



Common Good Finance Corporation

creating common good banks™, democratic economics for a sustainable world



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Common Good Bank **ORGANIZER'S MANUAL**

January 2, 2010

Dear Community Division Organizer,

In this manual you will find many suggestions to help you in your work as a Community Division Organizer for the common good bank project. You may want to read every word, but for starters, take a peek at the Table of Contents, so that you know what's here.

You can always find the most up-to-date version of this manual on the commongoodbank.com website, along with many other resources. But keep in mind that your most important resources are your own creativity and passion.

You can do anything if you have enthusiasm. Enthusiasm is the yeast that makes your hopes rise to the stars. With it, there is accomplishment. Without it there are only alibis.

-- Henry Ford

Thank you for caring and thank you for all your work for a better world.

Sincerely,

William Spademan
President

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Introduction and History

Common Good Banks began with a vision and with the faith that anything is possible.

Early in 2002, a small group in Ashfield, Massachusetts created an alternative system for economics and governance as a seed for a "society to benefit everyone". Participants were asked to live in two societies at once -- mostly the old one at first, but moving more and more to the new society, everyone at their own pace.

By 2006, the "seed" had evolved. Nobody liked keeping two sets of books (one for the old society and one for the new). So the project went mainstream and immediately attracted much more support. The Society to Benefit Everyone (S2BE) incorporated, got tax-exempt status, lined up a diverse team and laid out a rough plan for a new kind of community savings bank. That plan continued to evolve until February 2008.

Common Good Finance (CGF) was created by S2BE as a vehicle for starting Common Good Bank of Massachusetts. CGF is a for-profit corporation, but it is owned and controlled by its nonprofit parent (S2BE). By regulation, CGF must sell about \$1.5 million in stock to founding investors, to cover the pre-opening costs of the bank.

That stock offering has to be a private offering and only accredited investors are eligible. This means that we cannot tell anyone that we are looking for investors unless we know in advance that they have a net worth of a million dollars or more. Foundations are very reluctant to invest in a startup and most other investors (even socially-minded investors) want a high return for investment in a startup. Nevertheless, through many months, we managed to find about a dozen interested qualified investors. Then the economy crashed and most of them pulled out.

In November 2008 we decided to jump ahead to the next stage of the project, without waiting to find the investors first. Other banks lose money for the first five years while they find depositors and borrowers. Common good banks will be profitable from day one, by recruiting 4,000 depositors and borrowers in advance. Regulations prohibit us from doing anything that might lead the public to think that we are an existing bank, so we launched a publicity campaign for the common good bank MODEL -- not asking people to sign up for THE common good bank, but rather asking them to sign up as future depositors in A common good bank.

We had planned to start in Western Massachusetts, then spread quickly to other states and other countries, as our community-based model makes possible. However, this plan was progressing too slowly, so we decided to jump ahead again. In February 2009 we began to recruit Community Division Organizers all over the world. That's where you come in.

As a Community Division Organizer, you are preparing your community to have its own virtual common good bank, almost exactly as you would if the Common Good Bank of Massachusetts had already opened. In addition, you are finding some of the accredited investors we need now, in order apply for a charter. Once we get commitments for that \$1.5 million, we expect to open for business within 15 months. Any Community Division that is ready can open when the bank opens. Hurray!

Organizer Task List

As a Community Division Organizer, you are responsible for completing the following tasks:

1. **Signups.** Get sixty-five (65) or more people to sign up as future depositors.
2. **Donations.** Raise four thousand dollars (\$4,000) or more in monetary or in-kind donations. Write thank you notes for all donations.
3. **Nonprofit Partner.** Get one or more local nonprofit organizations (especially credit unions) to agree in writing to help residents open CGB accounts in your community.
4. **Business Partners – Rebates.** Get five (5) or more businesses in your community to agree in writing to offer a rebate of one-half percent or more to other CGB customers.
5. **Business Partner – Cash Back.** Get one or more businesses in your community to agree in writing to accept the CGB local credit/debit card in exchange for cash, with no purchase required. (The business can be either for-profit or nonprofit.)
6. **Investments.** With help from local allies recruited above, find accredited investors who will commit, by the Target Date, to invest a total of \$30,000 or more in the Project.
7. **Other.** Other tasks that may arise, as agreed to in writing by both Parties.

