

**REPORT**  
**TO**  
**COMMISSIONER OF INSURANCE**

**June 4, 2026**

**ANNUAL REPORT AND STATEMENT OF FINANCIAL CONDITION**  
**of the**  
**MASSACHUSETTS CAPITAL RESOURCE COMPANY**

As of December 31, 2025

This annual report and statement of the financial condition of the Massachusetts Capital Resource Company (the "Company") for the year ended December 31, 2025 is presented by the Company in conformity with the requirements of Section 18 of Chapter 816 of the Acts and Resolves of 1977 (the "Act").

1. **Certified Financial Statements.** The financial statements of the Company for its fiscal year ended December 31, 2025 as certified by the Company's independent certified public accountants are attached as **Exhibit A** hereto and incorporated herein by this reference.
2. **Aggregate Contributions.** The Company was organized on December 27, 1977 and the initial capital contribution from partners in the aggregate amount of \$20,000,000 was received on December 30, 1977. The second capital contribution from partners in the aggregate amount of \$20,000,000 was received on December 27, 1978. The third capital contribution from partners in the aggregate amount of \$20,000,000 was received on December 27, 1979. The fourth capital contribution from partners in the aggregate amount of \$20,000,000 was received on December 30, 1980. The final capital contribution from partners in the aggregate amount of \$20,000,000 was received on December 30, 1981.
3. **Certificate Required by Section 15(b).** The certificate pertaining to investments made by the Company in marketable general obligations of the Commonwealth, its agencies or political subdivisions during the year ended December 31, 2025 as required by Section 15(b) is attached as **Exhibit B** hereto and incorporated herein by this reference.
4. **Investments During the Year.** The Company made a total of \$23,250,000 in qualified investments in the fiscal year ending December 31, 2025.
5. **Certificates Required by Section 16(f).** A certificate with respect to each of the eight (8) qualified investments as required by Section 16(f) is attached as part of **Exhibit C** hereto and incorporated herein by this reference.

Executed 4th day of June 2026

MASSACHUSETTS CAPITAL RESOURCE COMPANY

By   
Suzanne Dwyer  
President

By   
Seth Kulman  
Chair of the Investment Committee

COMMONWEALTH OF MASSACHUSETTS

Suffolk County, ss.

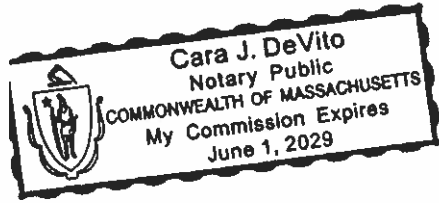
Then personally appeared Suzanne Dwyer, President of Massachusetts Capital Resource Company, whom did state that the information set forth in the foregoing Annual Report and Statement of Financial Condition is true and correct to the best of her knowledge, information, and belief.

Before me,



Notary Public Cara DeVito

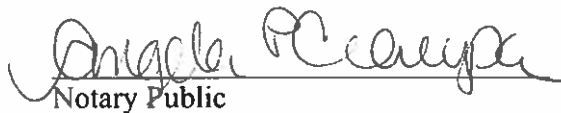
My commission expires: 6-1-2029



SUFFOLK County, ss

Then personally appeared Seth Kulman, Chair of the Investment Committee of Massachusetts Capital Resource Company, whom did state that the information set forth in the foregoing Annual Report and Statement of Financial Condition is true and correct to the best of his knowledge, information, and belief.

Before me,

  
Notary Public

My commission expires:  
12/25/2031



**Massachusetts Capital  
Resource Company**  
(A Massachusetts Limited Partnership)

Financial Report  
December 31, 2025

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## Independent Auditor's Report

General Partners  
Massachusetts Capital Resource Company

### Opinion

We have audited the financial statements of Massachusetts Capital Resource Company (the Partnership), which comprise the balance sheets as of December 31, 2025 and 2024, the related statements of income, comprehensive income, changes in partners' equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Partnership as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Partnership and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

*RSM US LLP*

Boston, Massachusetts  
May 26, 2026

**Massachusetts Capital Resource Company**

**Balance Sheets**  
**December 31, 2025 and 2024**

	2025	2024
<b>Assets</b>		
Cash and cash equivalents	\$ 14,171,072	\$ 28,446,972
Investments in available-for-sale securities, at fair value	11,012,919	16,150,913
Notes receivable (less allowance for credit losses of \$8,059,450—2025; \$6,960,537—2024)	77,534,901	64,840,728
Equity securities, at fair value	55,903	34,534
Equity securities, at measurement alternative	3,016,171	3,016,171
Right-of-use assets	2,068,007	2,356,397
Pension asset	1,803,183	1,594,762
Interest receivable	863,446	793,720
Fixed assets, net	18,309	12,526
Other assets	298,622	422,633
	<u>110,842,533</u>	<u>117,669,356</u>
<b>Total assets</b>	<b>\$ 110,842,533</b>	<b>\$ 117,669,356</b>
<b>Liabilities and Partners' Equity</b>		
Accounts payable, accrued expenses and other liabilities	\$ 1,173,250	\$ 1,880,627
Right of use liabilities	2,132,049	2,409,647
<b>Total liabilities</b>	<u>3,305,299</u>	<u>4,290,274</u>
Partners' equity:		
Contributed capital	100,000,000	100,000,000
Undistributed net income	7,176,861	13,350,441
Accumulated other comprehensive income	360,373	28,641
<b>Total partners' equity</b>	<u>107,537,234</u>	<u>113,379,082</u>
<b>Total liabilities and partners' equity</b>	<u>\$ 110,842,533</u>	<u>\$ 117,669,356</u>

See notes to financial statements.

**Massachusetts Capital Resource Company**

**Statements of Income**

**Years Ended December 31, 2025 and 2024**

	<b>2025</b>	2024
Interest and dividend income:		
Notes receivable	<b>\$ 9,807,526</b>	\$ 7,605,126
Cash equivalents and available-for-sale securities	<b>1,266,368</b>	1,701,659
Dividend income	<b>234,362</b>	302,093
<b>Total interest and dividend income</b>	<b>11,308,256</b>	9,608,878
Provision for credit losses on notes receivable	<b>1,098,913</b>	826,274
<b>Net interest and dividend income, after provision for credit losses on notes receivable</b>	<b>10,209,343</b>	8,782,604
Non-interest income:		
Management fees	<b>1,850,214</b>	1,906,575
Net realized gain on sale of available-for-sale securities, at fair value	<b>28,681</b>	-
Net realized gain on sale of equity securities, at measurement alternative	-	5,065,833
Net realized gain on derivatives	-	2,936,016
Net unrealized gain (loss) on equity securities	<b>21,369</b>	(9,605)
<b>Total non-interest income</b>	<b>1,900,264</b>	9,898,819
Non-interest expense:		
Compensation and related costs	<b>3,740,720</b>	4,306,970
Office, administrative and other expenses	<b>1,174,649</b>	1,016,240
<b>Total non-interest expense</b>	<b>4,915,369</b>	5,323,210
<b>Net income</b>	<b>\$ 7,194,238</b>	\$ 13,358,213

See notes to financial statements.

**Massachusetts Capital Resource Company**

**Statements of Comprehensive Income  
Years Ended December 31, 2025 and 2024**

	<b>2025</b>	<b>2024</b>
Net income	<b>\$ 7,194,238</b>	<b>\$ 13,358,213</b>
Other comprehensive income:		
Net unrealized gain (loss) on available-for-sale securities during the year	<b>123,311</b>	<b>(27,360)</b>
Net adjustment of accumulated pension obligation	<b>208,421</b>	<b>820,980</b>
<b>Total other comprehensive income</b>	<b>331,732</b>	<b>793,620</b>
<b>Total comprehensive income</b>	<b>\$ 7,525,970</b>	<b>\$ 14,151,833</b>

See notes to financial statements.

