative; loan for conversion to employee ownership
- Wamsutta Manufactured Housing Co-op; North Attleboro, Massachusetts (repaid)
A manufactured housing cooperative; loan in participation with ROC Capital for the purchase of the land
- Woo Rides; Worcester, Massachusetts (pending)
A transportation cooperative; funds to be used to purchase a vehicle

Information for Social Investors

Appendix B

BOARD MEMBERS AND STAFF

INTERIM CO-DIRECTORS

DORIAN GREGORY, Northampton, Massachusetts. In addition to directing CFNE's lending activities and providing fiscal and administrative oversight, Dorian visits current and potential borrowers, providing technical assistance and marketing the Fund in southwest New England. A CPA with almost 20 years in public accounting, including as a senior manager with PricewaterhouseCoopers, LLP, she has provided finance, audit, governance, and business advisory services to a variety of companies in industries as diverse as higher education and health services, manufacturing, transportation, and technology. Dorian developed a life-long passion for social change while in college working on environmental and renewable energy campaigns, and later while engaged in community organizing for a low-income and poor peoples' rights organization, and as a battered women's shelter hotline volunteer and board member. Dorian obtained a BA in Mathematics and Philosophy from George Mason University, her MA in Philosophy from SUNY at Stony Brook, and concentrated accounting studies at the UMass-Amherst Isenberg School of Management. She currently serves on the board of her local food co-op and teaches Taijiquan (Tai Chi).

MICHA JOSEPHY, Boston, Massachusetts. In the dual role of Interim Co-Director and Program Manager, Micha oversees investor and funder relations as well as compliance reporting, marketing, and new program development, including its healthy food access project. Micha first joined the co-op movement as an Oberlin student cooperative association member and later coordinated the development of Boston Community Cooperative's first housing co-op. He entered the community development finance world as a portfolio assistant with the community economic development assistance corporation. Just before joining CFNE in 2010, Micha managed the U.S. embassy's commissary in Lusaka, Zambia. He has a background in nonprofit financial management and community organizing, and holds a BA in environmental studies from Oberlin College and an MS in community economic development from Southern New Hampshire University. He has also participated in the Opportunity Finance Network's leadership training program.

RETIRING EXECUTIVE DIRECTOR

REBECCA DUNN, Wilmington, North Carolina. Rebecca served as the Executive Director from March, 1986 until February, 2019. A National Cooperative Hall of Fame inductee she has extensive experience as a business consultant and as a commercial loan officer for Barclays American. She was formerly a bank examiner for the State of Connecticut. Rebecca has also worked as a consensus process trainer and nonprofit advisor to many groups. These include her local food co-op, an urban grocery store project, a symphony orchestra, an artist collective, and Dance New England. She has served on the Board of the Cooperative Development Foundation, Opportunity Finance Network, WHQR public radio, Temple of Israel, the Wilmington YWCA, New Hanover County Human Relations Commission, and Tidal Creek Food Coop. She has a BA in economics from Trinity College and an MBA in finance and is a member of the National Cooperative Hall of Fame.

OUTREACH STAFF

MAGGIE COHN, Southeastern Loan and Outreach Officer, Roxbury, Massachusetts. Maggie joined CFNE in 2010 as a loan and outreach officer covering Rhode Island, eastern Connecticut and eastern Massachusetts. Maggie previously served as executive director for various local non-profits, most recently Mission Hill Health Movement. Prior to that she oversaw a two-year planning initiative for the Boston Collaborative for Food & Fitness, working with a broad array of community organizations, institutions and municipal agencies; and served as the executive director of Mission Hill Main Streets, working with business owners and local residents to bring in new independent businesses and to strengthen and improve the commercial district. In the 1990s, she worked at Red Sun Press, a worker-controlled commercial print shop in Jamaica Plain. Developing a lasting interest in community development, she left Red Sun to pursue a degree in Community Economic Development. Maggie currently serves on the board of the Back of the Hill Community Development Corporation and the Cooperative Development Institute. She holds a BA from UMass Boston in Studio Arts and a Master's Degree in Community Economic Development from Southern New Hampshire University.

