

**Return of Private Foundation  
or Section 4947(a)(1) Nonexempt Charitable Trust  
Treated as a Private Foundation**

**2003**

Department of the Treasury  
Internal Revenue Service

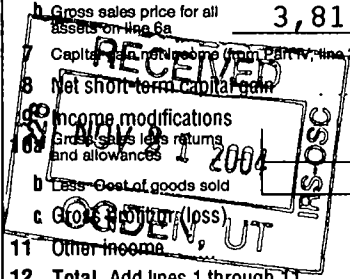
*Note: The organization may be able to use a copy of this return to satisfy state reporting requirements.*

For calendar year 2003, or tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_  
**G** Check all that apply:  Initial return  Final return  Amended return  Address change  Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of organization <b>THE BUTLER FOUNDATION</b> Number and street (or P O box number if mail is not delivered to street address) Room/suite <b>C/O CHARTER TRUST P.O. BOX 2530</b> City or town, state, and ZIP code <b>CONCORD, NH 03302-2530</b>	A Employer identification number <b>22-2701588</b> B Telephone number <b>603-224-1350</b>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		C If exemption application is pending, check here <input type="checkbox"/> D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ <b>6,432,163.</b> (Part I, column (d) must be on cash basis.)		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
J Accounting method. <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____		

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)</small>	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B			N/A	
2 Distributions from split-interest trusts				
3 Interest on savings and temporary cash investments	6,460.	6,460.		STATEMENT 1
4 Dividends and interest from securities	230,819.	224,569.		STATEMENT 2
5a Gross rents				
b (Net rental income or (loss))				
6a Net gain or (loss) from sale of assets not on line 10	41,470.			
b Gross sales price for all assets on line 6a	3,818,840.			
c Capital gain net income (from Part IV, line 2)		41,470.		
8 Net short-term capital gain				
Income modifications and allowances				
b Less: Cost of goods sold				
c Gross profit (loss)	213.	0.		STATEMENT 3
11 Other income	278,962.	272,499.		
12 Total. Add lines 1 through 11				
13 Compensation of officers, directors, trustees, etc	0.	0.		0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees STMT 4	4,973.	0.		4,973.
b Accounting fees				
c Other professional fees STMT 5	12,619.	7,119.		5,500.
17 Interest				
18 Taxes STMT 6	269.	0.		0.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses STMT 7	86.	0.		75.
24 Total operating and administrative expenses. Add lines 13 through 23	17,947.	7,119.		10,548.
25 Contributions, gifts, grants paid	383,880.			383,880.
26 Total expenses and disbursements. Add lines 24 and 25	401,827.	7,119.		394,428.
27 Subtract line 26 from line 12.				
a Excess of revenue over expenses and disbursements	<122,865.>			
b Net investment income (if negative, enter -0-)		265,380.		
c Adjusted net income (if negative, enter -0-)			N/A	

SCANNED BY 007 NON OPERATING AND ADMINISTRATIVE EXPENSES



Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing				
	2	Savings and temporary cash investments		1,216,888.	197,603.	197,603.
	3	Accounts receivable ▶				
		Less allowance for doubtful accounts ▶				
	4	Pledges receivable ▶				
		Less allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons				
	7	Other notes and loans receivable ▶				
		Less allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments - U S and state government obligations STMT 8		2,861,150.	2,671,332.	2,748,767.
	b	Investments - corporate stock STMT 9		1,025,772.	1,310,961.	1,771,674.
	c	Investments - corporate bonds STMT 10		783,503.	1,448,052.	1,567,197.
11	Investments - land, buildings, and equipment basis ▶					
	Less accumulated depreciation ▶					
12	Investments - mortgage loans					
13	Investments - other STMT 11		0.	150,000.	146,922.	
14	Land, buildings, and equipment. basis ▶					
	Less: accumulated depreciation ▶					
15	Other assets (describe ▶)					
16	<b>Total assets (to be completed by all filers)</b>		<b>5,887,313.</b>	<b>5,777,948.</b>	<b>6,432,163.</b>	
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable				
	22	Other liabilities (describe ▶)				
23	<b>Total liabilities (add lines 17 through 22)</b>		<b>0.</b>	<b>0.</b>		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ▶ <input type="checkbox"/>					
	and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Organizations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>					
	and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds		3,384,999.	3,384,999.	
	28	Paid-in or capital surplus, or land, bldg, and equipment fund		0.	0.	
	29	Retained earnings, accumulated income, endowment, or other funds		2,502,314.	2,392,949.	
30	<b>Total net assets or fund balances</b>		<b>5,887,313.</b>	<b>5,777,948.</b>		
31	<b>Total liabilities and net assets/fund balances</b>		<b>5,887,313.</b>	<b>5,777,948.</b>		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	5,887,313.
2	Enter amount from Part I, line 27a	2	<122,865.>
3	Other increases not included in line 2 (itemize) ▶ PY ADJUSTMENT	3	13,500.
4	Add lines 1, 2, and 3	4	5,777,948.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	<b>Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30</b>	6	<b>5,777,948.</b>

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE ATTACHED SCHEDULE A	P	VARIOUS	VARIOUS
b SEE ATTACHED SCHEDULE A	P	VARIOUS	VARIOUS
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 2,674,289.		2,682,016.	<7,727.>
b 1,144,551.		1,095,354.	49,197.
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col (k), but not less than -0-) or Losses (from col. (h))
(j) FMV as of 12/31/69	(k) Adjusted basis as of 12/31/69	(l) Excess of col (j) over col. (k), if any	
a			<7,727.>
b			49,197.
c			
d			
e			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	41,470.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8	3	N/A

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income )

If section 4940(d)(2) applies, leave this part blank

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No

If "Yes," the organization does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2002	287,900.	6,293,281.	.0457472
2001	465,117.	6,401,358.	.0726591
2000	207,049.	5,722,406.	.0361822
1999	224,141.	5,125,474.	.0437308
1998	201,429.	4,851,044.	.0415228

2 Total of line 1, column (d) SEE STATEMENT 1A	2	.2398421
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.0479684
4 Enter the net value of noncharitable-use assets for 2003 from Part X, line 5	4	6,272,036.
5 Multiply line 4 by line 3	5	300,860.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	2,654.
7 Add lines 5 and 6	7	303,514.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions	8	394,428.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

Table with 11 rows for excise tax calculations. Includes sub-tables for Credits/Payments (6a-6d) and Total Credits (7). Values include 2,654, 0, 2,540, 1,500, 4,040, 1,386, and 0.

Part VII-A Statements Regarding Activities

Table with 11 rows for activity statements. Includes 'Yes' and 'No' columns. Rows 1a-11 contain various activity questions and answers, including 'NEW HAMPSHIRE' and 'CHARTER TRUST COMPANY'.

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

Table with columns for question descriptions, Yes/No checkboxes, and a grid for Yes/No answers. Includes questions 1a through 6a regarding disqualifying activities, taxes on failure to distribute income, and propaganda.

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**

**1 List all officers, directors, trustees, foundation managers and their compensation:**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 12		0.	0.	0.

**2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."**

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 ▶ 0

**3 Five highest-paid independent contractors for professional services. If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services ▶ 0

**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

**Part IX-B Summary of Program-Related Investments**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 NONE	
2	
All other program-related investments See instructions.	
3 NONE	
<b>Total.</b> Add lines 1 through 3	0.

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes.		
a Average monthly fair market value of securities	1a	5,660,304.
b Average of monthly cash balances	1b	707,245.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	6,367,549.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	6,367,549.
4 Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	95,513.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	6,272,036.
6 Minimum investment return. Enter 5% of line 5	6	313,602.

**Part XI Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part.)

1 Minimum investment return from Part X, line 6		1	313,602.
2a Tax on investment income for 2003 from Part VI, line 5	2a	2,654.	
b Income tax for 2003 (This does not include the tax from Part VI)	2b		
c Add lines 2a and 2b	2c	2,654.	
3 Distributable amount before adjustments Subtract line 2c from line 1	3	310,948.	
4a Recoveries of amounts treated as qualifying distributions	4a	0.	
b Income distributions from section 4947(a)(2) trusts	4b	0.	
c Add lines 4a and 4b	4c	0.	
5 Add lines 3 and 4c	5	310,948.	
6 Deduction from distributable amount (see instructions)	6	0.	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	310,948.	

**Part XII Qualifying Distributions** (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	394,428.
b Program-related investments - Total from Part IX-B	1b	0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	394,428.
5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	2,654.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	391,774.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

**Part XIII Undistributed Income** (see instructions)

	(a) Corpus	(b) Years prior to 2002	(c) 2002	(d) 2003
<b>1</b> Distributable amount for 2003 from Part XI, line 7				310,948.
<b>2</b> Undistributed Income, if any, as of the end of 2002				
<b>a</b> Enter amount for 2002 only			308,480.	
<b>b</b> Total for prior years:		0.		
<b>3</b> Excess distributions carryover, if any, to 2003.				
<b>a</b> From 1998				
<b>b</b> From 1999				
<b>c</b> From 2000				
<b>d</b> From 2001				
<b>e</b> From 2002				
<b>f</b> Total of lines 3a through e	0.			
<b>4</b> Qualifying distributions for 2003 from Part XII, line 4: ▶ \$ 394,428.				
<b>a</b> Applied to 2002, but not more than line 2a			308,480.	
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions)		0.		
<b>c</b> Treated as distributions out of corpus (Election required - see instructions)	0.			
<b>d</b> Applied to 2003 distributable amount				85,948.
<b>e</b> Remaining amount distributed out of corpus	0.			
<b>5</b> Excess distributions carryover applied to 2003 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
<b>6</b> Enter the net total of each column as indicated below:	0.			
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b		0.		
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
<b>d</b> Subtract line 6c from line 6b Taxable amount - see instructions		0.		
<b>e</b> Undistributed income for 2002 Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
<b>f</b> Undistributed income for 2003 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2004.				225,000.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3)	0.			
<b>8</b> Excess distributions carryover from 1998 not applied on line 5 or line 7	0.			
<b>9</b> Excess distributions carryover to 2004. Subtract lines 7 and 8 from line 6a	0.			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 1999				
<b>b</b> Excess from 2000				
<b>c</b> Excess from 2001				
<b>d</b> Excess from 2002				
<b>e</b> Excess from 2003				



**Part XIV Private Operating Foundations** (see instructions and Part VII-A, question 9) N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2003, enter the date of the ruling ▶

b Check box to indicate whether the organization is a private operating foundation described in section  4942(j)(3) or  4942(j)(5)

	Tax year				(e) Total
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - Enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

**Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year-see page 25 of the instructions.)**

1 **Information Regarding Foundation Managers:**  
 a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2).)

SEE STATEMENT 13

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

NONE

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**  
 Check here  if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed  
 N/A

b The form in which applications should be submitted and information and materials they should include  
 N/A

c Any submission deadlines.  
 N/A

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:  
 N/A







54-427117

1207

DATE	INVOICE	AMOUNT

**ELAINE CONNERS IRREVOCABLE TRUST**  
**ELAINE CONNERS CENTER FOR WILDLIFE**  
 P.O. BOX 37  
 MADISON, NH 05648-0037

PAY TO THE ORDER OF Elaine Connors 1/77  
 DOLLARS 1100  
 PAYEE'S ACCOUNT NO. 1100  
 CHECK NO. 1100  
 DATE 1/77  
 SIGNATURE Elaine Connors  
 TITLE President

**NOT NEGOTIABLE**

RECORD OF EARNINGS OR PAYMENTS



PAY PERIOD FROM \_\_\_\_\_ TO \_\_\_\_\_ RATE OF PAY \_\_\_\_\_

SDC SEC # \_\_\_\_\_

7

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Sauder Cottage Home  
 Desk Return



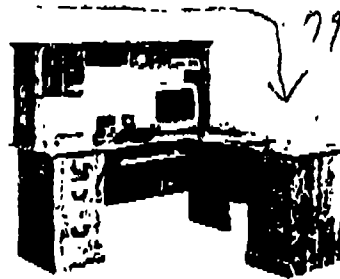
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### Sauder Cottage Home Hutch



The Sauder Cottage Home Desk comes in an attractive **Bishop Pine Finish**. Features two file drawers with metal runners that hold letter or European size hanging file folders and a lower storage shelf for additional storage. Includes keyboard/mouse shelf and a box drawer with metal runners and safety stops. Return (sold separately) can be fastened to left or right side of desk to create an L-desk. Hutch (sold separately) mounts on desk to provide additional storage space.

Quick and easy assembly with patented twist lock fasteners and slide on moldings. Includes 5-year mfr. limited warranty.

ALL pieces sold separately.

Desk ships in 2 boxes. Please take note to purchase both box 1 (467478) and 2(467479)

Item No	Expected Delivery	Unit
487490	3-7 Business Days	Each

*desk only*

\$99.99 Qty  
 Each

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**Product Specifications**

Color of Item	Bishop Pine
Assembly required	Yes
Height	28"
Width	65"
Depth	13 7/8"

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 1799.99  
 799.99  
 799.99  
 799.99



Prepared For  
**CATHIE J GREGG  
ELAINE CONNERSCTR**

Account Number  
**3753-410703-02007** Page 2 of 8

Transactions Continued

Amount

April 13, 2003  
STAPLES NORTH CONWAY NH  
OFFICE SUPPLIES 413  
2% DISCOUNT ON \$314.98  
EVERYDAY SAVINGS AT STAPLES  
FOR EVERYDAY SAVINGS PROGRAM INFO VISIT  
OPEN.AMERICANEXPRESS.COM/EVERYDAYSAVINGS  
Reference: 000108444

2 -8.30 office

April 13, 2003  
WAL-MART 2140 NORTH CONWAY NH  
GENERAL MERCHANDISE

2 8.53 Voluntary Spence  
Rogers goods

April 13, 2003  
STAPLES NORTH CONWAY NH  
OFFICE SUPPLIES  
Reference: 000108444

314.98 ✓ Colm...  
245.58  
\$50.00 14.78  
Rogers

April 15, 2003  
STAPLES NORTH CONWAY NH  
OFFICE SUPPLIES 413  
2% DISCOUNT ON \$17.84  
EVERYDAY SAVINGS AT STAPLES  
FOR EVERYDAY SAVINGS PROGRAM INFO VISIT  
OPEN.AMERICANEXPRESS.COM/EVERYDAYSAVINGS  
Reference: 000108444

1 -0.38

April 15, 2003  
CITGO3873 THE BIG APOSSIPEC NH  
CITGO  
GAS/MBC85 472223673185  
Reference: 072223673185

1 15.01 gas

April 15, 2003  
STAPLES NORTH CONWAY NH  
OFFICE SUPPLIES  
Reference: 000108444

1 17.54 office  
with Cartage

April 15, 2003  
STAPLES NORTH CONWAY NH  
OFFICE SUPPLIES 413  
2% DISCOUNT ON \$38.93  
EVERYDAY SAVINGS AT STAPLES  
FOR EVERYDAY SAVINGS PROGRAM INFO VISIT  
OPEN.AMERICANEXPRESS.COM/EVERYDAYSAVINGS  
Reference: 000108444

1 -0.80 / 10

Continued on next page



Prepared For: **CATHIE J GREGG**  
**ELAINE CONNERSCTR**  
 Account Number: **3763 410703-02007** Page 2 of 6

Transactions Continued

Transaction Description	Amount
March 27, 2003 EXXONMOBIL2609966011WEST OSG NH IN-STORE 2609966011 Reference 0272800011	10.00 X
April 3, 2003 UPPER MAIN ST NORTH CONWAY NH TEXACO 11688137249096202017479 Reference 088200111670	10.00 X
April 5, 2003* 2% CREDIT FOR \$10.07 04/05 EXXONMOBIL YOUR EVERYDAY SAVINGS AT EXXONMOBIL	-0.20 X
April 5, 2003 STAPLES NORTH CONWAY NH OFFICE SUPPLIES 4/05 2% DISCOUNT ON \$79.94 EVERYDAY SAVINGS AT STAPLES FOR EVERYDAY SAVINGS PROGRAM INFO VISIT OPEN.AMERICANEXPRESS.COM/EVERYDAYSAVINGS Reference 070106307	-1.60 X
April 5, 2003 WAL-MART 2140 NORTH CONWAY NH GENERAL MERCHANDISE Reference 45124013	53.46 X
April 5, 2003 STAPLES NORTH CONWAY NH OFFICE SUPPLIES Reference 000106307	79.94 X
April 5, 2003 EXXONMOBIL2609991308ALBANY NH IN-STORE 2609991308 Reference 02280001308	10.02 X
April 9, 2003 CITGO0228 DOVER PLAZODOVER NH CITGO GAS/MSC97 111120228010 Reference 111120228010	15.00 X
April 10, 2003 CVS STORE 0650 NORTH CONWAY NH HEALTH/BEAUTY-AIDS Reference 00027855 Card Number 00017008	16.89 X
<b>Total of Card Activity</b>	<b>238.94</b> New Charges <b>-207.49</b> Payments/Credits

*Handwritten notes:*  
 Visa return  
 Cash 11.31  
 4/24/03  
 79.94  
 16.89  
 5.58

Continued on next page

*11-10-04*  
*Buddy Grant*

*Deans,*  
 Receipt for desk - apparently it was  
 on sale from the \$99.99  
 to \$79.94

*Cathie Gregg*  
*Esq*

If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box

Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Part II Additional (not automatic) 3-Month Extension of Time - Must file Original and One Copy.

Name of Exempt Organization: THE BUTLER FOUNDATION
Employer Identification number: 22-2701588
Number, street, and room or suite no. If a P.O. box, see instructions: C/O CHARTER TRUST P.O. BOX 2530
City, town or post office, state, and ZIP code. For a foreign address, see instructions: CONCORD, NH 03302-2530

Check type of return to be filed (File a separate application for each return):

- Form 990, Form 990-EZ, Form 990-T (sec. 401(a) or 408(a) trust), Form 1041-A, Form 5227, Form 8870, Form 990-BL, Form 990-PF, Form 990-T (trust other than above), Form 4720, Form 6069

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- If the organization does not have an office or place of business in the United States, check this box
If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN)
If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until NOVEMBER 15, 2004.
5 For calendar year 2003, or other tax year beginning and ending
6 If this tax year is for less than 12 months, check reason: Initial return, Final return, Change in accounting period
7 State in detail why you need the extension: ADDITIONAL TIME IS NEEDED TO FILE A COMPLETE AND ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ 4,040.
8b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ 4,040.
8c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ 0.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature: [Handwritten Signature] Title: GRANT THORNTON LLP #36-6055558 Date: 8/10/04
226 CAUSEWAY ST., BOSTON, MA 02114

Notice to Applicant - To Be Completed by the IRS

- We have approved this application. Please attach this form to the organization's return.
We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.
We cannot consider this application because it was filed after the due date of the return for which an extension was requested.
Other

Director By: Date

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Name: GRANT THORNTON LLP
Number and street (include suite, room, or apt. no.) Or a P.O. box number: 226 CAUSEWAY STREET
City or town, province or state, and country (including postal or ZIP code): BOSTON, MA 02114

Application for Extension of Time To File an  
Exempt Organization Return

File a separate application for each return.

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box
- If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II (on page 2 of this form).

Note: Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

**Part I** Automatic 3-Month Extension of Time - Only submit original (no copies needed)

Note: Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Type or print	Name of Exempt Organization	Employer identification number
	THE BUTLER FOUNDATION	22-2701588
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions.	
	C/O CHARTER TRUST P.O. BOX 2530 CONCORD, NH 03302-2530	

Check type of return to be filed (file a separate application for each return):

- |                                                 |                                                                   |                                    |
|-------------------------------------------------|-------------------------------------------------------------------|------------------------------------|
| <input type="checkbox"/> Form 990               | <input type="checkbox"/> Form 990-T (corporation)                 | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL            | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ            | <input type="checkbox"/> Form 990-T (trust other than above)      | <input type="checkbox"/> Form 6069 |
| <input checked="" type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A                              | <input type="checkbox"/> Form 8870 |

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-month, for 990-T corporation) extension of time until AUGUST 16, 2004 to file the exempt organization return for the organization named above. The extension is for the organization's return for:

calendar year 2003 or

tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_.

2 If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ 4,040.

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ 2,540.

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ 1,500.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature *Cara J. Healey* Title \_\_\_\_\_ Date 5/13/04

LHA For Paperwork Reduction Act Notice, see instruction Form 8868 (12-2000)

GRANT THORNTON LLP #36-6055558  
226 CAUSEWAY ST., BOSTON, MA 02114

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**FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1**


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SOURCE	AMOUNT
MONEY MARKET FUNDS	6,460.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	6,460.

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**FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2**


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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
ACCRUED INTEREST & DIVIDENDS	1,288.	0.	1,288.
CORPORATE BOND INTEREST	63,526.	0.	63,526.
DOMESTIC DIVIDENDS	17,151.	0.	17,151.
DOMESTIC STOCKS	2,898.	0.	2,898.
FIXED INCOME FUNDS	6,331.	0.	6,331.
GNMA, FNMA, FHLMC POOLS	54,753.	0.	54,753.
GOV'T CMO'S AND REMIC'S	8,075.	0.	8,075.
MUNICIPAL BOND INTEREST	6,250.	0.	6,250.
US GOVT AGENCY INTEREST	58,401.	0.	58,401.
US GOVT NOTES & BOND INTEREST	12,146.	0.	12,146.
TOTAL TO FM 990-PF, PART I, LN 4	230,819.	0.	230,819.

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**FORM 990-PF OTHER INCOME STATEMENT 3**


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DESCRIPTION	AMOUNT
OTHER INCOME	213.
TOTAL TO FORM 990-PF, PART I, LINE 11, COLUMN A	213.

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FORM 990-PF	LEGAL FEES			STATEMENT 4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	4,973.	0.		4,973.
TO FM 990-PF, PG 1, LN 16A	4,973.	0.		4,973.

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CHARTER TRUST COMPANY	7,119.	7,119.		0.
GRANT THORNTON	5,500.	0.		5,500.
TO FORM 990-PF, PG 1, LN 16C	12,619.	7,119.		5,500.

FORM 990-PF	TAXES			STATEMENT 6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAXES - ESTIMATED TAX PAYMENT	269.	0.		0.
TO FORM 990-PF, PG 1, LN 18	269.	0.		0.

FORM 990-PF	OTHER EXPENSES			STATEMENT 7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
STATE OF NH FILING FEE	75.	0.		75.
OTHER FEES	11.	0.		0.
TO FORM 990-PF, PG 1, LN 23	86.	0.		75.

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**FORM 990-PF**                      **U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS**                      **STATEMENT 8**


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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
MUNICIPAL BONDS		X	99,912.	109,562.
U.S. TREASURY NOTES	X		386,509.	395,486.
U.S. GOVERNMENT AGENCY	X		2,184,911.	2,243,719.
<b>TOTAL U.S. GOVERNMENT OBLIGATIONS</b>			<b>2,571,420.</b>	<b>2,639,205.</b>
<b>TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS</b>			<b>99,912.</b>	<b>109,562.</b>
<b>TOTAL TO FORM 990-PF, PART II, LINE 10A</b>			<b>2,671,332.</b>	<b>2,748,767.</b>

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**FORM 990-PF**                                      **CORPORATE STOCK**                                      **STATEMENT 9**


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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
COMMON EQUITY SECURITIES	1,214,821.	1,672,418.
PREFERRED EQUITY SECURITIES	96,140.	99,256.
<b>TOTAL TO FORM 990-PF, PART II, LINE 10B</b>	<b>1,310,961.</b>	<b>1,771,674.</b>

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**FORM 990-PF**                                      **CORPORATE BONDS**                                      **STATEMENT 10**


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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE & FOREIGN BONDS	1,448,052.	1,567,197.
<b>TOTAL TO FORM 990-PF, PART II, LINE 10C</b>	<b>1,448,052.</b>	<b>1,567,197.</b>

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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
FORM 990-PF OTHER INVESTMENTS STATEMENT 11		
FIXED INCOME MUTUAL FUNDS	150,000.	146,922.
TOTAL TO FORM 990-PF, PART II, LINE 13	150,000.	146,922.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 12

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
BARBARA BUTLER STEVENS POINT, WI 54481	TRUSTEE 0-1	0.	0.	0.
THOMAS BUTLER NEW LONDON, NH 03257	TRUSTEE 0-1	0.	0.	0.
CLARA W BUTLER NEW LONDON, NH 03257	TRUSTEE 0-1	0.	0.	0.
BONNIE BUNNING OLYMPIA, WA 98506	TRUSTEE 0-1	0.	0.	0.
MARJORIE W BUTLER STRAFFORD, NH 03884	TRUSTEE 0-1	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

FORM 990-PF

PART XV - LINE 1A  
LIST OF FOUNDATION MANAGERS

STATEMENT 13

## NAME OF MANAGER

THOMAS BUTLER  
CLARA W BUTLER

FORM 990-PF

GRANTS AND CONTRIBUTIONS  
PAID DURING THE YEAR

STATEMENT 14

RECIPIENT NAME AND ADDRESS	RECIPIENT STATUS	PURPOSE OF GRANT	RECIPIENT RELATIONSHIP	AMOUNT
ELAINE CONNERS CENTER FOR WILDLIFE	PRIVATE	CHARITABLE DISTRIBUTION	NONE	2,180.
COLBY COLLEGE-SARAH BECKER	INDIVIDUAL	SCHOLARSHIP	NONE	2,500.
COLBY COLLEGE-SARAH BECKER	INDIVIDUAL	SCHOLARSHIP	NONE	2,500.
JOSE MANUEL AGUILAR, PRESIDENT, POTABLE WATER COUNCIL	PUBLIC	POTABLE WATER PROJECT	NONE	36,000.
KEENE STATE COLLEGE-SCOTT GREENE	INDIVIDUAL	SCHOLARSHIP	NONE	2,250.
KEENE STATE COLLEGE-SCOTT GREENE	INDIVIDUAL	SCHOLARSHIP	NONE	2,250.
MAQUIPUCUNA FOUNDATION	CHARITABLE	CHARITABLE DISTRIBUTION	NONE	192,000.
NATURE CONSERVANCY OF NH	PUBLIC	CHARITABLE DISTRIBUTION	NONE	15,000.
SALVE REGINA UNIVERSITY-CATHERINE BALLANTYNE	INDIVIDUAL	SCHOLARSHIP	NONE	3,000.
SALVE REGINA UNIVERSITY-CATHERINE BALLANTYNE	INDIVIDUAL	SCHOLARSHIP	NONE	3,000.
SEACOAST SCIENCE CENTER, INC.	PUBLIC	CHARITABLE DISTRIBUTION	NONE	1,200.



YORK COUNTY TECHNICAL COLLEGE-TRENT ROBINSON	INDIVIDUAL SCHOLARSHIP	NONE	500.
ISABEL CRIOLLO, TREASURER, COMMUNITY DEVELOPMENT FOUNDATION	PUBLIC CHARITABLE DISTRIBUTION	NONE	20,000.
RIVER BASIN SCIENCE & POLICY CENTER DONATION	PUBLIC CHARITABLE DISTRIBUTION	NONE	100,000.
NORWICH WOMEN'S CLUB	PUBLIC CHARITABLE DISTRIBUTION	NONE	2,500.
TRUSTEE OF PARK	PUBLIC CHARITABLE DISTRIBUTION	NONE	<1,000.>
TOTAL TO FORM 990-PF, PART XV, LINE 3A			<u>383,880.</u>

# Underpayment of Estimated Tax by Corporations

Department of the Treasury  
Internal Revenue Service

▶ See separate instructions.  
▶ Attach to the corporation's tax return.

FORM **990-PF**

**2003**

Name <b>THE BUTLER FOUNDATION</b>	Employer identification number <b>22-2701588</b>
--------------------------------------	-----------------------------------------------------

**Note:** In most cases, the corporation does not need to file Form 2220. (See Part I below for exceptions.) The IRS will figure any penalty owed and bill the corporation. If the corporation does not need to file Form 2220, it may still use it to figure the penalty. Enter the amount from line 36 on the estimated tax penalty line of the corporation's income tax return, but do not attach Form 2220.

**Part I Reasons For Filing** - Check the boxes below that apply. If any boxes are checked, the corporation must file Form 2220, even if it does not owe the penalty. If the box on line 1 or line 2 applies, the corporation may be able to lower or eliminate the penalty.

- 1  The corporation is using the adjusted seasonal installment method
- 2  The corporation is using the annualized income installment method
- 3  The corporation is a "large corporation" figuring its first required installment based on the prior year's tax

**Part II Figuring the Underpayment**

4 Total tax (see instructions)	4	2,654.
5a Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 4	5a	
5b Look-back interest included on line 4 under section 460(b)(2) for completed long-term contracts or of section 167(g) for property depreciated under the income forecast method	5b	
5c Credit for Federal tax paid on fuels (see instructions)	5c	
5d Total. Add lines 5a through 5c	5d	
6 Subtract line 5d from line 4. If the result is less than \$500, do not complete or file this form. The corporation does not owe the penalty.	6	2,654.
7 Enter the tax shown on the corporation's 2002 income tax return. <b>Caution:</b> If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 6 on line 8.	7	2,540.
8 Enter the smaller of line 6 or line 7. If the corporation is required to skip line 7, enter the amount from line 6.	8	2,540.

	(a)	(b)	(c)	(d)	(e)	
9 <b>Installment due dates.</b> Enter in col (a) through (e) the 15th day of the 4th (Form 990-PF filers: Use 5th month), 6th, 9th, and 12th mos of the corporation's tax year.	9	05/15/03	06/15/03	09/15/03	10/01/03	12/15/03
<b>Exception.</b> If one of your installment due dates is Sept 15, 2003, or Sept 15, 2004, see the instructions.						
10 <b>Required installments.</b> If the box on line 1 and/or line 2 above is checked, enter the amounts from Schedule A, line 38. If the box on line 3 (but not 1 or 2) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% of line 8 above in each column.	10	635.	635.	476.	159.	635.
11 <b>Estimated tax paid or credited for each period (see instructions).</b> For column (a) only, enter the amount from line 11 on line 15. <b>Complete lines 12 through 18 of one column before going to the next column.</b>	11	2,540.				
12 Enter amount, if any, from line 18 of the preceding column.	12		1,905.	1,270.	794.	635.
13 Add lines 11 and 12.	13		1,905.	1,270.	794.	635.
14 Add amounts on lines 16 and 17 of the preceding column.	14					
15 Subtract line 14 from line 13. If zero or less, enter -0-	15	2,540.	1,905.	1,270.	794.	635.
16 If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0-	16		0.	0.	0.	
17 <b>Underpayment.</b> If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18.	17					
18 <b>Overpayment.</b> If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column.	18	1,905.	1,270.	794.	635.	

**Complete Part III on page 2 to figure the penalty. If there are no entries on line 17, no penalty is owed.**

**Part III Figuring the Penalty**

	(a)	(b)	(c)	(d)	(e)
<b>19</b> Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see Instructions) (Form 990-PF and Form 990-T filers: Use 5th month instead of 3rd month)					
<b>20</b> Number of days from due date of installment on In 9 to the date shown on line 19					
<b>21</b> Number of days on line 20 after 4/15/2003 and before 10/1/2003					
<b>22</b> Underpayment on line 17 x Number of days on line 21 x 5% 365	\$	\$	\$	\$	\$
<b>23</b> Number of days on line 20 after 9/30/2003 and before 1/1/2004					
<b>24</b> Underpayment on line 17 x Number of days on line 23 x 4% 365	\$	\$	\$	\$	\$
<b>25</b> Number of days on line 20 after 12/31/2003 and before 4/1/2004					
<b>26</b> Underpayment on line 17 x Number of days on line 25 x 4% 366	\$	\$	\$	\$	\$
<b>27</b> Number of days on line 20 after 3/31/2004 and before 7/1/2004					
<b>28</b> Underpayment on line 17 x Number of days on line 27 x 4% 366	\$	\$	\$	\$	\$
<b>29</b> Number of days on line 20 after 6/30/2004 and before 10/1/2004					
<b>30</b> Underpayment on line 17 x Number of days on line 29 x 4% 366	\$	\$	\$	\$	\$
<b>31</b> Number of days on line 20 after 9/30/2004 and before 1/1/2005					
<b>32</b> Underpayment on line 17 x Number of days on line 31 x 4% 366	\$	\$	\$	\$	\$
<b>33</b> Number of days on line 20 after 12/31/2004 and before 2/16/2005					
<b>34</b> Underpayment on line 17 x Number of days on line 33 x 4% 365	\$	\$	\$	\$	\$
<b>35</b> Add lines 22, 24, 26, 28, 30, 32, and 34	\$	\$	\$	\$	\$

**36 Penalty.** Add columns (a) through (e), of line 35. Enter the total here and on Form 1120, line 33, Form 1120-A, line 29; or the comparable line for other income tax returns **36 \$ 0.**

\* For underpayments paid after March 31, 2004: For lines 28, 30, 32 and 34, use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at [www.irs.gov](http://www.irs.gov). You can also call 1-800-829-1040 to get interest rate information.

JWA

Form 2220 (2003)

The Butler Foundation  
EIN: 22-2701588  
For the Year Ending December 31, 2003  
Form 990-PF, Part V

These figures are being presented based upon the position that the Internal Revenue Service will determine that proper corrective actions have been taken within the correction period under section 4962 of the Internal Revenue Code and, therefore, that the foundation does not have undistributed income. Please refer to Form 4720, and the attachments thereto, which has been submitted simultaneously with this return.

STATEMENT 1A

The Butler Foundation  
EIN: 22-2701588  
For the Year Ending December 31, 2003  
Form 990-PF, Part VII-B, Line 2a

This question has been answered based upon the position that the Internal Revenue Service will determine that the proper corrective actions have been taken with respect to certain distributions within the correction period under section 4962 of the Internal Revenue Code and, therefore, that the foundation does not have undistributed income. Please refer to Form 4720, and the attachments thereto, which has been submitted simultaneously with this return.

STATEMENT 2A

Attachment to Form 990-PF  
Part VII-A, Question 5c on Page 5

**Expenditure Responsibility Statement  
For the year 2003**

Pursuant to IRC Regulation § 53.4945-5(d)(2), The Butler Foundation provides the following information:

- (i) Grantee: Maquipucuna Foundation, Inc.  
c/o Institute of Ecology, University of Georgia  
Athens, GA 30602--2202
  
- (ii) Amount of Grants:

May 30, 2003:	\$47,000
June 23, 2003:	\$75,000
September 24, 2003:	<u>\$75,000</u>
Total:	\$192,000
  
- (iii) Purpose of Grants: Protection and Management of Maquipucuna Land Reserve; construction of buildings on reserve
  
- (iv) and (vi) Reports: Maquipucuna Foundation, Inc. submitted a full report of its expenditure of the grant on June 26, 2004. At that time there were \$15,600 of grant funds remaining.
  
