

# IRS e-file Signature Authorization for an Exempt Organization

For calendar year 2016, or fiscal year beginning \_\_\_\_\_, 2016, and ending \_\_\_\_\_, 20\_\_\_\_\_

▶ Do not send to the IRS. Keep for your records.

▶ Information about Form 8879-EO and its instructions is at [www.irs.gov/form8879eo](http://www.irs.gov/form8879eo).

# 2016

Department of the Treasury  
Internal Revenue Service

Name of exempt organization

ROOT CAPITAL, INC.

Employer identification number

04-3478123

Name and title of officer

JARED CHASE, CFO & TREASURER

### Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, or 5a, below, and the amount on that line for the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than 1 line in Part I.

- 1a Form 990 check here ▶  **b Total revenue, if any (Form 990, Part VIII, column (A), line 12) . . . . . 1b** 19534152.
- 2a Form 990-EZ check here ▶  **b Total revenue, if any (Form 990-EZ, line 9) . . . . . 2b** \_\_\_\_\_
- 3a Form 1120-POL check here ▶  **b Total tax (Form 1120-POL, line 22) . . . . . 3b** \_\_\_\_\_
- 4a Form 990-PF check here ▶  **b Tax based on Investment Income (Form 990-PF, Part VI, line 5), 4b** \_\_\_\_\_
- 5a Form 8868 check here ▶  **b Balance Due (Form 8868, line 3c) . . . . . 5b** \_\_\_\_\_

### Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2016 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

- I authorize GRANT THORNTON LLP to enter my PIN 2 8 6 8 5 as my signature
- ERO firm name Enter five numbers, but do not enter all zeros

on the organization's tax year 2016 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

- As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2016 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ 

Date ▶ 11/6/17

### Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

0 4 5 8 6 6 3 6 6 0 5  
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2016 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ 

Date ▶ 11.13.17

**ERO Must Retain This Form - See Instructions**  
**Do Not Submit This Form To the IRS Unless Requested To Do So**

For Paperwork Reduction Act Notice, see back of form.

Form 8879-EO (2016)

# Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2016

Open to Public Inspection

Form **990**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

- ▶ Do not enter Social Security numbers on this form as it may be made public.
- ▶ Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Department of the Treasury  
Internal Revenue Service

**A** For the 2016 calendar year, or tax year beginning **2016**, and ending **20**

<b>B</b> Check if applicable:	<input type="checkbox"/>	Address change	C Name of organization <b>ROOT CAPITAL, INC.</b>			D Employer identification number <b>04-3478123</b>		
	<input type="checkbox"/>	Name change						
	<input type="checkbox"/>	Initial return	Doing Business As			E Telephone number <b>(617) 661-5792</b>		
	<input type="checkbox"/>	Terminated	Number and street (or P.O. box if mail is not delivered to street address) Room/suite <b>130 BISHOP ALLEN DRIVE 2ND FLOOR</b>					
<input type="checkbox"/>	Amended return	City or town, state or province, country, and ZIP or foreign postal code <b>CAMBRIDGE, MA 02139-3309</b>			G Gross receipts \$ <b>19,536,630.</b>			
<input type="checkbox"/>	Application pending	F Name and address of principal officer: <b>WILLIAM F. FOOTE</b> <b>130 BISHOP ALLEN DRIVE 2ND FLOOR CAMBRIDGE, MA 02139</b>						
I Tax-exempt status:		<input checked="" type="checkbox"/> 501(c)(3)	<input type="checkbox"/> 501(c) ( ) ◀ (insert no.)	<input type="checkbox"/> 4947(a)(1) or	<input type="checkbox"/> 527	H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
J Website: ▶ <b>WWW.ROOTCAPITAL.ORG</b>						H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No		
K Form of organization:		<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Association	<input type="checkbox"/> Other ▶	L Year of formation: <b>1999</b> M State of legal domicile: <b>MA</b>		

**Part I Summary**

<b>Activities &amp; Governance</b>	1 Briefly describe the organization's mission or most significant activities: <b>A NON-PROFIT ORGANIZATION THAT HELPS INCREASE INCOMES AND STABILITY FOR RURAL FARMERS DISCONNECTED FROM THE FORMAL ECONOMY.</b>			
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.			
	3	Number of voting members of the governing body (Part VI, line 1a) . . . . .		
	4	Number of independent voting members of the governing body (Part VI, line 1b) . . . . .		
	5	Total number of individuals employed in calendar year 2016 (Part V, line 2a) . . . . .		
	6	Total number of volunteers (estimate if necessary) . . . . .		
	7a	Total unrelated business revenue from Part VIII, column (C), line 12 . . . . .		
7b	Net unrelated business taxable income from Form 990-T, line 34 . . . . .			
<b>Revenue</b>	8	Contributions and grants (Part VIII, line 1h) . . . . .	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g) . . . . .	6,528,783.	8,283,243.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .	12,438,190.	10,007,540.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) . . . . .	94,009.	108,672.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . .	668,533.	1,134,697.
<b>Expenses</b>	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3) . . . . .	19,729,515.	19,534,152.
	14	Benefits paid to or for members (Part IX, column (A), line 4) . . . . .	0.	35,001.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) . . . . .	0.	0.
	16a	Professional fundraising fees (Part IX, column (A), line 11e) . . . . .	9,741,013.	9,752,884.
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>872,423.</b>	0.	0.
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) . . . . .	15,358,651.	19,983,850.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) . . . . .	25,099,664.	29,771,735.
19	Revenue less expenses. Subtract line 18 from line 12 . . . . .	-5,370,149.	-10,237,583.	
<b>Net Assets or Fund Balances</b>	20	Total assets (Part X, line 16) . . . . .	Beginning of Current Year	End of Year
	21	Total liabilities (Part X, line 26) . . . . .	130,926,608.	106,238,675.
	22	Net assets or fund balances. Subtract line 21 from line 20 . . . . .	105,114,723.	91,263,576.

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

<b>Sign Here</b>	▶ Signature of officer		Date	<b>11/14/17</b>	
	▶ JARED CHASE	CFO & TREASURER			
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	ROBERT J BUTLER JR.		11/13/2017	<input type="checkbox"/>	P00037953
	Firm's name ▶ GRANT THORNTON LLP	Firm's EIN ▶ 36-6055558		Firm's address ▶ 75 STATE STREET BOSTON, MA 02109	
	Phone no. 617-723-7900				

May the IRS discuss this return with the preparer shown above? (see instructions)  Yes  No

For Paperwork Reduction Act Notice, see the separate instructions. Form **990** (2016)

**Part III Statement of Program Service Accomplishments**

Check if Schedule O contains a response or note to any line in this Part III  X

- 1 Briefly describe the organization's mission:  
 ROOT CAPITAL SEEKS TO INCREASE INCOMES AND STABILIZE EMPLOYMENT FOR FARMERS IN AFRICA, SOUTH-EAST ASIA, AND LATIN AMERICA. ROOT CAPITAL DOES THIS THROUGH A PROVEN CHANNEL: SUPPORT FOR AGRICULTURAL BUSINESSES THAT COLLECT AND MARKET THE CROPS OF THOUSANDS OF FARMERS.
- 2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No  
 If "Yes," describe these new services on Schedule O.
- 3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No  
 If "Yes," describe these changes on Schedule O.
- 4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ 20,055,956. including grants of \$ ) (Revenue \$ 10,652,649. )  
 ROOT CAPITAL PROVIDES AGRICULTURAL BUSINESSES WITH A UNIQUE COMBINATION OF CAPITAL, TRAINING AND ACCESS TO GLOBAL MARKETS TO HELP THEM GROW. THESE CORE ACTIVITIES COMPRISE A THREE-PRONG STRATEGY: FINANCE, ADVISE, CATALYZE. PLEASE REFER TO THE ORGANIZATION'S WEBSITE FOR FURTHER INFORMATION AND STATISTICS ON PROGRAM ACCOMPLISHMENTS.

FINANCE: ROOT CAPITAL TYPICALLY PROVIDES LOANS RANGING FROM \$50,000 TO \$3 MILLION TO RURAL SMALL AND GROWING BUSINESSES, ESPECIALLY THOSE BUSINESSES NOT CURRENTLY REACHED BY COMMERCIAL LENDERS.