LANE FURY, Northwestern Loan and Outreach Officer, Montpelier, Vermont. Lane joined the CFNE team in 2017 as a loan and outreach officer covering Vermont, New Hampshire and parts of New York state. After graduating from the University of Washington in 2012, Lane began diving into alternative finance as a collective member of Regenerative Finance and member leader with Resource Generation, and then working in microfinance at a CDFI in Vermont for two years. In addition to regenerative economics, Lane loves reading feminist speculative fiction, exploring the woods, eating with friends, and studying decolonization.

Information for Social Investors

Appendix B

DORIAN GREGORY, Southwestern Loan and Outreach Officer, Northampton, Massachusetts. See above.

DEBORAH HAWKINS, Northeastern Loan and Outreach Officer, Clifton, Maine. Deborah joined the CFNE in 2017 and visits current and potential borrowers, providing technical assistance, administration of the loan portfolio, and marketing the Fund in northeastern part of New England. A Maine native, Deborah has worked in bookkeeping/accounting for over 25 years. She helped found several food buying clubs and co-founded the then-largest CSA in the US in 1991. In the late 1980s and early 1990s she worked with the major U.S. organic certifiers to draft regulations for the Organic Foods Production Act. Returning to college in 1987, she was inspired by the cooperative movement and its values and has been involved with the movement ever since, including ongoing work with Cooperative Maine. She earned her B.A. from California State University, Northridge and her M.A. and Ph.D. from University of California, Irvine, in philosophy.

MICHA JOSEPHY, Program Manager, Boston, Massachusetts. See above.

BOARD OF TRUSTEES

MARILYN SCHOLL, Board President, Putney, Vermont. Marilyn has managed CDS Consulting Co-op (and its predecessor) since 2000. In addition, she has provided consulting services to numerous food co-ops since 1996 specializing in cooperative governance. She is former food co-op General Manager at two co-ops (Wheatsville and Gordon Park) and worked for 9 years at the University of Wisconsin Center for Cooperatives where she helped organize CCMA. Marilyn has a Master's degree in adult education from the University of Wisconsin - Madison.

BONNIE HUDSPETH, Board Vice-President, Putney, Vermont. Bonnie is Membership & Outreach Manager for the Neighboring Food Co-operative Association (NFCA), a network of more than 30 food co-ops and start-up initiatives with a combined membership of over 90,000 people across Vermont, New Hampshire, Connecticut, Massachusetts and Rhode Island. Prior to joining the NFCA, Bonnie served as Project Manager for the Monadnock Food Co-op, creating the founding organizational structure and overseeing pre-operational development and fundraising to create a co-operatively owned grocery store in Keene, NH. She holds a B.A. in Environmental Studies from the University of Vermont, and Masters in Sustainable Community Development from Antioch University New England. Bonnie has been a board member since 2015 and serves on the governance committee.

MATT FEINSTEIN, Board Clerk, Worcester, Massachusetts. Matt Feinstein is Co-Director of Worcester Roots Project, a grassroots co-op development and youth leadership organization that focuses on low-income urban worker cooperatives. Matt's work includes helping start the Toxic Soil Busters Co-op, Diggers Landscaping Co-op and Future Focus Media Co-op and the Worcester Co-op Academy. Matt is passionate about social and environmental justice organizing, worker cooperatives and supporting youth to become agents of change. Matt is also co-founder of Stone Soup Community Center, which houses 14 grassroots organizations and co-ops in Worcester. Using documentary film as a tool for connecting social movements worldwide, Matt is fluent in English, Spanish, Portuguese and French and has collaborated on film projects with groups in Argentina, Brazil, and Worcester, MA. He is originally from Western Massachusetts and holds a BA in International Development and Social Change from Clark University. Matt joined the Fund board in 2013 and serves on the governance committee.

ANDREW DANFORTH, Board Treasurer, Attleboro, Massachusetts. Andy is the housing program manager for the Cooperative Development Institute. He has over 25 years of executive, accounting, technology, and operational experience in banking and finance. Prior to joining CDI to run their manufactured housing program, he was a self-employed consultant specializing in enterprise solutions for mortgage companies, commercial banks, software providers, governmental agencies, and whole loan traders. He has founded a number of businesses and has held executive finance positions for two public companies. Andy is a CPA, and has been a board member since 2003.