- (v) Diversions: To the knowledge of the grantor, no funds have been directed to any activity other than the activity for which the grant was originally made.
  
- (vii) Verifications: The grantor does not have a reason to doubt the accuracy or reliability of the report from the grantee; therefore, no independent verification of the report was made. However, grantor has made independent visits to the grantee and to the site where the funds have been used in order to monitor the use of the funds

Attachment to Form 990-PF  
Part VII-A, Question 5c on Page 5

**Expenditure Responsibility Statement  
For the year 2003**

Pursuant to IRC Regulation § 53.4945-5(d)(2), The Butler Foundation provides the following information:

- (i) Grantee: Elaine Conners Irrevocable Trust  
(aka Elaine Conners Center for Wildlife)  
RR 41  
Silver Lake, NH 03875
  
- (ii) Amount of Grant: April 2, 2003: \$2,180
  
- (iii) Purpose of Grant: general charitable purposes for which the grantee is organized
  
- (iv) and (vi) Reports: Maquipucuna Foundation, Inc. submitted a full report of its expenditure of the grant on November 10, 2004.
  
- (v) Diversions: To the knowledge of the grantor, no funds have been directed to any activity other than the activity for which the grant was originally made.
  
- (vii) Verifications: The grantor does not have a reason to doubt the accuracy or reliability of the report from the grantee; therefore, no independent verification of the report was made.

**Statement 3A**

Attachment to Form 990-PF

Part VII-β, Question 5c on Page 5

**Expenditure Responsibility Statement  
For the year 2002**

Pursuant to IRC Regulation § 53.4945-5(d)(2), The Butler Foundation provides the following information:

- (i) **Grantee:** Maquipucuna Foundation, Inc.  
c/o Institute of Ecology, University of Georgia  
Athens, GA 30602--2202
  
- (ii) **Amount of Grants:**

July 8, 2002:	\$97,245
November 26, 2002	\$755
December 5, 2002	\$33
November 27, 2002:	<u>\$57,375</u>
	\$155,408
  
- (iii) **Purpose of Grants:** Protection and Management of Maquipucuna Land Reserve; Land Purchase; construction of buildings on reserve for ecotourism
  
- (iv) and (vi) **Reports:** Maquipucuna Foundation, Inc. submitted a full and complete report of its expenditure of the grant on June 26, 2004.
  
- (v) **Diversions:** To the knowledge of the grantor, no funds have been directed to any activity other than the activity for which the grant was originally made.
  
- (vii) **Verifications:** The grantor does not have a reason to doubt the accuracy or reliability of the report from the grantee. Grantor noticed a \$788 discrepancy in its records and the report of grantee, which has been reconciled. Grantor has made independent visits to the grantee and to the site where the funds have been used in order to monitor the use of the funds.



**The Butler Foundation**

**EIN: 22-2701588**

**Statement 3A**

Attachment to Form 990-PF

Part VII-B, Question 5c on Page 5

**Expenditure Responsibility Statement  
For the year 2002**

Pursuant to IRC Regulation § 53.4945-5(d)(2), The Butler Foundation provides the following information:

- (i) Grantee: Elaine Conners Irrevocable Trust  
(aka Elaine Conners Center for Wildlife)  
RR 41  
Silver Lake, NH 03875
  
- (ii) Amount of Grant: January 31, 2002: \$1,000
  
- (iii) Purpose of Grant: general charitable purposes for which the grantee is organized
  
- (iv) and (vi) Reports: Grantee submitted a full report of its expenditure of the grant on November 12, 2004.
  
- (v) Diversions: To the knowledge of the grantor, no funds have been directed to any activity other than the activity for which the grant was originally made.
  
- (vii) Verifications: The grantor does not have a reason to doubt the accuracy or reliability of the report from the grantee; therefore, no independent verification of the report was made.

**Statement 3A**

Attachment to Form 990-PF

Part VII- *b*, Question 5c on Page 5

**Expenditure Responsibility Statement  
For the year 2001**

Pursuant to IRC Regulation § 53.4945-5(d)(2), The Butler Foundation provides the following information:

- (i) **Grantee:** Maquipucuna Foundation, Inc.  
c/o Institute of Ecology, University of Georgia  
Athens, GA 30602--2202
  
- (ii) **Amount of Grants:**

May 11, 2001:	\$122,414
October 12, 2001:	<u>\$100,000</u>
Total:	\$222,414
  
- (iii) **Purpose of Grants:** Protection and Management of Maquipucuna Land Reserve; Land purchase; construction of buildings on reserve for ecotourism
  
- (iv) and (vi) **Reports:** Maquipucuna Foundation, Inc. submitted a full and complete report of its expenditure of the grant on June 26, 2004.
  
- (v) **Diversions:** To the knowledge of the grantor, no funds have been directed to any activity other than the activity for which the grant was originally made.
  
- (vii) **Verifications:** The grantor does not have a reason to doubt the accuracy or reliability of the report from the grantee; therefore, no independent verification of the report was made. However, grantor has made independent visits to the grantee and to the site where the funds have been used in order to monitor the use of the funds

**The Butler Foundation**

**EIN: 22-2701588**

**Statement 3A**

Attachment to Form 990-PF

Part VII-B, Question 5c on Page 5

**Expenditure Responsibility Statement  
For the year 2001**

Pursuant to IRC Regulation § 53.4945-5(d)(2), The Butler Foundation provides the following information:

- (i) Grantee: Elaine Conners Irrevocable Trust  
(aka Elaine Conners Center for Wildlife)  
RR 41  
Silver Lake, NH 03875
  
- (ii) Amount of Grant: January 2, 2001: \$2,500
  
- (iii) Purpose of Grant: general charitable purposes for which the grantee is organized
  
- (iv) and (vi) Reports: The grantee submitted a full report of its expenditure of the grant on November 12, 2004.
  
- (v) Diversions: To the knowledge of the grantor, no funds have been directed to any activity other than the activity for which the grant was originally made.
  
- (vii) Verifications: The grantor does not have a reason to doubt the accuracy or reliability of the report from the grantee; therefore, no independent verification of the report was made.

**Statement 3A**

Attachment to Form 990-PF

Part VII- **b** Question 5c on Page 5

**Expenditure Responsibility Statement  
For the year 2000**

Pursuant to IRC Regulation § 53.4945-5(d)(2), The Butler Foundation provides the following information:

- (i) **Grantee:** Maquipucuna Foundation, Inc.  
c/o Institute of Ecology, University of Georgia  
Athens, GA 30602--2202
  
- (ii) **Amount of Grants:**
  - February 1, 2000: \$58,000
  - July 12, 2000: \$ 7,500
  - August 29, 2000: \$77,500
  - \$143,000
  
- (iii) **Purpose of Grants:** Protection and Management of Maquipucuna Land Reserve; Land Purchase; construction of buildings on reserve for ecotourism
  
- (iv) and (vi) **Reports:** Maquipucuna Foundation, Inc. submitted a full and complete report of its expenditure of the grant on June 26, 2004
  
- (v) **Diversions:** To the knowledge of the grantor, no funds have been directed to any activity other than the activity for which the grant was originally made.
  
- (vii) **Verifications:** The grantor does not have a reason to doubt the accuracy or reliability of the report from the grantee; therefore, no independent verification of the report was made. However, grantor has made independent visits to the grantee and to the site where the funds have been used in order to monitor the use of the funds

**Statement 3A**

Attachment to Form 990-PF

Part VII. **b**, Question 5c on Page 5

**Expenditure Responsibility Statement  
For the year 1999**

Pursuant to IRC Regulation § 53.4945-5(d)(2), The Butler Foundation provides the following information:

- (i) **Grantee:** Maquipucuna Foundation, Inc.  
c/o Institute of Ecology, University of Georgia  
Athens, GA 30602--2202
- (ii) **Amount of Grants:** July 2, 1999: \$100,000
- (iii) **Purpose of Grants:** Protection and Management of Maquipucuna Land Reserve; Land Purchase; construction of buildings on reserve for ecotourism
- (iv) and (vi) **Reports:** Maquipucuna Foundation, Inc. submitted a report of its expenditure of the grant on August 5, 2004
- (v) **Diversions:** To the knowledge of the grantor, no funds have been directed to any activity other than the activity for which the grant was originally made.
- (vii) **Verifications:** The grantor does not have a reason to doubt the accuracy or reliability of the report from the grantee; therefore, no independent verification of the report was made. However, grantor has made independent visits to the grantee and to the site where the funds have been used in order to monitor the use of the funds

**Statement 3A**

Attachment to Form 990-PF

Part VII- g , Question 5c on Page 5

**Expenditure Responsibility Statement  
For the year 1998**

Pursuant to IRC Regulation § 53.4945-5(d)(2), The Butler Foundation provides the following information:

- (i) Grantee: Maquipucuna Foundation, Inc.  
c/o Institute of Ecology, University of Georgia  
Athens, GA 30602--2202
  
- (ii) Amount of Grants:

January 5, 1998:	\$28,000
January 21, 1998:	\$35,000
May 28, 1998:	\$27,000
December 29, 1998:	<u>\$35,000</u>
	\$125,000
  
- (iii) Purpose of Grants: Protection and Management of Maquipucuna Land Reserve; Land Purchase; construction of buildings on reserve for ecotourism
  
- (iv) and (vi) Reports: Maquipucuna Foundation, Inc. submitted a report of its expenditure of the grant on August 5, 2004
  
- (v) Diversions: To the knowledge of the grantor, no funds have been directed to any activity other than the activity for which the grant was originally made.
  
- (vii) Verifications: The grantor does not have a reason to doubt the accuracy or reliability of the report from the grantee; therefore, no independent verification of the report was made. However, grantor has made independent visits to the grantee and to the site where the funds have been used in order to monitor the use of the funds

## Power of Attorney and Declaration of Representative

OMB No 1545-0150  
**For IRS Use Only**  
 Received by \_\_\_\_\_  
 Name \_\_\_\_\_  
 Telephone \_\_\_\_\_  
 Function \_\_\_\_\_  
 Date \_\_\_\_\_

▶ **Type or print.** ▶ See the separate instructions.

**Part I Power of Attorney**  
**Caution: Form 2848 will not be honored for any purpose other than representation before the IRS**

<b>1 Taxpayer information.</b> Taxpayer(s) must sign and date this form on page 2, line 9		
Taxpayer name(s) and address THE BUTLER FOUNDATION C/O CHARTER TRUST P.O BOX 2530 CONCORD NH 03302-2530	Social security number(s) _____ Daytime telephone number 603-224-1350	Employer identification number 22-2701588 Plan number (if applicable)

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

**2 Representative(s) must sign and date this form on page 2, Part II.**

Name and address Melissa S. McMorro, Esq. Nutter, McClennen & Fish, LLP 155 Seaport Boulevard, Boston, MA 02210	CAF No. 1206-05994R Telephone No. 617-439-2720 Fax No. 617-310-9720 Check if new: Address <input type="checkbox"/> Telephone No <input type="checkbox"/> Fax No <input type="checkbox"/>
Name and address Michael E. Mooney, Esq. Nutter, McClennen & Fish, LLP 155 Seaport Boulevard, Boston, MA 02210	CAF No. 1200-04038R Telephone No. 617-439-2342 Fax No. 617-310-9342 Check if new: Address <input type="checkbox"/> Telephone No <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address See attached Form 2848 for additional representatives	CAF No. _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No <input type="checkbox"/>

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters

**3 Tax matters**

Type of Tax (Income, Employment, Excise, etc) or Civil Penalty (see the instructions for line 3)	Tax Form Number (1040, 941, 720, etc)	Year(s) or Period(s) (see the instructions for line 3)
Excise	990-PF, 4720	2003

**4 Specific use not recorded on Centralized Authorization File (CAF).** If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for **Line 4. Specific uses not recorded on CAF.**

**5 Acts authorized.** The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative, the power to sign certain returns, or the power to execute a request for disclosure of tax returns or return information to a third party. See the line 5 instructions for more information.

**Exceptions.** An unenrolled return preparer cannot sign any document for a taxpayer and may only represent taxpayers in limited situations. See **Unenrolled Return Preparer** on page 2 of the instructions. An enrolled actuary may only represent taxpayers to the extent provided in section 10 3(d) of Circular 230. See the line 5 instructions for restrictions on tax matters partners

List any specific additions or deletions to the acts otherwise authorized in this power of attorney: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**6 Receipt of refund checks.** If you want to authorize a representative named on line 2 to receive, **BUT NOT TO ENDORSE OR CASH**, refund checks, initial here \_\_\_\_\_ and list the name of that representative below.

Name of representative to receive refund check(s) ▶ \_\_\_\_\_

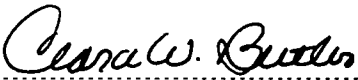
- 7 Notices and communications.** Original notices and other written communications will be sent to you and a copy to the first representative listed on line 2
- a If you also want the second representative listed to receive a copy of notices and communications, check this box
  - b If you do not want any notices or communications sent to your representative(s), check this box

**8 Retention/revocation of prior power(s) of attorney.** The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you **do not** want to revoke a prior power of attorney, check here

**YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.**

**9 Signature of taxpayer(s).** If a tax matter concerns a joint return, **both** husband and wife must sign if joint representation is requested, otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer

▶ **IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED.**

 Signature	11/15/04 Date	Trustee Title (if applicable)
CLARA W. BUTLER Print Name	<input style="width: 100px; height: 20px;" type="text"/> PIN Number	The Butler Foundation Print name of taxpayer from line 1 if other than individual
Signature	Date	Title (if applicable)
Print Name	<input style="width: 100px; height: 20px;" type="text"/> PIN Number	

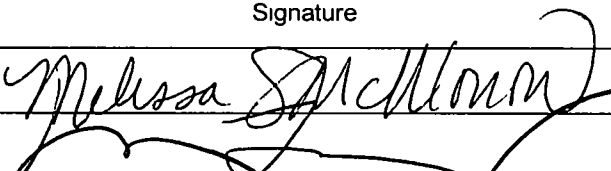
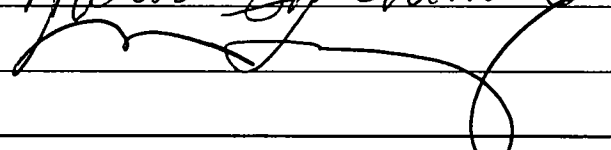
**Part II Declaration of Representative**

**Caution:** Students with a special order to represent taxpayers in Qualified Low Income Taxpayer Clinics or the Student Tax Clinic Program, see the instructions for Part II.

Under penalties of perjury, I declare that

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service,
- I am aware of regulations contained in Treasury Department Circular No. 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others,
- I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there, and
- I am one of the following:
  - a Attorney — a member in good standing of the bar of the highest court of the jurisdiction shown below.
  - b Certified Public Accountant — duly qualified to practice as a certified public accountant in the jurisdiction shown below.
  - c Enrolled Agent — enrolled as an agent under the requirements of Treasury Department Circular No. 230
  - d Officer — a bona fide officer of the taxpayer's organization.
  - e Full-Time Employee — a full-time employee of the taxpayer
  - f Family Member — a member of the taxpayer's immediate family (i.e., spouse, parent, child, brother, or sister).
  - g Enrolled Actuary — enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Service is limited by section 10.3(d) of Treasury Department Circular No. 230).
  - h Unenrolled Return Preparer — the authority to practice before the Internal Revenue Service is limited by Treasury Department Circular No. 230, section 10.7(c)(1)(viii). You must have prepared the return in question and the return must be under examination by the IRS. See **Unenrolled Return Preparer** on page 2 of the instructions

▶ **IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED.** See the Part II instructions

Designation — Insert above letter (a–h)	Jurisdiction (state) or identification	Signature	Date
a	MA		11/12/04
a	MA		11/12/04



## Power of Attorney and Declaration of Representative

OMB No 1545-0150

For IRS Use Only

Received by

Name \_\_\_\_\_

Telephone \_\_\_\_\_

Function \_\_\_\_\_

Date \_\_\_\_\_

▶ Type or print. ▶ See the separate instructions.

**Part I** **Power of Attorney**

**Caution:** Form 2848 will not be honored for any purpose other than representation before the IRS.

**1 Taxpayer information.** Taxpayer(s) must sign and date this form on page 2, line 9

Taxpayer name(s) and address THE BUTLER FOUNDATION C/O CHARTER TRUST P.O BOX 2530 CONCORD NH 03302-2530	Social security number(s) _____ Daytime telephone number 603-224-1350	Employer identification number  22-2701588 Plan number (if applicable)
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hereby appoint(s) the following representative(s) as attorney(s)-in-fact

**2 Representative(s) must sign and date this form on page 2, Part II**

Name and address F. Graham McSwiney, Esq. McSwiney, Semple, Hankin-Birke & Wood, P.C. 280 Main Street, New London, NH 03257-2450	CAF No. _____ Telephone No. 603-526-6955 Fax No. _____ Check if new Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address Michael L. Wood, Esq. McSwiney, Semple, Hankin-Birke & Wood, P.C. 280 Main Street, New London, NH 03257-2450	CAF No. _____ Telephone No. 603-526-6955 Fax No. _____ Check if new Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address	CAF No. _____ Telephone No. _____ Fax No. _____ Check if new Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters

**3 Tax matters**

Type of Tax (Income, Employment, Excise, etc.) or Civil Penalty (see the instructions for line 3)	Tax Form Number (1040, 941, 720, etc.)	Year(s) or Period(s) (see the instructions for line 3)
Excise	990-PF, 4720	2003

**4 Specific use not recorded on Centralized Authorization File (CAF).** If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for Line 4. **Specific uses not recorded on CAF.**

**5 Acts authorized.** The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative, the power to sign certain returns, or the power to execute a request for disclosure of tax returns or return information to a third party. See the line 5 instructions for more information.

**Exceptions.** An unenrolled return preparer cannot sign any document for a taxpayer and may only represent taxpayers in limited situations. See **Unenrolled Return Preparer** on page 2 of the instructions. An enrolled actuary may only represent taxpayers to the extent provided in section 10 3(d) of Circular 230. See the line 5 instructions for restrictions on tax matters partners.

List any specific additions or deletions to the acts otherwise authorized in this power of attorney. \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**6 Receipt of refund checks.** If you want to authorize a representative named on line 2 to receive, **BUT NOT TO ENDORSE OR CASH**, refund checks, initial here \_\_\_\_\_ and list the name of that representative below

Name of representative to receive refund check(s) ▶ \_\_\_\_\_

**7 Notices and communications.** Original notices and other written communications will be sent to you and a copy to the first representative listed on line 2

- a If you also want the second representative listed to receive a copy of notices and communications, check this box
- b If you do not want any notices or communications sent to your representative(s), check this box

**8 Retention/revocation of prior power(s) of attorney.** The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you do not want to revoke a prior power of attorney, check here

**YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.**

**9 Signature of taxpayer(s).** If a tax matter concerns a joint return, both husband and wife must sign if joint representation is requested, otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer

**▶ IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED.**

Signature	Date	Trustee Title (if applicable)
Print Name	PIN Number	The Butler Foundation Print name of taxpayer from line 1 if other than individual
Signature	Date	Title (if applicable)
Print Name	PIN Number	

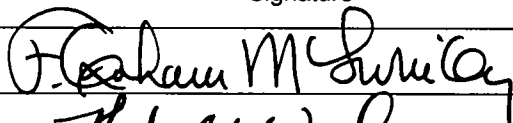
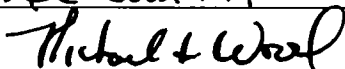
**Part II Declaration of Representative**

**Caution:** Students with a special order to represent taxpayers in Qualified Low Income Taxpayer Clinics or the Student Tax Clinic Program, see the instructions for Part II

Under penalties of perjury, I declare that.

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service;
- I am aware of regulations contained in Treasury Department Circular No. 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others;
- I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there, and
- I am one of the following
  - a Attorney — a member in good standing of the bar of the highest court of the jurisdiction shown below.
  - b Certified Public Accountant — duly qualified to practice as a certified public accountant in the jurisdiction shown below.
  - c Enrolled Agent — enrolled as an agent under the requirements of Treasury Department Circular No. 230
  - d Officer — a bona fide officer of the taxpayer's organization
  - e Full-Time Employee — a full-time employee of the taxpayer.
  - f Family Member — a member of the taxpayer's immediate family (i.e., spouse, parent, child, brother, or sister).
  - g Enrolled Actuary — enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Service is limited by section 10.3(d) of Treasury Department Circular No. 230)
  - h Unenrolled Return Preparer — the authority to practice before the Internal Revenue Service is limited by Treasury Department Circular No. 230, section 10.7(c)(1)(viii) You must have prepared the return in question and the return must be under examination by the IRS See Unenrolled Return Preparer on page 2 of the instructions.

**▶ IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED.** See the Part II instructions

Designation — Insert above letter (a–h)	Jurisdiction (state) or identification	Signature	Date
a	NH		11/15/04
a	NH		11-15-04

## Power of Attorney and Declaration of Representative

OMB No 1545-0150

For IRS Use Only

Received by

Name \_\_\_\_\_

Telephone \_\_\_\_\_

Function \_\_\_\_\_

Date \_\_\_\_\_

▶ Type or print. ▶ See the separate instructions.

**Part I** **Power of Attorney**

**Caution:** Form 2848 will not be honored for any purpose other than representation before the IRS

**1 Taxpayer information.** Taxpayer(s) must sign and date this form on page 2, line 9

Taxpayer name(s) and address THE BUTLER FOUNDATION C/O CHARTER TRUST P.O BOX 2530 CONCORD NH 03302-2530	Social security number(s)   Daytime telephone number 603-224-1350	Employer identification number  22-2701588 Plan number (if applicable)
---------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------	---------------------------------------------------------------------------------

hereby appoint(s) the following representative(s) as attorney(s)-in-fact

**2 Representative(s) must sign and date this form on page 2, Part II**

Name and address Melissa S. McMorrow, Esq. Nutter, McClennen & Fish, LLP 155 Seaport Boulevard, Boston, MA 02210	CAF No 1206-05994R Telephone No 617-439-2720 Fax No 617-310-9720 Check if new: Address <input type="checkbox"/> Telephone No <input type="checkbox"/> Fax No <input type="checkbox"/>
Name and address Michael E. Mooney, Esq. Nutter, McClennen & Fish, LLP 155 Seaport Boulevard, Boston, MA 02210	CAF No 1200-04038R Telephone No 617-439-2342 Fax No 617-310-9342 Check if new: Address <input type="checkbox"/> Telephone No <input type="checkbox"/> Fax No <input type="checkbox"/>
Name and address See attached Form 2848 for additional representatives	CAF No ..... Telephone No ..... Fax No ..... Check if new: Address <input type="checkbox"/> Telephone No <input type="checkbox"/> Fax No <input type="checkbox"/>

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters.

**3 Tax matters**

Type of Tax (Income, Employment, Excise, etc) or Civil Penalty (see the instructions for line 3)	Tax Form Number (1040, 941, 720, etc)	Year(s) or Period(s) (see the instructions for line 3)
Excise	990-PF, 4720	2003

**4 Specific use not recorded on Centralized Authorization File (CAF).** If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for **Line 4. Specific uses not recorded on CAF.**

**5 Acts authorized.** The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative, the power to sign certain returns, or the power to execute a request for disclosure of tax returns or return information to a third party. See the line 5 instructions for more information.

**Exceptions.** An unenrolled return preparer cannot sign any document for a taxpayer and may only represent taxpayers in limited situations. See **Unenrolled Return Preparer** on page 2 of the instructions. An enrolled actuary may only represent taxpayers to the extent provided in section 10 3(d) of Circular 230. See the line 5 instructions for restrictions on tax matters partners.

List any specific additions or deletions to the acts otherwise authorized in this power of attorney. \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**6 Receipt of refund checks.** If you want to authorize a representative named on line 2 to receive, **BUT NOT TO ENDORSE OR CASH**, refund checks, initial here \_\_\_\_\_ and list the name of that representative below.

Name of representative to receive refund check(s) ▶ \_\_\_\_\_

- 7 Notices and communications.** Original notices and other written communications will be sent to you and a copy to the first representative listed on line 2
- a If you also want the second representative listed to receive a copy of notices and communications, check this box
  - b If you do not want any notices or communications sent to your representative(s), check this box

**8 Retention/revocation of prior power(s) of attorney.** The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you do not want to revoke a prior power of attorney, check here

**YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.**

**9 Signature of taxpayer(s).** If a tax matter concerns a joint return, both husband and wife must sign if joint representation is requested, otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer

**▶ IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED.**

*Clara W. Butler* Signature      11/15/04 Date      Trustee Title (if applicable)

CLARA W. BUTLER Print Name      PIN Number      The Butler Foundation Print name of taxpayer from line 1 if other than individual

Signature      Date      Title (if applicable)

Print Name      PIN Number

**Part II Declaration of Representative**

**Caution:** Students with a special order to represent taxpayers in Qualified Low Income Taxpayer Clinics or the Student Tax Clinic Program, see the instructions for Part II.

Under penalties of perjury, I declare that

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service,
- I am aware of regulations contained in Treasury Department Circular No 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others,
- I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there, and
- I am one of the following.
  - a Attorney — a member in good standing of the bar of the highest court of the jurisdiction shown below
  - b Certified Public Accountant — duly qualified to practice as a certified public accountant in the jurisdiction shown below.
  - c Enrolled Agent — enrolled as an agent under the requirements of Treasury Department Circular No 230
  - d Officer — a bona fide officer of the taxpayer's organization.
  - e Full-Time Employee — a full-time employee of the taxpayer
  - f Family Member — a member of the taxpayer's immediate family (i.e., spouse, parent, child, brother, or sister).
  - g Enrolled Actuary — enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C 1242 (the authority to practice before the Service is limited by section 10.3(d) of Treasury Department Circular No. 230).
  - h Unenrolled Return Preparer — the authority to practice before the Internal Revenue Service is limited by Treasury Department Circular No 230, section 10.7(c)(1)(viii). You must have prepared the return in question and the return must be under examination by the IRS. See Unenrolled Return Preparer on page 2 of the instructions

**▶ IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED.** See the Part II instructions

Designation — Insert above letter (a–h)	Jurisdiction (state) or identification	Signature	Date
a	MA	<i>Nelissa Spillane</i>	11/12/04
a	MA	<i>Nelissa Spillane</i>	11/12/04

## Power of Attorney and Declaration of Representative

OMB No 1545-0150

For IRS Use Only

Received by

Name \_\_\_\_\_

Telephone \_\_\_\_\_

Function \_\_\_\_\_

Date \_\_\_\_\_

▶ Type or print. ▶ See the separate instructions.

**Part I Power of Attorney**

**Caution:** Form 2848 will not be honored for any purpose other than representation before the IRS.

**1 Taxpayer information.** Taxpayer(s) must sign and date this form on page 2, line 9.

Taxpayer name(s) and address THE BUTLER FOUNDATION C/O CHARTER TRUST P.O BOX 2530 CONCORD NH 03302-2530	Social security number(s) _____ Daytime telephone number 603-224-1350	Employer identification number 22-2701588 Plan number (if applicable)
---------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------	-----------------------------------------------------------------------------

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

**2 Representative(s) must sign and date this form on page 2, Part II**

Name and address F. Graham McSwiney, Esq. McSwiney, Semple, Hankin-Birke & Wood, P.C. 280 Main Street, New London, NH 03257-2450	CAF No. _____ Telephone No. 603-526-6955 Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address Michael L. Wood, Esq. McSwiney, Semple, Hankin-Birke & Wood, P.C. 280 Main Street, New London, NH 03257-2450	CAF No. _____ Telephone No. 603-526-6955 Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address	CAF No. _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters

**3 Tax matters**

Type of Tax (Income, Employment, Excise, etc.) or Civil Penalty (see the instructions for line 3)	Tax Form Number (1040, 941, 720, etc.)	Year(s) or Period(s) (see the instructions for line 3)
Excise	990-PF, 4720	2003

**4 Specific use not recorded on Centralized Authorization File (CAF).** If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for Line 4. **Specific uses not recorded on CAF.** .....

**5 Acts authorized.** The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative, the power to sign certain returns, or the power to execute a request for disclosure of tax returns or return information to a third party. See the line 5 instructions for more information.

**Exceptions.** An unenrolled return preparer cannot sign any document for a taxpayer and may only represent taxpayers in limited situations. See **Unenrolled Return Preparer** on page 2 of the instructions. An enrolled actuary may only represent taxpayers to the extent provided in section 10 3(d) of Circular 230. See the line 5 instructions for restrictions on tax matters partners.

List any specific additions or deletions to the acts otherwise authorized in this power of attorney \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**6 Receipt of refund checks.** If you want to authorize a representative named on line 2 to receive, **BUT NOT TO ENDORSE OR CASH**, refund checks, initial here \_\_\_\_\_ and list the name of that representative below

Name of representative to receive refund check(s) ▶ \_\_\_\_\_


- 7 Notices and communications.** Original notices and other written communications will be sent to you and a copy to the first representative listed on line 2.
- a** If you also want the second representative listed to receive a copy of notices and communications, check this box
  - b** If you do not want any notices or communications sent to your representative(s), check this box

**8 Retention/revocation of prior power(s) of attorney.** The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you do not want to revoke a prior power of attorney, check here

**YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.**

**9 Signature of taxpayer(s).** If a tax matter concerns a joint return, **both** husband and wife must sign if joint representation is requested, otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.

▶ **IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED.**

  
 Signature

11/15/04  
 Date

Trustee  
 Title (if applicable)

---

CLARA W. BUTLER  
 Print Name

PIN Number

The Butler Foundation  
 Print name of taxpayer from line 1 if other than individual

---

Signature

Date

Title (if applicable)

---

Print Name

PIN Number

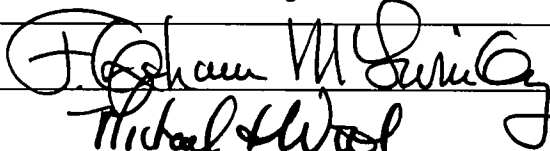
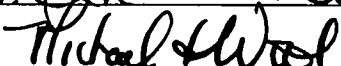
**Part II Declaration of Representative**

**Caution:** Students with a special order to represent taxpayers in Qualified Low Income Taxpayer Clinics or the Student Tax Clinic Program, see the instructions for Part II

Under penalties of perjury, I declare that:

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service;
- I am aware of regulations contained in Treasury Department Circular No 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others;
- I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there, and
- I am one of the following
  - a** Attorney — a member in good standing of the bar of the highest court of the jurisdiction shown below
  - b** Certified Public Accountant — duly qualified to practice as a certified public accountant in the jurisdiction shown below.
  - c** Enrolled Agent — enrolled as an agent under the requirements of Treasury Department Circular No 230.
  - d** Officer — a bona fide officer of the taxpayer's organization.
  - e** Full-Time Employee — a full-time employee of the taxpayer
  - f** Family Member — a member of the taxpayer's immediate family (i.e., spouse, parent, child, brother, or sister).
  - g** Enrolled Actuary — enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U S C. 1242 (the authority to practice before the Service is limited by section 10.3(d) of Treasury Department Circular No. 230).
  - h** Unenrolled Return Preparer — the authority to practice before the Internal Revenue Service is limited by Treasury Department Circular No. 230, section 10.7(c)(1)(viii). You must have prepared the return in question and the return must be under examination by the IRS. See **Unenrolled Return Preparer** on page 2 of the instructions

▶ **IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED.** See the Part II instructions

Designation — Insert above letter (a–h)	Jurisdiction (state) or identification	Signature	Date
a	NH		11/15/04
a	NH		11-15-04

*Request for Abatement Under Section 4962 - smt2*  
**Return of Certain Excise Taxes on Charities and Other Persons Under Chapters 41 and 42 of the Internal Revenue Code**  
 (Sections 170(f)(10), 4911, 4912, 4941, 4942, 4943, 4944, 4945, 4955, and 4958)  
 ▶ See separate instructions.

**2001**

Department of the Treasury  
Internal Revenue Service

For calendar year 2001 or other tax year beginning \_\_\_\_\_, 2001, and ending \_\_\_\_\_

Name of foundation or public charity <b>THE BUTLER FOUNDATION</b>	Employer identification number <b>22-2701588</b>
Number, street, and room or suite no (or P.O. box if mail is not delivered to street address) <b>C/O CHARTER TRUST P.O. BOX 2530</b>	Check box for type of annual return: <input type="checkbox"/> Form 990 <input type="checkbox"/> Form 990EZ <input checked="" type="checkbox"/> Form 990-PF <input type="checkbox"/> Form 5227
City or town, state, and ZIP code <b>CONCORD, NH 03302-2530</b>	

<p><b>A</b> Is the organization a foreign private foundation within the meaning of section 4948(b)?</p> <p><b>B</b> Has corrective action been taken on any taxable event that resulted in Chapter 42 taxes being reported on this form? (Enter "N/A" if not applicable) <b>SEE STATEMENT 1</b></p> <p>If "Yes," attach a detailed documentation and description of the corrective action taken and, if applicable, enter the fair market value of any property recovered as a result of the correction ▶ \$ _____ If "No," (i.e., any uncorrected acts, or transactions), attach an explanation (see page 3 of the instructions)</p>	<table border="1"> <tr> <th>Yes</th> <th>No</th> </tr> <tr> <td></td> <td>X</td> </tr> <tr> <td>X</td> <td></td> </tr> </table>	Yes	No		X	X	
Yes	No						
	X						
X							

<b>Part I Taxes on Organization</b> (Sections 170(f)(10), 4911(a), 4912(a), 4942(a), 4943(a), 4944(a)(1), 4945(a)(1), and 4955(a)(1))	
1 Tax on undistributed income - Schedule B, line 4	1 61,149.
2 Tax on excess business holdings - Schedule C, line 7	2
3 Tax on investments that jeopardize charitable purpose - Schedule D, Part I, column (e)	3
4 Tax on taxable expenditures - Schedule E, Part I, column (g)	4 22,491.
5 Tax on political expenditures - Schedule F, Part I, column (e)	5
6 Tax on excess lobbying expenditures - Schedule G, line 4	6
7 Tax on disqualifying lobbying expenditures - Schedule H, Part I, column (e)	7
8 Tax on premiums paid on personal benefit contracts	8
9 Total (add lines 1 - 8)	9 83,640.