**Massachusetts Capital Resource Company**

**Statements of Changes in Partners' Equity  
Years Ended December 31, 2025 and 2024**

	Contributed Capital	Undistributed Net Income	Accumulated Other Comprehensive Income (Loss)	Total Partners' Equity
Balance, December 31, 2023	\$ 100,000,000	\$ 6,522,789	\$ (764,979)	\$ 105,757,810
Comprehensive income:				
Net income	-	13,358,213	-	13,358,213
Other comprehensive income	-	-	793,620	793,620
Distribution to partners	-	(6,530,561)	-	(6,530,561)
Balance, December 31, 2024	100,000,000	13,350,441	28,641	113,379,082
Comprehensive income:				
Net income	-	7,194,238	-	7,194,238
Other comprehensive income	-	-	331,732	331,732
Distribution to partners	-	(13,367,818)	-	(13,367,818)
<b>Balance, December 31, 2025</b>	<b>\$ 100,000,000</b>	<b>\$ 7,176,861</b>	<b>\$ 360,373</b>	<b>\$ 107,537,234</b>

See notes to financial statements.

**Massachusetts Capital Resource Company**

**Statements of Cash Flows**

**Years Ended December 31, 2025 and 2024**

	<b>2025</b>	<b>2024</b>
Cash flows from operating activities:		
Net income	\$ 7,194,238	\$ 13,358,213
Adjustments to reconcile net income to net cash provided by operating activities:		
Net realized gain on available-for-sale securities	(28,681)	-
Net realized gain on derivatives	-	(2,936,016)
Net realized gain on sale of equity securities at measurement alternative	-	(5,065,833)
Net change in value of equity securities, at fair value	(21,369)	9,605
Interest and dividends paid-in-kind	(347,402)	(164,354)
Provision for credit losses on notes receivable	1,098,913	826,274
Depreciation and amortization related to fixed assets, net	4,826	4,244
Accretion and amortization related to investments, net	20,340	(54,794)
Net periodic benefit cost on pension asset	242,865	259,053
Contribution to pension plan	(242,865)	(259,053)
Net changes in operating assets and accrued liabilities:		
(Increase) decrease in interest receivable	(69,726)	127,876
Decrease (increase) in other assets	124,013	(123,359)
(Decrease) increase in accounts payable, accrued, expenses and other liabilities	(696,585)	579,960
<b>Net cash provided by operating activities</b>	<b>7,278,567</b>	<b>6,561,816</b>
Cash flows from investing activities:		
Proceeds from sales of derivatives	-	2,936,016
Proceeds from sale of equity securities at measurement alternative	-	5,170,833
Purchase of equity securities at measurement alternative	-	(1,390,250)
Principal collected on notes receivable	9,804,314	9,709,125
Disbursements for notes receivable	(23,250,000)	(13,933,333)
Proceeds from sale and maturities of available-for-sale securities	9,277,183	6,200,000
Purchases of available-for-sale securities	(4,007,537)	(1,004,367)
Payments for capital expenditures	(10,609)	(5,042)
<b>Net cash (used in) provided by investing activities</b>	<b>(8,186,649)</b>	<b>7,682,982</b>
Cash flows from financing activities:		
Distributions to partners	(13,367,818)	(6,530,561)
<b>Net cash used in financing activities</b>	<b>(13,367,818)</b>	<b>(6,530,561)</b>
<b>Net (decrease) increase in cash and cash equivalents:</b>	<b>(14,275,900)</b>	<b>7,714,237</b>
Cash and cash equivalents, beginning of year	<b>28,446,972</b>	<b>20,732,735</b>
Cash and cash equivalents, end of year	<b>\$ 14,171,072</b>	<b>\$ 28,446,972</b>

See notes to financial statements.

## Massachusetts Capital Resource Company

### Notes to Financial Statements

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#### Note 1. Organization and Business

Massachusetts Capital Resource Company (the Partnership or MCRC) was organized on December 27, 1977, under Chapter 109 of the Massachusetts General Laws (Massachusetts Limited Partnership Act) and Chapter 816 of the Acts of Resolves of 1977 of the Commonwealth of Massachusetts (Chapter 816). MCRC is a privately-owned limited partnership engaged in the business of issuing loans and making other investments in Massachusetts businesses, subject to the restrictions imposed by Chapter 816. MCRC has received cumulative contributions of capital from its partners of \$100,000,000 representing full capital contributions required under Chapter 816.

#### Note 2. Summary of Significant Accounting Policies

**Basis of presentation:** MCRC's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

**Reclassifications:** Certain prior period amounts, which are normal and reoccurring in nature, to the extent comparable, have been reclassified to conform to the current period presentation.

**Use of estimates:** The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and cash equivalents:** Cash and cash equivalents include cash on hand and deposited in banks, as well as money market instruments with original maturities of three months or less.

**Available-for-sale securities:** MCRC accounts for its investments in debt securities in accordance with the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 320, Investments—Debt Securities (ASC 320). MCRC's investments in debt securities are classified as available-for-sale. Available-for-sale securities are carried at fair value on the balance sheets. Unrealized holding gains and losses are not included in earnings, but are reported as a net amount, in a separate component of partners' equity until realized.

Available-for-sale debt securities consist solely of U.S. Treasury securities and investments in obligations of the Commonwealth of Massachusetts.

For available-for-sale debt securities in an unrealized loss position, the Partnership first assesses whether it intends to sell, or it is more likely than not that it will be required to sell the security before recovery of its amortized cost basis. If either of the criteria regarding intent or requirement to sell is met, the security's amortized cost basis is written down to fair value through income.

For debt securities available-for-sale that do not meet the aforementioned criteria, the Partnership evaluates whether the decline in fair value has resulted from credit losses or other factors. In making this assessment, management considers the extent to which fair value is less than amortized cost, any changes to the rating of the security by a rating agency and adverse conditions specifically related to the security, among other factors. If this assessment indicates that a credit loss exists, the present value of cash flows expected to be collected from the security are compared to the amortized cost basis of the security. If the present value of cash flows expected to be collected is less than the amortized cost basis, a credit loss exists and an allowance for credit losses is recorded for the credit loss, limited by the amount that the fair value is less than the amortized cost basis. Any impairment that has not been recorded through an allowance for credit losses is recognized in other comprehensive income. Changes in the allowance for credit losses are recorded as credit loss expense (or reversal). Losses are charged against the allowance when management believes the uncollectibility of an available-for-sale security is confirmed or when either of the criteria regarding intent or requirement to sell is met.

## Massachusetts Capital Resource Company

### Notes to Financial Statements

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#### Note 2. Summary of Significant Accounting Policies (Continued)

Accrued interest receivable on available-for-sale debt securities totaled \$110,722 and \$164,431 at December 31, 2025 and 2024, and is excluded from the estimate of credit losses.

Unrealized losses on available-for-sale debt securities have not been recognized into income because the issuers bonds are of high credit quality (rated A+ or higher), management does not intend to sell and it is likely that management will not be required to sell the securities prior to their anticipated recovery, and the decline in fair value is largely due to changes in interest rates and other market conditions. The issuers continue to make timely interest payments on the bonds. The fair value is expected to recover as the bonds approach maturity.

**Equity securities carried at the measurement alternative:** The Partnership has investments in privately held equity investments, warrants to obtain equity in privately held companies, and limited liability company (LLC) units which do not have readily available fair values. In accordance with, Accounting Standards Update (ASU) 2016-01, Financial Instruments-Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities, these equity securities are carried at cost adjusted for impairment and for any observable transactions in the same class of security, if identifiable.

**Fair value measurements:** MCRC accounts for investments and derivatives using ASC 820, Fair Value Measurement and Disclosures. ASC 820 provides a definition of fair value and guidance on methods used to measure fair value. The standard also requires financial statement disclosure for fair value information. The standard establishes a hierarchy that distinguishes between inputs based on market data from independent sources (observable inputs) and reporting entity's internal assumptions based upon the best information available when external market data is limited or unavailable (unobservable inputs). The fair value hierarchy in ASC 820 prioritizes inputs with three levels. Quoted prices in active markets have the highest priority (Level 1) followed by observable inputs other than quoted prices (Level 2) and unobservable inputs having the lowest priority (Level 3). See Note 7 for further disclosure required pursuant to ASC 820.