4b (Code: ) (Expenses \$ 3,755,796. including grants of \$ ) (Revenue \$ 451,953. )  
 ADVISE: ROOT CAPITAL'S ADVISORY SERVICES PROGRAM PROVIDES TARGETED TRAINING TO CURRENT AND PROSPECTIVE CLIENTS. ROOT CAPITAL'S FINANCIAL ADVISORY SERVICES (FAS) ARE DESIGNED TO PREPARE BUSINESSES WITH GROWTH POTENTIAL TO QUALIFY FOR CREDIT, TO SHEPHERD MORE PROSPECTIVE CLIENTS INTO OUR PORTFOLIO, AND TO MITIGATE THE RISK OF LENDING TO THESE BUSINESSES.

4c (Code: ) (Expenses \$ 2,247,330. including grants of \$ 35,001. ) (Revenue \$ )  
 CATALYZE: ROOT CAPITAL SEEKS TO DEMONSTRATE AND INSPIRE OTHERS TO PRACTICE AN APPROACH TO RURAL LENDING THAT IS GROUNDED IN LONG-TERM CLIENT RELATIONSHIPS, A DEEP UNDERSTANDING OF RURAL BUSINESS' FINANCING NEEDS, AND SHARED SOCIAL AND ENVIRONMENTAL VALUES. ROOT CAPITAL AIMS TO CATALYZE A NEW FINANCIAL MARKET AND TO SET THE STANDARD WITHIN THAT MARKET FOR SUSTAINABLE SOCIAL AND ENVIRONMENTAL PRACTICES OVER THE LONG TERM.

4d Other program services (Describe in Schedule O.)  
 (Expenses \$ including grants of \$ ) (Revenue \$ )

4e Total program service expenses **▶** 26,059,082.

Part IV Checklist of Required Schedules

Table with 3 columns: Question number, Yes, No. Contains 19 main questions and sub-questions (a-e) regarding organizational reporting requirements for various schedules (A through G).

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question ID, Question Text, and Yes/No checkboxes. Rows include questions 20a through 38 regarding hospital facilities, financial statements, grants, compensation, tax-exempt bonds, and organizational structure.

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Table with columns for question number, description, and Yes/No checkboxes. Includes questions 1a through 14b regarding Form 1096, W-2G forms, gaming winnings, employee reporting, foreign accounts, and charitable contributions.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with columns for line number, description, and Yes/No checkboxes. Includes lines 1a-1b, 2-9 regarding governing body members, relationships, and documentation.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with columns for line number, description, and Yes/No checkboxes. Includes lines 10a-16b regarding local chapters, policies, conflict of interest, whistleblower, and compensation.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed ATTACHMENT 2
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection.
19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records:

JARED CHASE 120 BISHOP ALLEN DRIVE 3RD FLOOR CAMBRIDGE, MA 02139-3309 617-661-5792

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII.  X

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) JEREMY MINDICH CHAIR	1.00 0.	X		X				0.	0.	0.
(2) PETER BERNARD VICE CHAIR (THRU 2/16)	1.00 0.	X						0.	0.	0.
(3) PHILIP MARTIN BROWN BOARD MEMBER	1.00 0.	X						0.	0.	0.
(4) PEGGY CLARK BOARD MEMBER	1.00 0.	X						0.	0.	0.
(5) FRANZ COLLOREDO-MANSFELD BOARD MEMBER	1.00 0.	X						0.	0.	0.
(6) DANIEL CRISAFULLI BOARD MEMBER	1.00 0.	X						0.	0.	0.
(7) MELISSA DANN BOARD MEMBER	1.00 0.	X						0.	0.	0.
(8) MARCELA ESCOBARI BOARD MEMBER (THRU 5/16)	1.00 0.	X						0.	0.	0.
(9) RYAN ISRAEL BOARD MEMBER	1.00 0.	X						0.	0.	0.
(10) PAUL LEANDER-ENGSTROM BOARD MEMBER	1.00 0.	X						0.	0.	0.
(11) ELIZABETH LUCKETT BOARD MEMBER	1.00 0.	X						0.	0.	0.
(12) FUNKE OYEWOLE BOARD MEMBER	1.00 0.	X						0.	0.	0.
(13) RICK PEYSER BOARD MEMBER	1.00 0.	X						0.	0.	0.
(14) JACK TAYLOR BOARD MEMBER	1.00 0.	X						0.	0.	0.



**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
15) EUGENE WEIL BOARD MEMBER	1.00 0.	X						0.	0.	0.
16) SIMON WINTER BOARD MEMBER	1.00 0.	X						0.	0.	0.
17) WILLIAM F. FOOTE CEO & PRESIDENT	40.00 0.			X				285,822.	0.	27,562.
18) JARED CHASE CFO & TREASURER (AS OF 10/16)	40.00 0.			X				36,518.	0.	250.
19) RANDALL ATKIN SVP FIN. & TREAS. (THRU 2/16)	40.00 0.			X				39,436.	0.	4,697.
20) PETER BERNARD TREAS. (2/16-10/16), COO	40.00 0.			X				153,755.	0.	15,611.
21) ANNIE BRENNAN CLERK	40.00 0.			X				50,763.	0.	8,763.
22) LIAM BRODY SVP COMM & MKTG (THRU 12/16)	40.00 0.				X			171,888.	0.	16,922.
23) CATHERINE GILL SVP OF INV. RELATIONS & OPS	40.00 0.				X			172,287.	0.	24,181.
24) BRIAN MATTHEW ONIE MILDER SVP OF STRATEGY, ADV, & INNOV	40.00 0.				X			176,501.	0.	8,367.
25) JERONIMO BOLLEN VP LATIN AMERICA	40.00 0.					X		136,763.	0.	594.
<b>1b Sub-total</b>								0.	0.	0.
<b>c Total from continuation sheets to Part VII, Section A</b>								1,772,611.	0.	151,024.
<b>d Total (add lines 1b and 1c)</b>								1,772,611.	0.	151,024.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **14**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 3		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **2**



**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII.

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514		
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . . . . .						
	1b	Membership dues . . . . .						
	1c	Fundraising events . . . . .						
	1d	Related organizations . . . . .						
	1e	Government grants (contributions) . . . . .	1,137,095.					
	1f	All other contributions, gifts, grants, and similar amounts not included above . . . . .	7,146,148.					
	g	Noncash contributions included in lines 1a-1f: \$ . . . . .						
	h	<b>Total.</b> Add lines 1a-1f . . . . .	8,283,243.					
Program Service Revenue	2a	LOAN INTEREST	522298	6,672,869.	6,672,869.			
	b	LOAN FEES	522298	1,219,059.	1,219,059.			
	c	RECOVERED LOANS	522298	2,115,612.	2,115,612.			
	d							
	e							
	f	All other program service revenue . . . . .						
	g	<b>Total.</b> Add lines 2a-2f . . . . .		10,007,540.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) . . . . .		108,868.		108,868.		
	4	Income from investment of tax-exempt bond proceeds . . . . .		0.				
	5	Royalties . . . . .		0.				
	6a	Gross rents . . . . .	(i) Real					
			(ii) Personal					
			b	Less: rental expenses . . . . .				
			c	Rental income or (loss) . . . . .				
	d	Net rental income or (loss) . . . . .		0.				
	7a	Gross amount from sales of assets other than inventory	(i) Securities	2,282.				
			(ii) Other					
			b	Less: cost or other basis and sales expenses . . . . .	2,478.			
			c	Gain or (loss) . . . . .	-196.			
	d	Net gain or (loss) . . . . .		-196.		-196.		
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 . . . . .	a	0.				
			b	Less: direct expenses . . . . .	0.			
c			Net income or (loss) from fundraising events . . . . .		0.			
9a	Gross income from gaming activities. See Part IV, line 19 . . . . .	a	0.					
		b	Less: direct expenses . . . . .	0.				
		c	Net income or (loss) from gaming activities . . . . .		0.			
10a	Gross sales of inventory, less returns and allowances . . . . .	a	0.					
		b	Less: cost of goods sold . . . . .	0.				
		c	Net income or (loss) from sales of inventory . . . . .		0.			
Miscellaneous Revenue		Business Code						
11a	CONTRACT REVENUE	900099	1,097,062.	1,097,062.				
b	OTHER REVENUE	900099	37,635.		37,635.			
c								
d	All other revenue . . . . .							
e	<b>Total.</b> Add lines 11a-11d . . . . .		1,134,697.					
12	<b>Total revenue.</b> See instructions . . . . .		19,534,152.	11,104,602.		146,337.		