**Part II-A Taxes on Self-Dealers, Disqualified Persons, Foundation Managers, and Organization Managers**  
 (Sections 4912(b), 4941(a), 4944(a)(2), 4945(a)(2), 4955(a)(2), and 4958(a))

(a) Name and address of person subject to tax		(b) Taxpayer identification number	
a			
b			
c			
d			
(c) Tax on self-dealing - Schedule A, Part II, col (d), and Part III, col. (d)	(d) Tax on investments that jeopardize charitable purpose - Schedule D, Part II, col (d)	(e) Tax on taxable expenditures - Schedule E, Part II, col. (d)	(f) Tax on political expenditures - Schedule F, Part II, col. (d)
a			
b			
c			
d			
<b>Total</b>			
(g) Tax on disqualifying lobbying expenditures - Schedule H, Part II, col (d)	(h) Tax on excess benefit transactions - Schedule I, Part II, col. (d), and Part III, col. (d)	(i) Total - Add cols (c) through (h)	
a			
b			
c			
d			
<b>Total</b>			

**Part II-B Summary of Taxes** (See **Tax Payments** on page 2 of the instructions)

1 Enter the taxes listed in Part II-A, column (i), that apply to self-dealers, disqualified persons, foundation managers, and organization managers who sign this form. If all sign, enter the total amount from Part II-A, column (i)	1
2 Total tax. Add Part I, line 9, and Part II-B, line 1 (Make check(s) or money order(s) payable to the United States Treasury)	2 83,640.

**SCHEDULE A - Initial Taxes on Self-Dealing** (Section 4941)

<b>Part I Acts of Self-Dealing and Tax Computation</b>			
(a) Act number	(b) Date of act	(c) Description of act	
1			
2			
3			
4			
5			
(d) Question number from Form 990-PF, Part VII-B, or Form 5227, Part VI-B, applicable to the act	(e) Amount involved in act	(f) Initial tax on self-dealing (5% of col. (e))	(g) Tax on foundation managers (if applicable) (lesser of \$10,000 or 2½% of col. (e))

<b>Part II Summary of Tax Liability of Self-Dealers and Proration of Payments</b>			
(a) Names of self-dealers liable for tax	(b) Act no. from Part I, col (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Self-dealer's total tax liability (add amounts in col. (c)) (see page 4 of the instructions)

<b>Part III Summary of Tax Liability of Foundation Managers and Proration of Payments</b>			
(a) Names of foundation managers liable for tax	(b) Act no. from Part I, col. (a)	(c) Tax from Part I, col. (g), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see page 4 of the instructions)

**SCHEDULE B - Initial Tax on Undistributed Income** (Section 4942)

1	Undistributed income for years before 2000 (from Form 990-PF for 2001, Part XIII, line 6d)	1	128,104.
2	Undistributed income for 2000 (from Form 990-PF for 2001, Part XIII, line 6e)	2	279,553.
3	Total undistributed income at end of current tax year beginning in 2001 and subject to tax under section 4942 (add lines 1 and 2)	3	407,657.
4	Tax - Enter 15% of line 3 here and on page 1, Part I, line 1	4	61,149.

JWA

Form 4720 (2001)



**SCHEDULE C - Initial Tax on Excess Business Holdings** (Section 4943)

**Business Holdings and Computation of Tax**

If you have taxable excess holdings in more than one business enterprise, attach a separate schedule for each enterprise. Refer to the instructions on page 4 for each line item before making any entries

Name and address of business enterprise

Employer identification number

Form of enterprise (corporation, partnership, trust, joint venture, sole proprietorship, etc.)

	(a) Voting stock (profits interest or beneficial interest)	(b) Value	(c) Nonvoting stock (capital interest)
1 Foundation holdings in business enterprise	1		
2 Permitted holdings in business enterprise	2		
3 Value of excess holdings in business enterprise	3		
4 Value of excess holdings disposed of within 90 days, or, other value of excess holdings not subject to section 4943 tax (attach explanation)	4		
5 Taxable excess holdings in business enterprise - line 3 minus line 4	5		
6 Tax - Enter 5% of line 5	6		
7 Total tax - Add amounts on line 6, columns (a), (b), and (c), enter total here and on page 1, Part I, line 2	7		

**SCHEDULE D - Initial Taxes on Investments That Jeopardize Charitable Purpose** (Section 4944)

**Part I Investments and Tax Computation**

(a) Investment number	(b) Date of investment	(c) Description of investment	(d) Amount of investment	(e) Initial tax on foundation (5% of col. (d))	(f) Initial tax on foundation managers (if applicable) - (lesser of \$5,000 or 5% of col. (d))
1					
2					
3					
4					
5					
<b>Total - column (e)</b> Enter here and on page 1, Part I, line 3					
<b>Total - column (f)</b> Enter total (or prorated amount) here and in Part II, column (c), below					

**Part II Summary of Tax Liability of Foundation Managers and Proration of Payments**

(a) Names of foundation managers liable for tax	(b) Investment no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see page 6 of the instructions)

**SCHEDULE E - Initial Taxes on Taxable Expenditures** (Section 4945)

<b>Part I Expenditures and Computation of Tax</b>				
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Name and address of recipient	(e) Description of expenditure and purposes for which made
1				
2				
3				
4				
5			<b>SEE STATEMENT 1</b>	
(f) Question number from Form 990-PF, Part VII-B, or Form 5227, Part VI-B, applicable to the expenditure			(g) Initial tax imposed on foundation (10% of col (b))	(h) Initial tax imposed on foundation managers (if applicable)-(lesser of \$5,000 or 2½% of col (b))
<b>Total - column (g) Enter here and on page 1, Part I, line 4</b>			<b>22,491.</b>	
<b>Total - column (h) Enter total (or prorated amount) here and in Part II, column (c), below</b>				

<b>Part II Summary of Tax Liability of Foundation Managers and Proration of Payments</b>			
(a) Names of foundation managers liable for tax	(b) Item no from Part I, col (a)	(c) Tax from Part I, col (h), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see page 7 of the instructions)

**SCHEDULE F - Initial Taxes on Political Expenditures** (Section 4955)

<b>Part I Expenditures and Computation of Tax</b>					
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Description of political expenditure	(e) Initial tax imposed on organization or foundation (10% of col (b))	(f) Initial tax imposed on managers (if applicable) (lesser of \$5,000 or 2½% of col (b))
1					
2					
3					
4					
5					
<b>Total - column (e) Enter here and on page 1, Part I, line 5</b>					
<b>Total - column (f) Enter total (or prorated amount) here and in Part II, column (c), below</b>					

<b>Part II Summary of Tax Liability of Organization Managers or Foundation Managers and Proration of Payments</b>			
(a) Names of organization managers or foundation managers liable for tax	(b) Item no from Part I, col (a)	(c) Tax from Part I, col (f), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see page 7 of the instructions)

**SCHEDULE G - Tax on Excess Lobbying Expenditures** (Section 4911)

1	Excess of grassroots expenditures over grassroots nontaxable amount (from Schedule A (Form 990), Part VI-A, column (b), line 43) (See page 7 of the instructions before making entry.)	1
2	Excess of lobbying expenditures over lobbying nontaxable amount (from Schedule A (Form 990), Part VI-A, column (b), line 44) (See page 7 of the instructions before making entry.)	2
3	Taxable lobbying expenditures - enter the larger of line 1 or line 2	3
4	Tax - Enter 25% of line 3 here and on page 1, Part I, line 6	4

**SCHEDULE H - Taxes on Disqualifying Lobbying Expenditures** (Section 4912)

<b>Part I Expenditures and Computation of Tax</b>					
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Description of lobbying expenditures	(e) Tax imposed on organization (5% of col (b))	(f) Tax imposed on organization managers (if applicable)- (5% of col (b))
1					
2					
3					
4					
5					
<b>Total - column (e)</b> Enter here and on page 1, Part I, line 7					
<b>Total - column (f)</b> Enter total (or prorated amount) here and in Part II, column (c), below					

<b>Part II Summary of Tax Liability of Organization Managers and Proration of Payments</b>			
(a) Names of organization managers liable for tax	(b) Item no. from Part I, col (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see page 7 of the instructions)

**SCHEDULE I - Initial Taxes on Excess Benefit Transactions** (Section 4958)

<b>Part I Excess Benefit Transactions and Tax Computation</b>		
(a) Transaction number	(b) Date of transaction	(c) Description of transaction
1		
2		
3		
4		
5		
(d) Amount of excess benefit	(e) Initial tax on disqualified persons (25% of col (d))	(f) Tax on organization managers (if applicable) (lesser of \$10,000 or 10% of col (d))

JWA

Form 4720 (2001)

SCHEDULE I - Initial Taxes on Excess Benefit Transactions (Section 4958) Continued

Part II Summary of Tax Liability of Disqualified Persons and Proration of Payments

Table with 4 columns: (a) Names of disqualified persons liable for tax, (b) Trans no from Part I, col (a), (c) Tax from Part I, col (e), or prorated amount, (d) Disqualified person's total tax liability (add amounts in col. (c)) (see page 8 of the instructions)

Part III Summary of Tax Liability of 501(c)(3) & (4) Organization Managers and Proration of Payments

Table with 4 columns: (a) Names of 501(c)(3) & (4) organization managers liable for tax, (b) Trans no from Part I, col (a), (c) Tax from Part I, col (f), or prorated amount, (d) Manager's total tax liability (add amounts in col. (c)) (see page 8 of the instructions)

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 taxpayer) is based on all information of which preparer has any knowledge

Signature of officer or trustee: *Carole W. Butler*, Title: *Trustee*, Date: *11/15/04*

Signature (and organization name if applicable) of self-dealer, disqualified person, foundation manager, or organization manager \_\_\_\_\_ Date \_\_\_\_\_

Signature (and organization name if applicable) of self-dealer, disqualified person, foundation manager, or organization manager \_\_\_\_\_ Date \_\_\_\_\_

Signature (and organization name if applicable) of self-dealer, disqualified person, foundation manager, or organization manager \_\_\_\_\_ Date \_\_\_\_\_

Signature (and organization name if applicable) of self-dealer, disqualified person, foundation manager, or organization manager \_\_\_\_\_ Date \_\_\_\_\_

Signature of individual or firm preparing the return: *James J. Heaney*, Date: *11/14/04*

GRANT THORNTON LLP
226 CAUSEWAY STREET
BOSTON, MA 02114

(617) 723-7900
Phone no of preparer

Address of preparer

FORM 4720 SCHEDULE E - INITIAL TAXES ON TAXABLE EXPENDITURES STATEMENT 1

(A) ITEM NUMBER (B) AMOUNT (C) DATE PAID OR INCURRED

1 222,414.

(D) NAME AND ADDRESS OF RECIPIENT

MAQUIPUCUNA FOUNDATION

(E) DESCRIPTION OF EXPENDITURE AND PURPOSE FOR WHICH MADE

SEE STATEMENT 2

(F) QUESTION NUMBER (G) INITIAL TAX IMPOSED ON FOUNDATION (H) INITIAL TAX IMPOSED ON FOUNDATION MANAGERS

22,241.

(A) ITEM NUMBER (B) AMOUNT (C) DATE PAID OR INCURRED

2 2,500.

(D) NAME AND ADDRESS OF RECIPIENT

ELAINE CONNERS CENTER FOR WILDLIFE

(E) DESCRIPTION OF EXPENDITURE AND PURPOSE FOR WHICH MADE

SEE STATEMENT 2

(F) QUESTION NUMBER (G) INITIAL TAX IMPOSED ON FOUNDATION (H) INITIAL TAX IMPOSED ON FOUNDATION MANAGERS

250.

TOTAL INITIAL TAX

22,491.

Statement 1  
Attachment to Form 4720

**TABLE OF CORRECTION INFORMATION****FORM 4720, SCHEDULE B, LINE 1 and SCHEDULE E**

The distributions on this schedule were made for charitable purposes. The Foundation actively and consistently monitored the use of these funds by receiving verbal and written reports and financial statements, and by conducting multiple site visits to view the use of the grant funds. Because the strict rules of the expenditure responsibility requirements were not completely met, the Foundation lists below the steps particular to each distribution that have been taken to correct these inadvertent oversights pursuant to Treas. Reg. §53.4945-1(d). In addition to these specific steps, the Foundation has refrained from making grants to Maquipucuna Foundation. No other grants have been made without following the proper procedures and the Foundation's trustee have been educated on the technicalities of expenditure responsibility.

Because the 2000 Form 990-PF of the Foundation was received more than three years ago (August 21, 2001), only tax years 2001 and 2002 are within the statute of limitations and thus subject to sections 4942 and 4945 of the Code. In recognition that prior year distributions affect the determination of whether any first-tier tax may be imposed under section 4942 of the Code, prior year distributions and corrective actions also have been listed to reduce the Foundation's undistributed income to zero, which is the corrective action required by the Code.

Simultaneous with the submission of this form, the Foundation requests a reasonable cause waiver of these taxes under section 4962.

Statement 1  
Attachment to Form 4720

Description of Distribution	Amount	Description of Correction	Date of Correction
<b>2002</b> (See Exhibit I)			
Maquipucuna Foundation	\$155,408	<ul style="list-style-type: none"> <li>- Obtain full and complete reports from grantee</li> <li>- Documentation of pre-grant inquiry</li> <li>- Documentation evidencing no diversion for terrorist purposes</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	June 26, 2004;  November 15, 2004
Elaine Conners Center For Wildlife	\$1,000	<ul style="list-style-type: none"> <li>- Obtain full and complete reports from grantee</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	November 15, 2004
<b>2001</b> (See Exhibit II)			
Maquipucuna Foundation	\$222,414	<ul style="list-style-type: none"> <li>- Obtain full and complete reports from grantee</li> <li>- Documentation of pre-grant inquiry</li> <li>- Documentation evidencing no diversion for terrorist purposes</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	June 26, 2004;  November 15, 2004
Elaine Conners Center For Wildlife	\$2,500	<ul style="list-style-type: none"> <li>- Obtain full and complete reports from grantee</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	November 15, 2004
<b>2000</b> (See Exhibit III)			
Maquipucuna Foundation/ Fundacion Maquipucuna	\$143,000	<ul style="list-style-type: none"> <li>- Obtain full and complete reports from grantee</li> <li>- Documentation of pre-grant inquiry</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	June 26, 2004  November 15, 2004
<b>1999</b> (See Exhibit IV)			
Maquipucuna Foundation/ Fundacion Maquipucuna	\$100,000	<ul style="list-style-type: none"> <li>- Obtain reports from grantee regarding use of grant funds</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	June 26, 2004 November 15, 2004
<b>1998</b> (See Exhibit V)			
Maquipucuna Foundation/ Fundacion Maquipucuna	\$125,000	<ul style="list-style-type: none"> <li>- Obtain reports from grantee regarding use of grant funds</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	June 26, 2004 November 15, 2004

STATEMENT 2  
ATTACHMENT TO FORM 4720

REQUEST FOR WAIVER OF FIRST TIER TAXES  
UNDER SECTION 4942 AND SECTION 4945

The Butler Foundation (the "Foundation") was created in 1984 pursuant to a deed of trust, and at the time was known as the Neslab Charitable Foundation. The Foundation received a determination letter from the Internal Revenue Service (the "Service"), dated May 21, 1986, confirming its status as a private foundation exempt from federal income tax as an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and as a private foundation as defined in section 509(a) of the Code.

For several years, the consistent focus of the Foundation has been to support the charitable efforts of land conservation and the environment in general, in addition to the scholarships it awards pursuant to pre-approved grant-making procedures under section 4945(g)(3) of the Code. (Grant Approval Letter attached as Exhibit A). A representative sample of donees of the Foundation that support charitable conservation and environmental efforts include the National Parks Conservation Association, the Nature Conservancy, Falmouth Conservation Trust, and Ausbon Sargent Land Preservation Trust. All of these organizations are recognized by the Service as public charities.

In furtherance of its charitable conservation and environmental efforts, the Foundation made grants over the years to Elaine Conners Center for Wildlife (officially, the Elaine Conners Irrevocable Trust) and Maquipucuna Foundation. In making these grants, the Foundation was of the belief that these organizations were public charities. The Foundation discovered recently that while these organizations are charitable, they are not recognized by the Service as public charities. This discovery implicated section 4942 and 4945 of the Code.

Elaine Conners Center for Wildlife

The Elaine Conners Center for Wildlife serves as a hospital and rehabilitation center for injured wildlife. The center's mission is to rescue, rehabilitate and release wild animals from crises situations and to educate the public about its work. The 16-acre property includes individual enclosures for animals -- including one on a small pond for waterfowl and reptiles -- and a large aviary. Licensed wildlife rehabilitators, trained and qualified to care for wildlife transitioning from captivity back to their natural habitat, operate the center.

Distributions to the center were made in 2001 and 2002 in the amounts of \$2,500 and \$1,000, respectively, without exercising expenditure responsibility with respect to the grants. While the description of the center would suggest that it could qualify as a private operating foundation (donations to which are qualifying distributions under section 4942 of the Code without the exercise of expenditure responsibility), the Foundation only recently discovered



that it is classified as a private nonoperating foundation. Any future grants to this organization will be made in compliance with the expenditure responsibility rules.

The Foundation has corrected this inadvertent action by receiving assurances that these amounts were expended for the charitable purposes for which the grant was made in the active operation of the wildlife shelter and has documented these assurances in compliance with Treasury Regulation §53.4945-1(d)(2). (See the attached "Table of Correction Information" for more detail).

### Maquipucuna

The Maquipucuna Foundation, Inc. was formed in 1996 pursuant to the Georgia Nonprofit Corporation Code. A Georgia nonprofit corporation is prohibited from making distributions to its members, directors, or officers except as reasonable compensation for services rendered. Consistent with the Butler Foundation's conservation efforts, the Maquipucuna Foundation's mission is to contribute to biodiversity conservation and responsible management of natural resources through the following education, research, nature reserve management and community-based programs:

- **Land Trust Program.** The land trust program aims to protect the most biodiverse and most threatened ecosystems on earth, through land acquisition and preservation. It is focusing its efforts on the Choco Andean ecosystems in Ecuador, which has been identified as a global environmental priority by international conservation organizations. It intends to expand its preservation efforts to more ecosystems throughout the world. The grants by the Butler Foundation were made primarily to support this effort.
- **Education and Scientific Research Program.** This program is aimed at educating children and adults about the value of the natural and cultural resources shared between North American and Latin American forests. The Maquipucuna Foundation has worked with the State Botanical Garden of Georgia to develop modules for elementary School students, which allow students from different countries to explore and learn about the forests and birds they share in common. In alliance with the University of Georgia, the University of California system, and other higher education institutions throughout the world, the Maquipucuna Foundation also supports education and scientific research related to the conservation and sustainable management of endangered ecosystems.
- **Sustainable Development Program.** Through this program, the Maquipucuna Foundation works with universities, botanical gardens and other organizations to promote long-term planning and sustainable development, and to provide knowledge on the interactions between conservation and development. The Maquipucuna Foundation also provides technical assistance to indigent, distressed coffee and cacao growers and local craftsmen in an effort to provide relief to the poor and to combat community deterioration.

The Maquipucuna Foundation's offices are located at the Institute of Ecology at the University of Georgia. Several of the board members are University of Georgia professors. Thomas Butler, Clara Butler, and Barbara Butler, who are trustees of the Butler Foundation, also are directors of the Maquipucuna Foundation. The Butler's were under the belief that the Maquipucuna Foundation was a recognized public charity. This belief was based upon representations from officers of the Maquipucuna Foundation, Inc. In reality, the officers had initiated, but never completed, the application process for recognition of charitable status with the Service. The Maquipucuna Foundation is applying to the Service for recognition of exempt status as a section 501(c)(3) organization.

The Maquipucuna Foundation serves as the United States arm of the Fundacion Maquipucuna, an Ecuadorian charity. The translated By-Laws of Fundacion Maquipucuna (attached as **Exhibit B**) indicate that it is a non-profit legal person under its Civil Code and that it is organized as the equivalent of a United States charitable organization. It is prohibited from carrying out political intentions and from discriminating on the basis of sex, race, nationality, religion or political tendency. Consistent with the charitable focus of the Butler Foundation and according to Article 3 of its By-Laws, Fundacion Maquipucuna is established:

for the purpose of promoting and supporting the defense and protection of wild flora and fauna resources and species in danger of extinction, effecting scientific investigations with[sic] prior authorization from the Ministry of Agriculture and Livestock; cooperating with other institutes of persons in order to obtain the utmost benefit from scientific knowledge; broadcasting conservational programs, searching and obtaining funds and resources in order to contribute to the preservation of species.

Article 4 of its By-Laws describes the methods by which it intends to accomplish these purposes, including sponsoring scientific investigations with regard to natural resources within the country, promoting the protection and conservation of the native species of Ecuador and their habitats, conducting awareness campaigns in the areas of protection, conservation and renovation of natural habitats, and to lend technical services. Upon dissolution, Article 26 requires the assets of the Fundacion Maquipucuna to be transferred to an organization for charitable benefit and not to any organization having "lucrative, political or religious intentions."

Fundacion Maquipucuna receives support from a broad base of charitable and international organizations. It has received grants from prominent United States charities and from international organizations such as The Nature Conservancy and The World Bank. In 2001 and 2002 the Butler Foundation reported grants to Maquipucuna Foundation of \$222,414 and \$155,408, respectively. These grants were made for the purpose of supporting the land conservation and other charitable efforts of the Fundacion Maquipucuna. In those same years, the Maquipucuna Foundation distributed \$ 137,899 and \$ 239,038 to Fundacion Maquipucuna, together representing virtually 100 percent of the grants made by the Butler Foundation to Maquipucuna Foundation.

The Butler Foundation consistently monitored the use of these funds to assure that they were being used for their intended charitable purposes. Frequent site visits were made by Butler Foundation trustees to Ecuador and Georgia to oversee and monitor the programs being conducted. Periodic reports were submitted to the Butler Foundation detailing the expenditures made with the grant funds, and additional grant monies were distributed subject to receiving a report on prior activity and projections of future needs. Despite the active monitoring and oversight of the grant funds, the Foundation in 2001 and 2002 inadvertently did not comply completely with all of the technical requirements set forth in the expenditure responsibility procedures of section 4945(h) and the regulations thereunder. In accordance with Treasury Regulation §53.4945-1(d), the Foundation has corrected these administrative oversights by ensuring that it has obtained full and complete reports as required by section 4945(h)(2) and by making a report of the seven items required by Treasury Regulation §53.4945-5(d)(2). The Foundation has taken similar action for prior years in order to reduce its undistributed income to zero (See the attached "Table of Correction Information" for more detail).

*Section 4962 Waiver of First-Tier Excise Taxes*

The Foundation respectfully requests a waiver under section 4962 of the Code of any first-tier excise tax arising under sections 4942 or 4945. Section 4962 of the Code provides the Service the authority to waive, refrain from assessing, or abating any first-tier tax imposed by subchapter section 4942 and 4945 if the foundation establishes that the taxable event (1) was due to reasonable cause and not willful neglect and (2) was corrected within the correction period.

A finding of reasonable cause is based upon all of the surrounding facts and circumstances. A failure to file is due to reasonable cause if the taxpayer exercised ordinary business care and prudence and was nevertheless unable to comply with statutory requirements. The Foundation made the distributions discussed above based upon the good faith belief that it was making charitable distributions to a qualifying charitable organization. It consistently and actively monitored the use of the funds it distributed to ensure that the funds were being used for the purposes of the grant. Despite these diligent efforts, the technicalities of the expenditure responsibility requirements were not met.

The Foundation's prior lack of timely compliance with the technicalities of the expenditure responsibility rules were not due to willful neglect. Its active oversight of the activities it funds shows that the Foundation was not neglectful of its obligations to ensure that charitable funds are dedicated to charitable purposes.

In 2003 the Foundation's legal counsel discovered the above-discussed issues. Steps were taken promptly to investigate the potential issues and to correct them by obtaining and making the proper reports. To this end, no further distributions to Maquipucuna Foundation have been made. No other grants have been made without following the required procedures. To the best of the Foundation's knowledge, the grants at issue were made for charitable

purposes and were spent in accordance with the purposes of the grant. As a result, the government's interest in protecting charitable assets has not been harmed.

Section 4962 was enacted in 1984 in response to Congress' determination that in certain circumstances not involving willful neglect, the imposition of a first-tier penalty tax was stricter than needed to effectively enforce requirements and prohibitions (other than self-dealing) imposed upon private foundations. In the spirit of the legislative history behind this provision, the Exempt Organization Continuing Professional Education text instructs EO employees to consider waiving first-tier taxes even when a waiver is not requested by the foundation. Pursuant to the letter and the spirit of section 4962 of the Code, the Foundation respectfully requests that any first-tier section 4942 or section 4945 excise tax, including any interest accrued thereon, be abated based upon its compliance with the requirements therein.

In the event that any penalties are imposed upon the Foundation as a result of the filing of this return or in correcting violations under Chapter 42 of the Code, the Foundation respectfully requests a waiver of any such penalties, including any interest accrued thereon, based upon reasonable cause grounds.

The undersigned declares that she has examined this request, and to the best of the undersigned's knowledge and belief, this information is true and correct and the actions explained above were inadvertent, accidental, and without intention or knowledge on the part of the undersigned or on the part of the other trustees of the Foundation.

  
Clara Butler, Trustee

1377286.2

Request For Abatement Under Section 4962 - STMT 2

Form **4720**

**Return of Certain Excise Taxes on Charities and Other Persons Under Chapters 41 and 42 of the Internal Revenue Code**

OMB No 1545-0052

**2002**

Department of the Treasury  
Internal Revenue Service

(Sections 170(f)(10), 4911, 4912, 4941, 4942, 4943, 4944, 4945, 4955, and 4958)  
▶ See separate instructions.

For calendar year 2002 or other tax year beginning \_\_\_\_\_, 2002, and ending \_\_\_\_\_

Name of foundation or public charity  
**THE BUTLER FOUNDATION**

Employer identification number  
**22-2701588**

Number, street, and room or suite no. (or P O box if mail is not delivered to street address)  
**C/O CHARTER TRUST P.O. BOX 2530**

City or town, state, and ZIP code  
**CONCORD, NH 03302-2530**

Check box for type of annual return.  
 Form 990     Form 990EZ  
 Form 990-PF  
 Form 5227

**A** Is the organization a foreign private foundation within the meaning of section 4948(b)?

**B** Has corrective action been taken on any taxable event that resulted in Chapter 42 taxes being reported on this form? (Enter "N/A" if not applicable) **SEE STATEMENT 1**

If "Yes," attach a detailed documentation and description of the corrective action taken and, if applicable, enter the fair market value of any property recovered as a result of the correction ▶ \$ \_\_\_\_\_ If "No," (i.e., any uncorrected acts, or transactions), attach an explanation (see page 3 of the instructions)

Yes	No
	X
X	

**Part I Taxes on Organization** (Sections 170(f)(10), 4911(a), 4912(a), 4942(a), 4943(a), 4944(a)(1), 4945(a)(1), and 4955(a)(1))

1 Tax on undistributed income - Schedule B, line 4	1	88,575.
2 Tax on excess business holdings - Schedule C, line 7	2	
3 Tax on investments that jeopardize charitable purpose - Schedule D, Part I, column (e)	3	
4 Tax on taxable expenditures - Schedule E, Part I, column (g)	4	15,641.
5 Tax on political expenditures - Schedule F, Part I, column (e)	5	
6 Tax on excess lobbying expenditures - Schedule G, line 4	6	
7 Tax on disqualifying lobbying expenditures - Schedule H, Part I, column (e)	7	
8 Tax on premiums paid on personal benefit contracts	8	
9 Total (add lines 1 - 8)	9	104,216.

**Part II-A Taxes on Self-Dealers, Disqualified Persons, Foundation Managers, and Organization Managers**  
(Sections 4912(b), 4941(a), 4944(a)(2), 4945(a)(2), 4955(a)(2), and 4958(a))

(a) Name and address of person subject to tax				(b) Taxpayer identification number
a				
b				
c				
d				
	(c) Tax on self-dealing - Schedule A, Part II, col (d), and Part III, col (d)	(d) Tax on investments that jeopardize charitable purpose - Schedule D, Part II, col (d)	(e) Tax on taxable expenditures - Schedule E, Part II, col. (d)	(f) Tax on political expenditures - Schedule F, Part II, col (d)
a				
b				
c				
d				
Total				
	(g) Tax on disqualifying lobbying expenditures - Schedule H, Part II, col (d)	(h) Tax on excess benefit transactions - Schedule I, Part II, col (d), and Part III, col. (d)	(i) Total - Add cols (c) through (h)	
a				
b				
c				
d				
Total				

**Part II-B Summary of Taxes** (See **Tax Payments** on page 2 of the instructions)

1 Enter the taxes listed in Part II-A, column (i), that apply to self-dealers, disqualified persons, foundation managers, and organization managers who sign this form. If all sign, enter the total amount from Part II-A, column (i)	1	
2 Total tax. Add Part I, line 9, and Part II-B, line 1 (Make check(s) or money order(s) payable to the United States Treasury)	2	104,216.

SCHEDULE A - Initial Taxes on Self-Dealing (Section 4941)

<b>Part I Acts of Self-Dealing and Tax Computation</b>			
(a) Act number	(b) Date of act	(c) Description of act	
1			
2			
3			
4			
5			
(d) Question number from Form 990-PF, Part VII-B, or Form 5227, Part VI-B, applicable to the act	(e) Amount involved in act	(f) Initial tax on self-dealing (5% of col (e))	(g) Tax on foundation managers (if applicable) (lesser of \$10,000 or 2½% of col (e))

<b>Part II Summary of Tax Liability of Self-Dealers and Proration of Payments</b>			
(a) Names of self-dealers liable for tax	(b) Act no from Part I, col (a)	(c) Tax from Part I, col (f), or prorated amount	(d) Self-dealer's total tax liability (add amounts in col (c)) (see page 4 of the instructions)

<b>Part III Summary of Tax Liability of Foundation Managers and Proration of Payments</b>			
(a) Names of foundation managers liable for tax	(b) Act no from Part I, col (a)	(c) Tax from Part I, col (g), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see page 4 of the instructions)

SCHEDULE B - Initial Tax on Undistributed Income (Section 4942)

1	Undistributed income for years before 2001 (from Form 990-PF for 2002, Part XIII, line 6d)	1	273,625.
2	Undistributed income for 2001 (from Form 990-PF for 2002, Part XIII, line 6e)	2	316,875.
3	Total undistributed income at end of current tax year beginning in 2002 and subject to tax under section 4942 (add lines 1 and 2)	3	590,500.
4	Tax - Enter 15% of line 3 here and on page 1, Part I, line 1	4	88,575.

**SCHEDULE C - Initial Tax on Excess Business Holdings** (Section 4943)

**Business Holdings and Computation of Tax**

If you have taxable excess holdings in more than one business enterprise, attach a separate schedule for each enterprise. Refer to the instructions on page 4 for each line item before making any entries.

Name and address of business enterprise

Employer identification number

Form of enterprise (corporation, partnership, trust, joint venture, sole proprietorship, etc.)