CLARK ARRINGTON, Baltimore, MD. Clark is legal counsel to The Working World, a CDFI lender specializing in providing financing and technical assistance to worker-owned and or cooperatively-managed enterprises. He served as a member of the CFNE board in the 1990's when he was Chair, General Counsel and Capital Coordinator of Equal Exchange. Prior to working at Equal Exchange, Clark served as General Counsel to the ICA Group. Since then he has done economic development work in Tanzania that included working for the African Development Foundation, Kampala International University, and the Open University of Tanzania. He has provided consulting services in South Africa, Puerto Rico, Slovenia, Zimbabwe, Tanzania, Mexico, Costa Rica, Tanzania, Zambia, Madagascar, UK, Japan, and South Sudan. He has a BA in Sociology from Pennsylvania State University and a JD from the University of Notre Dame Law School.

Information for Social Investors

Appendix B

ALFRED 'DUKE' BOUCHARD, Albany, NY. Duke is the CFO at River Valley Food Cooperative, Northampton, MA. From 2002-2016 he was employed by Honest Weight Food Cooperative in Albany, NY, first in the role of Assistant Financial Manager and then as Chief Financial Officer & Co-General Manager. In 2013, the Albany Business Review named Duke "CFO of the Year." He is an active participant in the National Co-op Grocers Association, working on the Risk Management committee to review financial performance and proposed expansion projects for NCG member cooperatives. He has a B.S. in Finance from Siena College in Loudonville, NY.

LYDIA EDWARDS, Boston, Massachusetts. Lydia was recently elected to the Boston City Council, representing Charlestown, East Boston and the North End. Prior to her election, she served as Deputy Director of Housing Stability for the City of Boston. She has worked on issues including cooperative law, wage theft and discrimination and human trafficking as an attorney for Greater Boston Legal Services, the Harvard Transactional Law Clinic, the National Domestic Workers Alliance and the Brazilian Immigrant Center. She is a member of the Boston Bar Association, the Women's Bar Association, and the NAACP. Lydia contributed to the Community Enterprise Project's manuals on immigrant entrepreneurs and cooperative business entities and helped build a broad grassroots movement to support the passage of the Domestic Worker Bill of Rights legislation. Lydia has a BA in Legal Policy Studies & Political Science from Marymount College of Fordham University, a J.D. from American University Washington College of Law and an LLM in Taxation from Boston University School of Law.

SUSAN ELLIS, Spruce Head, Maine. Susy served on the CFNE board from 1982 to 1996 and served for many years as the Board President. She returned to the CFNE board in 2012. She has provided accounting and management services to small businesses in Maine. Management services include personnel, business planning and financial analysis. She also provided Coast Guard documentation for commercial fishermen and yachtsmen throughout New England. Susy was formerly President of the Federation of Co-ops and was co-author of "A Comparative Financial Analysis of Maine Co-op Stores". She has a BA from St. Lawrence University, is a member of Good Tern Co-op in Rockland which she managed for eight years. Susy serves as chair of the CFNE loan committee.

JOHAN FERTIG-BURD, Durham, Maine. Jonah Fertig-Burd is the Director of Cooperative Food System programs with the Cooperative Development Institute. He works with farmers, food producers, cooks, distributors, and community members to develop democratic businesses. He is a co-founder and board member of the Maine Farm and Sea Cooperative, the nation's first farm & sea-to-institution cooperative. He works with New American farmers, assisting them in developing cooperatives and helped Somali Bantu Farmers in Lewiston form New Roots Cooperative, the first New American owned cooperative and farm in Maine. Previously, he co-founded Local Sprouts Cooperative in Portland, Maine and helped develop it into a successful worker-owned cafe. He also co-founded the Greater Portland Community Land Trust in Portland and was a founding member of the Mayor's Initiative for a Healthy and Sustainable Food System. He is currently on the Board of the Cooperative Fund of New England and Good Food Council of Lewiston-Auburn. He is a facilitator and speaker at statewide, regional and national conferences about cooperatives in the food system. He is a current Local Economy Fellow with BALLE (Business Alliance for Local Living Economies) and a former Worker Cooperative Developer Fellow with the Democracy at Work Institute. He is a graduate of the Sustainable Food Systems Leadership Institute and Food Solutions New England Leadership Institute. He lives with his partner and two kids at Celebration Tree Farm in Durham, Maine.

