

**SOME SAY**  
**NOTHING**  
**CAN BE DONE**  
**ABOUT GLOBAL**  
**POVERTY.**



MICROCREDIT ENTERPRISES IS A 501(c)(3) NON-PROFIT.

BUT  
“NOTHING”  
CAN GO  
A LONG WAY.



“WE ARE A NOT-FOR-PROFIT THAT IS REDUCING POVERTY WITH LOAN GUARANTEES—NOT CASH DONATIONS. A LOAN GUARANTEE LEAVES YOUR ASSETS IN YOUR OWN HANDS, WHILE ENABLING NEIGHBORHOOD LENDERS IN

DEVELOPING COUNTRIES TO MAKE THOUSANDS OF TINY LOANS TO THE MOST IMPOVERISHED.

“WHEN YOU BECOME A GUARANTOR WITH US, IT CAN FEEL LIKE ‘NOTHING’ HAPPENED TO YOUR PORTFOLIO, BUT THE POSITIVE IMPACT IS FELT WORLDWIDE.”

Gary Ford  
*Pro Bono Chief Executive Officer, MicroCredit Enterprises*

Help us reach our goal of 100 Guarantors. Visit [MCEnterprises.org](http://MCEnterprises.org) or call 415.230.4330.



"MICROCREDIT ENTERPRISES' GUARANTOR MODEL ENABLES ME TO USE MY ASSETS TO HELP SOME OF THE POOREST PEOPLE IN THE WORLD—WHILE RETAINING AND MANAGING MY PORTFOLIO. I AM FORTUNATE TO BE A PART OF THIS UNIQUE GROUP OF INDIVIDUALS, WHOSE GENEROSITY REACHES SO MANY PEOPLE WITH SUCH IMPACT."

**Gregory S. Ledford**

*Managing Director, The Carlyle Group, Washington, DC*

*Using an innovative financial model that mobilizes idle capital to guarantee loans, MicroCredit Enterprises builds on the success of microfinance as a proven international poverty reduction strategy to help those with the most extreme needs around the world.*

### **High-Impact Poverty Reduction**

MicroCredit Enterprises is uniquely focused on families living in remote areas and in extreme poverty—often on \$1 per day or less. We have reduced poverty for tens of thousands of the most impoverished women around the globe, ensuring food security for their children and sustainable futures for their families—with a guarantee, not a check. Now, we want to reach millions of the world's poorest: with your help.

Our private-sector program leverages passive capital of high net worth individuals and entities to make tiny loans to poor women in developing countries. Rather than focusing on donations, MicroCredit Enterprises uses a Guarantor's credit and financial strength to borrow money commercially to fund loans.

### **Guarantors Make This Innovative Model Possible**

The MicroCredit Enterprises Guarantors are extraordinary people. From diverse backgrounds, they share a common goal: to use their good standing to leverage maximum good.

The current Guarantors—high net worth individuals, non-profit institutions, corporations and foundations—provide over \$40 million in guarantees. But our goals are higher: to find more like-minded individuals and institutions looking for an innovative model to reduce poverty.

Without making a donation or a social investment, or moving funds to a special account, each Guarantor positively impacts 15,000 desperately poor people in the developing world.

## **BECOME A GUARANTOR: IMPACT THOUSANDS**



## HOW MICROCREDIT ENTERPRISES WORKS

*The Guarantors of MicroCredit Enterprises use their good credit ratings to provide capital to trustworthy, poor women to start and expand cottage businesses such as making soap, raising pigs and weaving.*

### **The Guarantee**

Starting with a guarantee of \$1 million from each Guarantor, MicroCredit Enterprises borrows \$500,000. The pool of guaranteed funds are then distributed in 15 countries across four continents.

### **Our Priority: More Than Just a Loan**

MicroCredit Enterprises gives priority to the following:

- *Reaching the rural poor.*
- *Providing the lowest interest rates possible.*
- *Supporting the whole person, by combining microfinance with health and human services, education, women's empowerment, financial literacy training and more.*

MicroCredit Enterprises is one of the only microfinance lenders that actively and aggressively score local lender applications for inclusion of health care and health education programs.