	(a) Voting stock (profits interest or beneficial interest)	(b) Value	(c) Nonvoting stock (capital interest)
1 Foundation holdings in business enterprise	1		
2 Permitted holdings in business enterprise	2		
3 Value of excess holdings in business enterprise	3		
4 Value of excess holdings disposed of within 90 days, or, other value of excess holdings not subject to section 4943 tax (attach explanation)	4		
5 Taxable excess holdings in business enterprise - line 3 minus line 4	5		
6 Tax - Enter 5% of line 5	6		
7 Total tax - Add amounts on line 6, columns (a), (b), and (c), enter total here and on page 1, Part I, line 2	7		

**SCHEDULE D - Initial Taxes on Investments That Jeopardize Charitable Purpose** (Section 4944)

**Part I Investments and Tax Computation**

(a) Investment number	(b) Date of investment	(c) Description of investment	(d) Amount of investment	(e) Initial tax on foundation (5% of col (d))	(f) Initial tax on foundation managers (if applicable) - (lesser of \$5,000 or 5% of col (d))
1					
2					
3					
4					
5					
<b>Total - column (e)</b> Enter here and on page 1, Part I, line 3					
<b>Total - column (f)</b> Enter total (or prorated amount) here and in Part II, column (c), below					

**Part II Summary of Tax Liability of Foundation Managers and Proration of Payments**

(a) Names of foundation managers liable for tax	(b) Investment no from Part I, col (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see page 6 of the instructions)



**SCHEDULE E - Initial Taxes on Taxable Expenditures** (Section 4945)

<b>Part I Expenditures and Computation of Tax</b>				
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Name and address of recipient	(e) Description of expenditure and purposes for which made
1				
2				
3				
4				
5			<b>SEE STATEMENT 1</b>	
(f) Question number from Form 990-PF, Part VII-B, or Form 5227, Part VI-B, applicable to the expenditure			(g) Initial tax imposed on foundation (10% of col (b))	(h) Initial tax imposed on foundation managers (if applicable)-(lesser of \$5,000 or 2½% of col (b))
Total - column (g) Enter here and on page 1, Part I, line 4			15,641.	
Total - column (h) Enter total (or prorated amount) here and in Part II, column (c), below				

<b>Part II Summary of Tax Liability of Foundation Managers and Proration of Payments</b>			
(a) Names of foundation managers liable for tax	(b) Item no from Part I, col (a)	(c) Tax from Part I, col (h), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see page 7 of the instructions)

**SCHEDULE F - Initial Taxes on Political Expenditures** (Section 4955)

<b>Part I Expenditures and Computation of Tax</b>					
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Description of political expenditure	(e) Initial tax imposed on organization or foundation (10% of col (b))	(f) Initial tax imposed on managers (if applicable) (lesser of \$5,000 or 2½% of col (b))
1					
2					
3					
4					
5					
Total - column (e) Enter here and on page 1, Part I, line 5					
Total - column (f) Enter total (or prorated amount) here and in Part II, column (c), below					

<b>Part II Summary of Tax Liability of Organization Managers or Foundation Managers and Proration of Payments</b>			
(a) Names of organization managers or foundation managers liable for tax	(b) Item no from Part I, col (a)	(c) Tax from Part I, col (f), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see page 7 of the instructions)

**SCHEDULE G - Tax on Excess Lobbying Expenditures** (Section 4911)

1	Excess of grassroots expenditures over grassroots nontaxable amount (from Schedule A (Form 990 or 990-EZ), Part VI-A, column (b), line 43) (See page 7 of the instructions before making entry)	1	
2	Excess of lobbying expenditures over lobbying nontaxable amount (from Schedule A (Form 990 or 990-EZ), Part VI-A, column (b), line 44) (See page 7 of the instructions before making entry)	2	
3	Taxable lobbying expenditures - enter the larger of line 1 or line 2	3	
4	Tax - Enter 25% of line 3 here and on page 1, Part I, line 6	4	

**SCHEDULE H - Taxes on Disqualifying Lobbying Expenditures** (Section 4912)

<b>Part I Expenditures and Computation of Tax</b>					
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Description of lobbying expenditures	(e) Tax imposed on organization (5% of col (b))	(f) Tax imposed on organization managers (if applicable)- (5% of col (b))
1					
2					
3					
4					
5					
<b>Total - column (e) Enter here and on page 1, Part I, line 7</b>					
<b>Total - column (f) Enter total (or prorated amount) here and in Part II, column (c), below</b>					

<b>Part II Summary of Tax Liability of Organization Managers and Proration of Payments</b>			
(a) Names of organization managers liable for tax	(b) Item no from Part I, col. (a)	(c) Tax from Part I, col (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see page 7 of the instructions)

**SCHEDULE I - Initial Taxes on Excess Benefit Transactions** (Section 4958)

<b>Part I Excess Benefit Transactions and Tax Computation</b>		
(a) Transaction number	(b) Date of transaction	(c) Description of transaction
1		
2		
3		
4		
5		
(d) Amount of excess benefit	(e) Initial tax on disqualified persons (25% of col (d))	(f) Tax on organization managers (if applicable) (lesser of \$10,000 or 10% of col (d))

JWA

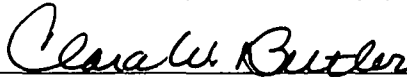
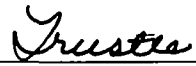

Form 4720 (2002)

SCHEDULE I - Initial Taxes on Excess Benefit Transactions (Section 4958) Continued

<b>Part II Summary of Tax Liability of Disqualified Persons and Proration of Payments</b>			
(a) Names of disqualified persons liable for tax	(b) Trans no from Part I, col (a)	(c) Tax from Part I, col (e), or prorated amount	(d) Disqualified person's total tax liability (add amounts in col (c)) (see page 8 of the instructions)

<b>Part III Summary of Tax Liability of 501(c)(3) &amp; (4) Organization Managers and Proration of Payments</b>			
(a) Names of 501(c)(3) & (4) organization managers liable for tax	(b) Trans no from Part I, col (a)	(c) Tax from Part I, col (f), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see page 8 of the instructions)

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 taxpayer) is based on all information of which preparer has any knowledge

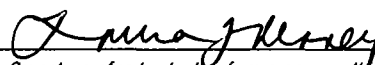

Signature of officer or trustee Title Date

Signature (and organization name if applicable) of self-dealer, disqualified person, foundation manager, or organization manager Date

Signature (and organization name if applicable) of self-dealer, disqualified person, foundation manager, or organization manager Date

Signature (and organization name if applicable) of self-dealer, disqualified person, foundation manager, or organization manager Date

Signature (and organization name if applicable) of self-dealer, disqualified person, foundation manager, or organization manager Date

Signature of individual or firm preparing the return Date

GRANT THORNTON LLP  
 226 CAUSEWAY STREET  
 BOSTON, MA 02114  
 Address of preparer

(617) 723-7900  
 Phone no of preparer

FORM 4720 SCHEDULE E - INITIAL TAXES ON TAXABLE EXPENDITURES STATEMENT 1

(A) ITEM NUMBER (B) AMOUNT (C) DATE PAID OR INCURRED

1 155,408.

(D) NAME AND ADDRESS OF RECIPIENT

MAQUIPUCUNA FOUNDATION

(E) DESCRIPTION OF EXPENDITURE AND PURPOSE FOR WHICH MADE

SEE STATEMENT 2

(F) QUESTION NUMBER (G) INITIAL TAX IMPOSED ON FOUNDATION (H) INITIAL TAX IMPOSED ON FOUNDATION MANAGERS

15,541.

(A) ITEM NUMBER (B) AMOUNT (C) DATE PAID OR INCURRED

2 1,000.

(D) NAME AND ADDRESS OF RECIPIENT

ELAINE CONNERS CENTER FOR WILDLIFE

(E) DESCRIPTION OF EXPENDITURE AND PURPOSE FOR WHICH MADE

SEE STATEMENT 2

(F) QUESTION NUMBER (G) INITIAL TAX IMPOSED ON FOUNDATION (H) INITIAL TAX IMPOSED ON FOUNDATION MANAGERS

100.

TOTAL INITIAL TAX

15,641.

Statement 1  
Attachment to Form 4720

**TABLE OF CORRECTION INFORMATION****FORM 4720, SCHEDULE B, LINE 1 and SCHEDULE E**

The distributions on this schedule were made for charitable purposes. The Foundation actively and consistently monitored the use of these funds by receiving verbal and written reports and financial statements, and by conducting multiple site visits to view the use of the grant funds. Because the strict rules of the expenditure responsibility requirements were not completely met, the Foundation lists below the steps particular to each distribution that have been taken to correct these inadvertent oversights pursuant to Treas. Reg. §53.4945-1(d). In addition to these specific steps, the Foundation has refrained from making grants to Maquipucuna Foundation. No other grants have been made without following the proper procedures and the Foundation's trustee have been educated on the technicalities of expenditure responsibility.

Because the 2000 Form 990-PF of the Foundation was received more than three years ago (August 21, 2001), only tax years 2001 and 2002 are within the statute of limitations and thus subject to sections 4942 and 4945 of the Code. In recognition that prior year distributions affect the determination of whether any first-tier tax may be imposed under section 4942 of the Code, prior year distributions and corrective actions also have been listed to reduce the Foundation's undistributed income to zero, which is the corrective action required by the Code.

Simultaneous with the submission of this form, the Foundation requests a reasonable cause waiver of these taxes under section 4962.

Statement 1  
Attachment to Form 4720

Description of Distribution	Amount	Description of Correction	Date of Correction
<b>2002</b> (See Exhibit I)			
Maquipucuna Foundation	\$155,408	<ul style="list-style-type: none"> <li>- Obtain full and complete reports from grantee</li> <li>- Documentation of pre-grant inquiry</li> <li>- Documentation evidencing no diversion for terrorist purposes</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	June 26, 2004;  November 15, 2004
Elaine Conners Center For Wildlife	\$1,000	<ul style="list-style-type: none"> <li>- Obtain full and complete reports from grantee</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	November 15, 2004
<b>2001</b> (See Exhibit II)			
Maquipucuna Foundation	\$222,414	<ul style="list-style-type: none"> <li>- Obtain full and complete reports from grantee</li> <li>- Documentation of pre-grant inquiry</li> <li>- Documentation evidencing no diversion for terrorist purposes</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	June 26, 2004;  November 15, 2004
Elaine Conners Center For Wildlife	\$2,500	<ul style="list-style-type: none"> <li>- Obtain full and complete reports from grantee</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	November 15, 2004
<b>2000</b> (See Exhibit III)			
Maquipucuna Foundation/ Fundacion Maquipucuna	\$143,000	<ul style="list-style-type: none"> <li>- Obtain full and complete reports from grantee</li> <li>- Documentation of pre-grant inquiry</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	June 26, 2004  November 15, 2004
<b>1999</b> (See Exhibit IV)			
Maquipucuna Foundation/ Fundacion Maquipucuna	\$100,000	<ul style="list-style-type: none"> <li>- Obtain reports from grantee regarding use of grant funds</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	June 26, 2004 November 15, 2004
<b>1998</b> (See Exhibit V)			
Maquipucuna Foundation/ Fundacion Maquipucuna	\$125,000	<ul style="list-style-type: none"> <li>- Obtain reports from grantee regarding use of grant funds</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	June 26, 2004 November 15, 2004

STATEMENT 2  
ATTACHMENT TO FORM 4720

REQUEST FOR WAIVER OF FIRST TIER TAXES  
UNDER SECTION 4942 AND SECTION 4945

The Butler Foundation (the "Foundation") was created in 1984 pursuant to a deed of trust, and at the time was known as the Neslab Charitable Foundation. The Foundation received a determination letter from the Internal Revenue Service (the "Service"), dated May 21, 1986, confirming its status as a private foundation exempt from federal income tax as an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and as a private foundation as defined in section 509(a) of the Code.

For several years, the consistent focus of the Foundation has been to support the charitable efforts of land conservation and the environment in general, in addition to the scholarships it awards pursuant to pre-approved grant-making procedures under section 4945(g)(3) of the Code. (Grant Approval Letter attached as **Exhibit A**). A representative sample of donees of the Foundation that support charitable conservation and environmental efforts include the National Parks Conservation Association, the Nature Conservancy, Falmouth Conservation Trust, and Ausbon Sargent Land Preservation Trust. All of these organizations are recognized by the Service as public charities.

In furtherance of its charitable conservation and environmental efforts, the Foundation made grants over the years to Elaine Conners Center for Wildlife (officially, the Elaine Conners Irrevocable Trust) and Maquipucuna Foundation. In making these grants, the Foundation was of the belief that these organizations were public charities. The Foundation discovered recently that while these organizations are charitable, they are not recognized by the Service as public charities. This discovery implicated section 4942 and 4945 of the Code.

*Elaine Conners Center for Wildlife*

The Elaine Conners Center for Wildlife serves as a hospital and rehabilitation center for injured wildlife. The center's mission is to rescue, rehabilitate and release wild animals from crises situations and to educate the public about its work. The 16-acre property includes individual enclosures for animals -- including one on a small pond for waterfowl and reptiles -- and a large aviary. Licensed wildlife rehabilitators, trained and qualified to care for wildlife transitioning from captivity back to their natural habitat, operate the center.

Distributions to the center were made in 2001 and 2002 in the amounts of \$2,500 and \$1,000, respectively, without exercising expenditure responsibility with respect to the grants. While the description of the center would suggest that it could qualify as a private operating foundation (donations to which are qualifying distributions under section 4942 of the Code without the exercise of expenditure responsibility), the Foundation only recently discovered

purposes and were spent in accordance with the purposes of the grant. As a result, the government's interest in protecting charitable assets has not been harmed.

Section 4962 was enacted in 1984 in response to Congress' determination that in certain circumstances not involving willful neglect, the imposition of a first-tier penalty tax was stricter than needed to effectively enforce requirements and prohibitions (other than self-dealing) imposed upon private foundations. In the spirit of the legislative history behind this provision, the Exempt Organization Continuing Professional Education text instructs EO employees to consider waiving first-tier taxes even when a waiver is not requested by the foundation. Pursuant to the letter and the spirit of section 4962 of the Code, the Foundation respectfully requests that any first-tier section 4942 or section 4945 excise tax, including any interest accrued thereon, be abated based upon its compliance with the requirements therein.

In the event that any penalties are imposed upon the Foundation as a result of the filing of this return or in correcting violations under Chapter 42 of the Code, the Foundation respectfully requests a waiver of any such penalties, including any interest accrued thereon, based upon reasonable cause grounds.



The undersigned declares that she has examined this request, and to the best of the undersigned's knowledge and belief, this information is true and correct and the actions explained above were inadvertent, accidental, and without intention or knowledge on the part of the undersigned or on the part of the other trustees of the Foundation.

Clara W. Butler, Trustee  
Clara Butler, Trustee

1377286 2

Request For Abatement Under Section 4962 - STMT 2

Form 4720

Return of Certain Excise Taxes on Charities and Other Persons Under Chapters 41 and 42 of the Internal Revenue Code

(Sections 170(f)(10), 4911, 4912, 4941, 4942, 4943, 4944, 4945, 4955, and 4958)

See separate instructions.

OMB No 1545-0052

2003

Department of the Treasury Internal Revenue Service

For calendar year 2003 or other tax year beginning 2003, and ending
Name of foundation or public charity: THE BUTLER FOUNDATION
Employer identification number: 22-2701588
Number, street, and room or suite no: C/O CHARTER TRUST P.O. BOX 2530
City or town, state, and ZIP code: CONCORD, NH 03302-2530

A Is the organization a foreign private foundation within the meaning of section 4948(b)?
B Has corrective action been taken on any taxable event that resulted in Chapter 42 taxes being reported on this form? (SEE STATEMENT)

Table with 9 rows and 2 columns: Line number and Amount. Total amount: 76,229.

Part II-A Taxes on Self-Dealers, Disqualified Persons, Foundation Managers, and Organization Managers

Table with 6 columns: (a) Name and address, (b) Taxpayer identification number, (c) Tax on self-dealing, (d) Tax on investments that jeopardize charitable purpose, (e) Tax on taxable expenditures, (f) Tax on political expenditures, (g) Tax on disqualifying lobbying expenditures, (h) Tax on excess benefit transactions, (i) Total.

Part II-B Summary of Taxes (See Tax Payments on page 2 of the instructions)

Table with 2 rows and 2 columns: Line number and Amount. Total tax: 76,229.

**SCHEDULE A - Initial Taxes on Self-Dealing** (Section 4941)

<b>Part I Acts of Self-Dealing and Tax Computation</b>			
(a) Act number	(b) Date of act	(c) Description of act	
1			
2			
3			
4			
5			
(d) Question number from Form 990-PF, Part VII-B, or Form 5227, Part VI-B, applicable to the act	(e) Amount involved in act	(f) Initial tax on self-dealing (5% of col (e))	(g) Tax on foundation managers (if applicable) (lesser of \$10,000 or 2½% of col (e))

<b>Part II Summary of Tax Liability of Self-Dealers and Proration of Payments</b>			
(a) Names of self-dealers liable for tax	(b) Act no from Part I, col (a)	(c) Tax from Part I, col (f), or prorated amount	(d) Self-dealer's total tax liability (add amounts in col (c)) (see page 4 of the instructions)

<b>Part III Summary of Tax Liability of Foundation Managers and Proration of Payments</b>			
(a) Names of foundation managers liable for tax	(b) Act no from Part I, col (a)	(c) Tax from Part I, col (g), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see page 4 of the instructions)

**SCHEDULE B - Initial Tax on Undistributed Income** (Section 4942)

1	Undistributed income for years before 2002 (from Form 990-PF for 2003, Part XIII, line 6d)	1	196,072.
2	Undistributed income for 2002 (from Form 990-PF for 2003, Part XIII, line 6e)	2	312,124.
3	Total undistributed income at end of current tax year beginning in 2003 and subject to tax under section 4942 (add lines 1 and 2)	3	508,196.
4	Tax - Enter 15% of line 3 here and on page 1, Part I, line 1	4	76,229.

JWA

Form 4720 (2003)

**SCHEDULE C - Initial Tax on Excess Business Holdings** (Section 4943)

**Business Holdings and Computation of Tax**

If you have taxable excess holdings in more than one business enterprise, attach a separate schedule for each enterprise. Refer to the instructions on page 4 for each line item before making any entries.

Name and address of business enterprise

Employer identification number

Form of enterprise (corporation, partnership, trust, joint venture, sole proprietorship, etc.)

	(a) Voting stock (profits interest or beneficial interest)	(b) Value	(c) Nonvoting stock (capital interest)
1 Foundation holdings in business enterprise	1		
2 Permitted holdings in business enterprise	2		
3 Value of excess holdings in business enterprise	3		
4 Value of excess holdings disposed of within 90 days, or, other value of excess holdings not subject to section 4943 tax (attach explanation)	4		
5 Taxable excess holdings in business enterprise - line 3 minus line 4	5		
6 Tax - Enter 5% of line 5	6		
7 Total tax - Add amounts on line 6, columns (a), (b), and (c), enter total here and on page 1, Part I, line 2	7		

**SCHEDULE D - Initial Taxes on Investments That Jeopardize Charitable Purpose** (Section 4944)

**Part I Investments and Tax Computation**

(a) Investment number	(b) Date of investment	(c) Description of investment	(d) Amount of investment	(e) Initial tax on foundation (5% of col (d))	(f) Initial tax on foundation managers (if applicable) - (lesser of \$5,000 or 5% of col (d))
1					
2					
3					
4					
5					
<b>Total</b> - column (e) Enter here and on page 1, Part I, line 3					
<b>Total</b> - column (f) Enter total (or prorated amount) here and in Part II, column (c), below					

**Part II Summary of Tax Liability of Foundation Managers and Proration of Payments**

(a) Names of foundation managers liable for tax	(b) Investment no from Part I, col (a)	(c) Tax from Part I, col (f), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see page 6 of the instructions)

**SCHEDULE E - Initial Taxes on Taxable Expenditures** (Section 4945)

<b>Part I Expenditures and Computation of Tax</b>				
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Name and address of recipient	(e) Description of expenditure and purposes for which made
1				
2				
3				
4				
5				
(f) Question number from Form 990-PF, Part VII-B, or Form 5227, Part VI-B, applicable to the expenditure			(g) Initial tax imposed on foundation (10% of col (b))	(h) Initial tax imposed on foundation managers (if applicable)-(lesser of \$5,000 or 2½% of col (b))
Total - column (g) Enter here and on page 1, Part I, line 4				
Total - column (h) Enter total (or prorated amount) here and in Part II, column (c), below				

<b>Part II Summary of Tax Liability of Foundation Managers and Proration of Payments</b>			
(a) Names of foundation managers liable for tax	(b) Item no from Part I, col (a)	(c) Tax from Part I, col (h), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see page 7 of the instructions)

**SCHEDULE F - Initial Taxes on Political Expenditures** (Section 4955)

<b>Part I Expenditures and Computation of Tax</b>					
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Description of political expenditure	(e) Initial tax imposed on organization or foundation (10% of col (b))	(f) Initial tax imposed on managers (if applicable) (lesser of \$5,000 or 2½% of col (b))
1					
2					
3					
4					
5					
Total - column (e) Enter here and on page 1, Part I, line 5					
Total - column (f) Enter total (or prorated amount) here and in Part II, column (c), below					

<b>Part II Summary of Tax Liability of Organization Managers or Foundation Managers and Proration of Payments</b>			
(a) Names of organization managers or foundation managers liable for tax	(b) Item no from Part I, col (a)	(c) Tax from Part I, col (f), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see page 7 of the instructions)

**SCHEDULE G - Tax on Excess Lobbying Expenditures** (Section 4911)

1	Excess of grassroots expenditures over grassroots nontaxable amount (from Schedule A (Form 990 or 990-EZ), Part VI-A, column (b), line 43) (See page 7 of the instructions before making entry)	1
2	Excess of lobbying expenditures over lobbying nontaxable amount (from Schedule A (Form 990 or 990-EZ), Part VI-A, column (b), line 44) (See page 7 of the instructions before making entry)	2
3	Taxable lobbying expenditures - enter the larger of line 1 or line 2	3
4	Tax - Enter 25% of line 3 here and on page 1, Part I, line 6	4

**SCHEDULE H - Taxes on Disqualifying Lobbying Expenditures** (Section 4912)

<b>Part I Expenditures and Computation of Tax</b>					
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Description of lobbying expenditures	(e) Tax imposed on organization (5% of col (b))	(f) Tax imposed on organization managers (if applicable)- (5% of col (b))
1					
2					
3					
4					
5					
Total - column (e) Enter here and on page 1, Part I, line 7					
Total - column (f) Enter total (or prorated amount) here and in Part II, column (c), below					

<b>Part II Summary of Tax Liability of Organization Managers and Proration of Payments</b>			
(a) Names of organization managers liable for tax	(b) Item no from Part I, col (a)	(c) Tax from Part I, col (f), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see page 7 of the instructions)

**SCHEDULE I - Initial Taxes on Excess Benefit Transactions** (Section 4958)

<b>Part I Excess Benefit Transactions and Tax Computation</b>		
(a) Transaction number	(b) Date of transaction	(c) Description of transaction
1		
2		
3		
4		
5		
(d) Amount of excess benefit	(e) Initial tax on disqualified persons (25% of col (d))	(f) Tax on organization managers (if applicable) (lesser of \$10,000 or 10% of col (d))

JWA

Form 4720 (2003)

SCHEDULE I - Initial Taxes on Excess Benefit Transactions (Section 4958) Continued

<b>Part II Summary of Tax Liability of Disqualified Persons and Proration of Payments</b>			
(a) Names of disqualified persons liable for tax	(b) Trans no from Part I, col (a)	(c) Tax from Part I, col (e), or prorated amount	(d) Disqualified person's total tax liability (add amounts in col (c)) (see page 8 of the instructions)

<b>Part III Summary of Tax Liability of 501(c)(3) &amp; (4) Organization Managers and Proration of Payments</b>			
(a) Names of 501(c)(3) & (4) organization managers liable for tax	(b) Trans no from Part I, col (a)	(c) Tax from Part I, col (f), or prorated amount	(d) Manager's total tax liability (add amounts in col (c)) (see page 8 of the instructions)

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 taxpayer) is based on all information of which preparer has any knowledge

*Carole W. Butler*

Signature of officer or trustee

*Trustee*

Title

*10/15/04*

Date

Signature (and organization name if applicable) of self-dealer, disqualified person, foundation manager, or organization manager

Date

Signature (and organization name if applicable) of self-dealer, disqualified person, foundation manager, or organization manager

Date

Signature (and organization name if applicable) of self-dealer, disqualified person, foundation manager, or organization manager

Date

Signature (and organization name if applicable) of self-dealer, disqualified person, foundation manager, or organization manager

Date

*Diana J. Hervey*

Signature of individual or firm preparing the return

*11/11/04*

Date

GRANT THORNTON LLP  
226 CAUSEWAY STREET  
BOSTON, MA 02114-2155

Address of preparer

(617) 723-7900

Phone no. of preparer

Statement 1

Attachment to Form 4720

**TABLE OF CORRECTION INFORMATION****FORM 4720, SCHEDULE B, LINE 1 and SCHEDULE E**

The distributions on this schedule were made for charitable purposes. The Foundation actively and consistently monitored the use of these funds by receiving verbal and written reports and financial statements, and by conducting multiple site visits to view the use of the grant funds. Because the strict rules of the expenditure responsibility requirements were not completely met, the Foundation lists below the steps particular to each distribution that have been taken to correct these inadvertent oversights pursuant to Treas. Reg. §53.4945-1(d). In addition to these specific steps, the Foundation has refrained from making grants to Maquipucuna Foundation. No other grants have been made without following the proper procedures and the Foundation's trustee have been educated on the technicalities of expenditure responsibility.

Because the 2000 Form 990-PF of the Foundation was received more than three years ago (August 21, 2001), only tax years 2001 and 2002 are within the statute of limitations and thus subject to sections 4942 and 4945 of the Code. In recognition that prior year distributions affect the determination of whether any first-tier tax may be imposed under section 4942 of the Code, prior year distributions and corrective actions also have been listed to reduce the Foundation's undistributed income to zero, which is the corrective action required by the Code.

Simultaneous with the submission of this form, the Foundation requests a reasonable cause waiver of these taxes under section 4962.



Statement 1  
Attachment to Form 4720

Description of Distribution	Amount	Description of Correction	Date of Correction
<b>2002</b> (See Exhibit I)			
Maquipucuna Foundation	\$155,408	<ul style="list-style-type: none"> <li>- Obtain full and complete reports from grantee</li> <li>- Documentation of pre-grant inquiry</li> <li>- Documentation evidencing no diversion for terrorist purposes</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	June 26, 2004;  November 15, 2004
Elaine Conners Center For Wildlife	\$1,000	<ul style="list-style-type: none"> <li>- Obtain full and complete reports from grantee</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	November 15, 2004
<b>2001</b> (See Exhibit II)			
Maquipucuna Foundation	\$222,414	<ul style="list-style-type: none"> <li>- Obtain full and complete reports from grantee</li> <li>- Documentation of pre-grant inquiry</li> <li>- Documentation evidencing no diversion for terrorist purposes</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	June 26, 2004;  November 15, 2004
Elaine Conners Center For Wildlife	\$2,500	<ul style="list-style-type: none"> <li>- Obtain full and complete reports from grantee</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	November 15, 2004
<b>2000</b> (See Exhibit III)			
Maquipucuna Foundation/ Fundacion Maquipucuna	\$143,000	<ul style="list-style-type: none"> <li>- Obtain full and complete reports from grantee</li> <li>- Documentation of pre-grant inquiry</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	June 26, 2004  November 15, 2004
<b>1999</b> (See Exhibit IV)			
Maquipucuna Foundation/ Fundacion Maquipucuna	\$100,000	<ul style="list-style-type: none"> <li>- Obtain reports from grantee regarding use of grant funds</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	June 26, 2004 November 15, 2004
<b>1998</b> (See Exhibit V)			
Maquipucuna Foundation/ Fundacion Maquipucuna	\$125,000	<ul style="list-style-type: none"> <li>- Obtain reports from grantee regarding use of grant funds</li> <li>- Attach expenditure responsibility report to Form 990-PF</li> </ul>	June 26, 2004 November 15, 2004

**STATEMENT 2  
ATTACHMENT TO FORM 4720****REQUEST FOR WAIVER OF FIRST TIER TAXES  
UNDER SECTION 4942 AND SECTION 4945**

The Butler Foundation (the "Foundation") was created in 1984 pursuant to a deed of trust, and at the time was known as the Neslab Charitable Foundation. The Foundation received a determination letter from the Internal Revenue Service (the "Service"), dated May 21, 1986, confirming its status as a private foundation exempt from federal income tax as an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and as a private foundation as defined in section 509(a) of the Code.

For several years, the consistent focus of the Foundation has been to support the charitable efforts of land conservation and the environment in general, in addition to the scholarships it awards pursuant to pre-approved grant-making procedures under section 4945(g)(3) of the Code. (Grant Approval Letter attached as **Exhibit A**). A representative sample of donees of the Foundation that support charitable conservation and environmental efforts include the National Parks Conservation Association, the Nature Conservancy, Falmouth Conservation Trust, and Ausbon Sargent Land Preservation Trust. All of these organizations are recognized by the Service as public charities.

In furtherance of its charitable conservation and environmental efforts, the Foundation made grants over the years to Elaine Conners Center for Wildlife (officially, the Elaine Conners Irrevocable Trust) and Maquipucuna Foundation. In making these grants, the Foundation was of the belief that these organizations were public charities. The Foundation discovered recently that while these organizations are charitable, they are not recognized by the Service as public charities. This discovery implicated section 4942 and 4945 of the Code.

*Elaine Conners Center for Wildlife*

The Elaine Conners Center for Wildlife serves as a hospital and rehabilitation center for injured wildlife. The center's mission is to rescue, rehabilitate and release wild animals from crises situations and to educate the public about its work. The 16-acre property includes individual enclosures for animals -- including one on a small pond for waterfowl and reptiles -- and a large aviary. Licensed wildlife rehabilitators, trained and qualified to care for wildlife transitioning from captivity back to their natural habitat, operate the center.

Distributions to the center were made in 2001 and 2002 in the amounts of \$2,500 and \$1,000, respectively, without exercising expenditure responsibility with respect to the grants. While the description of the center would suggest that it could qualify as a private operating foundation (donations to which are qualifying distributions under section 4942 of the Code without the exercise of expenditure responsibility), the Foundation only recently discovered

that it is classified as a private nonoperating foundation. Any future grants to this organization will be made in compliance with the expenditure responsibility rules.

The Foundation has corrected this inadvertent action by receiving assurances that these amounts were expended for the charitable purposes for which the grant was made in the active operation of the wildlife shelter and has documented these assurances in compliance with Treasury Regulation §53.4945-1(d)(2). (See the attached "Table of Correction Information" for more detail).

### Maquipucuna

The Maquipucuna Foundation, Inc. was formed in 1996 pursuant to the Georgia Nonprofit Corporation Code. A Georgia nonprofit corporation is prohibited from making distributions to its members, directors, or officers except as reasonable compensation for services rendered. Consistent with the Butler Foundation's conservation efforts, the Maquipucuna Foundation's mission is to contribute to biodiversity conservation and responsible management of natural resources through the following education, research, nature reserve management and community-based programs:

- **Land Trust Program.** The land trust program aims to protect the most biodiverse and most threatened ecosystems on earth, through land acquisition and preservation. It is focusing its efforts on the Choco Andean ecosystems in Ecuador, which has been identified as a global environmental priority by international conservation organizations. It intends to expand its preservation efforts to more ecosystems throughout the world. The grants by the Butler Foundation were made primarily to support this effort.
- **Education and Scientific Research Program.** This program is aimed at educating children and adults about the value of the natural and cultural resources shared between North American and Latin American forests. The Maquipucuna Foundation has worked with the State Botanical Garden of Georgia to develop modules for elementary School students, which allow students from different countries to explore and learn about the forests and birds they share in common. In alliance with the University of Georgia, the University of California system, and other higher education institutions throughout the world, the Maquipucuna Foundation also supports education and scientific research related to the conservation and sustainable management of endangered ecosystems.
- **Sustainable Development Program.** Through this program, the Maquipucuna Foundation works with universities, botanical gardens and other organizations to promote long-term planning and sustainable development, and to provide knowledge on the interactions between conservation and development. The Maquipucuna Foundation also provides technical assistance to indigent, distressed coffee and cacao growers and local craftspersons in an effort to provide relief to the poor and to combat community deterioration.

The Maquipucuna Foundation's offices are located at the Institute of Ecology at the University of Georgia. Several of the board members are University of Georgia professors. Thomas Butler, Clara Butler, and Barbara Butler, who are trustees of the Butler Foundation, also are directors of the Maquipucuna Foundation. The Butler's were under the belief that the Maquipucuna Foundation was a recognized public charity. This belief was based upon representations from officers of the Maquipucuna Foundation, Inc. In reality, the officers had initiated, but never completed, the application process for recognition of charitable status with the Service. The Maquipucuna Foundation is applying to the Service for recognition of exempt status as a section 501(c)(3) organization.

The Maquipucuna Foundation serves as the United States arm of the Fundacion Maquipucuna, an Ecuadorian charity. The translated By-Laws of Fundacion Maquipucuna (attached as **Exhibit B**) indicate that it is a non-profit legal person under its Civil Code and that it is organized as the equivalent of a United States charitable organization. It is prohibited from carrying out political intentions and from discriminating on the basis of sex, race, nationality, religion or political tendency. Consistent with the charitable focus of the Butler Foundation and according to Article 3 of its By-Laws, Fundacion Maquipucuna is established:

for the purpose of promoting and supporting the defense and protection of wild flora and fauna resources and species in danger of extinction, effecting scientific investigations with[sic] prior authorization from the Ministry of Agriculture and Livestock; cooperating with other institutes of persons in order to obtain the utmost benefit from scientific knowledge; broadcasting conservational programs, searching and obtaining funds and resources in order to contribute to the preservation of species.

Article 4 of its By-Laws describes the methods by which it intends to accomplish these purposes, including sponsoring scientific investigations with regard to natural resources within the country, promoting the protection and conservation of the native species of Ecuador and their habitats, conducting awareness campaigns in the areas of protection, conservation and renovation of natural habitats, and to lend technical services. Upon dissolution, Article 26 requires the assets of the Fundacion Maquipucuna to be transferred to an organization for charitable benefit and not to any organization having "lucrative, political or religious intentions."

Fundacion Maquipucuna receives support from a broad base of charitable and international organizations. It has received grants from prominent United States charities and from international organizations such as The Nature Conservancy and The World Bank. In 2001 and 2002 the Butler Foundation reported grants to Maquipucuna Foundation of \$222,414 and \$155,408, respectively. These grants were made for the purpose of supporting the land conservation and other charitable efforts of the Fundacion Maquipucuna. In those same years, the Maquipucuna Foundation distributed \$ 137,899 and \$ 239,038 to Fundacion Maquipucuna, together representing virtually 100 percent of the grants made by the Butler Foundation to Maquipucuna Foundation.

The Butler Foundation consistently monitored the use of these funds to assure that they were being used for their intended charitable purposes. Frequent site visits were made by Butler Foundation trustees to Ecuador and Georgia to oversee and monitor the programs being conducted. Periodic reports were submitted to the Butler Foundation detailing the expenditures made with the grant funds, and additional grant monies were distributed subject to receiving a report on prior activity and projections of future needs. Despite the active monitoring and oversight of the grant funds, the Foundation in 2001 and 2002 inadvertently did not comply completely with all of the technical requirements set forth in the expenditure responsibility procedures of section 4945(h) and the regulations thereunder. In accordance with Treasury Regulation §53.4945-1(d), the Foundation has corrected these administrative oversights by ensuring that it has obtained full and complete reports as required by section 4945(h)(2) and by making a report of the seven items required by Treasury Regulation §53.4945-5(d)(2). The Foundation has taken similar action for prior years in order to reduce its undistributed income to zero (See the attached "Table of Correction Information" for more detail).

#### Section 4962 Waiver of First-Tier Excise Taxes

The Foundation respectfully requests a waiver under section 4962 of the Code of any first-tier excise tax arising under sections 4942 or 4945. Section 4962 of the Code provides the Service the authority to waive, refrain from assessing, or abating any first-tier tax imposed by subchapter section 4942 and 4945 if the foundation establishes that the taxable event (1) was due to reasonable cause and not willful neglect and (2) was corrected within the correction period.

A finding of reasonable cause is based upon all of the surrounding facts and circumstances. A failure to file is due to reasonable cause if the taxpayer exercised ordinary business care and prudence and was nevertheless unable to comply with statutory requirements. The Foundation made the distributions discussed above based upon the good faith belief that it was making charitable distributions to a qualifying charitable organization. It consistently and actively monitored the use of the funds it distributed to ensure that the funds were being used for the purposes of the grant. Despite these diligent efforts, the technicalities of the expenditure responsibility requirements were not met.

The Foundation's prior lack of timely compliance with the technicalities of the expenditure responsibility rules were not due to willful neglect. Its active oversight of the activities it funds shows that the Foundation was not neglectful of its obligations to ensure that charitable funds are dedicated to charitable purposes.


