



Information note on the offer of B shares "ordinary cooperators" and C shares "cooperators under 26" of the cooperative by CITIZENFUND SC

This document has been prepared by Citizenfund SC.

This document is not a prospectus and has not been verified or approved by the Financial Services Authority.

This information note is correct as of 11/08/2021.

WARNING: THE INVESTOR RUNS THE RISK OF LOSING ALL OR PART OF HIS INVESTMENT AND/OR OF NOT OBTAINING THE EXPECTED RETURN.

THE INVESTMENT INSTRUMENTS ARE NOT LISTED: THE INVESTOR MAY FIND IT VERY DIFFICULT TO SELL HIS POSITION TO A THIRD PARTY IF HE SO WISHES

Part I: Principal risks specific to the issuer and the investment instruments offered, specific to the relevant offer.

The instrument offered is a share. By subscribing to it, the investor becomes the owner of part of the capital of the issuer. The shareholder is subject to the risk of the company and therefore risks losing the capital invested. In the event of liquidation, the shareholder takes second place to the creditor in the distribution of the proceeds of the sale of assets, i.e. in most cases, the shareholder cannot recover anything.

The share has an unlimited lifetime. See point 3 of Part IV for the possibilities of reimbursement. In return, the share entitles the shareholder to a share of the issuer's profit, if any, and the shareholder may receive an income called a dividend. The amount of the dividend depends on the profit made by the issuer and on the way it decides to distribute it between reserves and shareholders' remuneration. The share also gives the right to vote at the general meeting.

The issuer believes that the most important risks for the investor are the following:

Issuer-specific risks - operational and commercial :	- The main risk linked to Citizenfund SC's activity is that the companies invested by Citizenfund SCRL go bankrupt and that Citizenfund SC loses its investment. To mitigate this risk, Citizenfund SC seeks expert advice before investing in companies. Moreover, Citizenfund SC diversifies the sectors of activity from which the companies financed come in order to reduce the risk of a loss of capital.
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	<p>market risks. Finally, Citizenfund SC never invests more than 15% of its investment capacity in a single company.</p> <ul style="list-style-type: none"> - The co-operator is also subject to the risk that Citizenfund SC will have to stop its activity and thus lose its own invested capital. In the event of liquidation, the co-operator takes second place to other creditors in the distribution of the project assets. In other words, in most cases, the cooperator cannot recover anything. The share has an unlimited lifetime. A procedure for the transfer of shares is provided for in the articles of association. - During the launch phase of Citizenfund SC, ICECO SA will cover the management and promotion costs of Citizenfund SC free of charge until such time as the company's income is sufficient to cover them. This is an opportunity for Citizenfund SC to reduce its costs during its first years. It is also a risk since the cooperative is dependent on a third party organisation and the latter's failure would force Citizenfund SC to internalise its management and promotion more quickly, which would inevitably affect its financial equilibrium.
Issuer-specific risks - related to grants :	CITIZENFUND SC has called for subsidies in the framework of its development. Nevertheless, the non-obtainment of these subsidies does not jeopardise the activity of CITIZENFUND SC as the company ICECO SA bears the costs of the Citizenfund.
Issuer-specific risks - governance :	<p>The people in charge of the daily management have sufficient financial and management knowledge to ensure the proper management of Citizenfund SC.</p> <p>CITIZENFUND SC has set up a very transparent, cooperative and rigorous governance system, which calls on the collective intelligence in the selection of projects to be supported and in investment decisions. Citizenfund operates according to the cooperative governance principle of "1 person = 1 vote". Each member has the same voting power (whether they are a category A, B, C or D member), regardless of the amount invested, for both investment decisions and internal governance. Citizenfund also has a Board of Directors, composed of A and B members and an observer from category D.</p> <p>In addition, Citizenfund has put in place a series of processes and tools that facilitate its governance and ownership if necessary.</p>
Other risks :	None

Part II: Information about the issuer.