Collaboration and reporting

You are also responsible for collaborating and reporting. Here are some specific expectations:

1. Attend an organizer training session (by phone and perhaps by internet).
2. Participate in weekly conference calls to share ideas, successes and challenges, to learn from each other and to think together about how we can be more effective as a team.
3. Work as part of your regional team: discuss strategy, help each other and divide tasks. Teamwork gives your efforts greater credibility, efficiency, intelligence and momentum.
4. Track your hours and expenses online on the supplied Google spreadsheet. Put only numbers in the Hours and Expense columns. Do not put both hours and expenses on a single line (use separate lines, even if they have the same date).
5. Send S2BE a bill within two weeks after raising funds, so that S2BE can pay you. You can send a very simple bill by email, since the details are on the spreadsheet. (See example invoice below.) Contractors bill on behalf of their Subcontractors, too, and divide the payment from S2BE equitably.
6. When you receive a donation (by cash, check or online payment), send a thank-you card promptly. Checks should be made payable to "S2BE" or "Society to Benefit Everyone". Send all donations to S2BE within two weeks of receiving them. If you receive cash donations, keep the cash and write a bi-weekly check to S2BE for the total.
7. Whenever you get someone to sign up in person, enter the information using the "Manual Signups" form on your CDO web page (commongoodbank.com/organizers/yourusername).

8. Likewise, whenever you get a new nonprofit or business partner, enter their information on the "Partner With Us" page (commongoodbank.com/partner.html)

Invoice Example

INVOICE 5/14/2009

Expenses 5/1 through 5/15/2009:	\$100
Labor 5/1 through 5/15/2009:	\$1,000
Carried over from previous invoice:	\$700
Total:	\$1,800
Limited to 60% of \$500 raised since last invoice equals	\$300

Compensation

"Will I be working on commission?"

No. Fundraising and (raising investment capital) is part of your job, but you will be paid at an hourly rate rather than on a commission basis. Just like the director of any small nonprofit organization, you need to raise enough money to cover the project's expenses in your community division. If you do not raise enough money to cover expenses (including your compensation), then the project cannot pay you.

Your primary job is to generate excitement in your community about this project, signing up founding depositors and business and nonprofit partners as you go along. Make personal connections; the money will follow. Thanks to the fundraising efforts of other Community Division Organizers, Common Good Finance is able to supply you with some publicity materials to get you started. The rest is up to you.

"What 'reasonable' expenses will be reimbursed?"

Anything that you think is reasonable is almost surely reimbursable. This includes, for example, the cost of phone service, internet usage, faxes, photocopies, materials, fuel, event fees, advertising and lunches with prospective donors and investors. Don't be extravagant, but spend what you need to, to do your job well.

"How can I get a higher hourly rate?"

Your hourly rate is based on how successful you are in getting investment commitments before the Target Date. The more commitments you get, the higher your hourly rate. Specifically, for every \$2,000 in investment commitments, your rate goes up by \$1 per hour.

"What if I don't finish by the deadline?"

You get paid as you go along. You can bill S2BE anytime for up to 60% of the donations you have raised so far. The Target Date is not a deadline. You can keep working until you complete the tasks. The Target Date has been pushed back several times and will be pushed back again if all together we have not yet reached our goal of \$1.5 million in investment commitments.

Suggested Steps

Take these suggestions for what they are worth to you. Use your own judgment! For a much more detailed list of steps, use the "Checklist for Success". If you complete everything on the first two pages of the Checklist for Success, S2BE will guarantee you at least \$150.

#1 Study a little. See the video and read some of the website. Ask questions. Think.

If you can say why you are passionate about getting common good banks started, then you are ready for Step #2. There will always be more to learn, as you go along.

#2 Fill out the Worksheet. Think about who you want on your local team.

Friends, neighbors, acquaintances, community leaders. Remember especially to include the people who already signed up!

#3 Build your team. Talk to the people you thought of in Step #2.

Your task list sets some minimum numbers of signups and partnerships. But feel free to recruit more! Getting more nonprofits, businesses and individuals involved will help you get the word out and build community support, making it easier to get donations and investment commitments.

#4 Reach out. Get your team to fill out the Worksheet together. Brainstorm. Plan. Do!