In 2003 the Foundation's legal counsel discovered the above-discussed issues. Steps were taken promptly to investigate the potential issues and to correct them by obtaining and making the proper reports. To this end, no further distributions to Maquipucuna Foundation have been made. No other grants have been made without following the required procedures. To the best of the Foundation's knowledge, the grants at issue were made for charitable

purposes and were spent in accordance with the purposes of the grant. As a result, the government's interest in protecting charitable assets has not been harmed.

Section 4962 was enacted in 1984 in response to Congress' determination that in certain circumstances not involving willful neglect, the imposition of a first-tier penalty tax was stricter than needed to effectively enforce requirements and prohibitions (other than self-dealing) imposed upon private foundations. In the spirit of the legislative history behind this provision, the Exempt Organization Continuing Professional Education text instructs EO employees to consider waiving first-tier taxes even when a waiver is not requested by the foundation. Pursuant to the letter and the spirit of section 4962 of the Code, the Foundation respectfully requests that any first-tier section 4942 or section 4945 excise tax, including any interest accrued thereon, be abated based upon its compliance with the requirements therein.

In the event that any penalties are imposed upon the Foundation as a result of the filing of this return or in correcting violations under Chapter 42 of the Code, the Foundation respectfully requests a waiver of any such penalties, including any interest accrued thereon, based upon reasonable cause grounds.

The undersigned declares that she has examined this request, and to the best of the undersigned's knowledge and belief, this information is true and correct and the actions explained above were inadvertent, accidental, and without intention or knowledge on the part of the undersigned or on the part of the other trustees of the Foundation.

  
Clara Butler, Trustee

1377286 2

**THE BUTLER FOUNDATION**

**EIN: 22-2701588**

Attachment to Form 4720

ATTACHMENT TO FORM 4720

EXHIBIT I (2002)

1377987 1



**The Butler Foundation  
Annual Report of Grantee Organization  
Fiscal Years 2001 - 2002**

Maquipucuna Foundation	(\$122,414 5/11/01, \$100,000 10/12/01, \$ 57,375 7/8/2002, \$ 97, 245 11/27/2002)	
Grantee Name	Original Grant Total	Grant Date
c/o Institute of Ecology, University of Georgia	Athens	USA
Address	City	Country

Protection and Management of the Maquipucuna Reserve, Land Purchase; Construction of buildings for ecotourism operation.

Grant Purpose

- 1 Progress made in accomplishing the above Grant Proposal (attach additional pages if more space is needed)

Please see report attached (Attachment 2001-2002 AR 1)

- 2 Itemization of expenditures made from grant funds, including salaries, travel and supplies (attach additional pages if more space is needed)

Please see report attached (Attachment 2001-2002 AR 2)

Amount of grant funds remaining as of January 1, 2001 \$0 (This Annual Report shall constitute Grantee's Final Report if all above grant funds have been spent)

- 3 Amount of grant funds remaining as of January 1, 2003 \$ 0
- 4 Grantee asserts that it has made all expenditure detailed in Section 1 above in furtherance of the stated purpose of the grant
- 5 Grantee asserts that it has complied with all of the terms and conditions of the grant specified in the Grant Agreement executed by the Grantee and the Butler Foundation

I swear under penalties of perjury that I am authorized to sign this report on behalf of the above organization, and I have examined the foregoing statements and to the best of my knowledge they are true, correct and complete

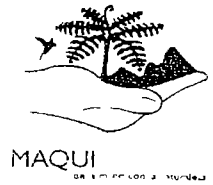
BY Rodrigo Ontaneda

DATE

JUNE, 12/2003

TITLE President





June 12, 2003

Dear Clara, Tom and Barbara

Your guidance and financial contribution for 2002 as usual were crucial to our progress. For that we thank you deeply. Herein we are enclosing a report for the \$97,299 received in November 2002 and spent between December 2002 and May 2003.

We are also enclosing a proposal for 2003. This is a time of crisis for Maquipucuna, but also one of great opportunities. The facing out from a very large grant, such as the World Bank's, is putting a lot of financial stress on the organization; yet, at the same time since the work done during the past three years focused in establishing a series of self-sustaining programs, all areas in Maquipucuna can now be classified as income producers. All areas except protection of land. In fact, the goal to make Maquipucuna a financially self-sustaining organization initially arose from the need to cover permanent and unforeseen costs involved in land protection.

We have developed, for the first time, a system of accounts that allows us to track and analyze each area of specialization of Maquipucuna. We have worked out a Cost Center Model and defined income and expense budgets for each individual area. We are attaching this here. We now know exactly what is making money and what is not.

This new way of gauging our situation has in fact provided us with some interesting insight, such as the fact that the multiple activities in which we are involved, and that at times we have been considered excessive in number, have in fact been supporting our organization financially, with all the restraints that the lack of adequate investment in any activity represent.

Land purchase without proper management, in an area under such intense population pressure, is simply unrealistic. This is clearly reflected by the fact that protection against illegal invasions is our biggest, non-producing expense. Our proposition is that by giving the other, income-producing activities a stronger base, we will be successful in our ultimate goal, which is to protect through the purchase of land.

Eco-tourism, with its mixed financial results, has been key in bringing people together to raise the necessary awareness both in foreign tourists and local inhabitants. It has also provided us with a strong local presence, invaluable when trying to hold an area of land from people who desperately seek to improve their lives, without understanding the consequences of indiscriminate logging.

Fortunately, and joining Eco-tourism as the other main project geared towards sustainability, is another which is a very positive result from a combination of Maquipucuna USA's efforts in the search for funds and legacy of the work done with the World Bank's grant: the growing and marketing of specialty coffees. The success in the implementation of the World Bank grant has

AR 2001 - 2002 (Partial report 2 - Letter)

also opened further opportunities to present grant proposals which if funded, will help sustain the functioning of Maquipucuna as the the other productive alternatives become financially sustainable

Our eco-tourism project inevitably had to suffer through the economic and political instability that has affected Ecuador in recent years. Even so it remains through its excellent reputation, and shows promise to become profitable if key investments and some admittedly urgent changes in administration are made. Specialty Coffees will give us much greater control, since it is set to be marketed directly by us, for the strongest segment of a very large industry, and in the world's largest economy

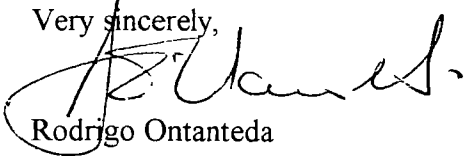
The direct marketing of Specialty coffees is a reality as we have already gained a major outlet for the product in the coffee shop of the new 200,000 sq ft. Student Learning Center at the University of Georgia. The first step of a widespread marketing campaign.

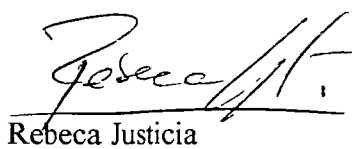
The numbers which we have painstakingly prepared show that we can begin to break through, and that in fact we must. Further the numbers show that we must achieve this within the next year and a half and that the marketing of specialty coffees will play an essential role

Crisis and opportunity go hand in hand. We trust that the attached calculations will provide you with a clear and accurate view of the current and possible financial situations of Maquipucuna Enough to appreciate that your support, as requested today, is essential to the success and even survival of what has meant to you a very worthy cause, and to many in Ecuador a way of life.

Once again, we would like to stress how much we appreciate your involvement in every way.

Very sincerely,

  
Rodrigo Ontanteda

  
Rebeca Justicia

**GRANT REPORT AND PROPOSAL**  
**PRESENTED TO THE BUTLER FOUNDATION**  
**BY FUNDACION MAQUIPUCUNA**

**I. INTRODUCTION**

This report and proposal consists of 4 sections and 3 sets of spread sheets. The first section is the Narrative Report which describes the activities accomplished with funds from the November 2002 grant plus the balance carried from the last grant. The total amount of the grant reported is \$108,987. The narrative ends with a table that summarizes expected and realized outcomes as well as the financial information associated with both.

The second section is a Proposal for funding for 2003. It includes a summary of projected expenses as well as a summary description of the activities and goals to be achieved. It also includes an analysis of the financial situation of the entire Fundación Maquipucuna for both 2003 and 2004.

The third section is a Financial Analysis for both the Ecotourism and Coffee operations with projections for both 2003 and 2004.

**II. NARRATIVE REPORT**

Table 1 summarizes accomplishments and expenses made with the \$108,987 grant through May 2003.

*LAND PURCHASE*

The goal was to sign a sale-purchase agreement for a farm which would be traded for conservation easements in the forests neighboring the reserve. The negotiation has been postponed because, as discussed during the North Carolina meeting, the priority for 2003 would not be land purchase. If the owner maintains the land for sale, the purchase of his farm will be written as part of the new proposal to the Community Development Carbon fund, with the World Bank.

Some legal payments have been made to advance the negotiation with Mr Collahuazo in the eastern border of the Reserve. That property serves as an entrance to the squatters.

*LAND STEWARDSHIP*

The situation is as complex as it ever was. We are up against deep rooted corruption which has enabled the squatters to file a claim for 1,600 ha within the southern limit of Maquipucuna. We are working with two lawyers, have requested the support of the Ecuadorian Corporation of the Environment and the press. The following summarizes the main actions taken.

- \* One lawyer has prepared the law suits and is ready to initiate legal actions against 7 squatters. A second lawyer is preparing to file a law suit against INDA, an office from the Ministry of Agriculture that is still issuing land titles within a framework of Agrarian Reform.
- \* Fundación Maquipucuna was successfully re-registered with the Ministry of Environment. Special appeals were made to the Minister of Environment, since squatters tried to void the legality of Fundación Maquipucuna because the Maquipucuna file had suspiciously disappeared from the Ministry of Environment archives.
- \* Continue the defense of the legal suit filed by squatters. In December the Ministry of Agriculture accepted Maquipucuna's testimony, so the process continues.

2001 – 2002 AR (2 a)

\* On the other hand, FM has submitted a request of expansion of the protected forest to 45,000 ha in the northwestern direction, in order to create a protected Corridor to the Cotacachi Cayapas-Reserve. The Ministry of Environment has made several field visits to the area. We are waiting for the results

\* On the other hand, we have applied and Conservation International and Birdlife International have approved the declaration of the AICA Maquipucuna or IBA (Important Bird Area), the same category that the Mindo area now holds

\* Patrolling continues, but without the support of the police. We are still waiting for approval for a project presented to the Provincial Council to build an improved guard house. Upon having enough funding the police has agreed to resume support

### *ECOTOURISM CONSTRUCTIONS*

Construction of the new building is advanced, all masonry work is finished. The new lodge, named Casa Tulambi has been redesigned to hold only rooms with private bathrooms. It will have capacity for up to 8 people

The dry sewage treatment system is finished. Due to the novelty of the system, further details to the initial design had to be added

We have initiated with other changes, important in giving comfort to the visitor have been made such as the those made to the restaurant and adjacent areas. As well the construction of a water treatment plant for the reserve has been started.

2001 – 2002 AR (2 a)

<b>Institutional support</b>				0
Promotion ecotourism, travel, communications, fundraising related & operational expenses	<ul style="list-style-type: none"> <li>• Prepare a proposal for the Global Conservation Fund from CI for land purchase</li> <li>• Travel bringing the German Marketing specialist to Ecuador (Mathias Poeschel)</li> <li>• Trip to Mexico New Ventures meeting</li> <li>• Chocó-Andean Coffee House negotiation</li> <li>• Collaborate with the preparation of a new full proposal for World Bank</li> <li>• Re-do the Maquipucuna Web site</li> <li>• Publish a brochure for the Corridor</li> </ul>	17,470	<ul style="list-style-type: none"> <li>* Negotiation of proposal for CI in process</li> <li>* German Marketing specialist visit, Ecuador, US &amp; Hannover fair He has short contract in Ecuador (Mathias Poeschel)</li> <li>* Trip to Mexico cancelled</li> <li>* Chocó-Andean Coffee House negotiation in progress</li> <li>* Web site developer identified and negotiated, maqui website not done yet.</li> <li>* Content for brochure ready, but not published</li> </ul>	24,541
Equipment upgrade and software (Palm & software)	•	600		1,065
Salary Rodrigo (5 months @ 2,500)		12,500		21,090
			* Emergency expenses to close the office in Zamora, and to cover other expenses such as 2002's deficit from Ecotourism	10,349
	<b>TOTAL</b>	<b>108,987</b>		<b>108,987</b>

**III. PROPOSAL FOR 2003**

Fundación Maquipucuna's request to the Butler Foundation is to help us overcome the short fall of funding produced by the time lapse between closing a large World Bank grant and attaining a new grants, specially three new grants that are being prepared for the World Bank and a series of other smaller grants as shown in Table 3

Maquipucuna's accounting system has improved greatly over the past three years by learning to use World Bank financial guidelines. Additionally, we have developed a system of accounts and procedures that allows to follow up on each area of specialization of Maquipucuna. We worked out a Cost Center Model and defined income and expense budgets for every single area of Maquipucuna. So we know exactly what is making money and what is not. For this proposal we are attaching the detailed projection of expenses for every area for the year 2003, as separate excel files. Expenses through May are actual expenses, while those for June through December are projections. Table 2 is a summary of funds available and remaining needs of funding for 2003. Full detail of expenses if required are attached in separate excel workbook PRESUPUESTO FINAL 2003. We suggest quarterly disbursements upon receipt of our reports.

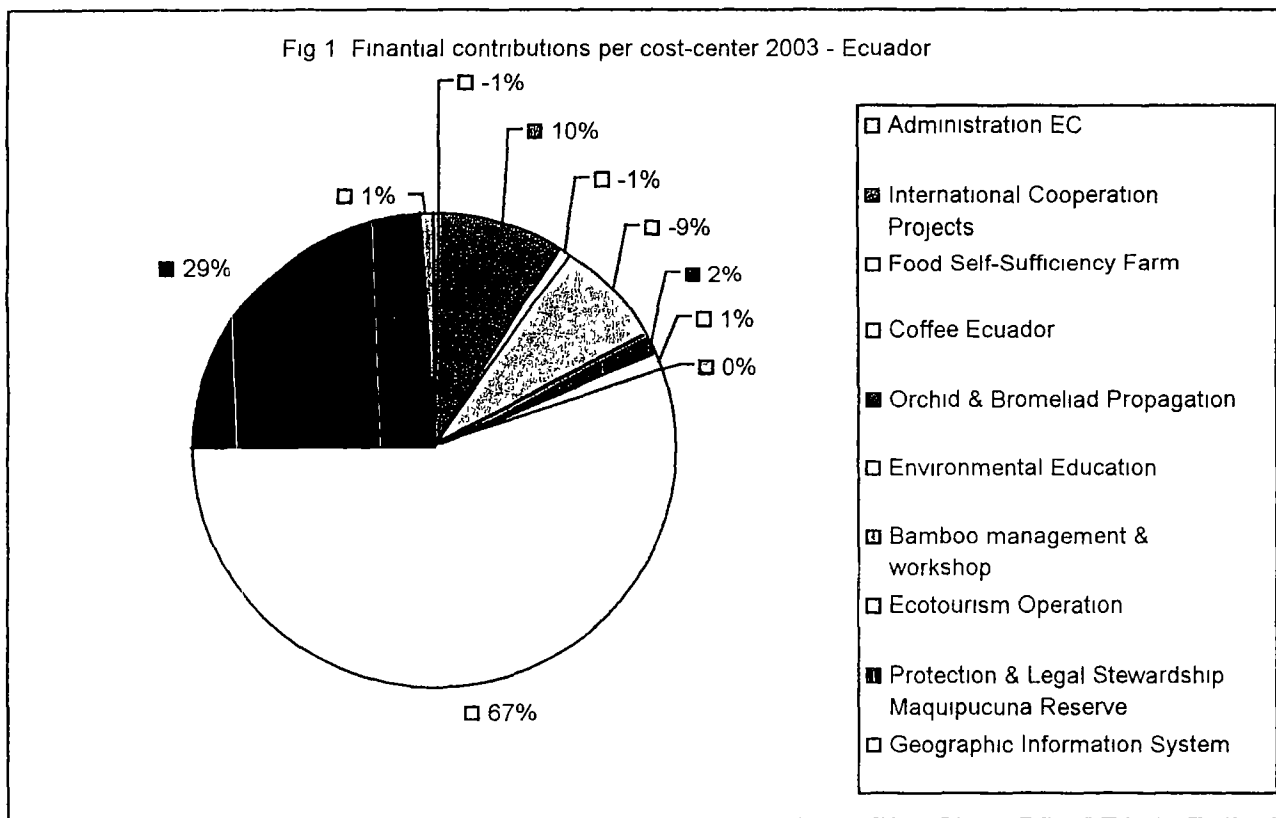
**Table 2: PROPOSED USE OF GRANT FUNDS FOR 2003 FROM THE BUTLER FOUNDATION & POTENCIAL INCOME**

<b>Cost-center</b>	<b>Budget</b>	<b>Available</b>	<b>Needed</b>	<b>Potential new grants/income</b>
Protection & Legal Stewardship Maquipucuna Reserve	74,709	9,272	65,437	
Ecotourism Operation	266,587	94,593	171,993	1,500
International Cooperation Projects	134,409	96,438	37,972	11,700
Food Self-Sufficiency Farm	12,672	14,517	(1,845)	
Orchid & Bromeliad Propagation	5,909	1,480	4,429	
Geographic Information System	10,411	3,617	6,794	4,000
Bamboo management & workshop	28,854	6,931	21,923	21,900
Environmental Education	23,993	16,015	7,978	4,500
Coffee Ecuador	95,191	118,343	(23,151)	
Administration EC	110,482	89,737	20,745	22,346
Coffee & Administration US	159,543	54,551	104,992	
<b>TOTAL</b>	<b>922,759</b>	<b>505,493</b>	<b>417,266</b>	<b>65,946</b>

2001 – 2002 AR (2 a)

We have done a thorough analysis to identify if there are areas of work that Fundación Maquipucuna would perhaps have to suspend. The result was that the series of small projects and activities actually don't represent a financial burden, but support for Maquipucuna, both financially and as basis for growth and public image.

The two main stressors to the financial viability of Maquipucuna actually are the continuing pressure of squatters on the Reserve and the Ecotourism operation. For the first problem we hope to act decisively with two layers and lobbying with the public media, and hope for the best. For the ecotourism operation, we think we have more control over the solution. By improving the overall quality of service and adding more rooms with private bathrooms we forecast the operation will break even by the end of 2004.





2001 – 2002 AR (2 a)

*SPECIAL NOTE*

LAND PURCHASE

There is a need to finalize the purchase of Mr Collahuazo's property. A remaining \$15,000 or 50% of the total cost is pending for payment. Finalizing this purchase is important but, after other pressing needs, specially protection and legal expenses, are covered

Nevertheless, there's a unique opportunity to purchase a large tract in the lowland part of the Corridor almost connecting to the mangroves. We have submitted letters of intent to CI-Global Conservation Fund and OCP - Encana. The summary of the project is included as an attachment with a map

Because we have long talked with Tom about extending the Corridor to the lowlands, and because this opportunity may not hold for much longer, we would like to enquire if the Butler Foundation would help us mobilize a loan or a grant for the down payment of \$210,000, contingent upon CI and/or OCP-ENCANA committing funds for the full land purchase.

LAND STEWARDSHIP

The lawyers recommend to file immediately the law suits that have been already prepared. At the same time they warn that the response of the squatters may require further defense and again unforeseen funds. For 2003, Maquipucuna needs financial support for all guard posts, operational expenses of the guard posts, placement of delimitation marks, honoraria for the lawyers and legal payments to the different judge offices to file the suits. The total required will be at least \$74,709

**V. FINANTIAL ANALYSIS**

*ECOTOURISM DEVELOPMENT*

The ecotourism operation has a well established name, to the point that it was chosen among a group of 12 such operations that are part of the Ministry of Tourism pilot program to certify Ecotourism operations. Some of the other operations are Kapawi, Bellavista, Alandaluz and Yunguilla, also a Maquipucuna project. This year we have projections that tell us that occupation will almost be dobled. However, under the present conditions, -with the same rates as 8 years ago and costs of operations that have tripled the Ecotourism operation shows a loss

We had identified this situation in the past, but we were not able to quantify it exactly. Now we have identified the causes and possible solutions. The only way to become profitable is to increase prices and/or substantially (by 55%). However, in order to do that we need to greatly improve the quality of service, which has deteriorated over the past two years- less employees are serving more tourists. The reason is that inflation in Ecuador has increased fixed costs to operate ecotourism significantly (e.g. gasoline \$2,00 a gallon, local salaries 4 5 times higher!), and with rates established by foreign operators, even though occupation has almost doubled, we have not been able to increase the room rates

Although Maquipucuna has a well established name, competition is fierce. We need to invest further to improve and renew the infrastructure. A special need is for more rooms with private bathrooms. Consequently we have redesigned the new Casa Tulambi, to just offer rooms with

2001 – 2002 AR (2 a)

private baths To start a strong marketing campaign including invitations to operators to familiarization trips and an improved web site with ability to receive reservations are other urgent activities Finally, we need an on-site administrator for the operation

If all the changes proposed are made, we project that by the end of 2004 there will be net revenues of \$28,000

## ***chocoandes***<sup>TM</sup> ***Specialty Coffee:***

Maquipucuna has chosen coffee as an economic alternative for various reasons Our involvement in this industry is expected to bring us both financial, as seen from the forecasted returns, as well as institutional benefits

To Maquipucuna entering the coffee trade means the opening up of a new horizon for ourselves, as we are becoming involved in an activity that can eventually promote sustainable development for a potentially considerable number of farmers in Ecuador. As well and of the same importance is the fact that our own sustainability will be sought. Success there is expected to be achievable because of the uniqueness of the product and the conditions of direct sale that we are propositioning

To say that we have actively sought after such a product would not be completely accurate, as things have indeed fallen into place, gradually leading us to it But after much analysis, and a lot of positive actions from our Fund Raising office in the US, we have concluded that this product can in fact bring us the benefits explained above

Our confidence is based on the numbers the segment we are entering is that of specialty coffees, that is coffees that are of higher quality, and whose markets actually tolerate a higher price level because of its knowledge of how these coffees are grown Hence our objective is to sell Organic, Shade Grown, Bird Friendly, Gourmet Quality coffees

Specialty coffees represent a minority niche segment within the important coffee industry, (sales of \$20,100 million during 2001 for the US) It is also a consistently growing segment, with 95% of those coffee sellers surveyed (in a study by Danielle Giovannucci for CI, The world Bank and others) expecting to see their sales of specialty coffees either increasing or at least remaining the same in the coming years

As well, and worth noting, is the fact that over 56% of the dollar value of the wholesale price of coffee actually goes to the processing, marketing and distributing of the product, once it arrives in the U S In dollar figures that implies an average gross margin of approximately \$3.50 per pound

With a small to medium coffee shop consuming from 250 to 300lbs of this coffee per week, the market shows promise With a compelling true story of a socially responsible product, such as ours, our sales in this market will be made all the more easier

The dealing in this, the second largest imported commodity in the US, will mean for Maquipucuna that we will be forced to unify our efforts as an institution From our organization in Ecuador, with the promoting of improved growing techniques, and the collection, selection and

2001 - 2002 AR (1)

October 30, 2002

Mrs. Clara Butler  
Secretary/ Board of Trustees  
The Butler Foundation  
C/o Charter Trust Company  
P.O. Box 2530 Concord, NH 03302-2530

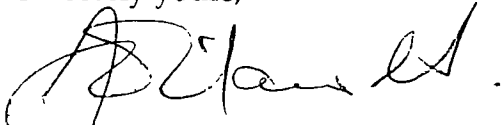
Dear Clara:

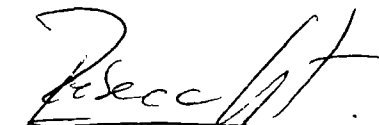
Please find attached the report for the grants received for the period January 2001 - July 2002. We are also submitting for your consideration a budget for the remaining of 2002.

We would like to formally up-date you on the progress made as a result of our fruitful cooperation efforts aimed at the conservation of the beautiful forests of the Choco-Andes region.

Finally, we would like to thank you, Tom and Barbara, once again for you collaboration: your time, your advise, energy and resources, which enable Maquipucuna to continue its great mission.

Sincerely yours,

  
Rodrigo Ontaneda

  
Rebeca Justicia

**GRANT REPORT TO THE BUTLER FOUNDATION (JANUARY 2001 – JULY 2002)**  
**EXECUTED BY FUNDACIÓN MAQUIPUCUNA - ECUADOR**

**I. INTRODUCTION**

The following reports the accomplishments resulting from our mutual cooperation and according to the objectives identified jointly between The Butler Foundation and Maquipucuna for the year 2001 and the first semester of 2002

**II. NARRATIVE REPORT**

***1. LAND PURCHASE & STEWARDSHIP***

We have not solved the squatting problems yet, however, in the midst of all the pressure from squatters, we have great news Maquipucuna owns legally 1,400 ha more than we expected in August The land title obtained in 1988 used to say approximately 2,500 ha and now it says 3,996 ha and has an official map attached to it!

That increase in area was a result of a comprehensive analysis of all the tenure history of the land and a redrawing of the boundaries As an institution we have focused all possible efforts into the issue (Luis' & Rodrigo's time, mapping, transportation, dozen of meetings and entertaining authorities, extra-patrolling, improving guard posts, etc ) These efforts included involving a full time lawyer. In detail, the steps we have taken include

- A re-registration of the land title in the Municipality of Quito, where the squatters had paid under the table to alter the surface of Maquipucuna's property (it was down to 37,000 m<sup>2</sup> or 3.7 ha).
- In agreement with Banco del Pacífico we amended the contract of sale and therefore the land title of the Maquipucuna property purchased to them This action legalized and clarified the eastern and western boundaries of the Reserve Thus the Montecristi squatters will not have room for further legal argument. A map was attached officially to illustrate the land title The official extension of the main property of Maquipucuna is 3,900 ha, vs the original 2,500 ha
- The Geographic Military Institute issued an official and revised topographic map for the region depicting rivers and creeks that are the boundaries of Maquipucuna

- Since the property is mapped and registered with all limits clear now, the assessment of taxes is official and considered the Protected Forest Status. Therefore, it was possible to pay all appropriate taxes and have them available to the legal system for consulting from the judges, etc., (this is probably hard to understand, but is Ecuadorian idiosyncrasy).
- Permanent presence in all institutions and courts, starting with Ministries, such as of the Environment, Agriculture, Defense, Secretary of State, and other institutions dealing with regulating property rights, zoning, indigenous people, and security issues. This is extremely important, because the squatters are unusually well organized— within this popular land-traffic mafia. And whose lawyers are constantly initiating administrative and legal actions to advance in their goal, even “using” the indigenous umbrella group CONAIE, as if they were an “ancestral community” (meaning 50 years settlement )
- We have strengthened the guard posts in the south of Maquipucuna and in the community of Yunguilla-east border of the Reserve. This includes building a new small watch house by the road, new water tank, improved bathroom and establishment of an organic garden. Guards received extensive training and uniforms
- A special investment and very useful, has been the new UHF radio system that works regardless of weather conditions. Now, all guard posts, the office in Quito, the T.H.Davis Station, all the vehicles and Orongo, including handies, are connected permanently by Radio. Having this type of communication has proven extremely positive. Now it is much easier to deal with difficult situations presented by squatters, robbers, illegal timber, fires, and medical emergencies at the Reserve. We have examples where radios have helped us for each of the situations mentioned.
- Finally, we have negotiated a new agreement with the Environmental Branch of the Police, the Provincial Council of Pichincha, and the Green Guard of the Ministry of Environment. It aims at jointly upgrading our guard post in the south of the reserve into an Integrated Environmental Control & Police post. It will be a model for the entire country

- We are continually mapping with GPS and photographing the land clearing provoked by the squatters.

In terms of purchasing the lands planned, we have advanced all it was possible. We have concluded the negotiation of two new key parcels (from Mr. Ron and Mr. Vásquez) and have agreed on the terms of negotiation for the land from Mr. Collahuazo. All these properties total 257 ha. Details of the properties are summarized below:

- 40 ha from Mr. Ron. The negotiation & payment for this land is concluded and we have the land title. This land is located in the southwest part of the reserve. It was a good opportunity to consolidate the limits of that corner of the Reserve. That is an area close to the road where people were active in deforestation.
- 180 ha from Mr. Vásquez. The negotiation & payment for this land is concluded and we have the land title. This parcel is north of Maquipucuna and limits the parcel containing one of the Cock-of-the-rock leeks (the one currently visited by our tourists). This piece is also important because it increases the protected area at 1,200 masl.
- 37ha from Mr. Collahuazo. Purchasing this property has been a priority because it is the main entrance to the areas squatted by the Montecristi Association. We have agreed on the terms of negotiation, signed a purchase-sale agreement and put a 50% down payment.

Finally, this last year we have mapped about 6,000 ha offered last year for sale in the lower elevations of the corridor. We would like to discuss a detailed description of the properties for sale and prices during the next land purchase meeting.

Our lawyer has advised starting several law suits against the squatter association members for property damage and illegal land appropriation. For the next months, we expect hard legal battles; therefore, we foresee unexpected legal expenses and increased patrolling expenses. We should try to negotiate a non-judiciary solution to reduce legal costs. We would like to discuss about this further when our lawyer gives us a more precise budget.

## **2. ECOTOURISM DEVELOPMENT**

The Butler Foundation's grant was instrumental in increasing the lodging capacity of the Thomas H. Davis Ecotourism Center, as well as improving the services and attractions offered to visitors. The progress includes:

- Construction of 3 suites with private bathrooms
- Purchase of a new generator and repair of a back-up unit,
- Refurbishing the storage area & the facilities for staff (including a new bathroom)
- Construction of the first Bird Platform
- Improve the paths between buildings;
- Initiation of the construction of a new area for researchers w/ 4 rooms & shared bathrooms, & 1 suite w/ bathroom for a small family/couple of residents researchers or volunteers;
- Replacing some basic equipment at the kitchen, and communication equipment,
- Purchasing most of the timber/bamboo for the other buildings planned

## **3. FUND RAISING & PROMOTION OF ECOTOURISM**

Rodrigo's effort focused in promoting Ecotourism and in exploring venues to bringing to the US shade organic coffee grown in the Choco-Andes region. Some key outcomes include

*Marketing image and strategic signage for Ecotourism:* We have defined a general marketing strategy for the products and services of the conservation corridor. There is a branding strategy that includes a master brand and sub-brands depending of the product or service and the locality that originates the product. The master brand is "Chocó-Andes". We have applied for a registered trademark in the US.

*Shade grown organic coffee:* Marketing coffee is underway under the master brand "Chocó-Andes". We have negotiated an agreement with a roaster from the US and a professional cycling team. Coffee producers members of COFENAC (the National Federation of Coffee from Ecuador) will sell the coffee, Maquipucuna will export the coffee, the US roaster

will buy, roast, and a professional cycling team from the US will sell the coffee. The initial shipment is being arranged for 20,000 to 30,000 lbs. The packaging material for the coffee has been designed.

*Bromeliads:* The Atlanta Botanical garden prepared a training video to prepare the Bromeliads for export. A pilot exportation was made successfully to the Atlanta Botanical Garden.

*New Ecotourism operators:* Two large operators in Germany and in Spain are planning their trips including Maquipucuna as a destiny for the European market.

### **III. FINANCIAL REPORTING FOR THE DISBURSEMENT PERIOD (JANUARY/2001–JULY/2002)**

Three disbursements totaling \$279,789 were received during 2001 and the first semester of 2002. These amounts were: \$122,414.00 on May 11, 2001, \$100,000 on October 29, 2001, and \$57,375 on July 8, 2002. Actual expenditures amounted to \$268,047, during the period January 1, 2001 through July 31, 2002. By that date, a balance of \$11,742 remained, but was committed to ongoing construction activities. Expenditure reports, as well as, a report of the sources and uses of funds are presented in Tables 1 & 2.

The squatting problem has generated unexpected expenses because it has obligated us to consider protection actions that otherwise would not be necessary. The total spent from the Butler Foundation grant is presented in the report of expenses (Table 1). Salaries, training and equipment of guards, and a large amount of field expenses have been provided by the World Bank grant. To cover the rest of the expenses, we have used what was budgeted from the Butler Foundation grant for land protection, the balance from land purchase, and part of the balance from the construction budget. Although not planned initially, after discussing over the phone with Tom, we established a reliable radio communication system.

The other categories where actual expenditures were either, extra budgeted or non-budgeted, was the Ecotourism promotion and communications and travel, as well as Rodrigo's 2 extra salaries. Since the land situation in Ecuador required that Rodrigo devoted most of his time to following up and helping day to day work in Ecuador, this past year was very slow in terms of getting counterpart funding for salaries and travel expenses.