JUAN LEYTON, Boston, Massachusetts. Juan Leyton is the director of Community Building and Engagement at NeighborWorks America. He has over 27 years of experience in the field of community organizing, advocacy and leadership development. Juan is the former Executive Director of the Dudley Street Neighborhood Initiative (DSNI), where he worked in the implementation of a major community planning process, advocated for the increase of affordable housing, arts space and the expansion of the community land-trust. His past work experience includes working for the Local Enterprise Assistance Fund, MIT Community Innovators Lab (CoLab) and the Solidago Foundation. He also served as the director of Neighbor to Neighbor Massachusetts and City Life/ Vida Urbana in Boston. He was a Barr Foundation Fellow and a MIT Mel King Community Fellow. Juan holds Masters degrees in Community Economic Development from Southern New Hampshire University and in Public Policy from Tufts University.

JON RESKE, Board President, West Springfield, Massachusetts. For the last 20 years Jon has been a senior manager and Vice President of Marketing at the UMass Five College Credit Union, which has 34,670 co-op members and assets of \$412 million. He has skills in marketing and strategic planning. Jon has a B.S. in Business Administration from American International College and an M.B.A. from Wake Forest University, Winston-Salem, North Carolina.

Information for Social Investors

Appendix B

DANIEL ROSS, Holyoke, Massachusetts. As CEO and principal of DAISA Enterprises LLC, Daniel specializes in supporting development of sustainable and equitable food & environmental enterprises, working with entrepreneurs to strengthen strategies and access capital, as well as the mission-driven investors and funders wanting to maximize their impact. He is co-founder and Director of eKutir Global, scaling cutting-edge mobile technology proven to increase yields and sustainability for 60,000 smallholder farmers India to partners worldwide. Daniel is Visiting Assistant Professor of Social Entrepreneurship at Hampshire College and as Chief Operating Officer at Wholesome Wave he launched the Investments program, connecting “food hubs” with impact investment capital. Daniel was Executive Director of Nuestras Raíces, a grass-roots organization to promote economic, human and community development in Holyoke, Massachusetts through projects relating to food, agriculture and the environment. He has helped community members start small food and agriculture businesses, launched Energía worker a nonprofit and worker-owned energy-efficiency services company employing formerly incarcerated young people. He holds an MBA from MIT Sloan, MIT Sloan Fellow for Innovation and Global Leadership, MIT Legatum Fellow for Development and Entrepreneurship.

BOARD OF ADVISORS

DANIEL FIRESIDE, Somerville, Massachusetts. Daniel is the Capital Coordinator at Equal Exchange, a worker-owned Fair Trade food and beverage company in West Bridgewater, MA. Daniel is in charge of managing relationships with over 600 individual and institutional investors who have collectively purchased over \$16 million in preferred stock in the company. As part of this work he also facilitates the private placements of preferred stock and related compliance issues, and also works to with other cooperative based lending and financial relationships. Daniel is a board member of Namaste Solar, a worker-owned solar power company in Boulder, CO, and frequently advises other cooperative enterprises. He is a co-founder and co-director of VertoTrack, an investor relations database company. He earned a B.A. from UC Santa Cruz and a Masters in City and Regional Planning from Cornell University

LINDA GALLAGHER, Manchester, New Hampshire. Linda is a Community Development consultant focused on housing finance, financial and strategic planning for non-profits and business development. Linda has over 30 years of experience in the fields of development banking, project finance and credit administration in both Canada and the US. Linda holds a BA in Russian and History from McGill University and a MBA from Southern New Hampshire University (“SNHU”). She has taught community economic development practitioners and housing developers around the country both at SNHU and through Neighborworks America.

CORY GREENBERG, Shutesbury, Massachusetts. Cory has been advising businesses and non-profits on financial, management, strategic planning, real estate and negotiating for over 30 years. During this time he has been active in business and non-profits as an owner, managing partner, investor, chief financial officer, treasurer and board member. Cory was on the board of CFNE for 17 years, serving as treasurer and loan committee chair, and is currently Treasurer and board member of Ten Directions, Inc. and on the advisory board of the Center for Mindfulness in Medicine, Health Care and Society. He has been CFO at a publicly traded company as well as a financial manager of a worker cooperative, and is a graduate of Hampshire College. Cory is the chairperson and a founding board member of the Cooperative Capital Fund.