How to Reach Out

A. Organizing Meeting

1. Get someone to take a dynamic photo of you meeting with a local business person.
2. Set an organizing meeting place and time (for one week from now).
3. Publicize it through radio, posters, newspapers, local cable TV and word of mouth (see an example press release in your organizer web page). Use the photo on the posters and for the newspapers.
4. Call to follow up. Call to follow up. Call to follow up. Make sure the newspapers got your press release. Ask the radio and TV for interviews. Invite people directly and remind them to come.
5. At the organizing event (even if only one person comes), show the video and present a proposed course of action. Then sit back a bit while people talk about it and develop a somewhat different plan. Make a timeline for whatever they come up with.
6. Take a photo of the meeting.

B. How to Get People Involved and Keep Them Involved

1. Put up posters in nearby towns for CDOs and Interns. Contact specific people you think might want to help. (See your organizer web page for poster and email links.)
2. Make sure the meetings are fun – get someone to bring refreshments, for example.
3. Set a second meeting date one week later. Give everyone an assignment to be completed by then (This is important, because once people are involved even a little bit, they can easily become MORE involved). Here are some ideas for assignments to give your volunteer team:
 - a. Send an email to everyone they know (use the "Tell Someone" feature).
 - b. Get three people to sign up (follow up the email with a phone call or visit).
 - c. Talk to one business owner that they know (show them a flyer or article) and ask them to sign the partnership agreement.
 - d. Make a donation online (of whatever size makes sense for them).
 - e. Brainstorm with others at the meeting: Who in the community might invest?
 - f. Schedule a House Party (invite friends to a party in their home, to hear your presentation).
 - g. A volunteer can set up a meeting and go with you to visit a potential investor.
 - h. If someone does a fundraising performance for you, a volunteer can sell \$250 business sponsorships to be listed on posters and \$25 business card ads to be printed in a program.
 - i. Bring easy refreshments to the next meeting.
 - j. Write thank you notes (a hand-written card is best) for help / donations.
4. Publicize the outcome of the meeting (use the photo) and advertise the next one.
5. Call to follow up. Call to follow up. Call to follow up.
6. Check in with people half way through the week.

C. How to Get People to Sign Up / Donate / Partner / Invest

Here is The Most Important Principle of organizing: people respond to *people*. A phone call is worth a thousand emails and a face-to-face meeting is ten times better still. The main ingredient for success in any project is the enthusiasm of the organizer – and your enthusiasm is most contagious in person. So whatever kind of participation you are looking for, **MAKE PERSONAL CONTACT**.

1. **Make friends.** Ask about them. Ask what they care about, what they are interested in. Ask what they think.
2. **Ask specifically.** Know what kind of participation you want from someone and invite them to participate specifically in that way. The number one reason why people DON'T sign up, donate, partner or invest is: No one asked them!
3. **Follow up.** For example, if you email people, follow up within a day by phone or in person. Followup calls are absolutely essential.

How to Present the Idea

A. Resources

You will want to use some, but probably not all of the promotional resources that are available. Here are some suggestions:

1. **Business Cards.** Carry them with you always and hand one to everyone you meet. They are inexpensive and give people an easy way to follow up if they are interested.
2. **Email.** Use the "Tell Someone" link on your organizer web page to send a note about common good banks to people you know. The basic message is the same as on the back of your business cards.
3. **Video.** Get people to see it. Download it to a flash drive and carry it in your pocket. Have a laptop computer? Put it on there too. Borrow a video projector and screen from a local library or nonprofit, to show the video to groups of four or more. You will also need a laptop computer, external computer speakers, a power strip, and possibly an extension cord. Introduce yourself and make some very brief introductory remarks before showing the video. Say up front what will happen after the viewing (questions and answers, brainstorming on how to organize locally, slides about investment, or whatever).

For a shorter presentation (about 10 minutes instead of 15), stop just before the segment on short term financial benefits to local businesses. Or for an even shorter version, stop before "nothing in the common good bank plan is actually new" (just over 3 minutes).

If you show the whole video, you may want to pause it there (at 3 minutes) for questions. You might also pause just before the short term financial benefits and/or just before the "one final chapter", which serves as a summary. Of course these are just suggestions – feel free to stop or pause anywhere that makes sense to you.