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 . . . . .	0.			
2 Grants and other assistance to domestic individuals. See Part IV, line 22 . . . . .	0.			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 . . . . .	35,001.	35,001.		
4 Benefits paid to or for members . . . . .	0.			
5 Compensation of current officers, directors, trustees, and key employees . . . . .	1,193,322.	657,608.	324,624.	211,090.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	0.			
7 Other salaries and wages . . . . .	7,174,955.	5,584,420.	1,202,982.	387,553.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	130,711.	101,416.	21,864.	7,431.
9 Other employee benefits . . . . .	893,186.	672,334.	159,037.	61,815.
10 Payroll taxes . . . . .	360,710.	263,151.	68,465.	29,094.
11 Fees for services (non-employees):				
a Management . . . . .	0.			
b Legal . . . . .	273,439.	198,144.	72,869.	2,426.
c Accounting . . . . .	178,246.	83,414.	88,825.	6,007.
d Lobbying . . . . .	0.			
e Professional fundraising services. See Part IV, line 17.	0.			
f Investment management fees . . . . .	0.			
9 Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.) . . . . .	1,995,707.	1,614,770.	353,319.	27,618.
12 Advertising and promotion . . . . .	14,771.	11,726.	2,852.	193.
13 Office expenses . . . . .	156,536.	139,122.	13,963.	3,451.
14 Information technology . . . . .	443,481.	262,585.	162,687.	18,209.
15 Royalties . . . . .	0.			
16 Occupancy . . . . .	1,020,971.	779,728.	175,689.	65,554.
17 Travel . . . . .	1,310,241.	1,188,705.	80,363.	41,173.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	0.			
19 Conferences, conventions, and meetings . . . . .	94,017.	93,820.	130.	67.
20 Interest . . . . .	2,307,648.	2,307,648.		
21 Payments to affiliates . . . . .	0.			
22 Depreciation, depletion, and amortization . . . . .	90,087.	50,549.	35,558.	3,980.
23 Insurance . . . . .	80,332.	37,881.	39,762.	2,689.
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a ALLOWANCE FOR LOAN LOSS	11,431,263.	11,431,263.		
b NON-OPERATING EXPENSES	466,179.	466,179.		
c OTHER DIRECT COSTS	61,116.	44,385.	15,133.	1,598.
d MEMBERSHIP & PUBLICATIONS	59,816.	35,233.	22,108.	2,475.
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	29,771,735.	26,059,082.	2,840,230.	872,423.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) . . . . .	0.			

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X. . . . .

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing . . . . .	24,252,675.	1	23,629,481.
	2 Savings and temporary cash investments . . . . .	2,537,426.	2	3,062,473.
	3 Pledges and grants receivable, net . . . . .	2,844,964.	3	2,317,589.
	4 Accounts receivable, net . . . . .	959,133.	4	995,320.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .	0.	5	0.
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L . . . . .	0.	6	0.
	7 Notes and loans receivable, net . . . . .	0.	7	0.
	8 Inventories for sale or use . . . . .	0.	8	0.
	9 Prepaid expenses and deferred charges . . . . .	389,186.	9	416,753.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D . . . . .	10a 1,398,201.		
	b Less: accumulated depreciation. . . . .	10b 893,356.		
	11 Investments - publicly traded securities . . . . .	280,610.	10c	504,845.
	12 Investments - other securities. See Part IV, line 11 . . . . .	200,720.	11	205,948.
	13 Investments - program-related. See Part IV, line 11 . . . . .	0.	12	0.
	14 Intangible assets . . . . .	95,530,590.	13	73,238,811.
	15 Other assets. See Part IV, line 11 . . . . .	0.	14	0.
16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	3,931,304.	15	1,867,455.	
	130,926,608.	16	106,238,675.	
Liabilities	17 Accounts payable and accrued expenses . . . . .	3,720,746.	17	2,079,008.
	18 Grants payable . . . . .	0.	18	0.
	19 Deferred revenue . . . . .	0.	19	0.
	20 Tax-exempt bond liabilities . . . . .	0.	20	0.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .	1,528,569.	21	549,983.
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .	2,150,000.	22	2,205,000.
	23 Secured mortgages and notes payable to unrelated third parties . . . . .	0.	23	0.
	24 Unsecured notes and loans payable to unrelated third parties . . . . .	97,623,544.	24	86,336,600.
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D . . . . .	91,864.	25	92,985.
	26 <b>Total liabilities.</b> Add lines 17 through 25 . . . . .	105,114,723.	26	91,263,576.
Net Assets or Fund Balances	<b>Organizations that follow SFAS 117 (ASC 958), check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	27 Unrestricted net assets . . . . .	9,295,684.	27	10,598,615.
	28 Temporarily restricted net assets . . . . .	16,516,201.	28	4,376,484.
	29 Permanently restricted net assets . . . . .	0.	29	0.
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	30 Capital stock or trust principal, or current funds . . . . .		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund . . . . .		31	
	32 Retained earnings, endowment, accumulated income, or other funds . . . . .		32	
	33 <b>Total net assets or fund balances</b> . . . . .	25,811,885.	33	14,975,099.
	34 <b>Total liabilities and net assets/fund balances.</b> . . . . .	130,926,608.	34	106,238,675.

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI.  X

1	Total revenue (must equal Part VIII, column (A), line 12)	1	19,534,152.
2	Total expenses (must equal Part IX, column (A), line 25)	2	29,771,735.
3	Revenue less expenses. Subtract line 2 from line 1	3	-10,237,583.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	25,811,885.
5	Net unrealized gains (losses) on investments	5	1,471.
6	Donated services and use of facilities	6	0.
7	Investment expenses	7	0.
8	Prior period adjustments	8	0.
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-600,674.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	14,975,099.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

- 1 Accounting method used to prepare the Form 990:  Cash  Accrual  Other \_\_\_\_\_  
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .  
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- b Were the organization's financial statements audited by an independent accountant? . . . . .  
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . . . .
- b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
2a		X
2b	X	
2c	X	
3a	X	
3b	X	

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

**Public Charity Status and Public Support**

OMB No. 1545-0047

**2016**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

ROOT CAPITAL, INC.

Employer identification number

04-3478123

**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990 or 990-EZ).)
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8  A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9  An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: \_\_\_\_\_
- 10  An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 11  An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 12  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
  - a  **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
  - b  **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
  - c  **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
  - d  **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
  - e  Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
  - f Enter the number of supported organizations. . . . .
- g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
<b>Total</b>						

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2016

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Table with 7 columns: (a) 2012, (b) 2013, (c) 2014, (d) 2015, (e) 2016, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2012, (b) 2013, (c) 2014, (d) 2015, (e) 2016, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income. Do not include gain or loss from the sale of capital assets; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc. (see instructions); 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 2 columns: Line number, Percentage. Rows include: 14 Public support percentage for 2016 (line 6, column (f) divided by line 11, column (f)) 80.06%; 15 Public support percentage from 2015 Schedule A, Part II, line 14 77.42%; 16a 33 1/3% support test - 2016. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization [X]; 16b 33 1/3% support test - 2015. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization [ ]; 17a 10%-facts-and-circumstances test - 2016. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization [ ]; 17b 10%-facts-and-circumstances test - 2015. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization [ ]; 18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions [ ].



Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Table with 7 columns: (a) 2012, (b) 2013, (c) 2014, (d) 2015, (e) 2016, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total. Add lines 1 through 5; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support. (Subtract line 7c from line 6.)

Section B. Total Support

Table with 7 columns: (a) 2012, (b) 2013, (c) 2014, (d) 2015, (e) 2016, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b; 12 Other income. Do not include gain or loss from the sale of capital assets; 13 Total support. (Add lines 9, 10c, 11, and 12.); 14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Description, Line Number, Percentage. Row 15: Public support percentage for 2016 (line 8, column (f) divided by line 13, column (f)). Row 16: Public support percentage from 2015 Schedule A, Part III, line 15.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, Line Number, Percentage. Row 17: Investment income percentage for 2016 (line 10c, column (f) divided by line 13, column (f)). Row 18: Investment income percentage from 2015 Schedule A, Part III, line 17.