MARY HOYER, Amherst, Massachusetts. Mary currently chairs the Union Co-ops Council of the Federation of Worker Co-ops. She recently retired after almost 20 years helping with outreach for CFNE in southwestern New England. She is a former educator in the Hartford Public Schools and is now working as a community development consultant, having worked in the nonprofit and cooperative development arenas for over twenty-five years. She has been active in anti-racism and anti-apartheid work, union organizing, alternative and parent education, and local electoral politics. She has a doctoral degree from the University of Massachusetts/Amherst, an MA from the University of Kentucky, and a BA from Occidental College. She joined the Fund’s Board of Trustees in 1992.

D. MAURICE (DON) KREIS, Hartland, Vermont. Don is past President of the Board of the Hanover Consumer Cooperative Society in Hanover, New Hampshire and currently serves on the Board of the Upper Valley Food Co-op in White River Junction, Vermont. He is a Senior Energy Law Fellow at Vermont Law School and is engaged in the private practice of law for the purpose of assisting cooperatives and people organizing cooperatives. He has previously served as general counsel to the New Hampshire Public Utilities Commission and as a law clerk with two state supreme courts and a federal district court. He has a special interest in governance and fiduciary responsibility of boards. He has served as a third mate on the Hudson River Sloop Clearwater and served as a newsman for the Associated Press and the Maine Times. Don enthusiastic about the cooperative model and its need for capital. Don has a BA from Middlebury College, a MS in Journalism from Columbia University and a JD from the University of Maine School of Law.

Information for Social Investors

Appendix B

GLEN OHLUND, Pioneer Valley, MA, Glen is the Director of Community Development at the Franklin County Regional Housing and Redevelopment Authority. His prior work experience as Community Development Manager for TD Bank involved sourcing and negotiating community development loans. From 2008-2011 he served as Northeast Loan and Outreach Officer for the Cooperative Fund of New England. He has 25 years of experience providing real estate, business, community revitalization, planning, and financing solutions for public, private, and non-profit entities. To stay in touch with his inner-child, Glen loves fly fishing and cycling. He holds a B.A. in Business Administration and a Master's Degree in Community Economic Development, both obtained at Southern NH University. Currently, Glen serves on the loan committee.

PHEBE QUATTRUCCI, South Freeport, Maine. Phebe began her career in banking and has 22 years of experience working with and for Community Development Financial Institutions (CDFIs) and mission-based organizations throughout the country. She is the principal of Quattrucci & Company, a consulting practice that specializes in developing and implementing comprehensive, multi-faceted capitalization strategies for CDFIs and other mission-based organizations. Quattrucci & Company also provides strategic and operational planning, market studies, and Board development services to its clients. Phebe is a successful grant writer and is nationally recognized for her work with Native American CDFIs. She worked as an Outreach Coordinator for CFNE for four years and served on the board for three years. She earned her B.A. from Middlebury College. She serves on the development committee.

LIONEL ROMAIN, Florence, Massachusetts. Lionel joined the board in 2013. He works for Community Development Assistance Corporation (CEDAC) and has substantial experience in commercial banking and community development. He has worked as a banker and for Local Initiative Support Corp (LISC) and the Institute for Community Economics (ICE).

L.J. TAYLOR, Orange, Virginia. L.J. is a worker-owner at Equal Exchange, in West Bridgewater, MA, a worker-owned co-operative marketing fairly traded coffee, tea and chocolate from small farmer co-ops. He has worked at Weaver Street Co-op in Chapel Hill, NC. He currently serves as the President of the Board of Directors at Equal Exchange. L.J. helped in the formation of the Independents Coffee Cooperative in Philadelphia, which consists of café owners who support Fair Trade. He has a BA in mathematics from the University of Virginia where he specialized in business development and raised funds through the UVA Development Office.

TIM WINGATE, Ludlow, Vermont. Tim is the CFV (Chief Financial Visionary) at Hunger Mountain Cooperative, a natural food grocery and deli consumer co-op in the state capital of Montpelier. He has been with The Co-op for 14 years (1 as General Manager) managing the financial operations through two major expansions, growing from a small 3,000 square foot store with less than \$2 million in sale and 30 employees, to its current size of 20,000 sq. ft., \$20+million in sales and 170 employees. Prior positions include a four and half year stint in public accounting with a focus on tax and non-profit audits, associate director of a ski trade association and ten years of management experience in the alpine ski industry. Tim is a CPA with a CGMA designation and holds a BA from the University of Maine at Machias and an M.B.A. from Plymouth State University. He is a member of the AICPA; the Vermont Society of CPA's serving on their CPE task force, the National Society of Accountants for Cooperatives and past director of United Way of Windsor County and former treasurer of the Cooperative Fund of New England.