4. **Brochures.** Use them sparingly – mostly for qualified investors or potential large donors. If you won't be seeing the person again, tuck in a "brochure insert" signup card.
5. **Investment Documents.** If you need more copies of the Private Offering Memorandum, put a nice inexpensive cover/folder/binder on it. Most potential investors will want to start with just the Terms Sheet and Executive Summary, but have the long version ready. If you are courting a far-away qualified investor, they can download these documents from commongoodbank.com/invest, but mail them a hard copy, along with a brochure and your business card, to make it easy for them.
6. **Display.** Make one of these pricy tri-fold displays or not, depending on your promotion style. There is a photo of how it should look, on your organizer web page.
7. **Posters and Press Releases.** There are some examples on your organizer web page. You will have to customize them for your events.
8. **Investor Presentation.** Begin as for the video. You can email people a link to the presentation or show it in person (with or without sound).

9. **How Are They Different.** Don't give this to anyone. It is for you to use as a crib sheet to remind yourself what is unique about common good banks.
10. **Social Networking.** Use Twitter, Facebook, LinkedIn, MySpace, blogs and email. Tell your people what you're up to. Set up a group that they can join and invite other people to. Give them a weekly update. Put out a call for specific kinds of help when you need it.
11. **Other Staff.** Share resources and skills with other organizers. Visit the Forum to see who's who and what's available. Post your skills and any materials you develop. Ask another staff member to join you for a radio interview or presentation, by phone or in person. All of the most experienced staff members are happy to help you succeed.
12. **Something New!** If you're changing something or creating something new, remember to run it by us first, before using it.
13. **More.** There is much more information on the commongoodbank.com website, including specific How To's on many topics and Frequently Asked Questions (FAQs) from organizers, individuals, businesses, nonprofits and potential investors. Use the sitemap for an overview of what's available (click the sitemap link at the bottom of any page).

B. Less is More.

Whether you are writing a press release, a blog, a poster, or an email – or even if you're talking to someone in person, be enthusiastic, but don't overwhelm people with information.

The most effective blog entry EVER for getting people to sign up as future depositors was this: "for an ethical bank, see commongoodbank.com". I do not necessarily recommend using this exact phrase; use what fits the situation. But be brief.

C. Elevator Pitch

Develop a one or two sentence presentation that you feel comfortable with. Be ready with a one paragraph followup (maybe follow the points on the back of your business card). Run your pitch by your regional team and practice it on your family. Focus on whatever gets YOU excited. Let it vary and evolve as you talk to people about the common good bank idea. Here are some examples:

1. Possible Lead ins:
 - Have you heard about common good banks?...
 - ("What do you do for work?") I'm organizing a new kind of bank, called a common good bank...
 - I want to tell you about the work I'm doing... I'm organizing (etc.)
2. Possible Followup Comments (while handing over your business card):
 - All the profits go to the community and we get to vote on how they are used.
 - We wouldn't have so many people out of work if we had a common good bank.
 - The depositors decide what the bank should invest in and how the profits are used.
 - Common good banks will invest in whatever we need, for sustainability.

D. Talk to nonprofit people

1. Look at their website, find out the Executive Director's name, their mission statement, etc.
2. Mail them the partnership proposal (personalized).
3. Call each one and ask to meet this week.
4. Make a quick compelling presentation (use the video?). Talk about how the common good bank project will support them in fulfilling their mission. Hand them a Partnership Agreement.
5. Ask to come speak to the board, if the board must decide.
6. Ask them to help publicize the project on their website and/or in a newsletter.
7. Ask for \$100 or \$250 general sponsorship contribution (depending on organization size) – not required for partnership.
8. Mention that the organization could help disenfranchised people open accounts and apply for loans, with reasonable compensation from the bank.
9. Ask if you can apply for a grant on their behalf, to hire you to organize, with at least \$1,000 budgeted for their administrative overhead.

E. Talk to business people

1. Invite them to partner. Use the partnership proposal email and follow up with a phone call and/or in-person visit.
2. Ask for \$100 or \$250 sponsorship of the local initiative (in exchange for prominent mention in all your publicity, on emails, posters and press releases. If they agree, be sure to add a line below your email signature: "In partnership with: ...")
3. Ask if they will offer a rebate of ½% or more
4. Ask if they will accept the CG Card in exchange for cash and vice versa (if you think they are a suitable place)
5. Any supportive business owner is also a likely prospect for investment (Since they own a business, there is a good chance that they have a net worth of \$1 million or more.) Ask if they would like to talk about a possible investment in the project.