**Notes receivable:** Notes receivable are carried at unpaid principal, adjusted for the allowance for credit losses, where applicable see (Note 6). MCRC typically issues loans that are subordinated and may or may not be collateralized. If collateralized, MCRC will generally have a second or third lien position in the assets of the borrower. The terms of such notes vary and may include differing repayment schedules for principal and interest, contingent interest and warrants to purchase stock in borrowers. Notes receivables that have been issued with warrants require the Partnership to allocate a portion of the cost of the notes receivable to the warrants acquired. The resulting discount on the notes is accreted to interest income over the term of the of notes receivable using the effective interest method.

**Defined benefit pension plan:** MCRC accounts for its noncontributory defined benefit pension plan in accordance with ASC 715, Compensation—Retirement Benefits. ASC 715 requires a company to record a net liability or asset to reflect the funded status of their defined benefit pension and other post-retirement benefit plans on their balance sheets. Changes in the funded status are recorded as a component of other comprehensive income.

**Income recognition:** Interest on debt securities and notes receivable is recognized under the accrual method and dividends on investments in equity securities are recognized on the ex-dividend date.

Premiums and discounts on debt securities and notes receivable are amortized over the remaining term to the earlier of the call or the maturity date using a method that approximates the effective yield method.

## Massachusetts Capital Resource Company

### Notes to Financial Statements

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#### Note 2. Summary of Significant Accounting Policies (Continued)

Certain note agreements provide for contingent interest, based on leverage ratios, total revenue or net income of the borrower. Such contingent interest is recognized as income only when the amounts are determinable and when collection is assured. When interest accrual is discontinued, all unpaid interest is reversed. Interest income is subsequently recognized only to the extent cash payments are received, until the loan is returned to accrual status.

The specific identification method is used in the determination of cost for the purpose of computing realized gains and losses on sales of investments. Realized gains and losses are recorded when the Partnership receives the proceeds from sales of available-for-sale equity securities and debt securities. In certain circumstances, realized gains or losses are recognized upon the exchange of investments.

**Income taxes:** No provision for federal income taxes is necessary since MCRC is a partnership and, accordingly, considers all income, as defined in the Partnership Agreement, to be distributed to its partners for tax purposes. The Partnership has reviewed the tax positions for the open tax years as of December 31, 2025 and 2024, and has determined that no provision for income tax is required in the Partnership's financial statements. The Partnership's federal tax returns for the current and prior three years remain subject to examination by the Internal Revenue Service. The General Partner has evaluated tax positions taken, or expected to be taken, in the course of preparing the Partnership's tax returns. The General Partner has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements.

**Comprehensive income:** The Partnership's comprehensive income consists of net income, unrealized gains (losses) on available-for-sale securities, and the net adjustment of the accumulated pension obligation and is presented in the statements of comprehensive income.

#### Note 3. Distribution to Partners

The Partnership makes distributions, subject to approval by the general partners, based on the results of operations of the Partnership, adjusted for certain transactions involving exchanges of securities, derivative gains and losses, gains due to noncash sales of equity securities and certain effects of pension accounting.

The following table summarizes these transactions for the years ended December 31, 2025 and 2024:

	2025	2024
Net income as shown in the financial statements	\$ 7,194,238	\$ 13,358,213
Change in value of equity securities per the statement of income	(21,369)	9,605
Net (reduction) increase to net income	(21,369)	9,605
Distributable income	\$ 7,172,869	\$ 13,367,818

## Massachusetts Capital Resource Company

### Notes to Financial Statements

#### Note 3. Distribution to Partners (Continued)

Annually, the amount of distributable income is calculated by the Partnership in accordance with the Limited Partnership Agreement. The Executive Committee of the Partnership has the authority to further reduce distributable income in its sole discretion.

In November 2016, the partners approved a Sixth Amendment to the Articles of Limited Partnership (collectively, the Partnership Agreement) dated December 23, 1977, extending the term of the Partnership to 2033, with provisions to extend the term beyond that date for additional periods of up to 10 years. Unless extended, the Partnership shall make annual distributions of 5% of member's capital contributions commencing on January 1, 2029, and continuing through January 1, 2033, with a final distribution of 75% on December 31, 2033.

#### Note 4. Investments

**Equity securities, at fair value:** The Partnership had equity securities of \$55,903 and \$34,534 as of December 31, 2025 and 2024, respectively. These securities consist of publicly traded equity securities.

	2025	2024
Unrealized unrealized gains (losses) recognized during the period on equity securities still held at the reporting date	\$ 21,369	\$ (9,605)

**Available-for-sale securities:** Available-for-sale securities consist of U.S. Treasury securities and investments in obligations of the Commonwealth of Massachusetts. The amortized cost and fair value of these securities, with gross unrealized gains and losses, follows:

Securities Available-for-Sale	December 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury securities	\$ 2,000,137	\$ 53,769	\$ -	\$ 2,053,906
Obligations of Mass.	8,883,677	86,757	(11,421)	8,959,013
	<u>\$ 10,883,814</u>	<u>\$ 140,526</u>	<u>\$ (11,421)</u>	<u>\$ 11,012,919</u>
Securities Available-for-Sale	December 31, 2024			
	Amortized Cost	Gains	Losses	Fair Value
U.S. Treasury securities	\$ 4,975,550	\$ -	\$ (2,897)	\$ 4,972,653
Obligations of Mass.	11,169,569	22,808	(14,117)	11,178,260
	<u>\$ 16,145,119</u>	<u>\$ 22,808</u>	<u>\$ (17,014)</u>	<u>\$ 16,150,913</u>

There were \$9,458,252 and \$10,647,471 of available-for-sale securities in an unrealized loss position as of December 31, 2025 and 2024, respectively. As of December 31, 2025 and 2024, these available-for-sale securities had unrealized losses of \$11,421 and \$17,014, respectively. The Partnership does not have the intent to sell these securities and it is likely that it will not be required to sell the securities before their anticipated recovery. The issuers continue to make timely interest payments on the bonds. The Partnership evaluates if a credit loss exists by, monitoring to ensure it has adequate credit support.

## Massachusetts Capital Resource Company

### Notes to Financial Statements

#### Note 4. Investments (Continued)

The amortized cost and fair value of debt securities by contractual maturity at December 31, 2025 and 2024, is as follows:

	2025		2024	
	Cost	Fair Value	Cost	Fair Value
Less than one year	\$ 3,153,833	\$ 3,153,940	\$ 7,209,392	\$ 7,206,761
One to five years	7,729,981	7,858,979	8,935,727	8,944,152
	<u>\$ 10,883,814</u>	<u>\$ 11,012,919</u>	<u>\$ 16,145,119</u>	<u>\$ 16,150,913</u>

**Equity securities carried at measurement alternative:** Equity securities carried at the measurement alternative consist of the Partnership's holdings in privately held equity investments, warrants to obtain equity in privately held companies and LLCs. The Partnership holds these investments at cost, less any impairment, and adjusted for any observable price changes.

The following table presents the Partnership's equity securities at the measurement alternative at their carrying value for the period indicated below:

	December 31	
	2025	2024
Preferred stock	\$ 1,459,137	\$ 1,459,137
Common stocks	1,557,034	1,557,034
	<u>\$ 3,016,171</u>	<u>\$ 3,016,171</u>

Upon the date of receipt, the warrants still held were determined to have a de minimis value and allocated \$0.

#### Note 5. Investment Income and Gains and Losses

**Available-for-sale securities:** For the year ended December 31, 2025, there was one sale of a U.S. treasury security, which had proceeds of \$2,045,402 and a gross realized gain of \$28,681. In 2024, there were no investments sold.

**Equity securities carried at measurement alternative:** The following table details the Partnership's sales of investments for the period indicated below:

	December 31	
	2025	2024
Proceeds from sales	\$ -	\$ 5,170,833
Gross realized gains	-	5,065,833

There were no sales of equity securities at measurement alternative during the year ended December 31, 2025. For the year ended December 31, 2024, the carrying value at the time of receipt of the proceeds was \$105,000.

