



ACEM's mission is to fight poverty and exclusion using an innovative means : community credit.

L'ACEM provides accessible credit and technical support to individuals and organizations that do not have access to traditional forms of credit for the start up or expansion of their business or community project.

**ACEM, the 1<sup>st</sup> Community Credit fund in Canada  
\$ 2.8 Millions Invested in Montreal Communities**

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On the Island of Montreal, low income individuals struggle daily to improve their living conditions. Many attempt to develop a small business or a community based project. However, the lack of access to capital and technical support is a significant barrier to the development and financing of their projects. These initiatives have real economic and human potential and job creation capacity, but without appropriate financial and technical support, these projects are inevitably compromised.

**This is a problem...**

**Here is our solution.**

ACEM's **community credit** fund presents an innovative solution to the problem of inaccessible capital and technical support. Through donations and investments made by partners from various sectors of the community (trade union, religious, non-government organizations, business, foundations and individuals), ACEM has created an accessible capital fund and a technical support system that responds to the needs of low income populations on the Island of Montreal. With these tools, ACEM builds capacity by supporting the creation of projects that emerge from low income populations and that have a positive social impact in the community. These projects create employment for ACEM's target populations, offer training or accessible services that respond to a need in the community.

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**An innovation in social and economic development**

**FINANCIAL SUPPORT**

ACEM's works with low income individuals, social economy enterprises and community organizations that have the WILL and the POTENTIAL to develop and operate a business or community initiative but who don't have access to traditional sources of funds, such as banks.

**Our target populations are those who are unemployed or on welfare, recent immigrants, visible minorities, women and youth.**

**ACEM's loans:**

- May reach up to \$20 000 for Direct Loans and up to \$50 000 for Bridge Loans.
- Are only available for **low income persons**, social economy enterprises or for not-for-profit organizations that cater to the needs of our target populations.
- Help leverage other sources of financing.

The community based projects presented to ACEM, be they business or not-for-profit, are evaluated by volunteers and staff according to two sets of criteria:

- Social impact (job creation, improvement of living conditions in the community and/or the service's of the products capacity to respond to the needs of the community);

- Economic viability (realistic financial projections, repayment capacity, solid market analysis, etc...)

**TECHNICAL SUPPORT**

In order to insure the success of the projects that receive loans, ACEM staff provides technical support services. The staff is assisted by volunteers resources persons who possess expertise useful to the project. These volunteers come from both the business and community sectors.

The technical support provided represents an important resource for the entrepreneurs who are working to make a success of their initiative. It is also the best guarantee ACEM's can give to those who have invested in our capital fund.

The technical support:

Is available for the project throughout the lending process; during pre-start-up, during the star-up and during the expansion;

Aims at providing support that is adjusted to the specific needs of each entrepreneur or project leader, for instance: validation of a business idea, development and evaluation of the business plan, business counselling service (or marketing or accounting,...).

## L'ACEM is supported by the community

L'ACEM receives support from a diversity of persons and organisations.

Thanks to their support, we have the capacity of investing, both on a human level and on financial level, in projects that have positive social and economic impacts in the community. Thank you.

## How you can support ACEM

L'ACEM fundraises in order to meet the financial needs of its three separate funds: the operating fund, the loan capital fund and the reserve fund.

ACEM operates with a staff of four. **Any individual person or organization who wishes to support ACEM's operating fund can do so through a donation.**

It is important to mention that ACEM invests the majority of its resources in accomplishing the work related to the technical support and follow up of individuals and organizations that approach us for a loan or have received a loan.

### **The loan capital fund:**

Presently, ACEM manages a loan capital fund of just over half a million dollars. The fund is financed by investments made by individuals, religious communities, local businesses, foundations and other non-profit and non-governmental organizations.

**Those who want to contribute to the financing of ACEM's loan capital fund can do so by making a socially responsible investment through a long term low-interest loan to ACEM.** We establish loan terms with each potential investor individually. Our goal is to assure that those who invest in ACEM's loan capital fund receive both a social and a financial return on their investment.

Furthermore, as a result of its expertise acquired throughout its years of operations, ACEM provides investors with a secure investment opportunity. Since its inception in 1990, ACEM has granted over 260 loans to community based projects, representing a total of 2,8 million dollars in invested capital. Of the amount of capital invested, we have maintained an average repayment rate of 94 % over the last fifteen years.

### **The reserve fund:**

In order to properly manage the risk that is inherent to the work ACEM accomplishes, we have put in place a reserve fund. This reserve fund is financed by donations from individuals and organisations in the community. Thanks to the reserve fund, what minimal losses we have incurred have not affected the investors who contribute to the loan fund.

**Those who wish to support ACEM by contributing to one of our funds can do so by making a donation for which ACEM will provide a charitable tax receipt.**