19a 33 1/3% support tests - 2016. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.

b 33 1/3% support tests - 2015. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions.

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

Table with 3 columns: Question, Yes, No. Rows include questions 1 through 10b regarding supported organizations, including their status, control, and support.

Part IV Supporting Organizations (continued)

Table with 3 columns: Question, Yes, No. Row 11: Has the organization accepted a gift or contribution from any of the following persons? Sub-rows 11a, 11b, 11c.

Section B. Type I Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? Row 2: Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization?

Section C. Type II Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)?

Section D. All Type III Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided? Row 2: Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? Row 3: By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year?

Section E. Type III Functionally Integrated Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions). Sub-rows a, b, c. Row 2: Activities Test. Answer (a) and (b) below. Sub-rows a, b. Row 3: Parent of Supported Organizations. Answer (a) and (b) below. Sub-rows a, b.

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

1  Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	<b>Adjusted Net Income</b> (subtract lines 5, 6, and 7 from line 4).	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	<b>Total</b> (add lines 1a, 1b, and 1c)	1d	
e <b>Discount</b> claimed for blockage or other factors (explain in detail in Part VI):			
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035.	6	
7	Recoveries of prior-year distributions	7	
8	<b>Minimum Asset Amount</b> (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	<b>Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	

7  Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).

**Part V** Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	
4	Amounts paid to acquire exempt-use assets	
5	Qualified set-aside amounts (prior IRS approval required)	
6	Other distributions (describe in Part VI). See instructions.	
7	<b>Total annual distributions.</b> Add lines 1 through 6.	
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9	Distributable amount for 2016 from Section C, line 6	
10	Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)		(i) Excess Distributions	(ii) Underdistributions Pre-2016	(iii) Distributable Amount for 2016
1	Distributable amount for 2016 from Section C, line 6			
2	Underdistributions, if any, for years prior to 2016 (reasonable cause required-explain in Part VI). See instructions.			
3	Excess distributions carryover, if any, to 2016:			
a				
b				
c	From 2013. . . . .			
d	From 2014. . . . .			
e	From 2015. . . . .			
f	<b>Total</b> of lines 3a through e			
g	Applied to underdistributions of prior years			
h	Applied to 2016 distributable amount			
i	Carryover from 2011 not applied (see instructions)			
j	Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4	Distributions for 2016 from Section D, line 7: \$			
a	Applied to underdistributions of prior years			
b	Applied to 2016 distributable amount			
c	Remainder. Subtract lines 4a and 4b from 4.			
5	Remaining underdistributions for years prior to 2016, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.			
6	Remaining underdistributions for 2016. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.			
7	<b>Excess distributions carryover to 2017.</b> Add lines 3j and 4c.			
8	Breakdown of line 7:			
a				
b	Excess from 2013. . . .			
c	Excess from 2014. . . .			
d	Excess from 2015. . . .			
e	Excess from 2016. . . .			

**Part VI** **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

ATTACHMENT 1

SCHEDULE A, PART II - OTHER INCOME

DESCRIPTION	2012	2013	2014	2015	2016	TOTAL
OTHER REVENUE					37,635.	37,635.
TOTALS					<u>37,635.</u>	<u>37,635.</u>

Schedule B

(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

OMB No. 1545-0047

2016

Attach to Form 990, Form 990-EZ, or Form 990-PF.

Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.

Name of the organization

ROOT CAPITAL, INC.

Employer identification number

04-3478123

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

[X] 501(c)(3) (enter number) organization

[ ] 4947(a)(1) nonexempt charitable trust not treated as a private foundation

[ ] 527 political organization

Form 990-PF

[ ] 501(c)(3) exempt private foundation

[ ] 4947(a)(1) nonexempt charitable trust treated as a private foundation

[ ] 501(c)(3) taxable private foundation

Check if your organization is covered by the General Rule or a Special Rule.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

[ ] For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

[X] For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

[ ] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

[ ] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions exclusively for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Don't complete any of the parts unless the General Rule applies to this organization because it received nonexclusively religious, charitable, etc., contributions totaling \$5,000 or more during the year . . . . . \$

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it must answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization **ROOT CAPITAL, INC.**

Employer identification number  
04-3478123

**Part I** Contributors (See instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	_____ _____ _____	\$ 600,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	_____ _____ _____	\$ 1,040,050.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	_____ _____ _____	\$ 750,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	_____ _____ _____	\$ 500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	_____ _____ _____	\$ 874,595.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	_____ _____ _____	\$ 600,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)



Name of organization **ROOT CAPITAL, INC.**

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**Part I** Contributors (See instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7		\$ 581,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8		\$ 262,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
9		\$ 250,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
10		\$ 400,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
11		\$ 215,053.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
12		\$ 200,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization **ROOT CAPITAL, INC.**

Employer identification number  
04-3478123

**Part I** Contributors (See instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
13		\$ 300,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
14		\$ 200,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
15		\$ 200,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization **ROOT CAPITAL, INC.**

Employer identification number

04-3478123

**Part II** **Noncash Property** (See instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____

Name of organization ROOT CAPITAL, INC.

Employer identification number  
04-3478123

**Part III** Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ▶ \$ \_\_\_\_\_  
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
_____	_____
_____	_____
_____	_____

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
_____	_____
_____	_____
_____	_____

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
_____	_____
_____	_____
_____	_____

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
_____	_____
_____	_____
_____	_____

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2016

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

Attach to Form 990.

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

ROOT CAPITAL, INC.

Employer identification number

04-3478123

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 3 columns: Line number, Description, (a) Donor advised funds, (b) Funds and other accounts. Includes rows for total number, aggregate value, and Yes/No questions.

Part II Conservation Easements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Table with 3 columns: Line number, Description, Held at the End of the Tax Year. Includes rows for purpose(s), total number, acreage, and monitoring expenses.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Table with 3 columns: Line number, Description, Amount. Includes rows for reporting requirements and revenue/assets for art collections.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a  Public exhibition
  - b  Scholarly research
  - c  Preservation for future generations
  - d  Loan or exchange programs
  - e  Other \_\_\_\_\_
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? . . . . .  Yes  No

**Part IV Escrow and Custodial Arrangements.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? . . . . .  Yes  No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
c Beginning balance . . . . .	1c
d Additions during the year . . . . .	1d
e Distributions during the year . . . . .	1e
f Ending balance . . . . .	1f

- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?  Yes  No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII . . . . .

**Part V Endowment Funds.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance . . . . .					
b Contributions . . . . .					
c Net investment earnings, gains, and losses . . . . .					
d Grants or scholarships . . . . .					
e Other expenditures for facilities and programs . . . . .					
f Administrative expenses . . . . .					
g End of year balance . . . . .					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment ▶ \_\_\_\_\_ %
- b Permanent endowment ▶ \_\_\_\_\_ %
- c Temporarily restricted endowment ▶ \_\_\_\_\_ %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations . . . . .	3a(i)	
(ii) related organizations . . . . .	3a(ii)	
b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? . . . . .	3b	

4 Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land . . . . .				
b Buildings . . . . .				
c Leasehold improvements . . . . .		297,803.	227,620.	70,183.
d Equipment . . . . .		206,420.	134,320.	72,100.
e Other . . . . .		893,978.	531,416.	362,562.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) . . . . .				504,845.

**Part VII Investments - Other Securities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives . . . . .		
(2) Closely-held equity interests . . . . .		
(3) Other _____		
(A) _____		
(B) _____		
(C) _____		
(D) _____		
(E) _____		
(F) _____		
(G) _____		
(H) _____		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) LOANS RECEIVABLE	73,238,811.	FMV
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

**Part X Other Liabilities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) DEFERRED RENT ABATEMENT	92,985.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII





**Part XIII** Supplemental Information (continued)

SCHEDULE D, PART IV, LINE 2B

AT TIMES, ROOT CAPITAL CO-LENDERS WITH OTHER ORGANIZATIONS AND ADMINISTERS THE ENTIRE LOAN. CREDIT COUNSELING AND DEBT MANAGEMENT SERVICES ARE PROVIDED BY THE CO-LENDER. IN MANY LOCATIONS, ROOT CAPITAL BEARS THE RESPONSIBILITY TO CREATE A TRIANGULATED PARTNERSHIP BETWEEN THE CO-LENDER, BORROWER, AND COMMERCIAL BUYER. THIS CREATES AN ADDED MEASURE OF SECURITY FOR ROOT CAPITAL'S CLIENTS BY ENSURING THAT THEIR PRODUCTS CAN BE SOLD AT A FAIR PRICE, AND HELPS BUYERS CONTRIBUTE TO THE LOCAL ECONOMIES.