## Massachusetts Capital Resource Company

### Notes to Financial Statements

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#### Note 5. Investment Income and Gains and Losses (Continued)

##### Derivatives:

	December 31	
	2025	2024
Proceeds from sales	\$ -	\$ 2,936,016
Gross realized gains	-	2,936,016

#### Note 6. Notes Receivable and Allowance for Credit Losses

Notes receivable at December 31, 2025 and 2024, consisted of one class of loans, commercial loans.

The allowance for credit losses is established through charges against income. Loans deemed uncollectible are charged against the allowance, while recoveries of amounts previously charged-off are credited to the allowance. The allowance represents an amount which, in management's judgment, will be adequate to absorb probable losses on existing loans that may become uncollectible. Management's judgment in determining the adequacy of the allowance is based on various factors influencing the collectability of the loan. These factors include, but are not limited to, an analysis of the borrower's ability to meet the repayment terms, the borrower's overall financial condition, the estimated value of collateral supporting the credit, the concentration of credit risk in the portfolio and judgments as to the effect of current and anticipated economic conditions. Management estimates the allowance balance using relevant available information, from internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts. Management's determination of the allowance is, by necessity, dependent upon estimates, appraisals and judgments, which may change because of changing economic conditions and the Partnership's perception as to how these factors may affect the financial condition of the borrowers.

The Partnership has one class of loans (commercial loans), and the allowance for credit losses is measured on that collective (pool), when similar risk characteristics exist. Loans that do not share risk characteristics are evaluated on an individual basis. When an individual loan evaluation indicates that foreclosure is probable or when the borrower is experiencing financial difficulty at the reporting date and repayment is expected to be provided substantially through the operation or sale of the collateral, expected credit losses are based on the fair value of the collateral at the reporting date, adjusted for selling costs as appropriate.

Expected credit losses are estimated over the contractual term of the loans, adjusted for expected prepayments when appropriate. The contractual term excludes expected extensions, renewal and modifications unless either of the following applies: management has a reasonable expectation at the reporting date that a troubled debt restructuring will be executed with an individual borrower or the extension or renewal options are included in the original or modified contract at the reporting date and are not unconditionally cancellable by the Partnership.

A summary of activity in the allowance for credit losses for the years ended December 31, 2025 and 2024:

	2025	2024
Balance, beginning of year	\$ 6,960,537	\$ 6,134,263
Provision for losses	1,098,913	826,274
Write-offs	-	-
Balance, end of year	<u>\$ 8,059,450</u>	<u>\$ 6,960,537</u>

## Massachusetts Capital Resource Company

### Notes to Financial Statements

#### Note 6. Notes Receivable and Allowance for Credit Losses (Continued)

The following table presents the balances in allowance for credit losses and notes receivable, determined under FASB ASC 326, Financial Instruments—Credit Losses, by portfolio segment and based on evaluation method as of December 31, 2025 and 2024:

	Commercial	
	2025	2024
Gross balance, beginning of year—collectively evaluated loans	\$ 85,594,351	\$ 71,801,265
Allowance for credit losses—collectively evaluated loans	(8,059,450)	(6,960,537)
Net balance, end of year—collectively evaluated loans	<u>77,534,901</u>	<u>64,840,728</u>
Gross balance, beginning of year—individually evaluated loans	-	-
Allowance for credit losses—individually evaluated loans	-	-
Net balance, end of year—individually evaluated loans	-	-
Net balance, notes receivable	<u>\$ 77,534,901</u>	<u>\$ 64,840,728</u>

There were no loans modified during the years ended December 31, 2025 or 2024, for any borrowers experiencing financial difficulty.

**Credit quality indicators:** The Partnership utilizes a seven grade internal rating system for its notes receivable as follows:

**Pass (A-C3):** Notes receivable in these categories are considered pass rated with low to average, or acceptable risk.

**Special mention (D):** Notes receivable in this category have potential weaknesses and are being closely monitored by management.

**Loss expected (E):** Notes receivable rated E have all the weaknesses inherent in those classified as D, with the added characteristic that the weaknesses make collection, on the basis of currently existing facts, highly questionable and improbable.

On a semi-annual basis, or more often if needed, the Partnership formally reviews the rating on all notes receivable.

The following table presents the Partnership's notes receivable by risk rating at December 31, 2025:

	Pass	Special Mention	Loss Expected	Total
Notes receivable	<u>\$ 77,036,506</u>	<u>\$ 8,557,845</u>	<u>\$ -</u>	<u>\$ 85,594,351</u>

## Massachusetts Capital Resource Company

### Notes to Financial Statements

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#### Note 6. Notes Receivable and Allowance for Credit Losses (Continued)

The following table presents the Partnership's notes receivable by risk rating at December 31, 2024:

	Pass	Special Mention	Loss Expected	Total
Notes receivable	\$ 65,465,258	\$ 6,336,007	\$ -	\$ 71,801,265

At December 31, 2025 and 2024, there were no loans that were past due greater than 90 days, were on nonaccrual or were classified as collateral dependent.

#### Note 7. Fair Value Disclosures of Financial Instruments

In accordance with ASC 820, MCRC categorizes the financial assets and liabilities carried at fair value based upon ASC 820's established hierarchy of fair value measurements based upon the nature of the inputs as follows:

**Level 1:** Valuations based on quoted prices in active markets for identical assets.

**Level 2:** Valuations based on observable inputs that do not meet the criteria for Level 1, including quoted prices in inactive markets and quoted prices in active markets for similar, but not identical instruments.

**Level 3:** Valuations based on unobservable inputs.

The fair value for certain financial instruments for which quoted market prices are unavailable are estimated based on reference to observable inputs other than quoted market prices. In circumstances where observable inputs are adjusted to reflect management's best estimate of fair value, such fair value measures are considered a lower level of measurement in the ASC 820 hierarchy.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

**Cash equivalents:** Cash equivalents consist entirely of money market funds and are carried at net asset value, which approximates fair value due to their short-term nature, high liquidity and daily redeemability.

**Available-for-sale securities:** Available-for-sale securities are carried at fair value and consist of U.S. treasury securities and obligations of the Commonwealth of Massachusetts. U.S. Treasury securities are classified as Level 1, as their fair value is based on quoted prices in active markets for identical instruments. Obligations of the Commonwealth of Massachusetts are classified as Level 2, as their fair value is determined using observable market inputs for similar securities.

**Equity securities, at fair value:** These securities are based on quoted market prices in an active exchange market, and are classified as Level 1.

**Derivatives:** Fair values of publicly traded warrants are determined by management utilizing an option pricing model, and are classified as Level 2.

## Massachusetts Capital Resource Company

### Notes to Financial Statements

#### Note 7. Fair Value Disclosures of Financial Instruments (Continued)

The fair value measurements at December 31, 2025 and 2024, and their related inputs are as follows:

	2025			Total
	Level 1	Level 2	Level 3	
Cash and cash equivalents:				
Money market funds	\$ 11,935,168	\$ -	\$ -	\$ 11,935,168
Investments:				
Available for sale securities	2,053,906	8,959,013	-	11,012,919
Equity securities, at fair value	55,903	-	-	55,903
Total fair value	<u>\$ 14,044,977</u>	<u>\$ 8,959,013</u>	<u>\$ -</u>	<u>\$ 23,003,990</u>
	2024			Total
	Level 1	Level 2	Level 3	
Cash and cash equivalents:				
Money market funds	\$ 17,434,292	\$ -	\$ -	\$ 17,434,292
Investments:				
Available for sale securities	4,972,656	11,178,257	-	16,150,913
Equity securities, at fair value	34,534	-	-	34,534
Total fair value	<u>\$ 22,441,482</u>	<u>\$ 11,178,257</u>	<u>\$ -</u>	<u>\$ 33,619,739</u>

#### Note 8. Concentration of Risk

MCRC's notes receivables, equity securities at measurement alternative, equity securities at fair value and derivatives, all of which represent investments in Massachusetts-based businesses, contain the following industry concentrations at December 31:

	Carrying Value December 31	
	2025	2024
Basic and contract manufacturing	\$ 17,050,820	\$ 14,993,993
Consumer products	34,636,121	24,554,777
Healthcare and biotechnology	3,555,903	3,534,534
High technology equipment and components	11,858,521	12,578,606
Services, consulting and engineering	21,565,060	19,190,060
	<u>\$ 88,666,425</u>	<u>\$ 74,851,970</u>

At December 31, 2025 and 2024, there were no individual securities or note receivables that exceeded 5% of partners' equity.

