



# Yes!

I'm interested in learning more about how I can invest in my Co-op's future!  
Please send additional information  
about the C-share program to:

Note that only fully-paid members who are residents of Minnesota are eligible to purchase C-shares.

Name: \_\_\_\_\_

Street Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Phone Number: \_\_\_\_\_

\_\_\_\_\_ I prefer a paper-free transmission. Please e-mail the forms to:

Please mail or bring this form to Eastside Food Co-op, 2551 Central Avenue NE, Minneapolis, MN 55418 • 612-788-050 • www.eastsidefood.coop

# EASTSIDE



# FOOD CO-OP

Northeast Minneapolis' Community-Owned Natural Foods Grocery Store!

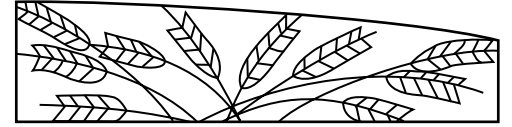
If you have additional questions about the C-share program, please call or e-mail:

- **Tony Anastasia**, Board president  
E-mail: [tanastasia@mn.rr.com](mailto:tanastasia@mn.rr.com)  
Phone: 612-
- **Leslie Watson**, Board treasurer  
E-mail: [lawatson@mn.rr.com](mailto:lawatson@mn.rr.com)  
Phone: 612-789-7877



Jane says:  
Thank you for  
your support!

Special thanks to our "See Jane" artist,  
EFC Member Abbie Amundsen, age 5.



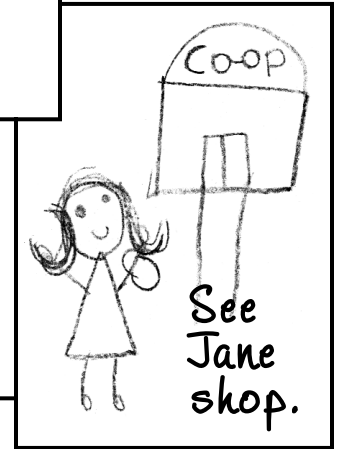
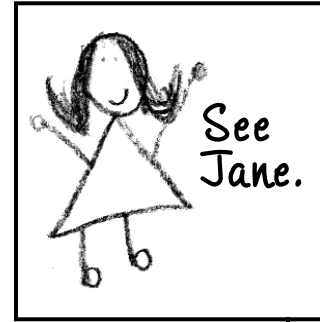
## The Eastside Food Co-op

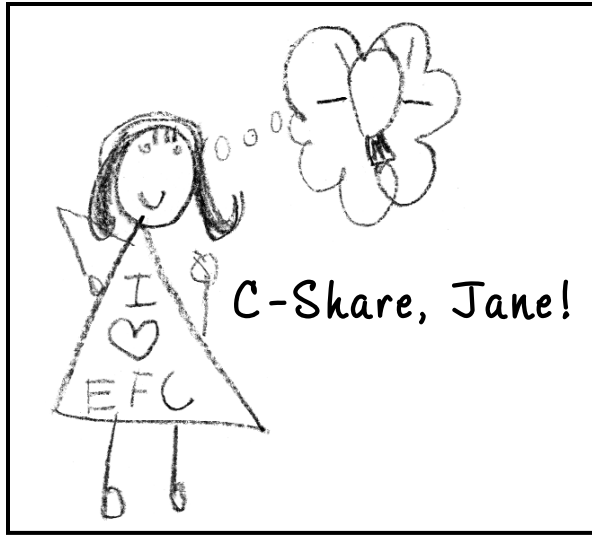
P R E S E N T S

# Co-op Jane

I N

## "A SIMPLE PLAN"





Join Jane in supporting the Co-op's recapitalization campaign by investing in a C-share today! It's a great way to put your money where your mouth is!

## What is a C-share?

C-shares are a new way for EFC members to invest in our collectively-owned business and help the Co-op through its current financial challenge.

- C-shares are **non-voting, preferred stock**.
- C-shares cost **\$500 per share**.
- C-shares pay **dividends of 4% in profitable years**.
- C-shares must be considered a **long-term investment** because the Co-op cannot buy shares back until it is financially stable.

## Why should I invest?

If you've been reading the newsletter, you already know that EFC will face an uncertain financial future as our long-term debt starts to come due over the next couple years. To avert a cash-flow crisis that would cripple our Co-op, the Board of Directors has adopted a recapitalization plan with four main goals:

- Convert 60% of our original member loans to C-shares.\*
- Convert loans from the Wedge and Lakewinds to C-shares.
- Extend the repayment terms on our major NRP loans from the neighborhood associations.
- Raise \$125,000 in new equity from the sale of 250 C-shares to members like you!

Besides helping to make sure that our store survives, C-shares offer an investment opportunity as unique as Eastside Food Co-op itself. After all, how often do you have a chance to invest your money in a locally-owned business that brings such tremendous benefits to your entire community?

EFC has been keepin' it local since the day it opened, and you can be sure that your C-share investment will stay close to home.

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*\*We're already closing in on that 60% goal, thanks to our loyal member lenders!*

## What are the risks?

By any traditional measure, a C-share investment is risky:

- There are no guarantees that the Co-op will be able to pay dividends in any given year.
- It may be many years before the Co-op can afford to buy back C-shares.
- If the Co-op were to liquidate, C-shareholders would be paid back after all other lenders.

To help offset the risk, we will deposit all C-share purchase funds in a special escrow account until September 1, 2006.

We will only formally issue C-shares if we have made sufficient progress on our recapitalization plan by that date. If we have not, we will return your money to you.

## I'm sold. How do I buy?

If you think you'd like to invest in the C-share program, please complete the attached form and either mail or drop it off at the store. (Look for the big green C-share display box at the front counter.)

We will send you a comprehensive disclosure statement that outlines all of the details and risks of the program, and includes a purchase form and additional instructions.

You can also request a form by e-mailing [lawatson@mn.rr.com](mailto:lawatson@mn.rr.com).