

PRESS RELEASE

## **CHANCEN eG Issues Education Bond - Sustainable Investment in Accordance with UN Development Goals**

**Berlin, July 24, 2019-** The CHANCEN eG is issuing a bond with a value of € 13 Million with a 12 year term to finance educational opportunities. The Federal Financial Supervisory Authority (BaFin) approved the legally required prospectus on July 19, 2019. With the proceeds from the „BildungsCHANCEN Anleihe“ (Educational Opportunities Bond), the cooperative can finance the chosen higher education programs of around 650 young people at over 20 private educational institutions and continue its growth.

Since its founding in 2016, the CHANCEN eG has made it its mission to enable young people to pursue their chosen courses of study at private institutions, independent of their financial means. The financing model is called the Income Share Agreement (ISA), in which the cooperative pays a student's tuition for a chosen course of study at one of its private partner institutions and in exchange the student pays back a certain percentage of his or her income after graduation. In this way, the cooperative contributes to meeting several of the UN's Sustainable Development Goals (SDGs): Goal 4: *Quality Education*, Goal 5: *Gender Equality*, Goal 8: *Decent Work and Economic Growth*, and Goal 10: *Reduced Inequalities*, as acknowledged by a sustainability rating agency in 2018.

### **Collateralized by External Resource Allocation Monitor**

The funding base of the ISA will now be expanded with a bond in the amount of € 13 Million. Starting on August 6, 2019, investment in the first tranche of the bond in the amount of € 5 million with an interest rate of three percent and a twelve-year maturity will be available, particularly for GLS Bank clients. The interest payment date is August 19. The CHANCEN eG and the GLS Bank plan for the second tranche of 8 Million Euro to be placed in spring of 2020. The BildungsCHANCEN bond is collateralized by a negative pledge and a payout block as well as an external resource allocation monitor: the Treuhänder HmcS Treuhand will only release the proceeds of the bond when the cooperative can prove that are being used to pay tuition for students with an ISA contract. This way it is ensured that the revenue, aside from issue costs, will be used only for new ISA contracts with students.

### **Investors as Enablers of New Study Places**

In the young cooperative's ingenious system, investors become initiators of lasting change. The sustainable GLS Bank sees it this way too; that's why the Bochum-based bank has supported the CHANCEN eG since its founding. „With this bond, investors have the attractive opportunity of financing the higher education of future generations with their money. Clients can get involved starting at € 5,000,“ explains Cornelia Roeckl, department head of Financing at the GLS Bank. The CHANCEN eG currently enables 450 talented young people to study their chosen program in Germany. The ISA is currently available to students at 22 private universities and educational institutions mit 75 courses of study, in partnership with the cooperative. These include the [Hertie School of Governance](#), [Alanus University](#), [CODE University of Applied Sciences](#), and [Brandenburg Medical School](#).



### **Community of Solidarity with Positive Returns**

With the help of the ISA, students can afford to pursue their chosen course of study at a private educational institution. As working professionals they will pay back their tuition, as a defined percentage of their future income. In this way, the students take on no risk of over-indebtedness. “That is what distinguishes the ISA from traditional student loans. That’s why our model is sustainable and fair,” explains Florian Kollewijn, founder and CEO of CHANCEN eG. The 30-year-old financed his studies at the University Witten/Herdecke with help from the ISA, as did the CFO Olaf Lampson.

Information about the new bond is available at [chancen-eg.de/anleihe](https://chancen-eg.de/anleihe).

### **Bond ‚BildungsCHANCEN Anleihe‘**

Issuer	CHANCEN eG
Volume	€ 13 million
ISIN	DE000A2TSCT2
Denomination	€ 1,000, minimum subscription: € 5,000
Maturity	12 years, early repayment possible (Prospectus, § 8.4)
Interest rate	3.0 % p.a.; payment date August 19
Collateral	Resource allocation monitor, payout block, negative pledge
Transparency	Release of Annual Report in the first half of each calendar year
Subscription	August 6, 2019 until July 18, 2020 (subject to premature closure)

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### **About the CHANCEN eG**

Since its founding in 2016, the CHANCEN eG has made it its mission to enable young people to pursue their chosen courses of study at private institutions, independent of their financial background. The financing model is called Income Share Agreement (ISA). The version the CHANCEN eG uses was developed in 1995 by students of University Witten/Herdecke and is offered through the StudierendenGesellschaft Witten/Herdecke, too. The CHANCEN eG currently supports over 450 students at 22 educational institutions in 75 courses of study. Partners include the Bochum-based GLS Bank, the GLS Treuhand e.V., and the StudierendenGesellschaft Witten/Herdecke, as well as foundations and many private donors who wish to achieve a sustainable impact with their investments. Since the beginning of 2018, the social enterprise has also been active in Africa, with its subsidiary CHANCEN International gGmbH: in Rwanda, the international branch of the CHANCEN eG currently supports 1,000 students in 6 courses of study at two educational institutions.