A. Identity of the issuer

1.1 Headquarters and country of origin	Chaussée de la Hulpe 150 - 1170 Watermael-Boitsfort
1.2 Legal form	Cooperative society
1.3 Business number or equivalent	0676.463.053
1.4 Website	www.citizenfund.coop
2. Activities of the issuer	Citizen's investment cooperative (equity investment, share subscription or loans)
3. Identity of persons holding more than 5% of the issuer's capital.	Brusoc SA Hubert Gevers
4. Any transactions entered into between the issuer and the persons referred to in the previous point and/or related persons other than shareholders.	No specific operation. In the event of short-term needs, ICECO SA may grant current account advances.
5.1 Identity of the members of the issuer's legal administrative body.	BoostreiaSRL , represented by Alain Boribon, permanent representative Sharify ASBL , represented by Alexandre Philippe, permanent representative Mahoux, Gaëlle Schmit, Pierre Observer: Leonor Leitao de Melo
5.2 Identity of the members of the Management Committee.	None
5.3 Identity of the delegates for the day-to-day management.	Boribon , Alain
6. The aggregate amount of the remuneration of the directors and/or chief executive officer(s) for the last financial year and the aggregate amount of any provisions made or otherwise recognised by the issuer or its subsidiaries for the payment of pensions, retirement or other benefits.	None
7. Concerning the persons referred to in point 4, mention of any conviction referred to in Article 20 of the law of 25 April 2014 on the status and supervision of credit institutions and securities firms.	None
8. Description of conflicts of interest between the issuer and the persons referred to in items 3 and 5, or other related parties.	None
9. Identity of the auditor.	Not currently applicable. Following the contribution of Brusoc NV, an auditor will be appointed.

B. Financial information about the issuer

1. annual accounts last two financial years.	These annual accounts have not been audited by a statutory auditor and have not been independently verified.
2. Net working capital.	277,397 EUR at 31/12/2021 (Net working capital = current assets - current liabilities)
3.1 Equity.	On 30/06/2022, Citizenfund's equity amounted to €480,835.25. The solvency ratio (amount of equity divided by the balance sheet total) makes it possible to estimate the proportion of equity capital in relation to liabilities. For our organisation, it is 0.95 as of 30/06/2022. The higher the ratio, the more independent the organisation is.
3.2 Debt.	At 30/06/2022: € 25,650.68
3.3 Expected break-even date. This date depends on the financial plan provided by the issuer to the label committee. This financial plan is a projection that depends on many factors whose realisation is uncertain.	The planned date for the break-even is during the year 2022.
3.4 Date on which the book value of the shares equals the nominal value. This date depends on the financial plan provided by the issuer to the Label Committee. This financial plan is a projection that depends on many factors whose realisation is uncertain.	The date on which the book value of the units equals the nominal value of the units is the year 2024.
4. Significant change in the financial or trading position since the end of the last financial year to which the annual accounts attached to this note relate.	None.

Part III: Information on the offering of investment instruments

A. Description of the offer

1.1 Minimum bid amount.	Class B share "ordinary cooperators" "250 EUR Category C share "cooperators under 26": EUR 50
1.2 Minimum subscription amount per investor.	Class B units: EUR 250 Class C units: EUR 50

1.3 Maximum subscription amount per investor.	Not applicable
2. Total price of the investment instruments offered.	5,000,000 EUR/year
3.1 Opening date of the offer.	11 August 2022
3.2 Closing date of the offer.	Continuous offer
3. Date of issuance of investment instruments.	Upon release of the share
4. Voting rights attached to the shares.	<p><i>Article 5 of the Statutes Units - Release - Obligations (...)</i> Class A, B, C and D shares offer the same rights and obligations to their holders. (...)</p> <p><i>Article 28 of the Statutes Voting rights - Voting</i> Each shareholder has one vote, regardless of the number of shares held.</p> <p>With the exception of the cases provided for by law and Article 25, decisions shall be taken by a simple majority of votes, regardless of the number of shares represented.</p> <p>Voting shall be by show of hands or roll call, unless the meeting decides otherwise.</p> <p>Voting on appointments of directors and commissioners shall in principle be by secret ballot.</p> <p>When the meeting is called upon to decide on an amendment to the company's articles of association, it can only validly deliberate if the convocations specify the objects of the deliberations. If it does not meet this last condition, a new meeting shall be convened with the same agenda. A decision is only validly taken in this matter if three quarters of the validly cast votes are present.</p> <p>Except in the case of a duly justified emergency, the meeting shall only deliberate validly on the items on its agenda.</p>

	<p>The Board of Directors accepts as associates the persons (natural or legal) who have subscribed to one or more Citizenfund shares (Article 9 of the Internal Regulations). The A-members (guarantors of the cooperative's vision) who are part of the Board of Directors and the Board of Directors can refuse the admission of a new member for objective reasons which will be communicated to the person in question.</p>
5. composition of the Board of Directors. Board of Directors.	<p><i>Article 18 of the Statutes General</i></p> <p>The company shall be administered by one or more directors, who may or may not be members, appointed by the general assembly of members, on the proposal of the class A members ("cooperative members who guarantee the vision of the cooperative"). The general assembly may appoint, on the proposal of the administrative body, independent directors who are not members.</p> <p>The term of office of the directors shall be four (4) years, renewable.</p> <p>Outgoing directors are eligible for re-election.</p> <p>The holder(s) of D shares may designate an observer who may attend the meetings of the Board of Directors. The agreement of this observer will be required for any decision relating to the following points:- the establishment of secondary operating offices, administrative offices, branches, depots or agencies elsewhere in Belgium or even abroad;- the proposal to the general meeting to grant a dividend or any other payment to the members.</p>
6. Fees to be paid by the investor.	<p>Class B shares "ordinary cooperators" 10 per unit subscribed.</p> <p>Category C shares "cooperators under 26 years of age": EUR 2 per share subscribed.</p>
7. Over-subscription allowance	Refunds for the last arrivals.