THE ESCROW FUNDS REPRESENT A TIMING DIFFERENCE BETWEEN REPAYMENTS FROM BORROWERS AND TRANSFER OF FUNDS DUE TO CO-LENDING PARTNERS. THE ESCROW ACCOUNT IS ALSO USED WHEN A BUYER PAYS ROOT CAPITAL THE FULL AMOUNT OF THE MONEY OWED TO A SUPPLIER/BORROWER. ROOT CAPITAL DEDUCTS THE PRINCIPAL AND INTEREST OWED ON ITS LOAN AND FORWARDS THE REMAINING BALANCE TO THE SUPPLIER/BORROWER.

SCHEDULE D, PART X, LINE 2

ROOT CAPITAL IS A TAX-EXEMPT ORGANIZATION AS DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE AND IS GENERALLY EXEMPT FROM INCOME TAXES PURSUANT TO SECTION 501(A). ACCDER, ROOT CAPITAL MEXICO A.C., AND ROOT CAPITAL GUATEMALA A.C. ARE ORGANIZED AND OPERATED UNDER THE REGULATIONS OF THEIR RESPECTIVE COUNTRIES, PERU, MEXICO AND GUATEMALA. ROOT CAPITAL MEXICO A.C. IS A REGISTERED CHARITABLE ORGANIZATION IN MEXICO. ROOT CAPITAL GUATEMALA A.C. IS A REGISTERED CHARITABLE ORGANIZATION IN GUATEMALA. THE INCOME TAX CONSEQUENCES, IF ANY, ARE REFLECTED IN THE FINANCIAL STATEMENTS AND DO NOT HAVE A MATERIAL

**Part XIII** Supplemental Information (continued)

EFFECT, INDIVIDUALLY OR IN THE AGGREGATE, UPON ROOT CAPITAL'S FINANCIAL STATEMENTS. ROOT CAPITAL BELIEVES IT HAS TAKEN NO UNCERTAIN TAX POSITIONS.

## SCHEDULE D, PART XI, LINE 2D

## OTHER REVENUES NOT REPORTED ON FORM 990

PROVISION FOR LOAN LOSS:	(\$11,431,263)
FOREIGN CURRENCY EXCHANGE LOSS:	(\$600,674)
INTEREST EXPENSE:	(\$2,307,648)
-----	
TOTAL	(\$14,339,585)

## SCHEDULE D, PART XII, LINE 4B

## OTHER EXPENSES NOT REPORTED ON FORM 990

PROVISION FOR LOAN LOSS:	\$11,431,263
INTEREST EXPENSE:	\$2,307,648
-----	
TOTAL	\$13,738,911

**SCHEDULE F  
(Form 990)**

**Statement of Activities Outside the United States**

OMB No. 1545-0047

**2016**

**Open to Public Inspection**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 14b, 15, or 16.  
▶ Attach to Form 990.

▶ Information about Schedule F (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Department of the Treasury  
Internal Revenue Service

Name of the organization

ROOT CAPITAL, INC.

Employer identification number

04-3478123

**Part I** General Information on Activities Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 14b.

- For grantmakers.** Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No
- For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

**3** Activities per Region. (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in the region	(d) Activities conducted in the region (by type) (such as, fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in the region	(f) Total expenditures for and investments in the region
(1) SUB-SAHARAN AFRICA	3.	25.	PROGRAM SERVICES	LOAN DISBURSEMENTS	36,867,367.
(2) SOUTH AMERICA	1.	19.	PROGRAM SERVICES	LOAN DISBURSEMENTS	31,268,493.
(3) CENTRAL AMERICA/CARIBBEAN	3.	26.	PROGRAM SERVICES	LOAN DISBURSEMENTS	37,486,815.
(4) NORTH AMERICA	1.	10.	PROGRAM SERVICES	LOAN DISBURSEMENTS	5,632,111.
(5) EAST ASIA AND THE PACIFIC			PROGRAM SERVICES	LOAN DISBURSEMENTS	6,235,822.
(6) SUB-SAHARAN AFRICA			PROGRAM SERVICES	LENDING/ADVISORY	1,825,233.
(7) SOUTH AMERICA			PROGRAM SERVICES	LENDING/ADVISORY	1,902,510.
(8) CENTRAL AMERICA/CARIBBEAN			PROGRAM SERVICES	LENDING/ADVISORY	2,227,471.
(9) NORTH AMERICA			PROGRAM SERVICES	LENDING/ADVISORY	501,983.
(10) SUB-SAHARAN AFRICA			GRANTMAKING		35,001.
(11)					
(12)					
(13)					
(14)					
(15)					
(16)					
(17)					
<b>3a</b> Sub-total	8.	80.			124,392,788.
<b>b</b> Total from continuation sheets to Part I					
<b>c</b> Totals (add lines 3a and 3b)	8.	80.			124,392,788.

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule F (Form 990) 2016

**Part III** Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of noncash assistance	(h) Description of noncash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)			SUB-SAHARAN AFRICA	AGRICULTURAL	35,001.	WIRE			FMV
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									
(8)									
(9)									
(10)									
(11)									
(12)									
(13)									
(14)									
(15)									
(16)									

- Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter. . . . .
- Enter total number of other organizations or entities. . . . .

**Part III**

**Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 16.  
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of noncash assistance	(g) Description of noncash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

**Part IV Foreign Forms**

- 1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* . . . . .  Yes  No
- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to separately file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A; do not file with Form 990)* . . . . .  Yes  No
- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations (see Instructions for Form 5471)* . . . . .  Yes  No
- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621)* . . . . .  Yes  No
- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships (see Instructions for Form 8865)* . . . . .  Yes  No
- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to separately file Form 5713, International Boycott Report (see Instructions for Form 5713; do not file with Form 990)* . . . . .  Yes  No

**Part V Supplemental Information**

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

PROCESS FOR MONITORING USE OF GRANTS

SCHEDULE F, PART I, LINE 2

ROOT CAPITAL IS RESPONSIBLE FOR THE ACTIONS OR INACTIONS OF ITS SUBRECIPIENTS AS STIPULATED UNDER THE AGREEMENTS. THE MONITORING OF SUBRECIPIENTS IS AN EXTREMELY IMPORTANT PART OF SUBPROJECT MANAGEMENT TO ENSURE THAT THE SUBGRANTEE IS PERFORMING IN ACCORDANCE WITH THE AGREEMENT, STANDARD OPERATING PROCEDURE AND IN FURTHERANCE OF THE PROJECT OBJECTIVES. A VARIETY OF TOOLS IS UTILIZED TO MONITOR SUBGRANTEES. THESE INCLUDE:

- TIMELY AND THOROUGH REVIEW OF FINANCIAL AND PROGRAMMATIC SUBGRANTEE REPORTS
- PERIODIC AND ON-SITE VISITS
- REGULAR AND ONGOING COMMUNICATION WITH SUBGRANTEE
- INTERNAL AND/OR EXTERNAL AUDITS PATHFINDER CONDUCTS PRE-AWARD AND PERIODIC RISK ASSESSMENTS OF THE SUBRECIPIENTS.

DEPENDING ON THE RESULTS, A MONITORING PLAN TOGETHER WITH AN APPROPRIATE MECHANISM FOR FUNDING, FINANCIAL AND PROGRAMATIC MANAGMENT AND MONITORING IS FORMULATED.

**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No. 1545-0047

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

**2016**

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
- ▶ Attach to Form 990.

**Open to Public Inspection**

▶ Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Department of the Treasury  
Internal Revenue Service

Name of the organization

ROOT CAPITAL, INC.

Employer identification number

04-3478123

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |  |   |
|--|---|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use    |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence    |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees      |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (such as, maid, chauffeur, chef) |

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain . . . . .

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a? . . . . .

