



SOCIAL CAPITAL

The MCE Guarantor Experience

Q2 2023



OVERVIEW

We envision a world in which all people have the opportunity to improve their lives through access to knowledge, resources, and capital.



Your signature enables MCE to unlock capital to empower families living in poverty to build a better future.

1. DETERMINE FIT AND PORTFOLIO COMMITMENT

Step One: Review overview documents from MCE and talk with MCE staff to establish fit with your passions and philanthropic objectives.

	Financial Service Provider (FSP) Portfolio	Small and Growing Business (SGB) Portfolio
Unit Size	\$1,000,000	\$500,000
Social Return	Your signature enables MCE to borrow and disburse \$500,000.	Your signature enables MCE to borrow and disburse \$250,000.
Active Portfolio (Q2 2023)	\$57,353,172	\$7,491,972
Losses	<ul style="list-style-type: none">• Shared pro rata among Guarantors• Average annual call per unit for five years (2018 – 2022) = \$7,200• Suggestion is to plan for \$10,000/year gift to MCE	<ul style="list-style-type: none">• Shared pro rata among Guarantors• Average annual call per unit for five years (2018-2022) = \$6,850• Suggestion is to plan for \$10,000/year gift to MCE
Community	126 units outstanding across 97 FSP Guarantors	56 units outstanding across 33 Guarantors

2. REVIEW AND SIGN GUARANTOR AGREEMENT

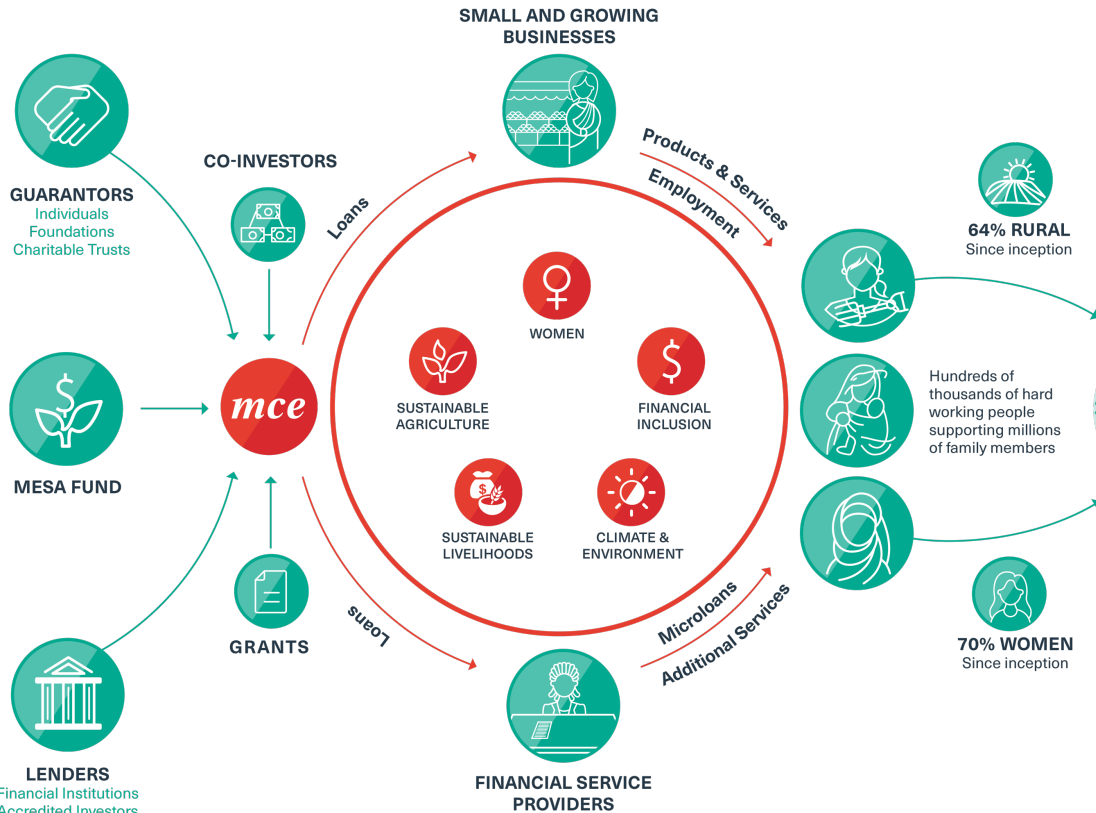
Step Two: Review and sign Philanthropic Guarantee Agreement (PGA).

Checklist:

- Sign in two places
- Return contact information form
- Return Guarantor financial data form (one page, very high level, requested by our lenders)
- Provide copy of driver's license or passport

No movement or segregation of financial assets.
It's really that simple!

3. WE PUT YOUR SIGNATURE TO WORK



Step Three: You maintain control of your assets as we put your signature to work, using your guarantee commitment to borrow and disburse capital to microfinance institutions and small businesses across the developing world.

The capital that is mobilized by your signature is constantly recycled as loans are repaid by our portfolio companies, leveraging each dollar of your guarantee multiple times.

4. GUARANTOR CALLS

Step Four: Then, the only required time commitment is during a Guarantor call, which occurs in the event of a portfolio default. You have two options as a Guarantor:

1. Make a contribution (check, donor advised fund gift, securities donation, wire, etc.) to MCE when a Guarantor call occurs, or;
2. Take part in **MCE's Annual Giving Plan**; make a contribution each year, regardless of whether or not there is a default, and your contributions will be applied to future Guarantor calls.

There have been a total of eight FSP Guarantor calls and four SGB Guarantor calls since 2006. We recommend that you budget \$10,000 per guarantee unit, per year.

5. COMMUNITY ENGAGEMENT (OPTIONAL)

Step Five (optional) : As a Guarantor, you will have multiple opportunities to engage with other members of our community on an annual basis. These opportunities include:

1. Participate in **Community Informational Webinars** and **Stories from the Field Webinars** (3-4 times per year).
2. Read **MCE's Newsletter** (3-4 times per year).
3. Attend **MCE networking events** in your area and/or host an MCE reception to connect with local Guarantors.
4. Observe a **Loan Committee call** and get an inside look at our investment decision-making process.
5. Go on an **MCE Learning Journey** (every other year)! Previous journeys have visited Ghana, Ecuador, Peru, and Haiti.

NOW WHAT? CALL OR EMAIL US TO GET STARTED!

For more information, please contact:

Catherine Covington

Managing Director and Chief
Business Development Officer

ccovington@mcsoacap.org

415-230-4330 x 111

Christina Lukeman

Director, Business Development
and Communications

clukeman@mcsoacap.org

415-230-4330 x 109