Information for Social Investors
Appendix C

Cooperative Fund of New England, Inc.
Audited Balance Sheet
Consolidated with Cooperative Capital Fund
For the Year ended December 31

	2013	2014	2015	2016	2017	2018*
Current Assets						
Cash	4,910,389	5,458,768	4,848,874	7,611,163	8,539,384	9,253,267
Prepaid Expenses	1,058	1,058	0	0	0	0
Grants Receivable	99,587		0	0	0	0
Total Current Assets	<u>5,014,034</u>	<u>5,459,826</u>	<u>4,848,874</u>	<u>7,611,163</u>	<u>8,539,384</u>	<u>9,253,267</u>
Program loans –net of loss reserve (and participations)	13,323,794	14,878,994	15,918,881	16,592,565	18,341,397	20,954,275
Other Investments	425,842	360,340	328,257	219,534	108,947	78,947
Property and Equipment (net)	16,186	9,828	3,571	1,404	0	0
Total Assets	<u>18,806,856</u>	<u>20,708,988</u>	<u>21,099,583</u>	<u>24,424,666</u>	<u>26,989,728</u>	<u>30,286,489</u>
Social Investment Loans	12,733,076	14,629,234	14,998,471	16,032,765	18,351,300	20,240,492
Other Liabilities	0	2,890	9,209	0	225,003	109,520
Total Liabilities	<u>12,733,076</u>	<u>14,632,124</u>	<u>15,007,680</u>	<u>16,032,765</u>	<u>18,576,303</u>	<u>20,350,012</u>
Net Assets						
Unrestricted	5,643,773	5,721,444	5,761,483	8,061,481	8,083,005	9,606,057
Temporarily restricted	99,587	25,000	0	0	0	0
Permanently Restricted	330,420	330,420	330,420	330,420	330,420	330,420
Total Net Assets	<u>6,073,780</u>	<u>6,076,864</u>	<u>6,091,903</u>	<u>8,391,901</u>	<u>8,413,425</u>	<u>9,936,477</u>
Total Liabilities and Net Assets	<u>18,514,795</u>	<u>20,708,988</u>	<u>21,099,583</u>	<u>24,424,666</u>	<u>26,989,728</u>	<u>30,286,489</u>
Loan loss reserve	512,944	510,719	571,191	633,297	668,316	760,973
CFNE Total Loans Outstanding	14,070,188	15,668,163	16,805,193	17,564,100	19,313,234	22,992,478

Information for Social Investors
Appendix C

**Cooperative Fund of New England, Inc.
Audited Statement of Activities
For the Year ended December 31**

	2013	2014	2015	2016	2017	2018*
Revenues and Other Support						
Interest on Program Loans	764,899	843,897	864,157	913,507	985,831	1,033,976
Investment Income	14,657	57,453	44,469	68,256	66,544	236,518
Contributions	462,824	258,682	350,569	2,511,718	407,947	2,113,677
Other income	<u>24,435</u>	<u>26,284</u>	<u>36,751</u>	<u>37,723</u>	<u>30,046</u>	<u>68,174</u>
Total Revenues and support	1,266,815	1,186,316	1,295,946	3,531,204	1,490,368	3,452,345
Expenses						
Program Services						
Operations	896,312	929,835	1,041,693	976,934	1,134,407	1,530,850
Support Services						
Administrative	<u>239,323</u>	<u>253,397</u>	<u>236,624</u>	<u>254,272</u>	<u>295,258</u>	<u>398,443</u>
Total Expenses	1,135,635	1,183,232	1,280,907	1,231,206	1,429,665	1,929,293
Change in Net Assets	<u>131,180</u>	<u>3,084</u>	<u>15,039</u>	<u>2,299,998</u>	<u>60,703</u>	<u>1,523,052</u>
Net Assets at Beginning of Year	<u>594,600</u>	<u>6,073,780</u>	<u>6,076,864</u>	<u>6,091,903</u>	<u>8,391,901</u>	<u>8,413,425</u>
Net Assets at End of Year	<u>6,073,780</u>	<u>6,076,864</u>	<u>6,091,903</u>	<u>8,391,901</u>	<u>8,413,425</u>	<u>9,936,477</u>