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee              | <input type="checkbox"/> Written employment contract                                |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input checked="" type="checkbox"/> Form 990 of other organizations     | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment? . . . . .
  - b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? . . . . .
  - c** Participate in, or receive payment from, an equity-based compensation arrangement? . . . . .
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.**

**5** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization? . . . . .
  - b** Any related organization? . . . . .
- If "Yes" on line 5a or 5b, describe in Part III.

**6** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization? . . . . .
  - b** Any related organization? . . . . .
- If "Yes" on line 6a or 6b, describe in Part III.

**7** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III. . . . .

**8** Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III . . . . .

**9** If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? . . . . .

	Yes	No
1a		
1b		
2		
3		
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2016



**Part III Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

**Note:** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 WILLIAM F. FOOTE <small>CEO &amp; PRESIDENT</small>	(i) 285,822. (ii) 0. (iii) 0.	0.	0.	10,600.	16,962.	313,384.	0.
2 LIAM BRODY <small>2ND COO &amp; MKTG (THRU 12/16)</small>	(i) 171,888. (ii) 0. (iii) 0.	0.	0.	0.	16,922.	188,810.	0.
3 CATHERINE GILL <small>3RD OF INV. RELATIONS &amp; OPS</small>	(i) 172,287. (ii) 0. (iii) 0.	0.	0.	6,994.	17,187.	196,468.	0.
4 BRIAN MATTHEW ONIE MILD <small>4TH OF STRATEGY, ADV. &amp; INNOV</small>	(i) 176,501. (ii) 0. (iii) 0.	0.	0.	6,994.	1,373.	184,868.	0.
5 DARCY SALINGER <small>CHIEF CREDIT OFFICER</small>	(i) 154,526. (ii) 0. (iii) 0.	0.	0.	6,166.	1,373.	162,065.	0.
6 NATHANIEL SCHAFFRAN <small>5TH OF LENDING (THRU 11/16)</small>	(i) 153,843. (ii) 0. (iii) 0.	0.	0.	5,356.	6,428.	165,627.	0.
7 PETER BERNARD <small>7TH OF (2/16-10/16), COO</small>	(i) 153,755. (ii) 0. (iii) 0.	0.	0.	0.	15,611.	169,366.	0.
8	(i) 0. (ii) 0. (iii) 0.						
9	(i) 0. (ii) 0. (iii) 0.						
10	(i) 0. (ii) 0. (iii) 0.						
11	(i) 0. (ii) 0. (iii) 0.						
12	(i) 0. (ii) 0. (iii) 0.						
13	(i) 0. (ii) 0. (iii) 0.						
14	(i) 0. (ii) 0. (iii) 0.						
15	(i) 0. (ii) 0. (iii) 0.						
16	(i) 0. (ii) 0. (iii) 0.						

**Part III Supplemental Information**

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

**SCHEDULE L**  
(Form 990 or 990-EZ)

**Transactions With Interested Persons**

OMB No. 1545-0047

**2016**

**Open To Public Inspection**

Department of the Treasury  
Internal Revenue Service

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule L (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

ROOT CAPITAL, INC.

Employer identification number

04-3478123

**Part I Excess Benefit Transactions** (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Correct?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

- 2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 . . . . . ▶ \$ \_\_\_\_\_
- 3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization. . . . . ▶ \$ \_\_\_\_\_

**Part II Loans to and/or From Interested Persons.**

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
ATTACHMENT 1												
(1)												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												
(8)												
(9)												
(10)												
<b>Total</b> . . . . . ▶						\$ 2,205,000.						

**Part III Grants or Assistance Benefiting Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

**Part IV Business Transactions Involving Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

**Part V Supplemental Information**

Provide additional information for responses to questions on Schedule L (see instructions).

LOANS TO ROOT CAPITAL, INC.

SCHEDULE L, PART II

LOANS TO ROOT CAPITAL, INC. ARE DOCUMENTED IN A WRITTEN AGREEMENT BETWEEN THE ORGANIZATION AND THE RELATED PARTY. THE LOANS ARE ENTERED INTO AT ARM'S LENGTH, INDEPENDENTLY AND REMOVED FROM THE PERSON'S ROLES AT ROOT CAPITAL, AND MADE WITHIN THE USUAL PARAMETERS OFFERED TO ALL INVESTORS. ROOT CAPITAL TAKES MEASURES TO ENSURE THAT ITS INVESTORS ARE ACCREDITED INVESTORS.

**Part IV Business Transactions Involving Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

**Part V Supplemental Information**

Provide additional information for responses to questions on Schedule L (see instructions).

ATTACHMENT 1

SCHEDULE L, PART II

NAME PAUL LEANDER-ENGSTROM  
 RELATIONSHIP WITH ORGANIZATION BOARD MEMBER  
 PURPOSE OF LOAN INVESTMENT  
 LOAN TO OR FROM THE ORG.?  YES NO  
 ORIGINAL PRINCIPAL AMOUNT 2,000,000.  
 BALANCE DUE 2,000,000.  
 IN DEFAULT? YES  NO  
 APPROVED BY BOARD OR COMMITTEE YES  NO  
 WRITTEN AGREEMENT?  YES NO

NAME RICK PEYSER  
 RELATIONSHIP WITH ORGANIZATION BOARD MEMBER  
 PURPOSE OF LOAN INVESTMENT  
 LOAN TO OR FROM THE ORG.?  YES NO  
 ORIGINAL PRINCIPAL AMOUNT 25,000.  
 BALANCE DUE 25,000.  
 IN DEFAULT? YES  NO  
 APPROVED BY BOARD OR COMMITTEE YES  NO  
 WRITTEN AGREEMENT?  YES NO

NAME JACK TAYLOR  
 RELATIONSHIP WITH ORGANIZATION BOARD MEMBER  
 PURPOSE OF LOAN INVESTMENT  
 LOAN TO OR FROM THE ORG.?  YES NO  
 ORIGINAL PRINCIPAL AMOUNT 100,000.  
 BALANCE DUE 100,000.  
 IN DEFAULT? YES  NO  
 APPROVED BY BOARD OR COMMITTEE YES  NO  
 WRITTEN AGREEMENT?  YES NO

**Part IV Business Transactions Involving Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

**Part V Supplemental Information**

Provide additional information for responses to questions on Schedule L (see instructions).

ATTACHMENT 1 (CONT'D)

SCHEDULE L, PART II

NAME	FRANZ COLLOREDO-MANSFIELD
RELATIONSHIP WITH ORGANIZATION	BOARD MEMBER
PURPOSE OF LOAN	INVESTMENT
LOAN TO OR FROM THE ORG.?	X YES NO
ORIGINAL PRINCIPAL AMOUNT	100,000.
BALANCE DUE	80,000.
IN DEFAULT?	YES X NO
APPROVED BY BOARD OR COMMITTEE	YES X NO
WRITTEN AGREEMENT?	X YES NO

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

**Supplemental Information to Form 990 or 990-EZ**

OMB No. 1545-0047

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

**2016**

▶ Attach to Form 990 or 990-EZ.

**Open to Public  
Inspection**

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Department of the Treasury  
Internal Revenue Service

Name of the organization

ROOT CAPITAL, INC.

Employer identification number

04-3478123

ORGANIZATION'S MISSION, CONTINUED

FORM 990, PART III, LINE 1

THROUGH A UNIQUE COMBINATION OF CAPITAL, TRAINING, AND ACCESS TO GLOBAL  
MARKETS, ROOT CAPITAL HELPS AGRICULTURAL BUSINESSES INCREASE FARMER  
INCOMES, WHICH IN TURN IMPROVES FOOD SECURITY, EMPOWERS WOMEN, CONSERVES  
ECOSYSTEMS, AND ENCOURAGES THE NEXT GENERATION OF FARMERS.

PROGRAM SERVICE ACCOMPLISHMENTS, CONTINUED

FINANCE

FORM 990, PART III, LINE 4A

MOST ROOT CAPITAL LOANS CAN BE CATEGORIZED AS FOLLOWS:

1) LINES OF CREDIT, WHICH ARE USED BY BORROWERS TO COVER COSTS OF  
PURCHASING RAW PRODUCT FROM THEIR FARMER SUPPLIERS. THESE LINES OF CREDIT  
HAVE TERMS OF UP TO ONE YEAR AND ARE GENERALLY ORIENTED AROUND A HARVEST  
OR PRODUCTION CYCLE.