B. Reasons for the offer

1. Planned use of the amounts collected.	We will use the amounts invested to financially support projects of
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	<p>transition, i.e. projects in the circular, collaborative or social economy. This financial support can be in the form of capital or loans.</p> <p>The choice of projects is made through a rigorous selection and validation process, involving cooperators as well as external experts. A triple-checking system ensures that social enterprises are selected with the utmost care:</p> <ol style="list-style-type: none"> 1. Internal analysis and meeting with the social entrepreneur ; 2. Selection committee composed of 2 elected co-operators, 2 experts and 1 co-founder of Citizenfund who evaluate the project according to 5 criteria (societal impact, functioning, team, capacity of realization and financial plan); 3. The project is presented to all cooperators and its financing is submitted to their vote (50% of votes +1) online for 10 days. <p>This process of analysis of projects and its criteria is detailed in the Rules of Procedure available on the Citizenfund website.</p>
<p>2. Details of the financing of the investment or project that the bid is intended to achieve.</p>	<p>We make sure to keep a certain diversification of our investments. In this context, we ensure that the amount invested in a project does not exceed a maximum of 15% of the capital of the CITIZENFUND cooperative. The participation in the Participating Companies can take the form of</p> <ol style="list-style-type: none"> a. Participation in the capital of the Participating Company ; b. Subordinated loans ; c. Mix of these two types of investment. <p>In the case of a loan, and in the case of co-financing (e.g. alongside a bank or public player), the Board of Directors ensures that the conditions of repayment and guarantee are balanced in relation to the other lenders.</p>
<p>3. Other sources of funding for the implementation of the investment or project in question</p>	<p>Our mode of operation does not require other sources of funding at the level of Citizenfund, but we do want our financial support for projects to have a real leverage effect on</p>

	<p>other financing actors: banks, public bodies, etc.</p> <p>Brusoc SA has also invested €150,000 in our project in June 2021.</p>
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Part IV: Information about the investment instruments offered

A. Characteristics of the investment instruments offered

1. Nature and class of investment instruments.	Cooperative shares
2.1 Currency of investment instruments.	EUR
2. 2 Name of investment instruments investment instruments.	<p>The investment instruments offered are Class B "ordinary cooperator" shares and Class C "Cooperators under 26 years of age". These categories refer to shares held by any person who is not a (A share) or who is not a "cooperative visionary".</p> <p>The "institutional cooperator" (part D).</p> <p>There are also A-shares which represent the class of shares of "cooperative vision guarantors" and D-shares which represent the class of shares of</p> <p>The "institutional co-operators". The D share class represents the class of shares held by BRUSOC, subject to the right of the Board of Directors to approve any new associate within this class provided that the new associate adheres to the special rules of this D share class. The D units will specifically benefit from a yield of two percent (2%) per annum capitalised on the basis of their subscription price. This return is calculated annually on the anniversary date of the subscription of the units and is due upon approval of the annual accounts following the anniversary date, without prejudice to articles 6:115 and 6:116 of the Companies and Associations Code relating to net asset and liquidity tests. These categories, which are not the subject of this call for savings. See Article 5 of the Statute.</p>
2.3 Nominal value of investment instruments investment instruments.	<p>Class B shares "ordinary cooperator" "250 EUR</p> <p>Class C shares "cooperators under 26 years of age": EUR 50</p>