* 2018 numbers are unaudited

Information for Social Investors

Appendix D

RISK FACTORS

Investing in social investment notes issued by the Cooperative Fund of New England (the “Notes”) involves significant risks. You should only invest in the Notes if you can afford to lose your entire investment and do not require liquidity. These risks include the following:

The Notes are unsecured and uninsured. The Notes are not secured by any collateral, nor are the Notes guaranteed or insured by the Fund, the FDIC or any other entity. The Fund’s ability to pay interest or repay principal depends on solely on the Fund’s financial condition. Risks associated with investments in the Notes may be greater than implied by the relatively low interest rates on the Notes.

The Notes are not liquid. There is no secondary market for the Notes, nor is a public market expected to develop. These factors may therefore require that you retain the Note until its maturity, even under circumstances where it is economically undesirable to do so. You should invest in the Notes only if you have independent means for providing for your current and future needs and contingencies.

The Notes are unrated. The Notes have not been submitted to any rating agency to obtain an opinion or rating of the risk of timely collection of principal and interest.

The Fund has limited liquidity. The Fund expects to lend substantially all of the proceeds from the sale of the Notes and the source of repayment of the Notes will be loan payments from borrowers. The Fund may or may not choose to allow early redemption of the Notes based on both market conditions and current liquidity. Substantial losses or delinquencies in the loan portfolio may impede the Fund’s ability to pay principal and interest in a timely fashion or at all.

The Fund’s ability to raise capital is limited. Traditional for-profit financial institutions sell stock and retain earnings to build capital. This capital is available to cover overhead and to provide liquidity and reserves against losses. As a non-profit organization, the Fund will not issue stock and does not have or expect to have substantial retained earnings. It must rely largely on donated funds and cash flow from operations to serve as its capital and therefore may be unable to increase or maintain its current capital balance.

The Fund’s loans may have weak risk profiles. As described in this Prospectus, the Fund’s lending program is an essential component of its charitable mission, and its underwriting criteria will include mission-related factors that extend beyond a traditional lender’s focus on credit risk. Accordingly, the Fund often makes loans that would be considered high-risk by traditional for-profit lenders. Any of these borrowers could default, which could make it difficult or impossible for the Fund to meet its obligations under the Notes.

Changes in laws. Changes in federal or state laws, rules or regulations regarding the sale of securities by religious, charitable or other non-profit organizations may make it more costly and difficult for the Fund to offer and sell Notes in the future. Such an occurrence could result in a decrease in the amount of Notes that the Fund sells, thus affecting the Fund’s operations and ability to meet its obligations under the Notes.

Interest rate spread risk. The Fund makes loans at a higher interest rate than it pays on borrowed funds. The “spread” between interest earned and interest paid is intended to cover the Fund’s cost of doing business, including credit losses. The terms of loaned and borrowed money are not identical, and under certain circumstances, market and credit conditions may cause the spread to decline to the point where the Fund’s annual expenses exceed its annual income, thus negatively affecting the Fund’s ability to meet its obligations under the Notes.

The Fund is not obligated to proceed with planned operations. At any time, the Fund could discontinue its operations and either undertake different activities or discontinue activities altogether. At this time, the Fund fully intends to proceed with the operations described in this Prospectus indefinitely but is under no legal obligation to do so.

Note holders have no control. All decisions with respect to the management of the Fund will be made exclusively by the Fund’s board of directors or by officers to whom the board delegates authority. Investors have no right to take part in the management of the Fund or to vote on any matters affecting the Fund, including the election of Directors. Accordingly, you should not invest in the Fund unless you are willing to entrust all aspects of the management of the Fund to its board of directors.

Earnings from the Notes are taxable to you. All of the interest you earn on the Notes will be taxable income to you, regardless of whether it is paid out to you or is retained and reinvested. Even though the Fund is a tax-exempt organization under Internal Revenue Code section 501(c)(3), your earnings from your investment in the Fund

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SAMPLE
P R O M I S S O R Y N O T E
(for Social Investment Loan)

FOR VALUE RECEIVED, the Cooperative Fund of New England, Inc., a Massachusetts corporation having its mailing address and its administrative office at 5533 Peden Point Road, Wilmington, NC 28409 (hereinafter "the Fund") promises to pay to the order of _____ (hereinafter "the Social Investor") the principal sum of ___ thousand dollars (\$_,000.00) together with interest on the principal sum at the rate of _per cent (_%) per annum.