2) FIXED-ASSET LOANS WITH TERMS OF UP TO SEVEN YEARS FOR INVESTMENT IN  
EQUIPMENT AND INFRASTRUCTURE.

3) GENERAL WORKING CAPITAL LOANS WITH TERMS FROM ONE TO SEVEN YEARS.

ROOT CAPITAL ASSESSES PROSPECTIVE CLIENTS AND EVALUATES THEM ON A SERIES  
OF FINANCIAL, SOCIAL, AND ENVIRONMENTAL CRITERIA. SOCIAL CRITERIA INCLUDE

Name of the organization ROOT CAPITAL, INC.	Employer identification number 04-3478123
--	--

PRICES PAID TO SUPPLIERS, EMPLOYEE WAGES, AND WORKING CONDITIONS, AND COMPANY SUPPORT FOR SOCIAL PROGRAMS SUCH AS TRAINING AND MEDICAL CARE. ENVIRONMENTAL CRITERIA INCLUDE SOIL AND WATER MANAGEMENT, THE IMPACT OF THE BUSINESS ON THE SURROUNDING COMMUNITY, AND STANDARDS FOR PRODUCT HANDLING AND PROCESSING.

ROOT CAPITAL'S LENDING SUPPORTS SUSTAINABLE ENVIRONMENTAL PRACTICES THAT PROTECT RURAL ECOSYSTEMS. CROPS PROCESSED AND MARKETED BY ROOT CAPITAL CLIENTS INCLUDE WILD-HARVESTED PRODUCTS SUCH AS NUTS AND NATIVE PLANTS FOR OILS, AGRO-FORESTRY CROPS SUCH AS SHADE-GROWN COFFEE AND COCOA, AND FARM-GROWN FRUITS AND VEGETABLES.

LENDING OFFICERS STAY ENGAGED WITH CLIENTS THROUGHOUT THE TERM OF EACH LOAN, AND ROOT CAPITAL'S FINANCIAL ADVISORY SERVICES PROGRAM PROVIDES TRAINING AS NEEDED.

ADVISE

FORM 990, PART III, LINE 4B

THOUGH FINANCIAL MANAGEMENT TRAINING IS THE CORE OFFERING OF THE ORGANIZATION'S ADVISORY PROGRAM, ROOT CAPITAL ALSO PROVIDES COMPLIMENTARY NON-FINANCIAL SERVICES, SUCH AS PARTNERSHIP-BASED TRAINING IN AGRONOMY.

ROOT CAPITAL PROVIDES TRAINING TO OUR CLIENTS ON FINANCIAL MANAGEMENT,



Name of the organization ROOT CAPITAL, INC.	Employer identification number 04-3478123
--	--

AGRONOMIC PLANNING AND MONITORING, LOAN APPLICATION SUPPORT, FINANCIAL INSTITUTION (FI) ADVISORY AND MOBILE TECHNOLOGY. ROOT CAPITAL'S ADVISORY SERVICES PROGRAM HAS SUCCESSFULLY TRAINED 811 PRODUCER ORGANIZATIONS REPRESENTING THOUSANDS OF PEOPLE.

CATALYZE

FORM 990, PART III, LINE 4C

THROUGH INDUSTRY ASSOCIATIONS SUCH AS THE ASPEN NETWORK OF DEVELOPMENT ENTREPRENEURS AND THE GLOBAL IMPACT INVESTMENT NETWORK, ROOT CAPITAL PLAYS A LEADERSHIP ROLE IN BUILDING THE ENABLING ENVIRONMENT FOR RURAL SMALL AND GROWING BUSINESS FINANCE.

AS A NON-PROFIT COMMITTED TO ALLEVIATING RURAL POVERTY, ROOT CAPITAL SEEKS TO MAXIMIZE THE POSITIVE SOCIAL AND ENVIRONMENTAL IMPACT OF OUR WORK. ECONOMIC, COMMUNITY, AND ENVIRONMENTAL SUSTAINABILITY ARE ALL PART OF OUR CORE VALUES.

ECONOMIC SUSTAINABILITY - ROOT CAPITAL CLIENTS LINK SMALL-SCALE FARMERS TO MARKETS THAT CAN OFFER HIGHER AND MORE STABLE PRICES THAN THEY HAVE HISTORICALLY RECEIVED. ROOT CAPITAL CLIENTS ALSO GENERATE EMPLOYMENT INCLUDING MANAGERS, ACCOUNTANTS, AGRICULTURAL EXTENSION STAFF, DRIVERS, AND WORKERS AT PROCESSING PLANTS.

ROOT CAPITAL WORKS WITH UNIQUE BUYERS OF AGRICULTURAL AND OTHER

Name of the organization

ROOT CAPITAL, INC.

Employer identification number

04-3478123

SUSTAINABLE PRODUCTS WORLDWIDE INCLUDING COMPANIES SUCH AS COOPERATIVE COFFEES, ANDEAN NATURALS, GEPA, STARBUCKS, KEURIG GREEN MOUNTAIN, AND EQUAL EXCHANGE.

COMMUNITY SUSTAINABILITY - FARMER ASSOCIATIONS ENCOURAGE PARTICIPATORY DECISION-MAKING AND ARE A SOURCE OF COMMUNITY OWNERSHIP AND PRIDE. THEY ALSO STEM MIGRATION TO URBAN AREAS BY MAKING TRADITIONAL AGRICULTURAL ACTIVITIES MORE VIABLE. SOCIAL IMPACT INCLUDES STABILIZING INCOMES IN RURAL COMMUNITIES AND CREATING NEW ECONOMIC OPPORTUNITIES FOR WOMEN, INDIGENOUS PEOPLES AND OTHER MARGINALIZED GROUPS.

ENVIRONMENTAL SUSTAINABILITY - ROOT CAPITAL CLIENTS TYPICALLY PROVIDE FARMERS WITH TRAINING IN SUSTAINABLE PRODUCTION TO AVOID DEFORESTATION, REDUCE CHEMICAL USE, IMPROVE WATER AND SOIL MANAGEMENT, AND OTHERWISE PROTECT THE HEALTH OF RURAL ECOSYSTEMS.

#### BUSINESS RELATIONSHIPS

FORM 990, PART VI, LINE 2

BOARD MEMBERS ELIZABETH LUCKETT AND JEREMY MINDICH HAVE A BUSINESS RELATIONSHIP.

#### FORM 990 REVIEW PROCESS

FORM 990, PART VI, LINE 11B

THE FORM 990 WAS PREPARED BY AN INDEPENDENT PUBLIC ACCOUNTING FIRM WITH INFORMATION PROVIDED BY MANAGEMENT. THE FORM 990 IS REVIEWED BY THE CONTROLLER, CHIEF FINANCIAL OFFICER AND PRESIDENT. PRIOR TO FILING, THE

Name of the organization

ROOT CAPITAL, INC.

Employer identification number

04-3478123

COMPLETE FORM 990 IS PROVIDED TO ALL VOTING MEMBERS OF THE BOARD OF DIRECTORS WITH OPPORTUNITY FOR QUESTIONS, COMMENTS, OR EDITS. THE BOARD OF DIRECTORS IS GIVEN 10 DAYS TO REVIEW AND COMMENT ON THE FORM 990. ANY CHANGES ARE INCORPORATED IN THE FINAL FORM 990 WHICH IS FILED WITH THE IRS.