The Partnership maintains deposits with high quality financial institutions in amounts that are in excess of federally insured limits; however, the Partnership does not believe it is exposed to any significant credit risk.

## Massachusetts Capital Resource Company

### Notes to Financial Statements

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#### Note 9. Commitments

**Leases:** ASC Topic 842, Leases, requires lessees to recognize most leases on their balance sheets as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Topic 842 also requires additional disclosure of key quantitative and qualitative information for leasing arrangements.

The Partnership determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the Partnership obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Partnership also considers whether its service arrangements include the right to control the use of an asset.

The Partnership made an accounting policy election available under Topic 842 not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Partnership made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date (or remaining term for leases existing upon the adoption of Topic 842).

Future lease payments may include fixed rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

The Partnership has made an accounting policy election to account for lease and non-lease components in its contracts as a single lease component for its real estate, vehicle and equipment asset classes. The non-lease components typically represent additional services transferred to the Partnership, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

MCRC leases its office space under an operating lease agreement, amended on September 30, 2021, which expires on May 1, 2032. Rent expense for 2025 and 2024, was \$366,689 and \$370,062, respectively, and is included in office, administrative and other expenses on the statements of income. At December 31, 2025, the future minimum rental commitment under this non-cancelable lease is \$349,529 payable in 2025.

## Massachusetts Capital Resource Company

### Notes to Financial Statements

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#### Note 9. Commitments (Continued)

Future undiscounted cash flows for each of the next five years and thereafter, and a reconciliation to the lease liabilities recognized on the balance sheet are as follows as of December 31, 2025:

	<u>Operating Leases</u>
2026	\$ 349,529
2027	355,159
2028	360,789
2029	366,419
2030	372,049
Thereafter	<u>536,023</u>
Total lease payments	2,339,968
Less imputed interest	<u>(207,919)</u>
Total present value of lease liabilities	<u><u>\$ 2,132,049</u></u>

The Partnership is a party to financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers and to reduce its own exposure to fluctuations in interest rates. These financial instruments include commitments to originate loans. Those instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amount recognized on the balance sheets. The Partnership's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit is represented by the contractual amount of those instruments. The Partnership uses the same credit policies in making commitments and conditional obligations as it does for on-balance sheet instruments. As of December 31, 2025, there were no commitments to originate loans.

#### Note 10. Pension Plan

MCRC has a noncontributory defined benefit pension plan (the pension plan) covering all employees 21 years of age and older and a minimum of 18 months of service. Benefit payments are based on years of service and employee compensation, primarily during the last five years of service. MCRC's funding policy is to make annual contributions as required by the Internal Revenue Code and the Employee Retirement Income Security Act. Plan assets are invested in several mutual funds.

## Massachusetts Capital Resource Company

### Notes to Financial Statements

#### Note 10. Pension Plan (Continued)

The following table summarizes the funded status of the plan and amounts recognized in the financial statements at December 31:

	2025	2024
Change in plan assets:		
Fair value of plan assets at beginning of year	\$ 8,079,424	\$ 7,410,127
Actual gain on plan assets	891,818	675,211
Employer contribution	242,865	259,053
Benefits paid	(470,341)	(264,967)
Fair value of plan assets at end of year	<u>8,743,766</u>	<u>8,079,424</u>
Change in projected benefit obligation:		
Benefit obligation at beginning of year	6,484,662	6,636,345
Service cost	315,163	333,105
Interest cost	347,038	310,885
Actuarial gain (loss)	264,061	(530,706)
Benefits paid	(470,341)	(264,967)
Projected benefit obligation at end of year	<u>6,940,583</u>	<u>6,484,662</u>
Pension asset	<u>\$ 1,803,183</u>	<u>\$ 1,594,762</u>

The estimate of contributions to be paid to the plan during the next fiscal year in 2026, is \$205,450.

The following table presents the significant actuarial assumptions used in preparing the required disclosures:

	Pension Benefits December 31	
	2025	2024
Weighted-average assumptions used to determine funding status:		
Discount rate	5.47%	4.78%
Rate of compensation increase	3.00%	3.00%
Weighted-average assumptions used to determine net periodic pension costs:		
Discount rate	5.44%	5.47%
Expected return on plan assets	5.20%	5.20%
Rate of compensation increase	3.00%	3.00%

The amounts recognized in accumulated other comprehensive income for the years ended December 31, 2025 and 2024, were as follows:

	2025	2024
Accumulated other comprehensive income (loss), beginning balance	\$ 22,842	\$ (798,138)
Increase in accumulated other comprehensive income:		
Net actuarial gain occurring during the year	208,421	820,980
Accumulated other comprehensive income, ending balance	<u>\$ 231,263</u>	<u>\$ 22,842</u>

## Massachusetts Capital Resource Company

### Notes to Financial Statements

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#### Note 10. Pension Plan (Continued)

The components of net periodic benefit cost, were as follows:

	2025	2024
Service cost	\$ 315,163	\$ 333,105
Interest cost	347,038	310,885
Actuarial gain/loss	-	-
Expected return on plan assets	(419,336)	(384,937)
Net periodic benefit cost	<u>\$ 242,865</u>	<u>\$ 259,053</u>

The components of net periodic benefit cost other than the service cost component are included in compensation and related costs on the statements of income.

The following benefit payments, which reflect expected future services, are expected to be paid based on plan assumptions:

2026	\$ 308,707
2027	322,465
2028	321,167
2029	319,179
2030	428,332
2031 - 2035	2,742,874
	<u>\$ 4,442,724</u>

As of December 31, 2025 and 2024, the accumulated benefit obligation amounted to \$4,442,724 and \$3,908,591, respectively.

The amounts in accumulated other comprehensive loss that have not yet been recognized as components of net periodic benefit cost at December 31 is as follows:

	2025	2024
Net gain or loss	\$ 231,263	\$ 22,842
	<u>\$ 231,263</u>	<u>\$ 22,842</u>

There was no amortization of actuarial gains or losses recognized in accumulated other comprehensive income in 2025 or 2024.

Plan assets are professionally managed and invested in mainstream mutual funds only. The fair values of the benefit plan assets are based on quoted market prices and are considered Level 1 inputs within ASC 820's established hierarchy of fair value measurements.

The investment goal is to maximize portfolio return while minimizing portfolio volatility. These somewhat conflicting goals have resulted in an investment strategy where the primary focus is on asset allocation insuring a proper diversification and exposure to several asset classes. Plan assets are allocated among mutual funds in such a way as to provide a certain balance between the following classes of assets: money market, government bonds, corporate bonds, United States stocks and international stocks. The overall rate-of-return assumption is based on the long-term historical results of the various asset classes.

## Massachusetts Capital Resource Company

### Notes to Financial Statements

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#### Note 10. Pension Plan (Continued)

Plan assets are managed to target an asset allocation of 40% bonds and 60% equities. Plan assets are categorized at December 31 as follows:

	2025	2024
Equities	\$ 3,497,470	\$ 3,113,810
Debt	4,371,838	4,218,267
Other	874,368	747,347
	<u>\$ 8,743,676</u>	<u>\$ 8,079,424</u>

#### Note 11. Fixed Assets

Equipment and leasehold improvements are recorded at cost, less accumulated depreciation. MCRC provides for depreciation on a straight-line basis over three to 10 years for equipment, and over the remaining term of the lease for leasehold improvements. When assets are retired or disposed of, the cost and accumulated depreciation thereon are removed from the accounts and the related gains or losses are included in net income.