**TABLE 1: REPORT OF EXPENDITURES***Period: January/2001– July/2002*

Category of Expense	Planned Budget	Actual Expenditures	Balance
Land Purchase	119,914	93,793	26,121
Stewardship (lawyer, field expenses & radio communication)	21,000	37,710	(16,710)
Constructions Ecotourism	106,275	71,895	34,380
Equipment Ecotourism	16,000	18,449	(2,449)
Salary Rodrigo	15,000	22,500	(7,500)
Computer	1,600	3,302	(1,702)
Promotion Ecotourism, travel, communications & operational expenses	0	20,400	(20,400)
<b>Total</b>	<b>279,789</b>	<b>268,049</b>	<b>11,742</b>

**TABLE 2: REPORT USES AND SOURCES OF FUNDS***Period: January/2001– July/2002*

Expenditure Category	Butler F.	World Bank	Other sources	Total
Land purchase & Stewardship	131,503			131,503
Constructions & equipment ecotourism	90,344			90,344
Technical assistance (salaries & inkind contributions)	22,500	345,736	163,500	531,736
Workshops & training		92,640	191,000	283,640
Goods (vehicles, computers & others)	3,302	128,019	86,698	218,019
Operational expenses, Promotion, travel, communications	20,400	70,387	99,200	189,987
<b>Total</b>	<b>268,049</b>	<b>349,260</b>	<b>540,398</b>	<b>1,157,707</b>

**IV. PROJECTION OF FUNDS NEEDED FOR AUGUST 2002 – DECEMBER 2002**

The activities, outcomes, and requested financing per activity are summarized in Table 3 below for the months August 2002 – December 2002. The total cost of activities for the semester is \$127,115. Of these, \$ 11,742 are the remaining of the previous grant that are committed to construction and equipping expenses in addition to the expenditures for the months of August, September and October, and \$ 115,373 are submitted for consideration to the Butler Foundation based in our previous conversations

**TABLE 3: SUMMARY OF ACTIVITIES AND FINANCING REQUESTED**

*Period August/2002– December/2002*

ACTIVITIES	OUTCOMES	FINANCING
Land Purchase	<ul style="list-style-type: none"> <li>• To attempt signing a sale-purchase agreement with 7 % down payment</li> </ul>	10,000
Stewardship (lawyer, field expenses & radio communication)	<ul style="list-style-type: none"> <li>• Initiate legal actions (several law suits if necessary, against squatters, Ministry of Agriculture or Environment) in order to defend the legal property rights of Maquipucuna</li> <li>• Analyze possibilities of non-judiciary solutions to the problem</li> <li>• Solicit expansion of declaration of the extension of the Protected Forest legal status to all properties of Maquipucuna</li> <li>• Intensify the patrolling of the area</li> <li>• Initiate public relations campaign</li> </ul>	28,470
Constructions ecotourism	<ul style="list-style-type: none"> <li>• Conclude the construction of the new building for the research station</li> <li>• Conclude refurbishing Orongo</li> <li>• Expand sewage infrastructure</li> <li>• Change the roofing material of the main lodge</li> </ul>	38,875
Equipment ecotourism	<ul style="list-style-type: none"> <li>• Furnishing the new suites</li> <li>• Finish equipping the kitchen</li> </ul>	20,200
<b>Institutional support</b>		
Salary Rodrigo (5 months @ 2,500)	<ul style="list-style-type: none"> <li>• Prepare a proposal for the Global Conservation Fund from CI for land purchase</li> </ul>	12,500
Equipment upgrade and software (Palm & software)	<ul style="list-style-type: none"> <li>• Travel: bringing the German Marketing specialist to Ecuador (Mathias Poeschel)</li> <li>• Trip to Mexico. New Ventures meeting</li> <li>• Chocó-Andean Coffee House negotiation</li> <li>• Collaborate with the preparation of a new full proposal for World Bank</li> </ul>	600
Promotion ecotourism, travel, communications, fundraising related & operational expenses	<ul style="list-style-type: none"> <li>• Re-do the Maquipucuna Web site</li> <li>• Publish a brochure for the Corridor</li> </ul>	16,470
<b>TOTAL</b>		<b>127,115</b>

**MAQUIPUCUNA FOUNDATION, INC.**

**Profit & Loss Detail**

January - December 2002

	Date	Type	Num	Name	Division	Memo/Description	Split	Amount	Balance
<b>Ordinary Income/Expense</b>									
<b>Income</b>									
<b>Donors</b>									
	07/08/2002	Deposit		The Buttler Foundation	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		57 375 00	57 375 00
	11/27/2002	Deposit		The Buttler Foundation	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		97 245 00	154 620 00
<b>Total for Donors</b>								\$ 154 620 00	
<b>Fund Raising</b>									
<b>Adopt an acre</b>									
	05/23/2002	Deposit		Various Donors	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		1 687 59	1 687 59
	05/28/2002	Deposit		Various Donors	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		1 600 00	3 287 59
<b>Total for Adopt an acre</b>								\$ 3 287 59	
<b>Total for Fund Raising</b>								\$ 3 287 59	
<b>Fundacion Maquipucuna</b>									
	04/02/2002	Deposit		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		10 000 00	10 000 00
<b>Total for Fundacion Maquipucuna</b>								\$ 10 000 00	
<b>Interest Earned</b>									
	01/31/2002	Deposit		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		156 65	156 65
	02/28/2002	Deposit		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		99 85	256 50
	03/29/2002	Deposit		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		39 65	296 15
	04/30/2002	Deposit		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		4 90	301 05
<b>Total for Interest Earned</b>								\$ 301 05	
<b>Refund</b>									
	01/10/2002	Deposit		Various	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		29 76	29 76
	07/02/2002	Deposit		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		2 000 00	2 029 76
	07/11/2002	Deposit		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		35 00	2 064 76
<b>Total for Refund</b>								\$ 2 064 76	
<b>Transfer</b>									
	10/31/2002	Deposit		Fdes Nga 0102216	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		4 244 17	4 244 17
	11/27/2002	Deposit		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		53 60	4 297 77
	12/19/2002	Deposit		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		100 00	4 397 77
<b>Total for Transfer</b>								\$ 4 397 77	
<b>Total for Income</b>								\$ 174 671 17	
<b>Expenses</b>									
<b>Bank debits</b>									
	01/ 4/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		37 00	37 00
	01/31/2002	Cash Purchase	4050	Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		36 00	73 00
	02/26/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		37 00	110 00
	02/28/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		31 00	141 00
	03/01/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		37 00	178 00
	03/29/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		56 00	234 00
	03/29/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		84 00	318 00
	04/30/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		75 50	393 50
	05/01/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		85 00	478 50
	05/31/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		11 00	489 50
	06/25/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		11 00	500 50
	06/28/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		300 00	800 50
	07/31/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		11 00	811 50
	07/31/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		79 50	891 00
	07/31/2002	Cash Purchase		Bellsouth	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		29 98	920 98
	08/09/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		20 00	940 98
	08/30/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		11 00	951 98
	09/30/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		90 00	1 041 98
	09/30/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		11 00	1 052 98
	10/31/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		11 00	1 063 98
	10/31/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		11 00	1 074 98
	11/25/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		55 00	1 129 98
	11/29/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		53 60	1 183 58
	11/30/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		11 00	1 194 58
	12/05/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		4 362 17	5 556 75
	12/18/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		120 00	5 676 75
	12/19/2002	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA	Bank of America USA B America / account 0032 7630 1324		11 04	5 687 79
<b>Total for Bank debits</b>								\$ 5 687 79	
<b>Bank Transfers</b>									
	10/03/2002	Cash Purchase		Fdes Nga 0102216	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		2 000 00	2 000 00
<b>Total for Bank Transfers</b>								\$ 2 000 00	
<b>Business &amp; Marketing Development Consultants</b>									
	12/05/2002	Check		1298 Doroty & Manning	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		601 51	603 51
	12/05/2002	Check		1299 Doroty & Manning	Maquipucuna USA	Bank of America USA B America / account 0032 5041 1768		341 77	945 28

	Date	Type	Num	Name	Division	Memo/Description	Split	Amount	Balance
<b>Total for Business &amp; Marketing Development Consultants</b>								\$ 945 28	
<b>Communications</b>									
	01/02/2002	Cash Purchase	4342	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	53 07	53 07
	01/08/2002	Check	1250	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	171 99	225 06
	01/14/2002	Cash Purchase		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	85 72	310 78
	02/04/2002	Cash Purchase	visa	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	108 79	419 57
	02/25/2002	Cash Purchase	visa	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	445 00	864 57
	03/26/2002	Cash Purchase	visa	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	360 51	1 225 08
	03/26/2002	Cash Purchase	visa	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	74 99	1 300 07
	04/30/2002	Cash Purchase		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	279 00	1 579 07
	05/13/2002	Cash Purchase	visa	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	733 65	2 312 72
	05/23/2002	Cash Purchase	visa	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	70 00	2 382 72
	05/28/2002	Cash Purchase		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	85 30	2 468 02
	06/18/2002	Cash Purchase		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	228 93	2 696 95
	07/31/2002	Cash Purchase	visa	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	35 00	2 731 95
	08/15/2002	Cash Purchase		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	31 83	2 763 78
	09/16/2002	Cash Purchase		Bellsouth	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	31 06	2 794 84
<b>Total for Communications</b>								\$ 2,794 84	
<b>Cell Phones</b>									
	12/18/2002	Cash Purchase	visa	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	50 00	50 00
<b>Total for Cell Phones</b>								\$ 50 00	
<b>Total for Communications with sub-accounts</b>								\$ 2,844 84	
<b>Equipment</b>									
	03/07/2002	Cash Purchase	visa	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	5 127 03	5 127 03
	05/13/2002	Cash Purchase	visa	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	46 42	5 173 45
	05/23/2002	Cash Purchase	visa	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	269 98	5 443 43
	12/18/2002	Cash Purchase	visa	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	358 94	5 802 37
<b>Total for Equipment</b>								\$ 5,802 37	
<b>Fundraising Expenses</b>									
	01/02/2002	Cash Purchase	3082	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	2 000 00
	01/15/2002	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	2 500 00	4 500 00
	02/04/2002	Cash Purchase	visa	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	52 85	4 552 85
	02/25/2002	Cash Purchase	907403010004465	Rodrigo Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	6 552 85
	03/01/2002	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	8 552 85
	04/01/2002	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	10 552 85
	05/01/2002	Cash Purchase	2114	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	12 552 85
	05/23/2002	Cash Purchase	visa	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	145 87	12 698 72
	06/03/2002	Check	1290/1	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	75 00	12 773 72
	06/03/2002	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	14 773 72
	07/01/2002	Cash Purchase	2329	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	16 773 72
	08/01/2002	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	18 773 72
	09/18/2002	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	20 773 72
<b>Total for Fundraising Expenses</b>								\$ 20,773 72	
<b>Insurance</b>									
	03/04/2002	Cash Purchase	visa	Multi National Insurance Co	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 939 30	1 939 30
<b>Total for Insurance</b>								\$ 1,939 30	
<b>Maquipucuna Ecuador</b>									
	01/14/2002	Cash Purchase		Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	35 000 00	35 000 00
	01/22/2002	Check	1244	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 200 00	36 200 00
	02/22/2002	Check	1245	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 200 00	37 400 00
	02/28/2002	Cash Purchase	903702260004958	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	10 000 00	47 400 00
	03/01/2002	Cash Purchase		Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	30 000 00	77 400 00
	03/21/2002	Cash Purchase		Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	15 000 00	92 400 00
	04/01/2002	Cash Purchase	903704010006874	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	15 000 00	107 400 00
	04/02/2002	Check	1285	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	10 000 00	117 400 00
	04/05/2002	Check	1286	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 200 00	118 600 00
	04/05/2002	Check	1287	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 200 00	119 800 00
	05/24/2002	Check	1289	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	10 000 00	129 800 00
	05/28/2002	Deposit		Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	10 000 00	119 800 00
	06/13/2002	Check	1288	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 200 00	121 000 00
	07/11/2002	Check	1292	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	405 00	121 405 00
	07/23/2002	Cash Purchase		Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	40 000 00	161 405 00
	08/09/2002	Cash Purchase		Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	7 000 00	168 405 00
	08/30/2002	Check	1294	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 874 00	171 279 00
	09/18/2002	Check	1295	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 200 00	172 479 00
	09/18/2002	Cash Purchase		Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 000 00	173 479 00
	09/18/2002	Check	1296	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 200 00	174 679 00
	11/29/2002	Cash Purchase		Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	18 608 00	193 287 00
	12/05/2002	Check	1302	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	20 000 00	213 287 00
	12/18/2002	Cash Purchase		Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	25 750 70	239 037 70
<b>Total for Maquipucuna Ecuador</b>								\$ 2,239,037 70	
<b>Promotional Material</b>									
	01/14/2002	Cash Purchase		Kinko's	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	391 19	391 19

	Date	Type	Num	Name	Division	Memo/Description	Split	Amount	Balance
	12/05/2002	Check	1297	Stone Law Associates	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	400.00	791.19
<b>Total for Promotional Material</b>								<b>\$ 791.19</b>	
<b>Travel</b>									
	01/07/2002	Check	1249/1249	Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	1,205.60	1,205.60
	01/14/2002	Cash Purchase		Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	2,198.22	3,403.82
	02/01/2002	Cash Purchase	visa	Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	834.35	4,238.17
	03/01/2002	Cash Purchase	visa	Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	758.50	4,996.67
	04/30/2002	Cash Purchase		Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	981.09	5,977.76
	05/23/2002	Cash Purchase	visa	Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	742.20	6,719.96
	12/05/2002	Check	1300	Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	727.50	7,447.46
	12/18/2002	Cash Purchase	visa	Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	1,367.50	8,814.96
	12/18/2002	Cash Purchase	visa	Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	685.50	9,500.46
<b>Total for Travel</b>								<b>\$ 9,500.46</b>	
<b>Gas</b>									
	02/04/2002	Cash Purchase	visa	Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	64.67	64.67
	04/30/2002	Cash Purchase		Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	52.50	117.17
	12/18/2002	Cash Purchase	visa	Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	110.66	227.83
<b>Total for Gas</b>								<b>\$ 227.83</b>	
<b>Travel Meals</b>									
	01/30/2002	Cash Purchase		Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	611.95	611.95
	03/26/2002	Cash Purchase	visa	Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	210.58	822.53
	03/26/2002	Cash Purchase	visa	Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	118.75	941.28
	04/30/2002	Cash Purchase		Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	185.73	1,127.01
	06/25/2002	Cash Purchase		Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	139.81	1,266.82
	07/31/2002	Cash Purchase		Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	121.40	1,388.22
	08/15/2002	Cash Purchase	visa	Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	96.60	1,484.82
	08/15/2002	Cash Purchase	visa	Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	207.93	1,692.75
	09/16/2002	Cash Purchase	visa	Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	78.56	1,771.31
	12/09/2002	Cash Purchase		Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	1.50	1,772.81
	12/18/2002	Cash Purchase	visa	Various	Maquippucuna USA		Bank of America USA B America / account 0032 5041 1768	136.59	1,909.40
<b>Total for Travel Meals</b>								<b>\$ 1,909.40</b>	
<b>Total for Travel with sub-accounts</b>								<b>\$ 11,637.69</b>	
<b>Total for Expenses</b>								<b>\$ 291,459.88</b>	
<b>Net Income</b>								<b>-\$ 116,788.71</b>	

Monday, May 10, 2004 04:58:51 PM GMT -4 Accrual Basis

**INFORMATION REQUESTED OF FOREIGN ORGANIZATIONS  
PURSUANT TO UNITED STATES DEPARTMENT OF TREASURY  
ANTI-TERRORISM FINANCING PROCEDURES**

**ANSWERS FOR ALL QUESTIONS UNLESS OTHERWISE INDICATED, MUST BE WRITTEN  
OR TYPED IN ENGLISH. TRANSLATIONS INTO ENGLISH MUST BE PROVIDED FOR ALL  
ATTACHED DOCUMENTS**

The information and documentation requested below will assist the Foundation in determining whether or not the Foundation can, under the laws of the United States, make a grant to your organization. Attach additional sheets in answer to questions where space is not provided.

1. Please provide the exact legal name of the organization, plus any acronyms or other names used to identify your foreign organization.

Fundacion Maquipucuna - FM & Maquipucuna Foundation

2. Please provide the exact legal name of the organization in the language of origin, plus any acronyms or other names used to identify your foreign organization.

Fundacion Maquipucuna - FM

3. In what country (countries) does your organization maintain a physical presence?

Ecuador & USA (GA)

4. In what country (countries) is your organization incorporated or formed?

Ecuador & USA (GA)

5. Please list the mailing, street address, and phone number of any place of business of your organization. Baquerizo E9-153 y Tamayo - Quito - Ecuador. (5932) 507200  
C/o Institute of Ecology, University of Georgia, Athens, UGA 30602. (706) 542 2923

6. Please identify the principal purpose of your organization, as well as your past and future projects and goals.

Fundacion Maquipucuna's mission is to contribute to the conservation of biodiversity and sustainable management of natural and cultural resources, through education, scientific research, nature reserves management and community-based economic development projects in Ecuador.

- Our focus is the conservation of the biodiversity at risk of northwest & southeast Ecuador
- We design projects to seek ecological, social and financial sustainability
- We use a systems approach to analyzing and solving problems

Our main projects are the establishment of the Choco Andean Conservation Corridor in Northwest Ecuador and the establishment of additional nature reserves within ecological priority areas of the country.

7. Please list the names and addresses of all organizations to which your organization currently provides or proposes to provide funding, services or material support.

none

8. Please provide the names and addresses of all subcontracting organizations utilized by your organization.

none

9. Please provide copies of all public filings or releases by your organization, including, but not limited to, your most recent official registry documents, annual reports and annual filings with the pertinent government, as applicable.

Please see attached (2002 PG 1; 2002 PG2; AT1-SRI-2002)

10. Please provide your organization's existing sources of income, such as official grants, private endowments commercial activities.  
World Bank – GEF; CRSP IPM - USAID; Dutch Government; World Conservation Union PROBONA; United Nations Development Program – Small Grants; Fondo de Contravalor Ecuatoriano Suizo; British National Lottery; Rainforest Concern; The University of Georgia; Lincoln Park Zoo; Margott Marsh Fund; Butler Foundation; Maquipucuna Ecotourism Lodge.
11. Please provide the full name in English and in the language of origin and any acronyms or other names used, as well as the nationality, citizenship, current country of residence, place of birth of the following key staff members at its principal place of business:

a. All directors or board members of the organization

Attachment 2002 PG4

b. All senior employees – see list attached

Attachment (2002 AT2)

Please identify the names and addresses of the financial institutions in which you maintain accounts.

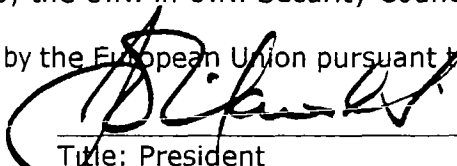
Attachment (2002 AT2)

12. Please complete the following certification dealing with entities or individuals that are currently contained on lists maintained by the U.S. Department of Treasury as entities or individuals known to be associated with foreign recipient organizations that support terrorism.

### **CERTIFICATION**

Rodrigo Ontaneda hereby certifies that they do not employ or deal with any entities nor individuals on any list identified below, nor with any entities or individuals know to our organization to support terrorism.

1. The U.S Department of Treasury Office of Foreign Assets Control "Specifically Designated Nationals List";
2. The U.S. Department of Justice "Terrorist Exclusion List";
3. The United Nations List promulgated by the U.N. in U.N. Security Council Resolution 1267 and 1390;
4. The European Union List promulgated by the European Union pursuant to Regulation 2580.

  
\_\_\_\_\_  
Title: President  
Duly Authorized

# 11

2002-16-4

## Key staff / Directors for Fundación Maquipucuna – Ecuador 2002

NAME	Nationality Place of Birth,	Country of Residence	Place of Business	Citizenship
<b>SENIOR EMPLOYEES</b>				
Luis Palma	Ecuador	Ecuador	Ecuador	Ecuadorian
Bernardo Castro	Ecuador	Ecuador	Ecuador	Ecuadorian
Gloria Quezada	Ecuador	Ecuador	Ecuador	Ecuadorian
Fernando Echeverria	Ecuador	Ecuador	Ecuador	Ecuadorian
María Elena Araujo	Ecuador	Ecuador	Ecuador	Ecuadorian
<b>DIRECTORS/BOARD MEMBERS</b>				
Rodrigo Ontaneda	Ecuador	USA	Ecuador/USA	Ecuadorian
Rebeca Justicia	Ecuador	USA	Ecuador/USA	Ecuadorian
<b>BOARD MEMBERS</b>				
Hernán Sotomayor	Ecuador	Ecuador	Ecuador	Ecuadorian
José María Gordillo	Ecuador	Ecuador	Ecuador	Ecuadorian
Bárbara Butler	USA	USA	USA	North American
Camilo Ontaneda	Ecuador	Ecuador	Ecuador	Ecuadorian



**FORMULARIO 101**  
RESOLUCION N° 0064

IMPORTANTE: IMPORTE DE LA RENTA  
IMPORTE DE LA RENTA

100 IDENTIFICACION DE LA DECLARACION

102

104

200 IDENTIFICACION DEL CONTRIBUYENTE

201

202

203

**ESTADO DE SITUACION**

**ESTADO DE RESULTADOS**

**300 ACTIVO**

**600 INGRESOS**

**310 ACTIVO CORRIENTE**

311
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<b>339</b>

**340 ACTIVO FIJO**

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<b>358</b>
<b>359</b>
<b>360</b>

DECLARACION DE LOS DATOS PROPORCIONADOS EN LA DECLARACION SON EXACTOS Y VERDADEROS PARA LO QUE ASUME LA RESPONSABILIDAD POR LA REPRESENTACION ART. 88, LEY 541

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**700 COSTOS Y GASTOS**

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<b>818</b>
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**CALCULO DEL ANTICIPO DEL IMPUESTO A LA RENTA**

897
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**900 VALORES A PAGAR Y FORMA DE PAGO**

901
902
903
904
909

900	910	912	914	916	918
909	911	913	915	917	919
921			922	923	924
					925

2002 - A7-2

**Name and addresses of Financial Institutions in which Maquipucuna maintain accounts**

account #	Institution	city	place	adress
295758-2	Banco del Pacifico	Quito	Ecuador	Naciones Unidas y Av. Shyris Esquina
303767-3	Banco del Pacifico	Quito	Ecuador	Naciones Unidas y Av. Shyris Esquina
433033-1	Banco del Pacifico	Quito	Ecuador	Naciones Unidas y Av. Shyris Esquina
308512-0	Banco del Pacifico	Quito	Ecuador	Naciones Unidas y Av. Shyris Esquina
308060-9	Banco del Pacifico	Quito	Ecuador	Naciones Unidas y Av Shyris Esquina
4667224-0	Pacific National Bank	Miami	Florida	1390 Brickell Avenue
1299064-06	Pacific National Bank	Miami	Florida	1390 Brickell Avenue
1299122-06	Pacific National Bank	Miami	Florida	1390 Brickell Avenue
800604098	Banco Internacional	Quito	Ecuador	Avenida Amazonas 126 y Korea
3250411768	Bank of America	Athens	Georgia	110 East Clayton St
3276301324	Bank of America	Athens	Gerorgia	110 East Clayton St

**MAQUIPUCUNA FOUNDATION, INC.**

**Balance Sheet**

As of December 31, 2002

	<b>Total</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Bank Accounts</b>	
<b>Bank of America USA</b>	
B. America / account 0032 5041 1768	23,625.83
B. America / account 0032 7630 1324	677.96
<b>Total Bank of America USA</b>	<b>\$ 24,303.79</b>
<b>Total Bank Accounts</b>	<b>\$ 24,303.79</b>
<b>Total Current Assets</b>	<b>\$ 24,303.79</b>
<b>TOTAL ASSETS</b>	<b>\$ 24,303.79</b>
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
<b>Total Liabilities</b>	
<b>Equity</b>	
Opening Bal Equity	990.28
Retained Earnings	-330.11
Net Income	23,643.62
<b>Total Equity</b>	<b>\$ 24,303.79</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 24,303.79</b>

Monday, May 10, 2004 04:37 02 PM GMT-4 - Accrual Basis

**THE BUTLER FOUNDATION**

**EIN: 22-2701588**

Attachment to Form 4720

ATTACHMENT TO FORM 4720

EXHIBIT II (2001)

**The Butler Foundation**  
**Annual Report of Grantee Organization**  
**Fiscal Years 2001 - 2002**

Maquipucuna Foundation	(\$122,414 5/11/01; \$100,000 10/12/01, \$ 57,375 7/8/2002, \$ 97, 245 11/27/2002)	
Grantee Name	Original Grant Total	Grant Date
c/o Institute of Ecology, University of Georgia	Athens	USA
Address	City	Country

Protection and Management of the Maquipucuna Reserve; Land Purchase; Construction of buildings for ecotourism operation.

**Grant Purpose**

1. Progress made in accomplishing the above Grant Proposal (attach additional pages if more space is needed):

Please see report attached (Attachment 2001-2002 AR 1)

2. Itemization of expenditures made from grant funds, including salaries, travel and supplies (attach additional pages if more space is needed)

Please see report attached (Attachment 2001-2002 AR 2)

Amount of grant funds remaining as of January 1, 2001 \$0 (This Annual Report shall constitute Grantee's Final Report if all above grant funds have been spent)

3. Amount of grant funds remaining as of January 1, 2003 \$ 0

4. Grantee asserts that it has made all expenditure detailed in Section 1 above in furtherance of the stated purpose of the grant

5. Grantee asserts that it has complied with all of the terms and conditions of the grant specified in the Grant Agreement executed by the Grantee and the Butler Foundation.

I swear under penalties of perjury that I am authorized to sign this report on behalf of the above organization, and I have examined the foregoing statements and to the best of my knowledge they are true, correct and complete

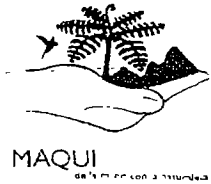
BY Rodrigo Ontaneda

DATE

JUNE, 12/2003

TITLE President





June 12, 2003

Dear Clara, Tom and Barbara.

Your guidance and financial contribution for 2002 as usual were crucial to our progress. For that we thank you deeply. Herein we are enclosing a report for the \$97,299 received in November 2002 and spent between December 2002 and May 2003.

We are also enclosing a proposal for 2003. This is a time of crisis for Maquipucuna, but also one of great opportunities. The facing out from a very large grant, such as the World Bank's, is putting a lot of financial stress on the organization; yet, at the same time since the work done during the past three years focused in establishing a series of self-sustaining programs, all areas in Maquipucuna can now be classified as income producers. All areas except protection of land. In fact, the goal to make Maquipucuna a financially self-sustaining organization initially arose from the need to cover permanent and unforeseen costs involved in land protection.

We have developed, for the first time, a system of accounts that allows us to track and analyze each area of specialization of Maquipucuna. We have worked out a Cost Center Model and defined income and expense budgets for each individual area. We are attaching this here. We now know exactly what is making money and what is not.

This new way of gauging our situation has in fact provided us with some interesting insight, such as the fact that the multiple activities in which we are involved, and that at times we have been considered excessive in number, have in fact been supporting our organization financially, with all the restraints that the lack of adequate investment in any activity represent.

Land purchase without proper management, in an area under such intense population pressure, is simply unrealistic. This is clearly reflected by the fact that protection against illegal invasions is our biggest, non-producing expense. Our proposition is that by giving the other, income-producing activities a stronger base, we will be successful in our ultimate goal, which is to protect through the purchase of land.

Eco-tourism, with its mixed financial results, has been key in bringing people together to raise the necessary awareness both in foreign tourists and local inhabitants. It has also provided us with a strong local presence, invaluable when trying to hold an area of land from people who desperately seek to improve their lives, without understanding the consequences of indiscriminate logging.

Fortunately, and joining Eco-tourism as the other main project geared towards sustainability, is another which is a very positive result from a combination of Maquipucuna USA's efforts in the search for funds and legacy of the work done with the World Bank's grant: the growing and marketing of specialty coffees. The success in the implementation of the World Bank grant has

AR 2001 – 2002 (Partial report 2 – Letter)

also opened further opportunities to present grant proposals which if funded, will help sustain the functioning of Maquipucuna as the other productive alternatives become financially sustainable.

Our eco-tourism project inevitably had to suffer through the economic and political instability that has affected Ecuador in recent years. Even so it remains through its excellent reputation, and shows promise to become profitable if key investments and some admittedly urgent changes in administration are made. Specialty Coffees will give us much greater control, since it is set to be marketed directly by us, for the strongest segment of a very large industry, and in the world's largest economy.

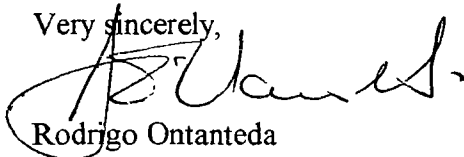
The direct marketing of Specialty coffees is a reality as we have already gained a major outlet for the product in the coffee shop of the new 200,000 sq. ft. Student Learning Center at the University of Georgia. The first step of a widespread marketing campaign.

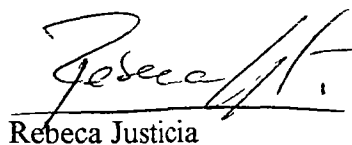
The numbers which we have painstakingly prepared show that we can begin to break through, and that in fact we must. Further the numbers show that we must achieve this within the next year and a half and that the marketing of specialty coffees will play an essential role.

Crisis and opportunity go hand in hand. We trust that the attached calculations will provide you with a clear and accurate view of the current and possible financial situations of Maquipucuna. Enough to appreciate that your support, as requested today, is essential to the success and even survival of what has meant to you a very worthy cause, and to many in Ecuador a way of life.

Once again, we would like to stress how much we appreciate your involvement in every way.

Very sincerely,

  
Rodrigo Ontanteda

  
Rebeca Justicia

**GRANT REPORT AND PROPOSAL**  
**PRESENTED TO THE BUTLER FOUNDATION**  
**BY FUNDACION MAQUIPUCUNA**

**I. INTRODUCTION**

This report and proposal consists of 4 sections and 3 sets of spread sheets. The first section is the Narrative Report which describes the activities accomplished with funds from the November 2002 grant plus the balance carried from the last grant. The total amount of the grant reported is \$108,987. The narrative ends with a table that summarizes expected and realized outcomes as well as the financial information associated with both.

The second section is a Proposal for funding for 2003. It includes a summary of projected expenses as well as a summary description of the activities and goals to be achieved. It also includes an analysis of the financial situation of the entire Fundación Maquipucuna for both 2003 and 2004.

The third section is a Financial Analysis for both the Ecotourism and Coffee operations with projections for both 2003 and 2004.

**II. NARRATIVE REPORT**

Table 1 summarizes accomplishments and expenses made with the \$108,987 grant through May 2003

*LAND PURCHASE*

The goal was to sign a sale-purchase agreement for a farm which would be traded for conservation easements in the forests neighboring the reserve. The negotiation has been postponed because, as discussed during the North Carolina meeting the priority for 2003 would not be land purchase. If the owner maintains the land for sale, the purchase of his farm will be written as part of the new proposal to the Community Development Carbon fund, with the World Bank.

Some legal payments have been made to advance the negotiation with Mr Collahuazo in the eastern border of the Reserve. That property serves as an entrance to the squatters.

*LAND STEWARDSHIP*

The situation is as complex as it ever was. We are up against deep rooted corruption which has enabled the squatters to file a claim for 1,600 ha within the southern limit of Maquipucuna. We are working with two lawyers, have requested the support of the Ecuadorian Corporation of the Environment and the press. The following summarizes the main actions taken:

- \* One lawyer has prepared the law suits and is ready to initiate legal actions against 7 squatters. A second lawyer is preparing to file a law suit against INDA, an office from the Ministry of Agriculture that is still issuing land titles within a framework of Agrarian Reform.
- \* Fundación Maquipucuna was successfully re-registered with the Ministry of Environment. Special appeals were made to the Minister of Environment, since squatters tried to void the legality of Fundación Maquipucuna because the Maquipucuna file had suspiciously disappeared from the Ministry of Environment archives.
- \* Continue the defense of the legal suit filed by squatters. In December the Ministry of Agriculture accepted Maquipucuna's testimony, so the process continues.



\* On the other hand, FM has submitted a request of expansion of the protected forest to 45,000 ha in the northwestern direction, in order to create a protected Corridor to the Cotacachi Cayapas Reserve. The Ministry of Environment has made several field visits to the area. We are waiting for the results.

\* On the other hand, we have applied and Conservation International and Birdlife International have approved the declaration of the AICA Maquipucuna or IBA (Important Bird Area), the same category that the Mindo area now holds.

\* Patrolling continues, but without the support of the police. We are still waiting for approval for a project presented to the Provincial Council to build an improved guard house. Upon having enough funding the police has agreed to resume support.

### *ECOTOURISM CONSTRUCTIONS*

Construction of the new building is advanced, all masonry work is finished. The new lodge, named Casa Tulambi has been redesigned to hold only rooms with private bathrooms. It will have capacity for up to 8 people.

The dry sewage treatment system is finished. Due to the novelty of the system, further details to the initial design had to be added.

We have initiated with other changes, important in giving comfort to the visitor have been made such as the those made to the restaurant and adjacent areas. As well the construction of a water treatment plant for the reserve has been started.

