



THINK OUTSIDE THE BOSS.

The Pittsburgh Chamber of Cooperatives is the hands-on resource for worker-owned and member-owned businesses in southwestern Pennsylvania.

Cooperative Fund Qualification Criteria

1. Sources of Funds

- a. Recoverable grant: basically, a loan that can be forgiven or granted forbearance (postponing payments) until your co-op is able to repay it.
- b. Revolving loan: a straight interest-free loan with flexible terms

The fund can be loaned out again and again as long as borrowers keep repaying their loans.

2. Business plan

- a. We would like to know how your co-op demonstrates the cooperative principles. What makes it different than a conventional business?
- b. What products or services do you provide? At what volume? (Currently or, projected if you're just starting out?)
- c. We would like to know something about your co-op's market: how big is it, what are your sales now, and how much do you think they'll grow?
- d. How will you cover payments if you're being considered for a loan? A quick way to demonstrate that is with this calculation:
$$(\text{income} - \text{expenses}) / \text{the payment} = \text{loan coverage}$$
 The higher the better.

3. Uses of funds permitted

- a. Entity establishment fees, such as incorporation, registration, domain registration, web hosting, or other
- b. Equipment needed to do business
- c. Beginning inventory, materials, and supplies needed to do business
- d. Promotional materials
- e. Matching funds to other funds that you have secured

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Cooperative Fund Application

Business Name:

Contact:

Reference:

Business Description:

Business plan:

- How does your business live up to the cooperative principles?

- What are your sales?

- How will you repay the funds?

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