The following is a summary of fixed assets at December 31:

	2025	2024
Office furniture and equipment	\$ 32,480	\$ 21,871
Leasehold improvements	12,380	12,380
Accumulated depreciation	(26,551)	(21,725)
	<u>\$ 18,309</u>	<u>\$ 12,526</u>

The depreciation expense was \$4,826 and \$4,244 at December 31, 2025 and 2024, respectively, and is included in office, administrative and other expenses on the statements of income.

#### Note 12. Related Parties

MCRC provides management and administrative services to the Life Insurance Community Investment Initiative (Life Initiative), the cost of which is charged to the Life Initiative. Salaries and other benefits including both a defined benefit pension plan and defined contribution plan for employees of MCRC who work solely on Life Initiative investments are charged directly to the Life Initiative. Other expenses, such as rent and overhead costs, are allocated between MCRC and the Life Initiative based on relative levels of capital. This expense allocation method has been approved by the Audit Committees of both the Partnership and Life Initiative.

The amount of income recognized by the Partnership related to these management and administrative services provided by the Partnership during 2025 and 2024 was \$1,850,214 and \$1,906,575, respectively. The amount receivable from Life Initiative for management fees and other reimbursable expenses at December 31, 2025 and 2024, was \$20,296 and \$165,124, respectively, and is included in other assets on the balance sheets. The amount payable to the Life Initiative for management fees and other reimbursable expenses was \$0 and \$150,337 as of December 31, 2025 and 2024, respectively, and is included in accounts payable, accrued expenses and other liabilities on the balance sheets.

## **Massachusetts Capital Resource Company**

### **Notes to Financial Statements**

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#### **Note 13. Litigation**

The Partnership is, from time to time, involved in legal actions. In the Partnership's opinion, the ultimate resolution of any such proceedings will not have a material effect on the Partnership's financial statements. There was no threatened or pending litigation that occurred during the years ended December 31, 2025 and 2024.

#### **Note 14. Subsequent Events**

The Partnership has evaluated subsequent events through May 26, 2026, the date on which the financial statements were available to be issued.

**EXHIBIT B**

to

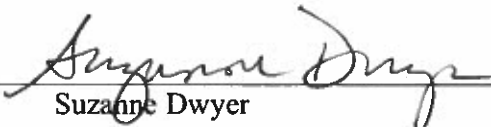
**ANNUAL REPORT AND STATEMENT OF FINANCIAL CONDITION  
OF THE  
MASSACHUSETTS CAPITAL RESOURCE COMPANY**

As of December 31, 2025

We, the undersigned Suzanne Dwyer, President of the Massachusetts Capital Resource Company ("MCRC") and Seth Kulman, Chairman of the Investment Committee of MCRC, hereby certify on behalf of MCRC and in conformity with the provisions of Sections 18 and 15(b) of Chapter 816 of the Acts and Resolves of 1977 (the "Act") that:

1. During the fiscal year 2025, MCRC invested and reinvested in marketable general obligations of the Commonwealth, its agencies and political subdivisions in an amount totaling \$8,883,677.
2. Based on our best information and belief all investments and reinvestments described in the preceding paragraph made during the fiscal year 2025 were made in compliance with Section 15 of the Act and, as required by said Section 15, are held for disposition from time to time as may be appropriate to provide funds for the purchase of qualified investments.

**MASSACHUSETTS CAPITAL RESOURCE COMPANY**

By  \_\_\_\_\_  
Suzanne Dwyer  
President

By  \_\_\_\_\_  
Seth Kulman  
Chair of the Investment Committee

## EXHIBIT C

to

ANNUAL REPORT AND STATEMENT OF FINANCIAL CONDITION  
OF THE  
MASSACHUSETTS CAPITAL RESOURCE COMPANY

As of December 31, 2025

The Certificates executed under Section 16 (f) of the Act required to be included in this Annual Report by Section 18 (b) are attached as follows:

1. Aquent, LLC
2. Bluedrop, LLC
3. CCMS Cape Cod, LLC
4. Coravin, Inc.
5. Global Beer Network, Inc.
6. Muddy Water Holdings, LLC
7. Package Steel Systems, Inc.
8. Qualitas Dental Partners, LLC

**MASSACHUSETTS CAPITAL RESOURCE COMPANY**

**CERTIFICATE**

Dated as of May 15, 2025

The undersigned, MASSACHUSETTS CAPITAL RESOURCE COMPANY (“MCRC”), hereby certifies, in connection with the Twenty-Seventh Amendment to Note Purchase Agreement, dated as of the date hereof (the “Amendment”), by and between AQUENT LLC, a Delaware limited liability company (the “Borrower”), and MCRC, which Amendment modifies that certain Note Purchase Agreement, dated as of August 14, 2009, by and between the Borrower and MCRC (as amended and in effect on the date hereof, the “Purchase Agreement”).

Pursuant to the Amendment, MCRC has agreed, subject to certain conditions, to acquire and be issued from the Borrower that certain Third Amended and Restated Note Due 2030 dated as of the date hereof, in the original aggregate principal amount of Five Million and 00/100 Dollars (\$5,000,000) (the “Note”), as follows:

1. Except for the debt represented by the Note, the stated maturity of which Note is five (5) years, MCRC has no investment in the equity or debt securities of the Borrower;
2. In the opinion of MCRC, the unrated senior debt of the Borrower has the same characteristics as debt rated below Baa by Moody’s Investors Service, Inc.; and
3. MCRC has confirmed by means of three (3) independent inquiries, which were to Wells Fargo, Bank of America and Brown Brothers Harriman, that, on the date of the Amendment, financing on terms similar to the Note was not available elsewhere to the Borrower.


In addition to the foregoing, MCRC has examined the certificate of the Borrower, in substantially the form of Exhibit 3.15 to the Purchase Agreement and made such other inquiry concerning the Note and the Borrower as it deemed appropriate in connection with this certificate.

Based on such examination and inquiry, MCRC hereby certifies pursuant to Section 16(f) of the Capital Resource Company Act, 63 App. M.G.L. §§1-1, *et seq.*, that, to the best of its information and belief, the Note constitutes a qualified investment within the standards of Section 16 of such Act.

*[Signature Page Follows]*

The undersigned has executed this Certificate behalf of MCRC as of the date first set forth above.

MASSACHUSETTS CAPITAL RESOURCE  
COMPANY

By:   
Name: Suzanne L. Dwyer  
Title: President

**MASSACHUSETTS CAPITAL RESOURCE COMPANY**

**CERTIFICATE**

Dated as of May 16, 2025

The undersigned, MASSACHUSETTS CAPITAL RESOURCE COMPANY (“MCRC”), hereby certifies, in connection with its Note and Warrant Purchase Agreement dated as of the date hereof (the “Purchase Agreement”), with BLUEDROP, LLC, a Massachusetts limited liability company and BD INSTALL, LLC, a Massachusetts limited liability company (individually and collectively, the “Issuer”), whereby MCRC has agreed, subject to certain conditions, to acquire and be issued from the Issuer that certain Secured Promissory Note Due 2032 dated as of the date hereof, in the original aggregate principal amount of One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000) (the “Note”), and be issued a warrant for Equity Interest of BLUEDROP, LLC, as evidenced by, among other things, that certain Warrant of even date herewith (the “Warrant”), as follows:

1. Except for the debt represented by the Note, the stated maturity of which Note exceeds five (5) years, and for the Equity Interest represented by the Warrant, MCRC has no investment in the equity or debt securities of the Issuer;

2. In the opinion of MCRC, the unrated senior debt of the Issuer has the same characteristics as debt rated below Baa by Moody’s Investors Service, Inc.; and

3. MCRC has confirmed by means of three (3) independent inquiries, which were to Bridge Bank, JPMorgan Chase, and Salem Five Bank, that, on the date of the Purchase Agreement, financing on terms similar to the Note was not available elsewhere to the Issuer.