2.4 Book value of the unit at 31/12/2021	B share: EUR 242.35 C share: EUR 48.47
2.5 Risk of fluctuating share price :	Yes.
2.6 Added value	<p>No capital gain for the B and C shares which are the subject of the present offer. No capital gain for the A shares which are excluded from the present offer.</p> <p>A resigning or excluded member shall be entitled to the reimbursement of the nominal value of his shares insofar as this value exceeds the net assets divided by the number of shares on the basis of the net assets as shown in the balance sheet of the preceding year duly approved by the General Meeting of members during the business year in which the resignation was given or the exclusion was pronounced. Failing this, the resigning or excluded member shall only be entitled to the share of the net assets of the company represented by his shares. He shall not be entitled to any share in the reserves, capital gains and provisions or any other extension of the equity capital.</p> <p>The valuation of the D shares (excluded from the present offer) charged to the company's assets must correspond at least to the subscription price of the shares increased by the yield of two percent (2%) per annum capitalised, from which the possible annual interest payments mentioned in Article 5 will have been deducted. The company, except in the case of bankruptcy, shall be obliged to have fully reimbursed the resigning D-shareholder, at the aforementioned valuation, at the latest on the last day of the tenth year following the subscription or acquisition of his shares.</p>
3. Terms of repayment.	<p><i>Article 15 of the Articles of Association:</i> <i>Redemption of shares</i></p> <p>However, repayments shall not exceed one tenth of the net assets as shown in the previous balance sheet approved by the General Assembly. If this is the case, the repayment will be postponed until such time as conditions permit. Net assets shall mean the total assets as shown in the previous balance sheet approved by the General Assembly.</p>

	is shown in the balance sheet, less provisions and debts. The reimbursement of the resigning or excluded partner is made in the order of arrival of the simple letter or e-mail.
4. Ranking of investment instruments in the capital structure of the issuer in the event of insolvency	Last row.
5 Any restrictions on the free transfer of investment instruments.	<p><i>Article 9 of the Articles of Association</i> <i>Transfer of shares</i></p> <p>The units may be transferred inter vivos, subject to compliance with the general conditions of admission laid down in Article 6. Compliance with these general conditions of admission shall be assessed by the administrative organ. If the administrative body fails to approve the proposed transfer, the outgoing member may resign in accordance with Article 13.</p> <p>They may not be transferred to third parties as a result of the dissolution of a legal entity partner, whatever the cause (voluntary dissolution, bankruptcy, etc.). In this case, the exclusion procedure shall be implemented in accordance with Article 14. Shares representing contributions in kind may not be transferred until ten days after the filing of the second annual balance sheet following their creation. This shall be recorded in the register of members in accordance with the law.</p>
6. Where applicable, the annual interest rate and, where appropriate, the method of determining the interest rate applicable where the interest rate is not fixed.	NA

7. Dividend policy	In accordance with Article 31 of the Statutes, The partners holding D shares have a priority right to any distribution and payment made by the company to one or all of its partners by virtue of this status as a partner, whatever its form (dividend, reimbursement of a partner's share above its subscription value, current account advance, etc.). This priority right is limited to the pro rata return due on the subscription value of the shares D shares in accordance with Article 5 (see Part IV 2.2
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	<p>denomination of).</p> <p>All discounts not considered granted to the members by the company (in particular reimbursements or reductions for services or acquisition of goods) for which no equivalent is allocated to the D shares at the end of the financial year, shall be subject to the constitution of a special reserve by the company. This reserve equivalent to rebates granted is only allocated to the payment of the specific valuation of D shares, both the annual return and the redemption of D shares.</p> <p>No distribution may be made if the company's net assets are negative or would become negative as a result of such a distribution. If the company has equity which is legally or statutorily unavailable, no distribution may be made if the net assets are less than the amount of such equity or would become so as a result of such a distribution ("net assets test").</p> <p>The Company will distribute dividends in an amount not exceeding six percent (6%) of the nominal value of the shares, on which withholding tax will be deducted at the percentage imposed by the legal requirements. The surplus will be retained, in particular in order to ensure a dividend in future years, or to absorb any losses related to a specific investment. Dividends are payable at the times and places determined by the Board of Directors.</p> <p>BRUSOC has a priority right to all distributions and payments made by the company to one or all of its cooperators by virtue of their status as associates, regardless of their form (dividend, reimbursement of cooperator shares above their subscription value, current account advance, etc.). This priority right is limited to the <i>pro rata</i> return due on the subscription value of the BRUSOC shares.</p>
8. Date of payment of interest or dividend distribution.	Any dividend payment will be made after the General Meeting of Shareholders.

Part V: Other important information

Summary of taxation :	A withholding tax of 30% is deducted at source from dividends. Individuals subject to personal income tax are, however, exempt from withholding tax on the first €416.50 of dividends. For the income year 2022, tax year 2023, the exemption amount is €800. See the notice on automatic indexation for income tax. - Tax year d'imposition 2019, Moniteur belge of 26 January 2018 p. 6591).
Complaint about the financial product	If you have a complaint , you can contact <i>info@citizenfund.coop</i> If you are not satisfied, contact the Consumer Ombudsman Service, North Gate II, Boulevard du Roi Albert II 8 Bte 1 in 1000 Brussels (Tel: 02 702 52 20, E-mail: <i>contact@mediationconsommateur.be</i>).