### **Lean, Cost-Effective Operations**

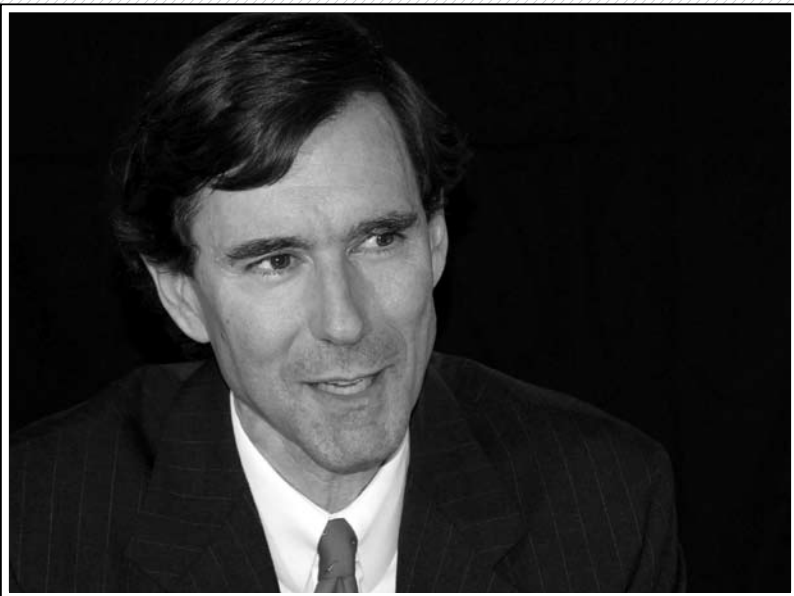
Our organization is almost entirely composed of pro bono executives, and we maintain a “virtual” operation without traditional “brick and mortar” overhead costs. This allows MicroCredit Enterprises to keep its overhead extraordinarily low: Compared with other not-for-profits that run at 6%–12%, we run at just 3% of loans issued.



**“A HIGH NET WORTH INDIVIDUAL OR FOUNDATION, WITHOUT MOVING ANY MONEY, CAN PROVIDE A HALF-MILLION DOLLARS’ WORTH OF LENDING TO THE DEVELOPING WORLD. THAT MEANS A HALF-MILLION DOLLARS GOING TO HARD-WORKING MICRO-ENTREPRENEURS AND MICRO-BORROWERS WHO NEED IT MOST.”**

### **Dorothy Largay**

*Founder and Chief Executive Officer, Linked Foundation*



“AS A GUARANTOR, I AM DRAWN TO MICROCREDIT ENTERPRISES’ SUCCESS AT ACHIEVING AS LOW AN OVERHEAD AS POSSIBLE. IN MY ROLE AS PRO BONO CHIEF OPERATING OFFICER, IT MEANS ENSURING WE CONTINUE TO PUT CAPITAL OUT IN THE FIELD TWO OR THREE TIMES MORE EFFICIENTLY THAN OTHER SIMILAR ORGANIZATIONS. OUR GOAL IS TO ENSURE EACH GUARANTEE IS BEING EFFECTIVELY AND EFFICIENTLY MANAGED.”

### William Way

*Pro Bono Chief Operating Officer, MicroCredit Enterprises  
Former Senior Partner, Accenture*

### Minimizing Risk

The MicroCredit Enterprises Board of Directors and Loan Committee are composed entirely of Guarantors, and our CEO and COO are both Guarantors.

The poor women who are the beneficiaries of our loans are trustworthy and repay loans at a 97% rate. But MicroCredit Enterprises goes further to control the risk and exposure of its Guarantors with the following practices:

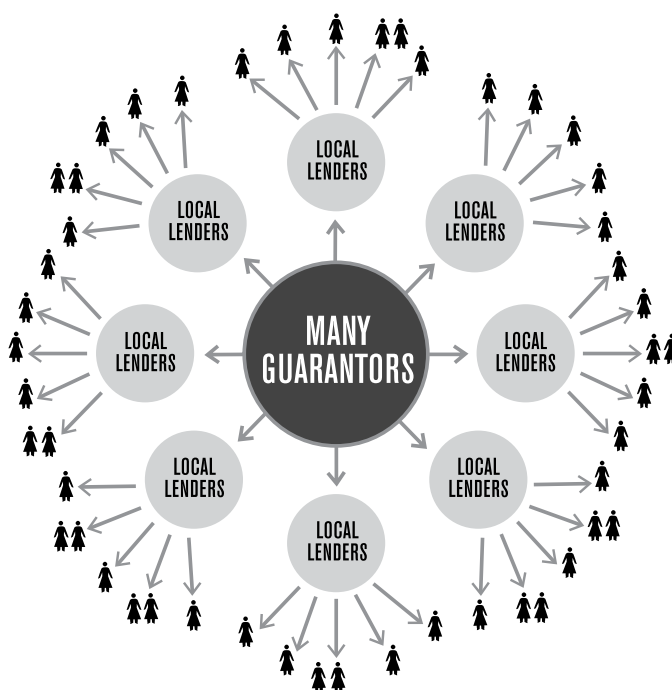
- *Applying state-of-the-art due diligence to loan applicants.*
- *Spreading the risk of a default over the entire pool of Guarantors on an equitable, pro rata basis. In the event of an overseas financial loss, each Guarantor bears the loss on a tax-deductible basis (consult your tax advisor).*