In addition to the foregoing, MCRC has examined the certificate of the Issuer, in substantially the form of Exhibit C to the Purchase Agreement and made such other inquiry concerning the Note and the Issuer as it deemed appropriate in connection with this certificate.

Based on such examination and inquiry, MCRC hereby certifies pursuant to Section 16(f) of the Capital Resource Company Act, 63 App. M.G.L. §§1-1, *et seq.*, that, to the best of its information and belief, the Note constitutes a qualified investment within the standards of Section 16 of such Act.

*[Signature Page Follows]*

The undersigned has executed this Certificate behalf of MCRC as of the date first set forth above.

MASSACHUSETTS CAPITAL RESOURCE  
COMPANY

By:           *A DeLorey*          

Name: Andrew DeLorey

Title: Managing Director

[Signature Page to 16(f) Certificate]

**MASSACHUSETTS CAPITAL RESOURCE COMPANY**

**CERTIFICATE**

Dated as of June 4, 2025

The undersigned, MASSACHUSETTS CAPITAL RESOURCE COMPANY (“MCRC”), hereby certifies, in connection with its Note and Warrant Purchase Agreement dated as of the date hereof (the “Purchase Agreement”), with CCMS CAPE COD LLC, a Massachusetts limited liability company (the “Issuer”), whereby MCRC has agreed, subject to certain conditions, to acquire and be issued from the Issuer that certain Secured Promissory Note Due 2033 dated as of the date hereof, in the original aggregate principal amount of Three Million Five Hundred Thousand and 00/100 Dollars (\$3,500,000) (the “Note”), and be issued a warrant for Equity Interest of the Issuer, as evidenced by, among other things, that certain Warrant of even date herewith (the “Warrant”), as follows:

1. Except for the debt represented by the Note, the stated maturity of which Note exceeds five (5) years, and for the Equity Interest represented by the Warrant, MCRC has no investment in the equity or debt securities of the Issuer;
2. In the opinion of MCRC, the unrated senior debt of the Issuer has the same characteristics as debt rated below Baa by Moody’s Investors Service, Inc.; and
3. MCRC has confirmed by means of three (3) independent inquiries, which were to Bridge Bank, JPMorgan Chase, and Salem Five Bank, that, on the date of the Purchase Agreement, financing on terms similar to the Note was not available elsewhere to the Issuer.

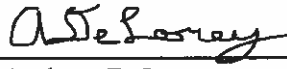
In addition to the foregoing, MCRC has examined the certificate of the Issuer, in substantially the form of Exhibit C to the Purchase Agreement and made such other inquiry concerning the Note and the Issuer as it deemed appropriate in connection with this certificate.

Based on such examination and inquiry, MCRC hereby certifies pursuant to Section 16(f) of the Capital Resource Company Act, 63 App. M.G.L. §§1-1, *et seq.*, that, to the best of its information and belief, the Note constitutes a qualified investment within the standards of Section 16 of such Act.

*[Signature Page Follows]*

The undersigned has executed this Certificate behalf of MCRC as of the date first set forth above.

MASSACHUSETTS CAPITAL RESOURCE  
COMPANY

By: 

Name: Andrew DeLorey

Title: Managing Director

**MASSACHUSETTS CAPITAL RESOURCE COMPANY**

**16(f) Certificate**

July 29, 2025

The undersigned, MASSACHUSETTS CAPITAL RESOURCE COMPANY (“MCRC”), hereby certifies, in connection with its Note and Warrant Purchase Agreement, dated as of the date hereof (the “Purchase Agreement”; capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement), by and among CORAVIN, INC., a Delaware corporation (the “Issuer”), the Guarantors from time to time party thereto, and MCRC, whereby MCRC has agreed, subject to certain conditions, to acquire and be issued from the Issuer that certain Secured Promissory Note Due 2033, dated as of the date hereof, in the original aggregate principal amount of \$5,000,000 (the “Note”), and be issued a warrant to purchase certain Equity Interests of the Issuer, as evidenced by, among other things, that certain Warrant, dated as of the date hereof (the “Warrant”), as follows:

1. Except for the debt represented by the Note, the stated maturity of which Note exceeds five (5) years, and for the right to purchase certain Equity Interests pursuant to the Warrant, MCRC has no investment in the equity or debt securities in the Issuer or any of its Subsidiaries;
2. In the opinion of MCRC, the unrated senior debt and equity securities of the Issuer has the same characteristics as debt rated below Baa by Moody’s Investors Service, Inc.; and
3. MCRC has confirmed by means of three (3) independent inquiries, which were to Cambridge Savings Bank, Salem Five Bank, and Berkshire Bank, that, as of the date of the initial issuance of the Note and the Warrant, financing on terms similar to the Note and the Warrant was not available elsewhere to the Issuer.

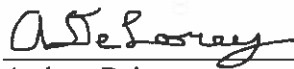
In addition to the foregoing, MCRC has examined the Qualified Investment Certificate of the Issuer, dated as of the date hereof, and made such other inquiries concerning the Note, the Warrant, and the Note Parties as it deemed appropriate in connection with this certificate.

Based on such examination and inquiry, MCRC hereby certifies pursuant to Section 16(f) of the Capital Resource Company Act, 63 App. M.G.L. §§1-1, *et seq.*, that, to the best of its information and belief, the Note and the Warrant each constitutes a qualified investment within the standards of Section 16 of such Act.

[Signature Page Follows]

The undersigned has executed this Certificate behalf of MCRC as of the date first set forth above.

**MASSACHUSETTS CAPITAL RESOURCE  
COMPANY**

By:   
Name: Andrew Delorey  
Title: Managing Director

**MASSACHUSETTS CAPITAL RESOURCE COMPANY**

**CERTIFICATE**

Dated as of July 30, 2025

The undersigned, MASSACHUSETTS CAPITAL RESOURCE COMPANY (“MCRC”), hereby certifies, in connection with its Note and Warrant Purchase Agreement dated as of the date hereof (the “Purchase Agreement”), with WIN-IT-TOO, LLC, a Massachusetts limited liability company and GLOBAL BEER NETWORK, INC., a Delaware corporation (individually and collectively, the “Issuer”), whereby MCRC has agreed, subject to certain conditions, to acquire and be issued from the Issuer that certain Secured Promissory Note Due 2030 dated as of the date hereof, in the original aggregate principal amount of Three Million Seven Hundred Fifty Thousand and 00/100 Dollars (\$3,750,000) (the “Note”), and be issued a warrant for Equity Interest of Global Beer Network, Inc., as evidenced by, among other things, that certain Warrant of even date herewith (the “Warrant”), as follows:

1. Except for the debt represented by the Note, the stated maturity of which Note is five (5) years, and for the Equity Interest represented by the Warrant, MCRC has no investment in the equity or debt securities of the Issuer;

2. In the opinion of MCRC, the unrated senior debt of the Issuer has the same characteristics as debt rated below Baa by Moody’s Investors Service, Inc.; and

3. MCRC has confirmed by means of three (3) independent inquiries, which were to Salem Five Bank, Rockland Trust Company and BankProv, that, on the date of the Purchase Agreement, financing on terms similar to the Note was not available elsewhere to the Issuer.

In addition to the foregoing, MCRC has examined the certificate of the Issuer, in substantially the form of Exhibit C to the Purchase Agreement and made such other inquiry concerning the Note and the Issuer as it deemed appropriate in connection with this certificate.

Based on such examination and inquiry, MCRC hereby certifies pursuant to Section 16(f) of the Capital Resource Company Act, 63 App. M.G.L. §§1-1, *et seq.*, that, to the best of its information and belief, the Note constitutes a qualified investment within the standards of Section 16 of such Act.

*[Signature Page Follows]*

The undersigned has executed this Certificate behalf of MCRC as of the date first set forth above.

MASSACHUSETTS CAPITAL RESOURCE  
COMPANY

By: \_\_\_\_\_



Name: Daniel P. Corcoran, Jr.