## CONFLICT OF INTEREST POLICY

FORM 990, PART VI, LINE 12C

ALL ROOT CAPITAL BOARD MEMBERS AND EMPLOYEES PARTICIPATE IN AN ANNUAL TRAINING ON ROOT CAPITAL'S CODE OF ETHICS, WHICH INCLUDES A CONFLICT OF INTEREST POLICY. DIRECTORS AND OFFICERS COMPLETE A CONFLICT OF INTEREST DISCLOSURE FORM EACH YEAR, WHICH IS REVIEWED BY ROOT CAPITAL'S GOVERNANCE, RISK MANAGEMENT & COMPLIANCE (GRC) TEAM, AND VETTED WITH LEGAL COUNSEL IF NEEDED. IF IT IS NECESSARY TO REVIEW OR CLEAR A CONFLICT RELATED TO THE CURRENT WORK OR ACTIVITY OF ROOT CAPITAL, THAT CONFLICT IS BROUGHT BEFORE THE GOVERNANCE COMMITTEE OF THE BOARD. IF THE DIRECTOR WITH THE CONFLICT SERVES ON THE GOVERNANCE COMMITTEE, S/HE IS RECUSED FROM THE CONVERSATION. THE GOVERNANCE COMMITTEE ENSURES THAT ANY BUSINESS DECISION THAT COULD BE AFFECTED BY THE PARTICULAR CONFLICT IS CONSIDERED OBJECTIVELY BY THE ROOT CAPITAL TEAM AND IS IN THE BEST INTEREST OF THE ORGANIZATION. THE GOVERNANCE COMMITTEE'S CONVERSATION AND DECISION WITH RESPECT TO THE CONFLICT IS RECORDED IN THE MINUTES OF THE MEETING AND SHARED WITH THE WHOLE BOARD IN THE SUBSEQUENT QUARTERLY BOARD BOOK.

ALL ROOT CAPITAL PERSONNEL ARE TRAINED ON THE CONFLICT OF INTEREST POLICY IN THE COURSE OF ITS ANNUAL CODE OF ETHICS WORKSHOPS. BEFORE THESE

Name of the organization

ROOT CAPITAL, INC.

Employer identification number

04-3478123

WORKSHOPS, ROOT CAPITAL'S CONFLICT OF INTEREST POLICY IS SHARED WITH THE PARTICIPANTS AND, AFTER THE TRAINING, PARTICIPANTS ARE ASKED TO SIGN AN ACKNOWLEDGEMENT FORM ATTESTING THAT THEY HAVE READ THE POLICIES AND COMPLETED THE TRAINING.

## COMPENSATION REVIEW PROCESS

FORM 990, PART VI, LINE 15

PER DELEGATION OF THE FULL BOARD OF DIRECTORS EACH YEAR, THE ROOT CAPITAL BOARD OF DIRECTORS' GOVERNANCE COMMITTEE REVIEWS THE CEO'S PERFORMANCE AND COMPENSATION ANNUALLY AND RECOMMENDS A SALARY FOR APPROVAL BY THE EXECUTIVE COMMITTEE OF THE BOARD. THIS POWER IS DELEGATED TO THE EXECUTIVE COMMITTEE BY THE BOARD SINCE THE FIRST QUARTER BOARD MEETING OCCURS PRIOR TO SALARY ADJUSTMENTS EACH YEAR. THE CEO'S SALARY RECOMMENDATION IS SUPPORTED BY A COMPENSATION STUDY PERFORMED BY AN OUTSIDE COMPENSATION EXPERT EVERY TWO YEARS. DOCUMENTATION OF THE DELIBERATION AND DECISION IS FILED IN THE CEO'S PERSONNEL FOLDER.

COMPENSATION OF OTHER OFFICERS AND KEY EMPLOYEES IS DETERMINED BY THE CEO OF THE ORGANIZATION USING THE RESULTS OF A COMPENSATION SURVEY CONDUCTED ON AN ANNUAL BASIS.

## PUBLIC DISCLOSURE

FORM 990, PART VI, LINE 19

THE ORGANIZATION'S AUDITED FINANCIALS ARE AVAILABLE ON ITS WEBSITE. GOVERNING DOCUMENTS AND THE CONFLICT OF INTEREST POLICY ARE AVAILABLE UPON REQUEST.

Name of the organization ROOT CAPITAL, INC.	Employer identification number 04-3478123
--	--

## BOARD MEMBER AND COMPENSATED INDIVIDUAL DISCLOSURE

## FORM 990, PART VII

PETER BERNARD SERVED AS VICE CHAIR OF THE BOARD OF DIRECTORS THROUGH FEBRUARY 2016 WHEN WAS HIRED AS CHIEF OPERATING OFFICER. HE DID NOT RECEIVE COMPENSATION FOR HIS SERVICES AS VICE CHAIR. TO PROVIDE CONTEXT FOR WHICH ROLE PETER BERNARD WAS COMPENSATED FOR, HE HAS BEEN REPORTED TWICE ON FORM 990 PART VII.

## OTHER CHANGES IN NET ASSETS

## FORM 990, PART XI, LINE 9

FOREIGN CURRENCY EXCHANGE LOSS: (\$600,674)

ATTACHMENT 1FORM 990, PART V, LINE 4B - FOREIGN COUNTRIES

KENYA

COSTA RICA

SENEGAL

PERU

MEXICO

ATTACHMENT 2FORM 990, PART VI, LINE 17 - STATES

AL, AK, AR, CA, CO, CT,

DC, FL, GA, IL, KS, KY, ME, MD, MA, MI,

MN, MS, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA,

RI, SC, TN, UT, VA, WA, WV, WI,

Name of the organization ROOT CAPITAL, INC.	Employer identification number 04-3478123
--	--

ATTACHMENT 3

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
STITCHING PROGRESSO FOUNDATION KEIZERSGRACHT 452 AMSTERDAM NETHERLANDS 1016 GD	AGRONOMIC COORD	206,136.
GRANT THORNTON 75 STATE STREET #13 BOSTON, MA 02109	AUDIT AND TAX	162,633.

**SCHEDULE R  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

Name of the organization  
**ROOT CAPITAL, INC.**

Employer identification number  
04-3478123

**Related Organizations and Unrelated Partnerships**

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
- ▶ Attach to Form 990.
- ▶ Information about Schedule R (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**Part I Identification of Disregarded Entities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

	(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity	
						Yes	No
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							

**Part II Identification of Related Tax-Exempt Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

	(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
							Yes	No
(1)	ROOT CAPITAL AC MA, ADELINA FLORES NO. 20 COLO CHIAPA, SAN CRISTOBAL DE L	PRGM SUPPORT	MX	N/A	N/A	ROOT CAPITAL	X	
(2)	ASOCIACION ACCOER AV. CAMINO REAL 348 TERRE EL P LIMA, PE	PRGM SUPPORT	PE	N/A	N/A	ROOT CAPITAL	X	
(3)	ROOT CAPITAL AC 22 AVENIDA 3-87 ZONA 3, EDIFIC QUETZALTENAGO, GT	PRGM SUPPORT	GT	N/A	N/A	ROOT CAPITAL	X	
(4)								
(5)								
(6)								
(7)								

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2016

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**Part III** Identification of Related Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

	(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V - UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
								Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													

**Part IV** Identification of Related Organizations Taxable as a Corporation or Trust. Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

	(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
									Yes	No
(1)										
(2)										
(3)										
(4)										
(5)										
(6)										
(7)										



**Part V Transactions With Related Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

- 1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?
  - a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity.
  - b Gift, grant, or capital contribution to related organization(s)
  - c Gift, grant, or capital contribution from related organization(s)
  - d Loans or loan guarantees to or for related organization(s)
  - e Loans or loan guarantees by related organization(s)

- f Dividends from related organization(s)
- g Sale of assets to related organization(s)
- h Purchase of assets from related organization(s)
- i Exchange of assets with related organization(s)
- j Lease of facilities, equipment, or other assets to related organization(s)

- k Lease of facilities, equipment, or other assets from related organization(s)
- l Performance of services or membership or fundraising solicitations for related organization(s)
- m Performance of services or membership or fundraising solicitations by related organization(s)
- n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o Sharing of paid employees with related organization(s)

- p Reimbursement paid to related organization(s) for expenses
- q Reimbursement paid by related organization(s) for expenses
- r Other transfer of cash or property to related organization(s)
- s Other transfer of cash or property from related organization(s)

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

	(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved	Yes No	
					1a	1b
(1)	ROOT CAPITAL AC - MEXICO	P	594,546.	EMV		
(2)	ASOCIACION ACCDER	P	1,243,522.	EMV		
(3)	ROOT CAPITAL AC - GUATEMALA	P	417,259.	EMV		
(4)						
(5)						
(6)						

**Part VI**

**Unrelated Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

	(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V - UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
					Yes	No			Yes	No		Yes	No	
(1)														
(2)														
(3)														
(4)														
(5)														
(6)														
(7)														
(8)														
(9)														
(10)														
(11)														
(12)														
(13)														
(14)														
(15)														
(16)														

**Part VII** Supplemental Information

Provide additional information for responses to questions on Schedule R. See instructions.