Interest shall be accrued annually and will be payable annually or accrued _____.
Principal shall be payable on _____ or upon notification by the social investor.

This Note shall be subject to the following warranties and obligations on the part of the Fund:

1. The Fund warrants that it is duly incorporated and in good standing under the laws of the Commonwealth of Massachusetts. The Fund further warrants that it is in compliance with all laws and regulations respecting its manner of organization and operation.
2. The Fund warrants that it is empowered to execute this Note and that this Note has been duly authorized and executed and constitutes a valid and legally binding obligation of the Fund and does not violate any existing restrictions upon or contractual obligations of the Fund.
3. The Fund warrants that the purpose for which it has solicited the loan evidenced by this Note is to further its charitable and educational activities in support of non-profit cooperative organizations. The Fund will not use any material portion of the proceeds of this loan for any other purpose without the prior consent of the Social Investor.
4. The Fund agrees to prepare financial statements which fairly present its financial position and results of activities as well as narrative summaries of its activities no less frequently than at four month intervals ending in April, August and December of each year. The Fund will submit a copy of such documents to the Social Investor within sixty days after the end of each such period. Reports may be electronic.
5. The Fund agrees to promptly notify the Social Investor in writing of any change of its principal office or the occurrence of any event of default described in paragraph 6A below.
6. Each of the following shall be considered an event of default of this Note:
 - A. The Fund fails to make any payment or perform any obligation required under this

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Appendix E

Note within ten days of the date when due;

B. The Fund ceases to conduct its normal activities or sells, assigns or otherwise disposes of all or substantially all of its assets or makes an assignment for the benefit of creditors or becomes subject to any proceeding under bankruptcy laws or for the appointment of a receiver or for any other form of debtor relief; and

C. The Social Investor deems himself or herself, for any reason, to be insecure in relation to his or her rights under this Note.

7. Whenever any event of default occurs and is not remedied to the satisfaction of the Social Investor, then, or at any time thereafter, the Social Investor may, by written notice, cause all indebtedness of the Fund under this Note to become due and payable in increments not to exceed five thousand dollars per thirty day period beginning immediately upon such notice. The Fund waives all other forms of notice, demand, presentment or protest to which it may otherwise be entitled. No waiver by the Social Investor of any event of default shall operate as a waiver of any other event of default or of the same event of default on a future occasion.

8. In the event that the Social Investor reasonably and in good faith considers it necessary to take action to protect or enforce his or her rights under this Note, whether or not suit is instituted thereby, the Fund agrees to pay all resulting costs and expenses, including reasonable attorney's fees.

This instrument shall be governed in all respects by the laws of the State of Massachusetts. Any provision of this Note which is determined to be unenforceable shall be ineffective to the extent of such unenforceable provision without invalidating the remaining portions of this Note.

IN WITNESS WHEREOF, the Fund has caused this Note to be duly executed as a sealed instrument as of _____.

WITNESS:
Signed in my presence

COOPERATIVE FUND OF NEW ENGLAND, INC.

by _____
As its Executive Director

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Appendix F

CFNE Prospectus RESPONSE FORM

To: Cooperative Fund of New England
P.O. Box 3413
Amherst, MA 01004-3413

To assist community based cooperative development in New England, I enclose:

_____ Social investment loan of \$ _____ (minimum investment \$1000) at an interest rate of _____ % (choose from 0-2%)

please consider a lower rate so we can pass on the savings to our borrowers.

with interest to be:

_____ added to the principal

or

_____ paid out annually

and the loan to be repaid:

_____ upon notification to the Cooperative Fund

or

_____ at the following time _____

_____ Please draw my investment funds from my bank account:

Acc't # _____ ABA # _____

Bank Name _____ Account Type: Savings or Checking (circle)

_____ I wish to designate that this loan convert to a gift to the Cooperative Fund in the event of my death before the maturity date of the loan _____ (initial)

_____ Contribution of \$ _____ (Contributions are tax deductible)

_____ You have my permission to publicly list my name with other CFNE investors.

_____ Please keep my name as an investor in the CFNE confidential.

_____ Please only send me newsletters and annual reports electronically

signature

printed name

date

Social Security number

Telephone ()

Address

email:

How did you hear about CFNE? _____