2001 – 2002 AR (2 a)

<b>Institutional support</b>				0
Promotion ecotourism, travel, communications, fundraising related & operational expenses	<ul style="list-style-type: none"> <li>• Prepare a proposal for the Global Conservation Fund from CI for land purchase</li> <li>• Travel: bringing the German Marketing specialist to Ecuador (Mathias Poeschel)</li> <li>• Trip to Mexico. New Ventures meeting</li> <li>• Chocó-Andean Coffee House negotiation</li> <li>• Collaborate with the preparation of a new full proposal for World Bank</li> <li>• Re-do the Maquipucuna Web site</li> <li>• Publish a brochure for the Corridor</li> </ul>	17,470	<ul style="list-style-type: none"> <li>* Negotiation of proposal for CI in process</li> <li>* German Marketing specialist visit, Ecuador, US &amp; Hannover fair He has short contract in Ecuador (Mathias Poeschel)</li> <li>* Trip to Mexico cancelled</li> <li>* Chocó-Andean Coffee House negotiation in progress</li> <li>* Web site developer identified and negotiated, maqui website not done yet.</li> <li>* Content for brochure ready, but not published.</li> </ul>	24,541
Equipment upgrade and software (Palm & software)	•	600		1,065
Salary Rodrigo (5 months @ 2,500)		12,500		21,090
			* Emergency expenses to close the office in Zamora, and to cover other expenses such as 2002's deficit from Ecotourism	10,349
	<b>TOTAL</b>	<b>108,987</b>		<b>108,987</b>

**III. PROPOSAL FOR 2003**

Fundación Maquipucuna's request to the Butler Foundation is to help us overcome the short fall of funding produced by the time lapse between closing a large World Bank grant and attaining a new grants, specially three new grants that are being prepared for the World Bank and a series of other smaller grants as shown in Table 3

Maquipucuna's accounting system has improved greatly over the past three years by learning to use World Bank financial guidelines. Additionally, we have developed a system of accounts and procedures that allows to follow up on each area of specialization of Maquipucuna. We worked out a Cost Center Model and defined income and expense budgets for every single area of Maquipucuna. So we know exactly what is making money and what is not. For this proposal we are attaching the detailed projection of expenses for every area for the year 2003, as separate excel files. Expenses through May are actual expenses, while those for June through December are projections. Table 2 is a summary of funds available and remaining needs of funding for 2003. Full detail of expenses if required are attached in separate excel workbook PRESUPUESTO FINAL 2003. We suggest quarterly disbursements upon receipt of our reports

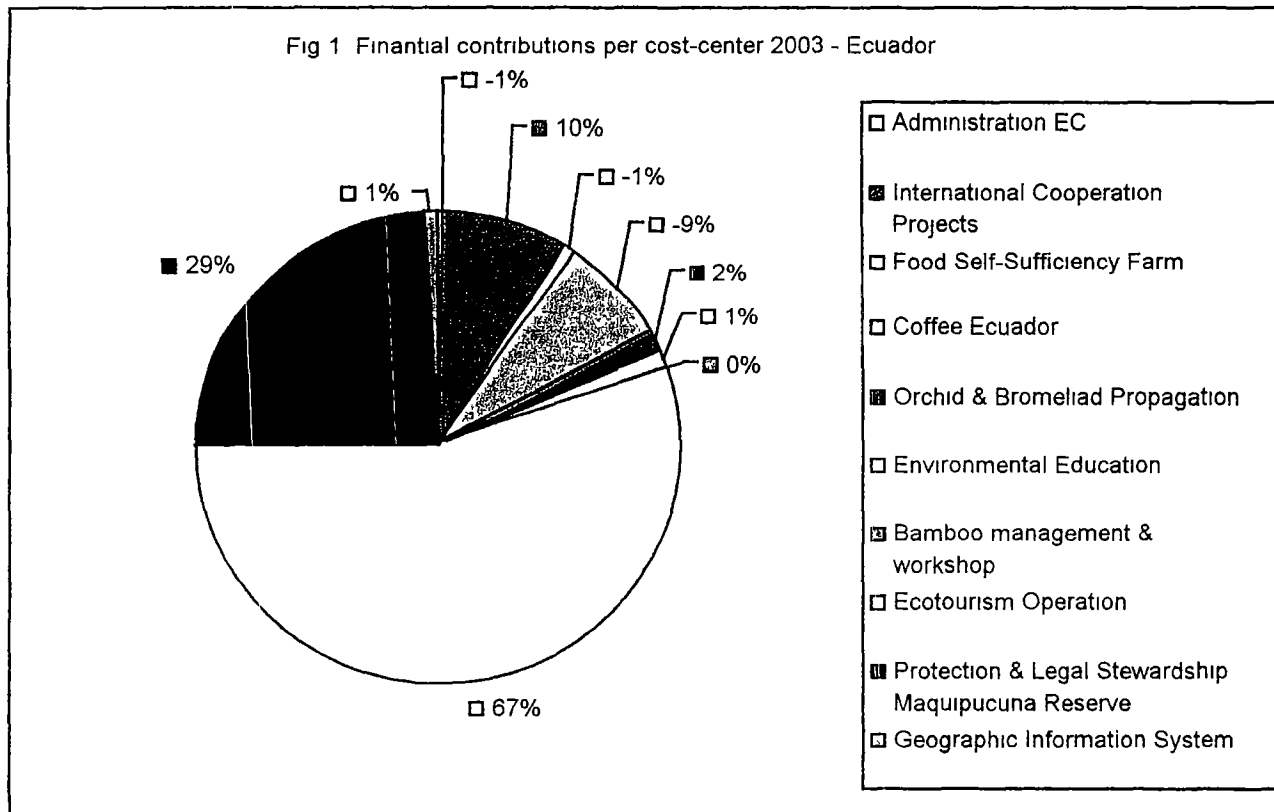
**Table 2: PROPOSED USE OF GRANT FUNDS FOR 2003 FROM THE BUTLER FOUNDATION & POTENCIAL INCOME**

<b>Cost-center</b>	<b>Budget</b>	<b>Available</b>	<b>Needed</b>	<b>Potential new grants/income</b>
Protection & Legal Stewardship Maquipucuna Reserve	74,709	9,272	65,437	
Ecotourism Operation	266,587	94,593	171,993	1,500
International Cooperation Projects	134,409	96,438	37,972	11,700
Food Self-Sufficiency Farm	12,672	14,517	(1,845)	
Orchid & Bromeliad Propagation	5,909	1,480	4,429	
Geographic Information System	10,411	3,617	6,794	4,000
Bamboo management & workshop	28,854	6,931	21,923	21,900
Environmental Education	23,993	16,015	7,978	4,500
Coffee Ecuador	95,191	118,343	(23,151)	
Administration EC	110,482	89,737	20,745	22,346
Coffee & Administration US	159,543	54,551	104,992	
<b>TOTAL</b>	<b>922,759</b>	<b>505,493</b>	<b>417,266</b>	<b>65,946</b>

2001 – 2002 AR (2 a)

We have done a thorough analysis to identify if there are areas of work that Fundación Maquipucuna would perhaps have to suspend. The result was that the series of small projects and activities actually don't represent a financial burden, but support for Maquipucuna, both financially and as basis for growth and public image.

The two main stressors to the financial viability of Maquipucuna actually are the continuing pressure of squatters on the Reserve and the Ecotourism operation. For the first problem we hope to act decisively with two layers and lobbying with the public media, and hope for the best. For the ecotourism operation, we think we have more control over the solution. By improving the overall quality of service and adding more rooms with private bathrooms we forecast the operation will break even by the end of 2004.



*SPECIAL NOTE*

LAND PURCHASE

There is a need to finalize the purchase of Mr. Collahuazo's property. A remaining \$15,000 or 50% of the total cost is pending for payment. Finalizing this purchase is important but, after other pressing needs, specially protection and legal expenses, are covered

Nevertheless, there's a unique opportunity to purchase a large tract in the lowland part of the Corridor almost connecting to the mangroves. We have submitted letters of intent to CI-Global Conservation Fund and OCP - Encana. The summary of the project is included as an attachment with a map

Because we have long talked with Tom about extending the Corridor to the lowlands, and because this opportunity may not hold for much longer, we would like to enquire if the Butler Foundation would help us mobilize a loan or a grant for the down payment of \$210,000, contingent upon CI and/or OCP-ENCANA committing funds for the full land purchase.

LAND STEWARDSHIP

The lawyers recommend to file immediately the law suits that have been already prepared. At the same time they warn that the response of the squatters may require further defense and again unforeseen funds. For 2003, Maquipucuna needs financial support for all guard posts, operational expenses of the guard posts, placement of delimitation marks, honoraria for the lawyers and legal payments to the different judge offices to file the suits. The total required will be at least \$74,709

**V. FINANCIAL ANALYSIS**

*ECOTOURISM DEVELOPMENT*

The ecotourism operation has a well established name, to the point that it was chosen among a group of 12 such operations that are part of the Ministry of Tourism pilot program to certify Ecotourism operations. Some of the other operations are Kapawi, Bellavista, Alandaluz and Yunguilla, also a Maquipucuna project. This year we have projections that tell us that occupation will almost be doubled. However, under the present conditions, -with the same rates as 8 years ago and costs of operations that have tripled the Ecotourism operation shows a loss

We had identified this situation in the past, but we were not able to quantify it exactly. Now we have identified the causes and possible solutions. The only way to become profitable is to increase prices and/or substantially (by 55%). However, in order to do that we need to greatly improve the quality of service, which has deteriorated over the past two years- less employees are serving more tourists. The reason is that inflation in Ecuador has increased fixed costs to operate ecotourism significantly (e.g. gasoline \$2,00 a gallon; local salaries 4.5 times higher!), and with rates established by foreign operators, even though occupation has almost doubled, we have not been able to increase the room rates

Although Maquipucuna has a well established name, competition is fierce. We need to invest further to improve and renew the infrastructure. A special need is for more rooms with private bathrooms. Consequently we have redesigned the new Casa Tulambi, to just offer rooms with

2001 – 2002 AR (2 a)

private baths. To start a strong marketing campaign including invitations to operators to familiarization trips and an improved web site with ability to receive reservations are other urgent activities. Finally, we need an on-site administrator for the operation.

If all the changes proposed are made, we project that by the end of 2004 there will be net revenues of \$28,000.

## ***chocoandes***<sup>TM</sup> ***Specialty Coffee:***

Maquipucuna has chosen coffee as an economic alternative for various reasons. Our involvement in this industry is expected to bring us both financial, as seen from the forecasted returns, as well as institutional benefits.

To Maquipucuna entering the coffee trade means the opening up of a new horizon for ourselves, as we are becoming involved in an activity that can eventually promote sustainable development for a potentially considerable number of farmers in Ecuador. As well and of the same importance is the fact that our own sustainability will be sought. Success there is expected to be achievable because of the uniqueness of the product and the conditions of direct sale that we are positioning.

To say that we have actively sought after such a product would not be completely accurate, as things have indeed fallen into place, gradually leading us to it. But after much analysis, and a lot of positive actions from our Fund Raising office in the US, we have concluded that this product can in fact bring us the benefits explained above.

Our confidence is based on the numbers: the segment we are entering is that of specialty coffees, that is coffees that are of higher quality, and whose markets actually tolerate a higher price level because of its knowledge of how these coffees are grown. Hence our objective is to sell Organic, Shade Grown, Bird Friendly, Gourmet Quality coffees.

Specialty coffees represent a minority niche segment within the important coffee industry, (sales of \$20,100 million during 2001 for the US). It is also a consistently growing segment, with 95% of those coffee sellers surveyed (in a study by Danielle Giovannucci for CI, The World Bank and others) expecting to see their sales of specialty coffees either increasing or at least remaining the same in the coming years.

As well, and worth noting, is the fact that over 56% of the dollar value of the wholesale price of coffee actually goes to the processing, marketing and distributing of the product, once it arrives in the U S. In dollar figures that implies an average gross margin of approximately \$3.50 per pound.

With a small to medium coffee shop consuming from 250 to 300lbs of this coffee per week, the market shows promise. With a compelling true story of a socially responsible product, such as ours, our sales in this market will be made all the more easier.

The dealing in this, the second largest imported commodity in the US, will mean for Maquipucuna that we will be forced to unify our efforts as an institution. From our organization in Ecuador, with the promoting of improved growing techniques, and the collection, selection and

2001 - 2002 AR (1)

October 30, 2002

Mrs. Clara Butler  
Secretary/ Board of Trustees  
The Butler Foundation  
C/o Charter Trust Company  
P.O. Box 2530 Concord, NH 03302-2530

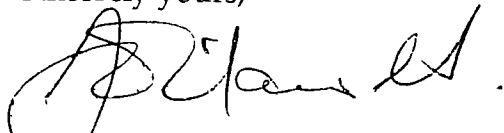
Dear Clara:


Please find attached the report for the grants received for the period January 2001 - July 2002. We are also submitting for your consideration a budget for the remaining of 2002.

We would like to formally up-date you on the progress made as a result of our fruitful cooperation efforts aimed at the conservation of the beautiful forests of the Choco-Andes region.

Finally, we would like to thank you, Tom and Barbara, once again for you collaboration: your time, your advise, energy and resources, which enable Maquipucuna to continue its great mission.

Sincerely yours,

  
Rodrigo Ontaneda

  
Rebeca Justicia

**GRANT REPORT TO THE BUTLER FOUNDATION (JANUARY 2001 – JULY 2002)**  
**EXECUTED BY FUNDACIÓN MAQUIPUCUNA - ECUADOR**

**I. INTRODUCTION**

The following reports the accomplishments resulting from our mutual cooperation and according to the objectives identified jointly between The Butler Foundation and Maquipucuna for the year 2001 and the first semester of 2002

**II. NARRATIVE REPORT**

***1. LAND PURCHASE & STEWARDSHIP***

We have not solved the squatting problems yet; however, in the midst of all the pressure from squatters, we have great news Maquipucuna owns legally 1,400 ha more than we expected in August The land title obtained in 1988 used to say approximately 2,500 ha and now it says 3,996 ha and has an official map attached to it!

That increase in area was a result of a comprehensive analysis of all the tenure history of the land and a redrawing of the boundaries As an institution we have focused all possible efforts into the issue (Luis' & Rodrigo's time, mapping, transportation, dozen of meetings and entertaining authorities, extra-patrolling, improving guard posts, etc ) These efforts included involving a full time lawyer In detail, the steps we have taken include

- A re-registration of the land title in the Municipality of Quito, where the squatters had paid under the table to alter the surface of Maquipucuna's property (it was down to 37,000 m<sup>2</sup> or 3.7 ha)
- In agreement with Banco del Pacífico we amended the contract of sale and therefore the land title of the Maquipucuna property purchased to them This action legalized and clarified the eastern and western boundaries of the Reserve. Thus the Montecristi squatters will not have room for further legal argument. A map was attached officially to illustrate the land title The official extension of the main property of Maquipucuna is 3,900 ha, vs the original 2,500 ha.
- The Geographic Military Institute issued an official and revised topographic map for the region depicting rivers and creeks that are the boundaries of Maquipucuna



- Since the property is mapped and registered with all limits clear now, the assessment of taxes is official and considered the Protected Forest Status. Therefore, it was possible to pay all appropriate taxes and have them available to the legal system for consulting from the judges, etc , (this is probably hard to understand, but is Ecuadorian idiosyncrasy).
- Permanent presence in all institutions and courts, starting with Ministries, such as of the Environment, Agriculture, Defense, Secretary of State, and other institutions dealing with regulating property rights, zoning, indigenous people, and security issues. This is extremely important, because the squatters are unusually well organized— within this popular land-traffic mafia. And whose lawyers are constantly initiating administrative and legal actions to advance in their goal, even “using” the indigenous umbrella group CONAIE, as if they were an “ancestral community” (meaning 50 years settlement...).
- We have strengthened the guard posts in the south of Maquipucuna and in the community of Yunguilla-east border of the Reserve. This includes building a new small watch house by the road, new water tank, improved bathroom and establishment of an organic garden. Guards received extensive training and uniforms.
- A special investment and very useful, has been the new UHF radio system that works regardless of weather conditions. Now, all guard posts, the office in Quito, the T.H.Davis Station, all the vehicles and Orongo, including handies, are connected permanently by Radio. Having this type of communication has proven extremely positive. Now it is much easier to deal with difficult situations presented by squatters, robbers, illegal timber, fires, and medical emergencies at the Reserve. We have examples where radios have helped us for each of the situations mentioned.
- Finally, we have negotiated a new agreement with the Environmental Branch of the Police, the Provincial Council of Pichincha, and the Green Guard of the Ministry of Environment. It aims at jointly upgrading our guard post in the south of the reserve into an Integrated Environmental Control & Police post. It will be a model for the entire country.

- We are continually mapping with GPS and photographing the land clearing provoked by the squatters.

In terms of purchasing the lands planned, we have advanced all it was possible. We have concluded the negotiation of two new key parcels (from Mr. Ron and Mr. Vásquez) and have agreed on the terms of negotiation for the land from Mr. Collahuazo. All these properties total 257 ha. Details of the properties are summarized below:

- 40 ha from Mr. Ron. The negotiation & payment for this land is concluded and we have the land title. This land is located in the southwest part of the reserve. It was a good opportunity to consolidate the limits of that corner of the Reserve. That is an area close to the road where people were active in deforestation.
- 180 ha from Mr. Vásquez. The negotiation & payment for this land is concluded and we have the land title. This parcel is north of Maquipucuna and limits the parcel containing one of the Cock-of-the-rock leeks (the one currently visited by our tourists). This piece is also important because it increases the protected area at 1,200 masl.
- 37ha from Mr. Collahuazo. Purchasing this property has been a priority because it is the main entrance to the areas squatted by the Montecristi Association. We have agreed on the terms of negotiation, signed a purchase-sale agreement and put a 50% down payment.

Finally, this last year we have mapped about 6,000 ha offered last year for sale in the lower elevations of the corridor. We would like to discuss a detailed description of the properties for sale and prices during the next land purchase meeting.

Our lawyer has advised starting several law suits against the squatter association members for property damage and illegal land appropriation. For the next months, we expect hard legal battles; therefore, we foresee unexpected legal expenses and increased patrolling expenses. We should try to negotiate a non-judiciary solution to reduce legal costs. We would like to discuss about this further when our lawyer gives us a more precise budget.

## **2. ECOTOURISM DEVELOPMENT**

The Butler Foundation's grant was instrumental in increasing the lodging capacity of the Thomas H. Davis Ecotourism Center, as well as improving the services and attractions offered to visitors. The progress includes:

- Construction of 3 suites with private bathrooms
- Purchase of a new generator and repair of a back-up unit,
- Refurbishing the storage area & the facilities for staff (including a new bathroom)
- Construction of the first Bird Platform:
- Improve the paths between buildings,
- Initiation of the construction of a new area for researchers w/ 4 rooms & shared bathrooms, & 1 suite w/ bathroom for a small family/couple of residents researchers or volunteers;
- Replacing some basic equipment at the kitchen, and communication equipment;
- Purchasing most of the timber/bamboo for the other buildings planned.

## **3. FUND RAISING & PROMOTION OF ECOTOURISM**

Rodrigo's effort focused in promoting Ecotourism and in exploring venues to bringing to the US shade organic coffee grown in the Choco-Andes region. Some key outcomes include:

*Marketing image and strategic signage for Ecotourism:* We have defined a general marketing strategy for the products and services of the conservation corridor. There is a branding strategy that includes a master brand and sub-brands depending of the product or service and the locality that originates the product. The master brand is "Chocó-Andes". We have applied for a registered trademark in the US.

*Shade grown organic coffee:* Marketing coffee is underway under the master brand "Chocó-Andes". We have negotiated an agreement with a roaster from the US and a professional cycling team. Coffee producers members of COFENAC (the National Federation of Coffee from Ecuador) will sell the coffee, Maquipucuna will export the coffee, the US roaster

will buy, roast, and a professional cycling team from the US will sell the coffee. The initial shipment is being arranged for 20,000 to 30,000 lbs. The packaging material for the coffee has been designed.

*Bromeliads:* The Atlanta Botanical garden prepared a training video to prepare the Bromeliads for export. A pilot exportation was made successfully to the Atlanta Botanical Garden.

*New Ecotourism operators:* Two large operators in Germany and in Spain are planning their trips including Maquipucuna as a destiny for the European market

### **III. FINANCIAL REPORTING FOR THE DISBURSEMENT PERIOD (JANUARY/2001–JULY/2002)**

Three disbursements totaling \$279,789 were received during 2001 and the first semester of 2002. These amounts were \$122,414.00 on May 11, 2001; \$100,000 on October 29, 2001; and \$57,375 on July 8, 2002. Actual expenditures amounted to \$268,047, during the period January 1, 2001 through July 31, 2002. By that date, a balance of \$11,742 remained, but was committed to ongoing construction activities. Expenditure reports, as well as, a report of the sources and uses of funds are presented in Tables 1 & 2.

The squatting problem has generated unexpected expenses because it has obligated us to consider protection actions that otherwise would not be necessary. The total spent from the Butler Foundation grant is presented in the report of expenses (Table 1). Salaries, training and equipment of guards, and a large amount of field expenses have been provided by the World Bank grant. To cover the rest of the expenses, we have used what was budgeted from the Butler Foundation grant for land protection, the balance from land purchase, and part of the balance from the construction budget. Although not planned initially, after discussing over the phone with Tom, we established a reliable radio communication system.

The other categories where actual expenditures were either, extra budgeted or non-budgeted, was the Ecotourism promotion and communications and travel, as well as Rodrigo's 2 extra salaries. Since the land situation in Ecuador required that Rodrigo devoted most of his time to following up and helping day to day work in Ecuador, this past year was very slow in terms of getting counterpart funding for salaries and travel expenses.

**TABLE 1: REPORT OF EXPENDITURES***Period: January/2001–July/2002*

Category of Expense	Planned Budget	Actual Expenditures	Balance
Land Purchase	119,914	93,793	26,121
Stewardship (lawyer, field expenses & radio communication)	21,000	37,710	(16,710)
Constructions Ecotourism	106,275	71,895	34,380
Equipment Ecotourism	16,000	18,449	(2,449)
Salary Rodrigo	15,000	22,500	(7,500)
Computer	1,600	3,302	(1,702)
Promotion Ecotourism, travel, communications & operational expenses	0	20,400	(20,400)
<b>Total</b>	<b>279,789</b>	<b>268,049</b>	<b>11,742</b>

**TABLE 2: REPORT USES AND SOURCES OF FUNDS***Period: January/2001– July/2002*

Expenditure Category	Butler F.	World Bank	Other sources	Total
Land purchase & Stewardship	131,503			131,503
Constructions & equipment ecotourism	90,344			90,344
Technical assistance (salaries & inkind contributions)	22,500	345,736	163,500	531,736
Workshops & training		92,640	191,000	283,640
Goods (vehicles, computers & others)	3,302	128,019	86,698	218,019
Operational expenses, Promotion, travel, communications	20,400	70,387	99,200	189,987
<b>Total</b>	<b>268,049</b>	<b>349,260</b>	<b>540,398</b>	<b>1,157,707</b>

**IV. PROJECTION OF FUNDS NEEDED FOR AUGUST 2002 – DECEMBER 2002**

The activities, outcomes, and requested financing per activity are summarized in Table 3 below for the months August 2002 – December 2002. The total cost of activities for the semester is \$127,115. Of these, \$ 11,742 are the remaining of the previous grant that are committed to construction and equipping expenses in addition to the expenditures for the months of August, September and October, and \$ 115,373 are submitted for consideration to the Butler Foundation based in our previous conversations

**TABLE 3: SUMMARY OF ACTIVITIES AND FINANCING REQUESTED**

*Period: August/2002– December/2002*

ACTIVITIES	OUTCOMES	FINANCING
Land Purchase	<ul style="list-style-type: none"> <li>To attempt signing a sale-purchase agreement with 7 % down payment</li> </ul>	10,000
Stewardship (lawyer, field expenses & radio communication)	<ul style="list-style-type: none"> <li>Initiate legal actions (several law suits if necessary, against squatters, Ministry of Agriculture or Environment) in order to defend the legal property rights of Maquipucuna</li> <li>Analyze possibilities of non-judiciary solutions to the problem</li> <li>Solicit expansion of declaration of the extension of the Protected Forest legal status to all properties of Maquipucuna</li> <li>Intensify the patrolling of the area</li> <li>Initiate public relations campaign</li> </ul>	28,470
Constructions ecotourism	<ul style="list-style-type: none"> <li>Conclude the construction of the new building for the research station</li> <li>Conclude refurbishing Orongo</li> <li>Expand sewage infrastructure</li> <li>Change the roofing material of the main lodge</li> </ul>	38,875
Equipment ecotourism	<ul style="list-style-type: none"> <li>Furnishing the new suites</li> <li>Finish equipping the kitchen</li> </ul>	20,200
<b>Institutional support</b>		
Salary Rodrigo (5 months @ 2,500)	<ul style="list-style-type: none"> <li>Prepare a proposal for the Global Conservation Fund from CI for land purchase</li> <li>Travel: bringing the German Marketing specialist to Ecuador (Mathias Poeschel)</li> <li>Trip to Mexico: New Ventures meeting</li> <li>Chocó-Andean Coffee House negotiation</li> <li>Collaborate with the preparation of a new full proposal for World Bank</li> <li>Re-do the Maquipucuna Web site</li> <li>Publish a brochure for the Corridor</li> </ul>	12,500
Equipment upgrade and software (Palm & software)		600
Promotion ecotourism, travel, communications, fundraising related & operational expenses		16,470
<b>TOTAL</b>		<b>127,115</b>

**THE BUTLER FOUNDATION**

c/o CHARTER TRUST COMPANY P.O. BOX 2530 CONCORD, N.H. 03302-2530

October 15, 2001

Rodrigo Ontaneda  
The Macquipucuna Foundation  
Department of Ecology  
University of Georgia  
Athens, GA 30602-2202

Dear Rodrigo,

The Trustees of The Butler Foundation have voted a grant to The Macquipucuna Foundation in the amount of \$100,000.00 designated for land purchase. Please find enclosed a check in that amount.

Please keep the Foundation Trustees informed of the activities and problems of the Reserve as well as the land acquisitions and proposed acquisitions so they may consider further grants in 2002.

Sincerely yours,



Clara W. Butler  
Secretary/Board of Trustees

## 2001 BUDGET FOR LAND PURCHASES, LEGAL AND OPERATIONAL EXPENSES

P	Owner	Ha	Price	Observations
1	Carlos Vasconez	165	43,200	Important connection of the Curipoglo area to the Guayllabamba river watershed. All Primary Forest but 10 has. Access is by continuing the main road (dirt) passing the Reserve (32,000 land price +11,200 is 35% for legalization protection & management). We negotiated with him, instead of the Pigmaya, which had some legal difficulties which could be cleared in the future...
2	Chimaco Lima	63	16,200	Property between the paved road and Pichan river, where squatters are using to get in and out -along 5 km. (12,000 + 4,200)
3	Efrain Vasconez	0.5	3,000	Property in the town of Sta. Marianitas- where the Training Center was built (2,600+ 400)
4	Land tenure at the Reserve	1,600 (at risk)	12,500	Lawyer fees and related expenses for a comprehensive legal treatment to resolve once and for all the squatter problems at the southern limits of the reserve (1 <sup>st</sup> installment out of a budgeted maximum of \$50,000)
5	i Field assistants and related operational expenses to identify lands for sale ii PC computer for project coordinator-Ecuador iii Rodrigo's 6 months iv. Field visits for reconnaissance land for sale along the Corridor (Jan-Dec/01): v Travel in the US-R& R follow up CI in Washington Sub total:		5,000 1,600 15,000 4,500 1,000 <b>\$27,100</b>	In order to set aside an amount to develop the logistic & legal mechanism for land purchases – along the corridor:
	<b>Total</b>		<b>\$102,000</b>	



Estimated Budget for Improvements at Thomas H. Davis Ecotourism Center 30-01-01

ITEM	DESCRIPTION	INCOME	Outcome	EXPENSES	OBSERVATIONS
	NEW CONSTRUCTION				
1	Restaurant w/ platform – 90 m2x \$150	13,500	pending		
2	Kitchen – 50m2 x 180	9000	partial		
3	Bridge self-guided trail – 23m x 80	1,840	partial		
4	3 new suites w/baths 67,5x180	12,150	completed		
5	Porche outside this area 7 03x120	2 043	completed		
6	Connecting walkway to main building	1,608	completed		
7	2 new individual cabins 102x180	18,360	traded x research st.		
8	1 new familiar cabin 80x180	14,400	traded x research st		
				57000	
*4	Power generator 15 kw (propane gas) & future back up system Or a hydroelectric turbine (to be confirmed)	10,500	6 5 KWA generator purchased	2,200	
	REFURBISHMENT				
1	Service area – 90m2x 180	7,200	completed	7,200	
2	1 Bathrooms for ladies & 1 x gentle – 10x 180	1,800	pending		
3	1 Bath for the honeymoon suite 4 5x180	810	cancelled		
4	Meeting & playroom – 69 8x 25 (actual dunning/kitchen area)	1,745	postponed		
5	Storage area for main building 25x50	1,250	partial	1,250	
# 6	Bio digester-gas (network including the Thomas Davis Research Station & new cabin)	3,500			
7 #	Sewage improvements	3,500	completed	3,500	
8	Stone-connecting trails between buildings & curves for drainage 200x20	4,000	completed	4,000	
9	Refrigerator/Freezer	1,000	pending		
10	Gas Drier (industrial)	2,500	pending		
	Communications purchased& rent equipment/instalation/maintanance/			17,000	
	Miscellaneous 10%	11,400		11,636	
	TOTAL	120,065		103,786	

BALANCE

\*With the new additions, the capacity grew and we need now a larger system (15Kw)

#We are going with the architect and other engineers to finalize details and obtain firm quotations on the couple of items

- We'll research the possibility of hydroelectric generation (not the gas one)

- We'll do more research on the biodigester and sewage system

## ATTACHMENT # 3

### REPORT ON THE BIRD PLATFORMS:

Site selection. it involved surveys of locations close to the Thomas H Davis Station, or on the major trails, for numbers of bird species and individual birds. Each site is visited on at least 5 different mornings, with the locations, dates, and times of bird sightings indicated on composite maps drawn for each site. Also, it was taken into account the access & steepness to get to the platform, using the established trails from the starting point.

Before the construction, 4 sites have been evaluated: a smaller pasture area near the Family Cabin on the Palmito Trail; a gully in the Wetland Trail (Sendero al Humedal) located around a small bridge; an abandoned pasture on the main trail (Sendero Principal) to the left, going south from its intersection with the Palmito Trail (Sendero de los Palmitos), and the Palmito Trail near its intersection with the River Trail (Sendero del Rio). The presence of larger, more prominent species like toucans, guans, quetzals, or parrots was noted for each site, and factors heavily in selection of a site for a platform.

The first platform will be elevated from the ground (about 3/4 meters) and trees with fruits (see below, under Forest-Regeneration Platforms) eaten by birds will be planted around the platforms to attract birds in the future.

Nearby Platform (5 minutes from Station)

Another criterion is proximity to the Station (5 minutes or less walking) for visitors, and relative privacy from other hikers for birdwatching. The first platform to be built is based more on these criteria than birds present (it is not at one of the 4 evaluated sites), though it will be close to a spot where interesting birds (guans, parrots, tanagers, motmots, toucans) have been known to frequent. This platform is close to the intersection of the Main and Self-guided Trails (Senderos Principal & Autoguiado), but it will be accessed only by a trail from the Family Cabin to increase its privacy from hikers on the Main Trail. The area is presently flat grassland somewhat elevated from the Main Trail and gradually being reclaimed by forest, visited with Barbara.

The platform will be located about 5/8 meters from the trees to enable birdwatchers –“without binoculars”, to observe species. This platform will be roofed with an special design, to allow people to look up at birds in the nearby trees.

Design & Construction: after sharing the first design with Tom, another design was looked for in order to suit better with his criteria. And we developed it with a

local constructor who handles the local materials, such as bamboo and pambil  
Once the new design was faxed to Tom, we started the construction in mid  
September and projected to be finished by mid October

**Forest-Regeneration Platforms** Several species of trees & shrubs have been  
identified by Arcenio Barrera and Pancho Prieto, and now they are being  
produced at the nursery, with the advice from the Atlanta Botanical Garden staff,  
and will be transplanted surrounding the platform area.

## REPORTE DE ACTIVIDADES – GERENCIA

### 1. INVASIONES

El problema de las invasiones esta presentado en varios frentes, en instituciones relacionadas con el tema e inclusive en instituciones que nada tienen que ver con el mismo, sin embargo esta ha sido siempre una estrategia de la cooperativa para obtener documentos que no tienen validez legal y los presenta a los miembros como que eso les garantiza la posesión y nos obliga a nosotros a desviar la atención para una serie de instituciones.

#### 1.1 DEFENSORÍA DEL PUEBLO

La Cooperativa Montecristi presentó en defensoría del pueblo un proceso de queja contra FM y ministerio del ambiente por oponernos a la adjudicación de áreas que pertenecen al estado

En ese documento afirma que el ministerio del ambiente esta apoyando ilegalmente a la fundación.

Contestamos el primer proceso y lo declararon nulo. Sin embargo esta abierto un nuevo proceso el cual se cumplió la etapa de pruebas y estamos esperando el dictamen.

Esta claro que la defensoría del pueblo no tienen potestad alguna legalmente para intervenir en un proceso de tierras sin embargo es una instancia de presión al ministerio del ambiente para que les autoricen al plan de manejo presentado

#### 1.2 CONGRESO NACIONAL – COMISION DE FISCALIZACIÓN

En este caso la cooperativa Montecristi presentó una denuncia contra el ministerio del ambiente sobre posible corrupción en el ministerio alegando favoritismos con FM, motivo por el cual presentamos un documento de defensa como FM y por su parte el ministerio del ambiente presentó su defensa, alegando que simplemente el plan de manejo presentado por la cooperativa no procede técnicamente.

#### 1.3 INDA

Se presentó ante el INDA una demanda de oposición al proceso de adjudicación abierto por la cooperativa. Esta demanda presenta básicamente la comprobación que las tierras son de FM y se los cataloga como invasores. El INDA no acepta nuestra demanda de oposición y define que se continúe con el trámite alegando que la cooperativa no esta invadiendo terrenos de FM y que los mismos se encuentran en un terreno revertido al estado de aproximadamente 1300 ha. De acuerdo a un informe de un perito del propio INDA.

Hasta el momento ingresamos un documento solicitando que se detengan los trámites por que estamos apelando al dictamen del INDA. Tenemos hasta mediados de septiembre para apelar, sin embargo hemos llegado a la conclusión de que debemos atacar por la justicia legal y no solamente por los órganos como INDA Min. Ambiente etc.

Sobre Esta estrategia / decisión lo hemos conversado con abogados y los costos son elevados, sin embargo creemos que es la única opción de terminar con el proceso en corto tiempo antes de que vencen los 15 años de Invasión por parte de la cooperativa lo que podría ser catalogado como posesión ininterrumpida.

La propuesta presentada por el CEDA es de aproximadamente 38 mil dólares para lo cual no tenemos el financiamiento necesario.

#### 1.4 MINISTERIO DEL AMBIENTE

En reunión mantenida la primera semana de agosto con la señora ministra del ambiente y el subsecretario del ministerio, nos informaron que la cooperativa Montecristi se reunió con la ministra y pidieron que le aprueben

el plan de manejo pero siempre hablaron de 200 h. cuando en la realidad el plan presentado (incluyendo mapa) es de mas de 1700 ha.

Con esto quedo evidente que la cooperativa presenta documentos sobre el área revertida al estado pero no sobre lo invadido a FM confundiendo a los personeros de las diferentes organizaciones.

Se definió que el ministerio del ambiente propiciaría una reunión con dos representantes de la cooperativa y FM para que cada uno presente la documentación respectiva.

Adicionalmente solicitamos al IGM que realice un estudio sobre la cartografía de la zona identificando el área del terreno adquirido por FM.

## **2 ADMINISTRATIVO**

Durante este periodo la fundación ha funcionado normalmente, los problemas de déficit están perfectamente ubicados y determinada su causa, por lo tanto esperamos rebajar paulatinamente el déficit en los próximos meses una vez que recobremos cuentas por cobrar a ecoturismo de Aprox. 10 mil dólares y RFC ya que tenemos un saldo a nuestro favor aprox. De 9000 dólares, lo que cubriría en gran parte el déficit actual de FM.

La fundación adolece de un problema de estructura en lo que se refiere a recursos humanos que es la base para el perfecto desarrollo de la organización. Es necesario la evaluación de calidad de trabajo y desempeño del personal, diagnostico de la perspectiva de desarrollo de los recursos, diagnostico del clima laboral, plan de capacitación, flujo de procesos, manual de funciones, y plan general de mejoramiento, este trabajo estaría estimado en 3 meses de trabajo con un costo aprox. De 9000 dólares.