- *Upon reaching its goal of 100 Guarantors, MicroCredit Enterprises will grow to a \$100 million guarantee pool, translating to only a 1% risk exposure per Guarantor.*
- *Diversifying its loans worldwide and limiting its exposure in any one region of the world.*

### Our Track Record

Launched in 2006 with seven Guarantors, MicroCredit Enterprises now has over 40 Guarantors backing 42 loans to a portfolio of local finance organizations, providing food security for hundreds of thousands of women and children. During MicroCredit Enterprises' more than four years of operations spanning the 2008 financial crisis, our borrowers have a near-perfect record of repaying their loans. As we grow larger, we reach more people and minimize risk.

## EXPANDING REACH MINIMIZING RISK



## HELPING WOMEN AND FAMILIES WORLDWIDE

*Women make up 88% of individual borrowers served by local banks in MicroCredit Enterprises' portfolio. Accounting for 70% of the world's poor, women immediately use profits from their micro-businesses to feed, clothe and educate their children. They are also a driving force for community change once empowered, and have a higher repayment rate than men.*

*MicroCredit Enterprises focuses its lending in rural areas because that is where the most isolated and desperately poor women reside.*

# MICROCREDIT ENTERPRISES REACHES THE MOST IMPOVERISHED IN THE MOST REMOTE REGIONS OF THE WORLD.

*4 Continents. 15 Countries.*

ARMENIA

CAMBODIA

HONDURAS

MOZAMBIQUE

PERU

AZERBAIJAN

ECUADOR

INDONESIA

NICARAGUA

TAJIKISTAN

BOLIVIA

GEORGIA

KYRGYZSTAN

NIGERIA

VIETNAM



"REPRESENTING A FAMILY FOUNDATION COMMITTED TO ALLEVIATING GLOBAL POVERTY, I WAS COMPELLED BY MICROCREDIT ENTERPRISES' COMBINATION OF ANALYTICAL MINDS AND COMPASSIONATE HEARTS. THEIR MODEL REACHES HUNDREDS OF THOUSANDS OF THE WORLD'S POOREST, GIVING THEM ACCESS TO CAPITAL TO GROW THEIR BUSINESSES AND SUSTAIN THEIR FAMILIES."

**Josh Kwan**

*Director of International Giving, David Weekley Family Foundation*





## JASIH'S STORY INDONESIA

*Living on \$1 per day by selling fried rice, Jasih struggled to feed her three children. With a \$50 loan, she now also sells basic goods from her home, doubling her income and moving above the poverty line.*



## DALI'S STORY GEORGIA

*A mother of five with a small produce store, Dali was able to expand her inventory and buy in bulk with the support of a small loan. With new items, expanded inventory and displays in her stall, she is attracting more customers and creating a better future for her family.*



## IRMA'S STORY PERU

*Irma, desperate to buy food for her children, began a crafts business to earn income. With coaching and financial support, she is now feeding her family and looking toward a brighter future.*







## “NOTHING” REALLY CAN GO A LONG WAY

Backed by the financial stability and strength of a select group of individuals and organizations providing a financial guarantee rather than a donation, MicroCredit Enterprises is helping hundreds of thousands of the most impoverished worldwide to build family businesses and achieve food security.

This publication is made possible by the generosity of Hunter Douglas and the MicroCredit Enterprise Guarantors.

**HunterDouglas**

*Photography courtesy of Robin Saidman,  
Bill Kizorek and Pro Mujer.*

Help us reach our goal of  
100 Guarantors.

**MCCENTERPRISES.ORG**  
415.230.4330

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