Title: Managing Director

[Signature Page to 16(f) Certificate]

**MASSACHUSETTS CAPITAL RESOURCE COMPANY**

**CERTIFICATE**

Dated as of October 10, 2025

The undersigned, MASSACHUSETTS CAPITAL RESOURCE COMPANY (“MCRC”), hereby certifies, in connection with its Note and Warrant Purchase Agreement dated as of the date hereof (the “Purchase Agreement”), with MUDDY WATER HOLDINGS, LLC, a Delaware limited liability company, BREAKTIME MEDIA MWH, LLC, a Delaware limited liability company and MUDDY WATER MEDIA, LLC, a Delaware limited liability company (individually and collectively, the “Issuer”), whereby MCRC has agreed, subject to certain conditions, to acquire and be issued from the Issuer that certain Secured Promissory Note Due 2032 dated as of the date hereof, in the original aggregate principal amount of One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000) (the “Note”), and be issued a warrant for Equity Interest of MUDDY WATER HOLDINGS, LLC, as evidenced by, among other things, that certain Warrant of even date herewith (the “Warrant”), as follows:

1. Except for the debt represented by the Note, the stated maturity of which Note exceeds five (5) years, and for the Equity Interest represented by the Warrant, MCRC has no investment in the equity or debt securities of the Issuer;

2. In the opinion of MCRC, the unrated senior debt of the Issuer has the same characteristics as debt rated below Baa by Moody’s Investors Service, Inc.; and

3. MCRC has confirmed by means of three (3) independent inquiries, which were to Bridge Bank, JPMorgan Chase, and Salem Five Bank, that, on the date of the Purchase Agreement, financing on terms similar to the Note was not available elsewhere to the Issuer.

In addition to the foregoing, MCRC has examined the certificate of the Issuer, in substantially the form of Exhibit C to the Purchase Agreement and made such other inquiry concerning the Note and the Issuer as it deemed appropriate in connection with this certificate.

Based on such examination and inquiry, MCRC hereby certifies pursuant to Section 16(f) of the Capital Resource Company Act, 63 App. M.G.L. §§1-1, *et seq.*, that, to the best of its information and belief, the Note constitutes a qualified investment within the standards of Section 16 of such Act.

*[Signature Page Follows]*

The undersigned has executed this Certificate behalf of MCRC as of the date first set forth above.

MASSACHUSETTS CAPITAL RESOURCE  
COMPANY

By: Andrew DeLorey  
Name: Andrew DeLorey  
Title: Managing Director

[Signature Page to 16(f) Certificate]

**MASSACHUSETTS CAPITAL RESOURCE COMPANY**

**CERTIFICATE**

Dated as of June 13, 2025

The undersigned, MASSACHUSETTS CAPITAL RESOURCE COMPANY (“MCRC”), hereby certifies, in connection with its Note and Warrant Purchase Agreement dated as of the date hereof (the “Purchase Agreement”), with TSS ACQUISITION CORP., a Massachusetts corporation and PACKAGE STEEL SYSTEMS, INC., a Massachusetts corporation (individually and collectively, the “Issuer”), whereby MCRC has agreed, subject to certain conditions, to acquire and be issued from the Issuer that certain Secured Promissory Note Due 2032 dated as of the date hereof, in the original aggregate principal amount of Three Million and 00/100 Dollars (\$3,000,000) (the “Note”), and be issued a warrant for Equity Interest of TSS Acquisition Corp., as evidenced by, among other things, that certain Warrant of even date herewith (the “Warrant”), as follows:

1. Except for the debt represented by the Note, the stated maturity of which Note exceeds five (5) years, and for the Equity Interest represented by the Warrant, MCRC has no investment in the equity or debt securities of the Issuer;
2. In the opinion of MCRC, the unrated senior debt of the Issuer has the same characteristics as debt rated below Baa by Moody’s Investors Service, Inc.; and
3. MCRC has confirmed by means of three (3) independent inquiries, which were to Bridge Bank, JPMorgan Chase, and Salem Five Bank, that, on the date of the Purchase Agreement, financing on terms similar to the Note was not available elsewhere to the Issuer.

In addition to the foregoing, MCRC has examined the certificate of the Issuer, in substantially the form of Exhibit C to the Purchase Agreement and made such other inquiry concerning the Note and the Issuer as it deemed appropriate in connection with this certificate.

Based on such examination and inquiry, MCRC hereby certifies pursuant to Section 16(f) of the Capital Resource Company Act, 63 App. M.G.L. §§1-1, *et seq.*, that, to the best of its information and belief, the Note constitutes a qualified investment within the standards of Section 16 of such Act.

*[Signature Page Follows]*

The undersigned has executed this Certificate behalf of MCRC as of the date first set forth above.

MASSACHUSETTS CAPITAL RESOURCE  
COMPANY

By: Andrew DeLorey

Name: Andrew DeLorey

Title: Managing Director

**MASSACHUSETTS CAPITAL RESOURCE COMPANY**

**16(F) CERTIFICATE**

Dated as of June 30, 2025

The undersigned, MASSACHUSETTS CAPITAL RESOURCE COMPANY (“MCRC”), hereby certifies, in connection with its Note and Warrant Purchase Agreement dated as of December 6, 2022, as amended by that certain Amendment No. 1 to the Note and Warrant Purchase Agreement dated as of the date hereof (collectively, and as further amended, restated supplemented, or otherwise modified from time to time, the “**Purchase Agreement**”), with **QUALITAS DENTAL PARTNERS, LLC**, a limited liability company organized under the laws of the State of Delaware (including its successors and/or permitted assigns, collectively the “**Company**”), and **QUALITAS DENTAL SERVICE ORGANIZATION GP, LLC**, a Delaware limited liability company (“**Qualitas GP**”), whereby MCRC has agreed, subject to certain conditions, to acquire and be issued (a) that certain Secured Subordinated Promissory Note Due 2029, dated as of December 6, 2022, in the original aggregate principal amount of Four Million Dollars and 00/100 (\$4,000,000) (the “**2022 Note**”), (b) that certain Secured Subordinated Promissory Note Due 2032, dated as of the date hereof, in the original aggregate principal amount of One Million Dollars and 00/100 (\$1,000,000) (the “**2025 Note**”, and together with the 2022 Note, collectively, the “**Notes**”), and (c) a warrant to purchase equity securities of the Company, as evidenced by that certain Warrant dated as of December 6, 2022 (the “**Warrant**”):

1. Except for the debt represented by the Notes, the stated maturity of which exceeds five (5) years from the date of the issuance of each respective Note, and for the equity securities represented by the Warrant, MCRC has no investment in the equity or debt securities of the Company;
2. In the opinion of MCRC, the unrated senior debt of the Company has the same characteristics as debt rated below Baa by Moody’s Investors Service, Inc.; and
3. MCRC has confirmed that (a) with respect to the 2022 Note, by means of three (3) independent inquiries, which were to Webster Bank, Citizens Bank, and Salem Five Bank, that, as of the date of the issuance of the 2022 Note, financing on terms similar to the 2022 Note was not available elsewhere to the Company; and (b) with respect to the 2025 Note, by means of three (3) independent inquiries, which were to Webster Bank, Citizens Bank, and Salem Five Bank, that, as of the date of the issuance of the 2025 Note, financing on terms similar to the 2025 Note was not available elsewhere to the Company.

In addition to the foregoing, MCRC has examined the Qualified Investment Certificates of the Company dated as of December 6, 2022 and as of the date hereof, each in the form of Exhibit C to the Purchase Agreement, and made such other inquiry concerning the Notes, and the Company as it deemed appropriate in connection with this certificate.

Based on such examination and inquiry, MCRC hereby certifies pursuant to Section 16(f) of the Capital Resource Company Act, 63 App. M.G.L. §§1-1, *et seq.*, that, to the best of its

information and belief, the Note constitutes a qualified investment within the standards of Section 16 of such Act.

[Signature Page Follows]

The undersigned has executed this Certificate behalf of MCRC as of the date first set forth above.

**MASSACHUSETTS CAPITAL RESOURCE  
COMPANY**

By: 

Name: Daniel P. Corcoran, Jr.

Title: Managing Director