F. Talk to accredited investors

1. Be sure to read and understand the section below on "What NOT to Say or Do".
2. Try HARD not to approach them cold. If it's not someone you know personally, find out whatever you can about them ahead of time: what their interests are, what they donate to, volunteer for or invest in. Find someone you know, who is supportive of the project, who is friends with the potential investor. Get that mutual friend to arrange a meeting for

all three of you to talk about the project (something that the mutual friend thinks the potential investor may want to get involved in).

3. Meet IN PERSON. Make it a social event. Have lunch or tea or go for a walk.
4. Come prepared with a laptop presentation, Private Offering Memorandum, Terms Sheet, Executive Summary, brochure (with insert), and business card. But be very flexible. Hang out, chat, ask and listen to what the investor is passionate about, talk about how the common good bank project relates to their interests. Mention that you have a computer presentation but don't push it. Have fun! You may have to meet several times and let the investor mull it over in the meantime. Pay for everyone's lunch if that feels right. Be easy.
5. Know what you want to ask for and what some other options are. Try to estimate the person's net worth and invite them to invest about half a percent of that, but no more than \$100,000 (For example, an investor with just barely a million dollars could invest \$5,000). Remember that you are part of a team raising \$1.5 million, not a single individual raising \$30,000.
6. Don't assume that they are saying no unless they actually say no. Investors will often ask devil's advocate questions. Answer honestly and despair not. If they ask another tough question, it means they are still interested. If they haven't said no, it means they are still interested.
7. If they are supportive but they say no, ask them to donate about one-tenth of what you were looking for as an investment. At the same time, give an option for double that amount. For example, say "Would you like to donate five hundred or a thousand dollars?"

G. Talk to potential donors

1. Everyone is a potential donor. But focus mostly on people who can afford to give the most. It's almost as easy to raise \$40,000 as it is to raise \$4,000. So aim high. Think of people you can ask for \$1,000 to \$5,000 as a "lead donation" to inspire others to donate. Then match that with many smaller donations of various sizes. Or do it the other way around and start with a pool of small donations to inspire some big ones.
2. Remember that you are part of a team that is raising \$200,000 in donations, half of which has already been raised (you're not raising \$4,000 all by yourself).
3. **ASK.** Here's why someone will donate: (a) They support the common good bank idea and want to see it happen, (b) They trust that you will use their money wisely, AND (c) You asked them to donate. If you are like most people, you will focus most of your energy on (a) and neglect (b) and (c). *Don't.*

Get your friends excited about the project or get the people who *are* excited to know you (see F(2) above for tips). Figure out how much to ask them for (see F(5) above and see the back of the brochure insert for standard amounts). Choose an amount that you think they will say yes to. Then say "Would you like to give five hundred or a thousand dollars to help make this happen?" Smile calmly and wait for their yes.

4. Honor people who have donated. Write personal thank-you cards right away.

What NOT to Say or Do

1. Talk about "common good banks" or "a common good bank in our community" rather than "the Common Good Bank".
2. You are working for Common Good Finance. Not for a bank.
3. Do not make any promises about results or about when the bank will open. Talk about plans, projections and potential. On the other hand, be consistently positive and optimistic. For example, say the "planned return on investment is" not "the return will be". You can say that we expect to apply for a charter this summer and open sometime next year.
4. Do not mention publicly (in press releases, group emails, public meetings, or even groups of four or more) that we have a private stock offering (otherwise you could face criminal prosecution). You can say "we have to raise \$1.5 million through a private offering" but you can't say "we ARE raising \$1.5 million through a private offering".
5. Do not mention the possibility of investing and especially do not discuss the terms of the private offering with any individual unless they are an accredited investor (that is, unless they have a net worth of \$1 million or more). You can talk about investment with any organization that has at least \$5 million in assets. You can talk to any official representatives of such organizations, including board members and senior staff.
6. If you write anything (other than cutting and pasting from the common good bank website), get it approved first. Also, when you send a group email, cc info@commongoodbank.com.
7. Don't frame the project as the vision of one guy in Massachusetts. It isn't. People like to have a charismatic leader to adulate and blame. This project is about democracy, so it is very important to engage everyone as co-creators.
8. Don't pretend. If you don't know the answer to something or if you feel trapped, just say "That's an excellent question. I'll find that out and get back to you." You can be confident that there is a good answer to just about everything (This project has been in the planning for seven years, by hundreds of highly competent people.)
9. Don't forget to have fun. ☺