Adicionalmente tenemos una concentración de recursos financiados por un solo proyecto, por el momento mas del 93 % de los recursos provienen del proyecto corredor choco andino, financiado por GEF vía Bco. Mundial, lo que nos deja en una situación delicada caso exista algún problema con ese financista. En este punto propongo la contratación de una persona que gane comisión por proyecto presentado y un adicional por proyecto aprobado y financiado, personalmente creo que los técnicos no tienen tiempo, ni ganas de escribir proyectos, si tienen que generar ideas para que alguien contratado para ese fin específico de forma al proyecto.

Es importante citar el involucramiento del directorio en este asunto, ya que los proyectos en gran parte se gestionan en base a las relaciones del mismo con diferentes posibles donantes.

## **3 FINANCIERO**

Reporte adjunto

# 11

2001-PG-4

## Key staff / Directors for Fundación Maquipucuna – Ecuador 2001

NAME	Nationality Place of Birth,	Country of Residence	Place of Business	Citizenship
<b>SENIOR EMPLOYEES</b>				
Roberto Leon	Ecuador	Ecuador	Ecuador	Ecuadorian
LUIS PALMA	<del>Ecuador</del>	<del>ECUADOR</del>	<del>ECUADOR</del>	<del>ECUADORIAN</del>
Bernardo Castro	Ecuador	Ecuador	Ecuador	Ecuadorian
Gloria Quezada	Ecuador	Ecuador	Ecuador	Ecuadorian
Fernando Echeverria	Ecuador	Ecuador	Ecuador	Ecuadorian
<b>DIRECTORS/BOARD MEMBERS</b>				
Rodrigo Ontaneda	Ecuador	USA	Ecuador/USA	Ecuadorian
Rebeca Justicia	Ecuador	USA	Ecuador/USA	Ecuadorian
<b>BOARD MEMBERS</b>				
Hernán Sotomayor	Ecuador	Ecuador	Ecuador	Ecuadorian
José María Gordillo	Ecuador	Ecuador	Ecuador	Ecuadorian
Bárbara Butler	USA	USA	USA	North American
Camilo Ontaneda	Ecuador	Ecuador	Ecuador	Ecuadorian

**MAQUIPUCUNA FOUNDATION, INC.**

**Profit & Loss Detail**

January - December 2001

	Date	Type	Num	Name	Division	Memo/Description	Split	Amount	Balance
<b>Ordinary Income/Expense</b>									
<b>Income</b>									
<b>Donors</b>									
	05/11/2001	Deposit		The Buttler Foundation	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	122 414 00	122,414 00
	05/22/2001	Deposit		Leonora Bernstein Fund	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	83 250 00	205,664 00
	10/29/2001	Deposit		The Buttler Foundation	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	100 000 00	305 664 00
<b>Total for Donors</b>								<b>\$ 305,664 00</b>	
<b>Fund Raising</b>									
	02/20/2001	Deposit		Various Donors	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	950 40	950 40
<b>Total for Fund Raising</b>								<b>\$ 950 40</b>	
<b>Adopt an acre</b>									
	03/02/2001	Deposit		Various Donors	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 500 00	1 500 00
	05/10/2001	Deposit		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 930 00	4 430 00
<b>Total for Adopt an acre</b>								<b>\$ 4,430 00</b>	
<b>Total for Fund Raising with sub-accounts</b>								<b>\$ 5,380 40</b>	
<b>Interest Earned</b>									
	05/31/2001	Deposit		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	197 13	197 13
	06/19/2001	Deposit		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	456 66	653 79
	07/31/2001	Deposit		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	390 95	1,044 74
	08/31/2001	Deposit		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	373 06	1,417 80
	09/28/2001	Deposit		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	324 43	1 742 23
	11/30/2001	Deposit		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	263 81	2,006 04
	12/28/2001	Deposit		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	230 99	2 237 03
<b>Total for Interest Earned</b>								<b>\$ 2,237 03</b>	
<b>Refund</b>									
	07/23/2001	Deposit		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	109 95	109 95
	09/26/2001	Deposit		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	177 00	286 95
	09/26/2001	Deposit		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	21 30	308 25
<b>Total for Refund</b>								<b>\$ 308 25</b>	
<b>Transfer</b>									
	10/10/2001	Deposit		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 300 00	1 300 00
<b>Total for Transfer</b>								<b>\$ 1,300 00</b>	
<b>Total for Income</b>								<b>\$ 314,889 68</b>	
<b>Expenses</b>									
<b>Bank debits</b>									
	02/20/2001	Cash Purchase		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	6 89	6 89
	04/30/2001	Cash Purchase		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	11 00	17 89
	05/04/2001	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	247 00	264 89
	05/24/2001	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	37 00	301 89
	06/26/2001	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	79 00	380 89
	07/02/2001	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	11 00	391 89
	08/31/2001	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	11 00	402 89
	09/25/2001	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	188 00	590 89
	09/26/2001	Cash Purchase	903709260018077-8	Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	37 00	627 89
	10/03/2001	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	21 00	648 89
	10/03/2001	Cash Purchase	080610010002668/2567	Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	300 00	948 89
	10/09/2001	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	37 00	985 89
	10/10/2001	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	1 000 00	1 985 89
	10/24/2001	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	74 00	2 059 89
	10/31/2001	Deposit		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	-195 52	1 864 37
	11/01/2001	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	46 00	1 910 37
	12/03/2001	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	61 00	1 971 37
	12/28/2001	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	5 00	1,976 37
<b>Total for Bank debits</b>								<b>\$ 1,976 37</b>	
<b>Bank Transfers</b>									
	10/09/2001	Cash Purchase	903710090041337	Dieu Donne Papermill Inc	Maquipucuna USA		Bank of America USA B America / account 0032 7630 1324	1 000 00	1 000 00
<b>Total for Bank Transfers</b>								<b>\$ 1,000 00</b>	
<b>Communications</b>									
	04/30/2001	Cash Purchase		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	64 00	64 00
	06/13/2001	Cash Purchase		Bellsouth	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	73 77	137 77

	Date	Type	Num	Name	Division	Memo/Description	Split	Amount	Balance
<b>Total for Communications</b>	12/03/2001	Cash Purchase	visa	Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	115 15	252 92
								\$ 252 92	
<b>Cell Phones</b>									
	03/01/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	145 48	145 48
	06/21/2001	Check		1233 Rebeca Justicia	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	114 12	259 60
	10/11/2001	Cash Purchase	visa	Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	68 49	328 09
<b>Total for Cell Phones</b>								\$ 328 09	
<b>Total for Communications with sub-accounts</b>								\$ 581 01	
<b>Equipment</b>									
	03/06/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	54 53	54 53
	06/27/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	96 71	151 24
	07/01/2001	Check		1234 Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	2 315 00	2 466 24
	07/13/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	3 486 79	5,953 03
<b>Total for Equipment</b>								\$ 5,953 03	
<b>Fundraising Expenses</b>									
	01/02/2001	Cash Purchase	90740102000120	R Ontaneda	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	2 000 00	2,000 00
	01/11/2001	Check		1255 R Ontaneda	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	1,500 00	3 500 00
	02/01/2001	Cash Purchase	907402010001853	R Ontaneda	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	2,000 00	5,500 00
	02/15/2001	Check		1258 R Ontaneda	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	500 00	6,000 00
	03/01/2001	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	2,000 00	8 000 00
	03/07/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	22 18	8 022 18
	03/07/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	12 25	8 034 43
	03/21/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	74 40	8 108 83
	03/29/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	130 00	8,238 83
	04/02/2001	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	2 000 00	10 238 83
	04/30/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	189 00	10,427 83
	05/01/2001	Cash Purchase	907405010001879	R Ontaneda	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	2,000 00	12,427 83
	05/31/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	367 02	12 794 85
	06/01/2001	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	2 000 00	14 794 85
	07/02/2001	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	2 000 00	16 794 85
	07/10/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	35 00	16 829 85
	08/31/2001	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	2 000 00	18 829 85
	09/04/2001	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	2 000 00	20,829 85
	09/07/2001	Cash Purchase	visa	Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	218 34	21 048 19
	10/03/2001	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	2 000 00	23 048 19
	11/01/2001	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	2 000 00	25 048 19
	11/13/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	1,193 04	26,241 23
	12/03/2001	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	2 000 00	28 241 23
	12/03/2001	Cash Purchase	visa	Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	280 06	28,521 29
<b>Total for Fundraising Expenses</b>								\$ 28,521 29	
<b>Insurance</b>									
	03/23/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	989 24	989 24
	03/29/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	2 585 52	3 574 76
	06/01/2001	Cash Purchase		Multi National Insurance Co	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	989 24	4,564 00
	09/07/2001	Cash Purchase	visa	Multi National Insurance Co	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	989 24	5 553 24
	12/03/2001	Cash Purchase	visa	Multi National Insurance Co	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	989 24	6,542 48
<b>Total for Insurance</b>								\$ 6,542 48	
<b>Maquipucuna Ecuador</b>									
	01/11/2001	Check		1254 Maquipucuna Ecuador	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	500 00	500 00
	01/25/2001	Check		1256 Maquipucuna Ecuador	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	500 00	1 000 00
	02/12/2001	Check		1257 Maquipucuna Ecuador	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	500 00	1 500 00
	02/15/2001	Check		1259 Maquipucuna Ecuador	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	1,000 00	2 500 00
	03/16/2001	Check		1261 Maquipucuna Ecuador	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	4,712 40	7,212 40
	03/16/2001	Check		1262 Maquipucuna Ecuador	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	2,486 42	9,698 82
	05/17/2001	Cash Purchase		Maquipucuna Ecuador	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	7,500 00	17 198 82
	05/24/2001	Cash Purchase	903705240013444	Maquipucuna Ecuador	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 7630 1324	22,500 00	39,698 82
	06/26/2001	Cash Purchase	903706260008172	Maquipucuna Ecuador	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 7630 1324	5,000 00	44 698 82
	06/26/2001	Cash Purchase	903706260008114	Ecosecurities	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 7630 1324	15,000 00	59,698 82
	09/26/2001	Cash Purchase	903709260007353	Maquipucuna Ecuador	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 7630 1324	25,000 00	84,698 82
	10/22/2001	Cash Purchase	903710220004985	Maquipucuna Ecuador	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 7630 1324	20,000 00	104,698 82
	10/24/2001	Cash Purchase		Maquipucuna Ecuador	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 7630 1324	12,000 00	116,698 82
	11/01/2001	Check		1239 Vanous	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	1,200 00	117,898 82
	11/14/2001	Check	1240 / 1241	Maquipucuna Ecuador	Maquipucuna USA		Bank of Amencia USA B Amencia / account 0032 5041 1768	20,000 00	137,898 82
<b>Total for Maquipucuna Ecuador</b>								\$ 137,898 82	
<b>Miscellaneous</b>									



	Date	Type	Num	Name	Division	Memo/Description	Split	Amount	Balance
	03/22/2001	Check	1228	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	100 00	100 00
	04/06/2001	Check	1229	Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	70 00	170 00
	05/25/2001	Check	1231	Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	550 00	720 00
	06/18/2001	Check	1230	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	132 50	852 50
	06/27/2001	Cash Purchase		Office Max	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	318 63	1,171 13
	07/10/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	112 06	1 283 19
	10/18/2001	Cash Purchase	visa	Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	116 90	1 400 09
	11/01/2001	Check	1238	Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	150 00	1,550 09
	12/14/2001	Check	1242	Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 200 00	2 750 09
<b>Total for Miscellaneous</b>								<b>\$ 2,750 09</b>	
<b>Office material</b>									
	02/26/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	72 02	72 02
	03/05/2001	Cash Purchase		Office Max	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	481 46	553 48
<b>Total for Office material</b>								<b>\$ 553 48</b>	
<b>Promotional Material</b>									
	01/05/2001	Check	1253	Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	476 00	476 00
	12/14/2001	Check	1246	Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	150 00	626 00
<b>Total for Promotional Material</b>								<b>\$ 626 00</b>	
<b>Taxes</b>									
	06/26/2001	Check	1232	State of Georgia	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	80 00	80 00
<b>Total for Taxes</b>								<b>\$ 80 00</b>	
<b>Travel</b>									
	02/21/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	83 33	83 33
	02/26/2001	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	210 86	294 19
	02/26/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	73 27	367 46
	03/27/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	21 74	389 20
	04/23/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	636 00	1 025 20
	04/30/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	815 00	1,840 20
	05/23/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	239 00	2 079 20
	06/27/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 658 40	4 737 60
	07/01/2001	Check	1235	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 175 00	6,912 60
	07/09/2001	Check	1236	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 050 00	7,962 60
	08/22/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	228 66	8 191 26
	10/26/2001	Cash Purchase	visa	Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	696 20	8,887 46
	11/13/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	692 20	9,579 66
	12/10/2001	Cash Purchase	visa	Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	668 66	10 248 32
<b>Total for Travel</b>								<b>\$ 10,248 32</b>	
<b>Gas</b>									
	02/28/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	24 70	24 70
	03/15/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	65 64	90 34
	06/27/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	65 00	155 34
	10/11/2001	Cash Purchase	visa	Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	38 28	193 62
<b>Total for Gas</b>								<b>\$ 193 62</b>	
<b>parking/car rental/etc</b>									
	02/19/2001	Check	1225	University of Georgia	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	56 00	56 00
	04/11/2001	Check	1264	University of Georgia	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	15 00	71 00
	10/03/2001	Check	1237	University of Georgia	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	99 00	170 00
	10/26/2001	Cash Purchase	visa	University of Georgia	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	15 00	185 00
<b>Total for parking/car rental/etc</b>								<b>\$ 185 00</b>	
<b>Travel Meals</b>									
	09/24/2001	Cash Purchase	visa	Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	42 60	42 60
	10/29/2001	Cash Purchase	visa	Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	61 88	104 48
	11/13/2001	Cash Purchase		Vanous	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	865 43	969 91
<b>Total for Travel Meals</b>								<b>\$ 969 91</b>	
<b>Total for Travel with sub-accounts</b>								<b>\$ 11,596 85</b>	
<b>Total for Expenses</b>								<b>\$ 198,079 42</b>	
<b>Net Income</b>								<b>\$ 116,810 26</b>	

Monday May 10 2004 04:57:57 PM GMT 4 - Accrual Basis

**MAQUIPUCUNA FOUNDATION, INC.****Balance Sheet**

As of December 31, 2001

	<b>Total</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Bank Accounts</b>	
<b>Bank of America USA</b>	
B. America / account 0032 5041 1768	78 95
B. America / account 0032 7630 1324	141,013 55
<b>Total Bank of America USA</b>	<b>\$ 141,092.50</b>
<b>Total Bank Accounts</b>	<b>\$ 141,092.50</b>
<b>Total Current Assets</b>	<b>\$ 141,092.50</b>
<b>TOTAL ASSETS</b>	<b>\$ 141,092.50</b>
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
<b>Total Liabilities</b>	
<b>Equity</b>	
Opening Bal Equity	990 28
Retained Earnings	171,223 20
Net Income	-31,120 98
<b>Total Equity</b>	<b>\$ 141,092.50</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 141,092.50</b>

Monday, May 10, 2004 04:35:44 PM GMT-4 - Accrual Basis

**INFORMATION REQUESTED OF FOREIGN ORGANIZATIONS REQUESTING GRANTS BASED ON EXPENDITURE RESPONSIBILITY**

**ANSWERS TO ALL QUESTIONS MUST BE WRITTEN OR TYPED IN ENGLISH  
TRANSLATIONS INTO ENGLISH MUST BE PROVIDED FOR ALL ATTACHED DOCUMENTS**

The information and documentation requested below will assist the Foundation in determining whether or not the Foundation can, under the laws of the United States, make a grant to your organization. Attach additional sheets in answer to questions where space is not provided

**PART I**

- 1 Please provide the exact legal name of the organization  
Maquipucuna Foundation/Fundacion Maquipucuna
- 2 Please provide the complete address of the organization  
USA (c/o Institute of Ecology, University of Georgia, Athens, GA 30602), Ecuador (Baquerizo E9-153, Quito)
3. Please provide the name, title and telephone number of the official contact for the organization  
Rodrigo Ontaneda, President, (706) 542 2923

**PART II**

1. Is the organization organized as a corporation under the laws of your country?  
 No  Yes

If no, what is the form of organization?

Non-profit nature conservation organization

Please attach

- A copy of the documents under which the organization was created (examples include a charter, decree, legislative act, or similar document, including any amendments thereto), and Decree No 116 Registered in the Official Registry (Attachment 2001- 2002 PG-1)
- If not stated in the foregoing document, the document which states the purpose for which the organization was organized, and
- The organization's by-laws or constitution  
Attached By-laws in Spanish and Translation (Attachment 2001 - 2002 PG-2)

2. Is the organization exempt from taxation in your country?  
 No  Yes
3. Are contributions to the organization deductible for income tax purposes under the laws of your country?  
 No  Yes
- 4 Please give a brief description of the specific activities that the organization has conducted in the past three (3) years and is now conducting and planning to conduct, particularly with respect to use of the proposed grant funds A copy of the budget describing the intended use of the proposed grand should be attached Please see grant proposal & budget attached (Attachment 2001 - 2002 PG-3)
- 5 Does the organization engage in any broad scale solicitation of funds from the general public?  
 No  Yes

If yes, please state the nature and extent of such activities?

- 6 Does the organization carry on propaganda which could be considered political in nature or otherwise attempt to influence legislation?

No  Yes

If yes, please state the nature and extent of such activities?

- 7 Does the organization participate in, or intervene in (including the publishing or distribution of statements), political campaigns on behalf of or in opposition to any candidate for public office?

No  Yes

If yes, please state the nature and extent of such activities?

- 8 Does any part, or does the organization plan to have any part of its assets or income inure to the benefit of private individuals (other than as reasonable compensation for services rendered, including reimbursement for expenses)?

No  Yes

- 9 If in any year the organization's receipts exceed its expenditures, is the organization required to apply such excess receipts in furtherance of its stated purpose?

No  Yes

(This information may be contained in the documents provided in answer to question I of Part II above, if not, please attach a copy of any legal document dealing with this matter).

10. Please list the names of the organization's officers and the members of its Board of Directors or similar governing body

(Attachment 2001 – 2002 PG-4)

Does the organization make any payments to such individuals other than as reasonable compensation for services rendered, including reimbursement for expenses?

No  Yes

If yes, please state the amount and purpose of such payments

11 Please list the names of individuals and organizations, other than governmental units, from which the organization has received ten percent or more of its annual support during each of the last four years, or, if the organization has been in existence less than four years, for the period of its existence. State the relationship, if any, of any such individuals or organizations to your organization's officers or the members of its Board of Directors or similar governing body

1997 CRSP IPM - USAID; CRSP SANREM -USAID; Junta Castilla La Mancha, Spain; Dutch Government; World Conservation Union (IUCN Dutch Committee); PROBONA; United Nations Development Program - Small Grants; Fondo de Contravalor Ecuatoriano Suizo; British National Lottery; Rainforest Concern; The University of Georgia; World Food and Agricultural Organization (FAO); Butler Foundation; Maquipucuna Ecotourism Lodge.

1998 CRSP IPM - USAID; CRSP SANREM -USAID; Junta Castilla La Mancha, Spain; Dutch Government; World Conservation Union (IUCN Dutch Committee); PROBONA; United Nations Development Program - Small Grants; Fondo de Contravalor Ecuatoriano Suizo; British National Lottery; Holly Hill Trust; Rainforest Concern; The University of Georgia; World Food and Agricultural Organization (FAO); Lincoln Park Zoo; Butler Foundation; Maquipucuna Ecotourism Lodge.

1999 CRSP IPM - USAID; CRSP SANREM -USAID; Junta Castilla La Mancha, Spain; Dutch Government; World Conservation Union (IUCN Dutch Committee); PROBONA; United Nations Development Program - Small Grants; Fondo de Contravalor Ecuatoriano Suizo; British National Lottery; Holly Hill Trust; Rainforest Concern; The University of Georgia; World Food and Agricultural Organization (FAO); Lincoln Park Zoo; Butler Foundation; Maquipucuna Ecotourism Lodge.

2000 World Bank - GEF; CRSP IPM - USAID; Dutch Government; World Conservation Union PROBONA; United Nations Development Program - Small Grants; Fondo de Contravalor Ecuatoriano Suizo; British National Lottery; Rainforest Concern; The University of Georgia; Lincoln Park Zoo; Margott Marsh Fund; Butler Foundation; Maquipucuna Ecotourism Lodge.

12 Upon dissolution, are the assets of the organization required to be distributed for charitable, educational, scientific, religious or literary purposes

No  Yes

(This information may be contained in the documents supplied in answer to question I of Part II, above, but if it is not, please attach a copy of any statute, governmental regulation, or court decision concerning this matter )

13 Is the organization controlled by or operated in connection with any other organization?

No  Yes

If yes, please list the names of such organization and describe, in detail, the nature of such control or connection,

Maquipucuna Foundation US operates in the USA to help coordination of research and ecotourism activities as well as to carry out the fundraising, monitoring, evaluation and control of expenditures associated with the activities of conservation of biodiversity and education carried out by Fundacion Maquipucuna in Ecuador

14. Please attach financial statements showing assets and liabilities and receipts and expenditures of the organization for the last three years, or, if the organization has been in existence less than three years, for the period of its existence. ALL FINANCIAL DATA MUST BE EXPRESSED IN U S DOLLARS

2001 - 2002 PG5 (1998, 1999, 2000 Assets & Liabilities, Receipts & Expenditures for Fundacion Maquipucuna Ecuador and Maquipucuna Foundation – US)

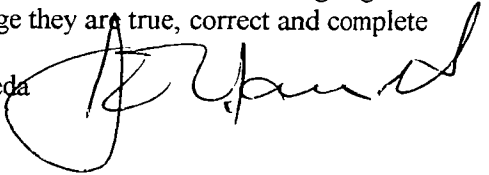
15 Please state the fiscal year end of your organization  
December 31

Date *NOV 2003*

Name of Organization Maquipucuna Foundation

I swear under the penalties of perjury, that I am authorized to sign this form on behalf of the above organization, and that I have examined the foregoing statements and the documents attached hereto and to the best of my knowledge they are true, correct and complete

By Rodrigo Ontaneda



Title President

# REGISTRO OFICIAL



ORGANO DEL GOBIERNO DEL ECUADOR

EL ECUADOR HA SIDO, ES Y SERA PAIS AMAZONICO

Administración del Sr. Ing. León Febres Cordero Ribadeneyra,  
Presidente Constitucional de la República

ABRIL IV — QUITO, JUEVES 21 DE ABRIL DE 1988 — NUMERO 919

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#### MINISTERIOS DE INDUSTRIAS Y DE SALUD:

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Es fiel copia del original.— Lo certifico:  
 (.) Miguel E. Paredes T., Jefe Departamento  
 Documentación del MAG.

Nº 115

**MINISTRO DE AGRICULTURA Y GANADERIA**

**Considerando:**

Que los señores doctor Fausto Espinoza Espinoza ingeniero Severo Ronquillo Solórzano, funcionario del Proyecto de Fomento Ganadero han sido designados para que asistan a la Décimo Primera Reunión Latinoamericana de Producción Animal a efectuarse en La Habana, Cuba del 15 de abril al 2 de mayo de 1988.

Que la Secretaría General de la Administración Pública autorizó el viaje de los citados servidores en un Oficio Nº 88—856—SGA de 30 de marzo de 1982.

Vistos los informes favorables emitidos por la Dirección Nacional de Personal y el Ministerio de Finanzas según Oficios Nros. DNP—DIR—82—03239 y SP—82—1427 de 17 y 24 de marzo de 1988.

**Acuerda:**

Art. 1º Declarar en comisión de servicios en el exterior con derecho a sueldo a los señores doctor Fausto Espinoza e ingeniero Severo Ronquillo Solórzano para que cumplan con la comisión que se indica en el primero de los considerandos del presente Acuerdo.

Art. 2º Los gastos por concepto de pasajes de ida y retorno así como los de estadía serán sufragados por la Oficina de Cooperación Técnica Alemana GTZ, por lo que no representa egreso alguno para el Estado.

Comuníquese.— Dado en Quito, a 12 de abril de 1988.

1.) Marcos Espinel Martínez, Ministro de Agricultura y Ganadería.— (.) Rafael Serrano Puig Subsecretario Administrativo.

Es fiel copia del original.— Lo certifico:  
 (.) Miguel E. Paredes T., Jefe Departamento  
 Documentación del MAG.

Nº 116

**MINISTRO DE AGRICULTURA Y GANADERIA**

**Considerando:**

mediante solicitud de 10 de febrero de 1988. Se ha presentado en este Ministerio la documentación correspondiente para la aprobación de los Estatutos de la Fundación Maquipucuna, domiciliada en la ciudad de Quito, provincia de Pichincha:

Que la Dirección Nacional Forestal, de conformidad con las facultades que le confiere la Ley y el Reglamento en la materia, ha emitido informe favorable para la aprobación de los estatutos, según consta del memorando Nº 001290 DNF—AJ de 4 de abril de 1988.

En uso de las facultades previstas en el Art. 157 del Reglamento General de Aplicación de la Ley Forestal y de Conservación de Áreas Naturales y Vida Silvestre y en el Título XXXIX del Libro Primero del Código Civil.

**Acuerda:**

Art. 1º— Aprobar el Estatuto y conceder personería jurídica a la Fundación Maquipucuna, domiciliada en la ciudad de Quito, provincia de Pichincha, con las siguientes modificaciones:

— Sustituyase el contenido del Art. 3 del Objeto y en su lugar dirá: "Art. 3 — La Fundación tiene por objeto el promover y coadyuvar a la defensa, protección de los recursos de la flora y fauna silvestres y especies en peligro de extinción, la investigación científica previa autorización del Ministerio de Agricultura y Ganadería; la cooperación con otros institutos o personas para el mejor aprovechamiento de los conocimientos científicos, la difusión de programas conservacionistas, la búsqueda y obtención de fondos y recursos para contribuir a la preservación de las especies."

— Suprimase el contenido de literal e) del Art. 4.

— En el Art. 12, numeral 1), sustituyase la palabra "Fundadores" por "Miembros"; y, en el numeral 2, del mismo artículo cambiarse "El Directorio de Miembros" por "El Comité Ejecutivo".

— En el Art. 17, suprimase las palabras: "u otros".

— Suprimase el contenido del primer inciso del Art. 19 y en su lugar dirá: "El Comité Ejecutivo de la Fundación se compone de siete miembros: El Presidente, el Director Ejecutivo y cinco Vocales."

— En el inciso segundo del mismo artículo, suprimase las palabras "un fundador y dos al menos activos".

Art. 2º— Calificar como miembros fundadores a las siguientes personas:

Nombre	Nº Céd. Identidad
1. José Rodrigo Ontaneda Hidalgo	110180519—8
2. Rebeca María Justicia Carvajal	170197467—7
3. Gustavo Francisco Morejón Jaramilla	010206363—3
4. Fausto Oswaldo Sarmiento Rodríguez	170327027—8
5. Patricia Elizabeth Gómez Andrade Riquetti	170577834—8
6. Nancy Hilgert de Benavidez	170525297—8



Art. 3º— Disponer la inscripción en el Registro General de Fundaciones, que para el efecto lleva a la Dirección Nacional Forestal de esta Secretaría de Estado.

Nº 1641

EL MINISTRO DE BIENESTAR SOCIAL

Considerando:

Comuníquese y publíquese.— Dado en Quito, a 17 de abril de 1988.

L) Lodo, Rafael Serrano Puig, Ministro de Agricultura y Ganadería, Encargado.

Es fiel copia del original.— Lo certifico:

f.) Miguel E. Paredes T., Jefe Departamento de Documentación del MAG.

Que se ha enviado al Ministerio de Bienestar Social, la documentación correspondiente para la aprobación del estatuto de la Cooperativa de Vivienda Urbana "Centenario de Quito", domiciliada en la ciudad de Quito, provincia de Pichincha.

Que el señor Secretario General Encargado de la Dirección Nacional de Cooperativas, mediante certificación de 13 de noviembre de 1987, que se anexa expresa que las personas que constan de la nómina de socios fundadores de la precooperativa, luego de la verificación que se ha hecho de la documentación señalada en la certificación, no pertenecen a otra cooperativa de la misma clase o línea, dándose cumplimiento a lo estipulado en el Art. 12 de la Ley de Cooperativas.

Que el Departamento de Desarrollo Cooperativo de la Dirección Nacional de Cooperativas, mediante memorando Nº 647 DDC, de 27 de octubre de 1987, emite informe favorable al respecto.

Que la Sección Jurídica de la Dirección Nacional de Cooperativas, mediante memorando Nº 115, de 13 de noviembre de 1987, emite informe favorable para su aprobación.

Que el Director Nacional de Cooperativas, con memorando igualmente de 13 de noviembre de 1987, Nº 520, solicita la aprobación del estatuto de la indicada Entidad.

En uso de las atribuciones que le confiere el Art. 7º de la Ley de Cooperativas.

Acuerda:

Art. 1º— Aprobar el estatuto de la Cooperativa de Vivienda "Centenario de Quito", domiciliada en la ciudad de Quito, provincia de Pichincha.

Art. 2º— Calificar en calidad de socios fundadores de la indicada Entidad, a las siguientes personas:

- Cuesta Gallardo José Gustavo C.I. 170417304-4
- Palacios Vásconez Marcelo Ernesto 170093219-2
- Pacheco Rey Marco Eleazar 110173949-8
- Velasco Luis Alfredo 170244029-8
- Fernández Gómez Julio Fernando 180042724-0
- Paucarina Cozañas Segundo Amable 18005351-4
- Calvoña Chiluiza Mario Patricio 050071167-7
- Gallardo Naranjo Carlos Marcelo 170130755-0
- Torres Morejón Sergio 100095215-8
- Aguiar Beloz Amada Eliza 170537313-0
- Díaz Padilla Fanny Edith 170923881-8

Art. 3º— Disponer que la Cooperativa envíe a la Dirección Nacional de Cooperativas, la documentación justificativa de los ingresos de nuevos socios, para que ésta califique el procedimiento de su in-

ACUERDO Nº 1634

EL PRESIDENTE CONSTITUCIONAL DE LA REPUBLICA

Visto el estatuto del Comité Pro-Adeanto y Mantenimiento del Cementerio "La Magdalena", con domicilio en la ciudad de Quito;

Acuerda:

Aprobarlo con las siguientes modificaciones:

PRIMERA.— Después del Art. 1º crear un artículo que diga: "Art... El Comité es una corporación de derecho privado de las reguladas por las disposiciones del Título XXXIX, del Libro Primero del Código Civil".

SEGUNDA.— Suprimase el literal e), de Art. 2º.

TERCERA.— Suprimase el literal b), del Art. 6º.

CUARTA.— En el literal e), del Art. 6º después de: "aportaciones"; añádase: "ordenarias".

QUINTA.— Al final del literal a), del Art. 7º, agréguese: "formalmente aceptado por el directorio".

SEXTA.— En el literal b), del Art. 8º, suprimase desde: "Cuando de..."; hasta: "extinción"; y, en su lugar póngase: "Por una de las causas determinadas en la ley".

SEPTIMA.— En el Art. 34, crear un literal que diga: "Por bajar sus socios a un número menor de 15".

OCTAVA.— Después del Art. 34, crear un artículo que diga: "Art... Disuelto el Comité, sus fondos y bienes pasarán a una institución de servicio social".

NOVENA.— Suprimanse los Arts. 36, 37 y 38.

DECIMA.— Al final del Art. 39, póngase: "racial, laboral, sindical y religioso".

UNDECIMA.— En el Art. 41, cámbese: "la función Ejecutiva"; por: "el Ministerio de Bienestar Social".

DECIMASEGUNDA.— En el Art. 42, cámbese: "el Ministerio de Bienestar Social".

DECIMATERCERA.— En el Art. 43, cámbese: "el Ministerio de Bienestar Social".

DECIMACUARTA.— En el Art. 44, cámbese: "el Ministerio de Bienestar Social".

DECIMACINCOVA.— En el Art. 45, cámbese: "el Ministerio de Bienestar Social".

DECIMASEXTA.— En el Art. 46, cámbese: "el Ministerio de Bienestar Social".

DECIMASEPTIMA.— En el Art. 47, cámbese: "el Ministerio de Bienestar Social".

DECIMOACTAVA.— En el Art. 48, cámbese: "el Ministerio de Bienestar Social".

DECIMONOVENA.— En el Art. 49, cámbese: "el Ministerio de Bienestar Social".

DECIMODICESIMA.— En el Art. 50, cámbese: "el Ministerio de Bienestar Social".

DECIMODICESIMO PRIMERA.— En el Art. 51, cámbese: "el Ministerio de Bienestar Social".

DECIMODICESIMO SEGUNDA.— En el Art. 52, cámbese: "el Ministerio de Bienestar Social".

DECIMODICESIMO TERCERA.— En el Art. 53, cámbese: "el Ministerio de Bienestar Social".

DECIMODICESIMO CUARTA.— En el Art. 54, cámbese: "el Ministerio de Bienestar Social".

DECIMODICESIMO QUINTA.— En el Art. 55, cámbese: "el Ministerio de Bienestar Social".

DECIMODICESIMO SEXTA.— En el Art. 56, cámbese: "el Ministerio de Bienestar Social".

DECIMODICESIMO SEPTIMA.— En el Art. 57, cámbese: "el Ministerio de Bienestar Social".

DECIMODICESIMO OCTAVA.— En el Art. 58, cámbese: "el Ministerio de Bienestar Social".

DECIMODICESIMO NOVENA.— En el Art. 59, cámbese: "el Ministerio de Bienestar Social".

DECIMODICESIMO DECIMA.— En el Art. 60, cámbese: "el Ministerio de Bienestar Social".

DECIMODICESIMO PRIMERA.— En el Art. 61, cámbese: "el Ministerio de Bienestar Social".

DECIMODICESIMO SEGUNDA.— En el Art. 62, cámbese: "el Ministerio de Bienestar Social".

DECIMODICESIMO TERCERA.— En el Art. 63, cámbese: "el Ministerio de Bienestar Social".

DECIMODICESIMO CUARTA.— En el Art. 64, cámbese: "el Ministerio de Bienestar Social".

DECIMODICESIMO QUINTA.— En el Art. 65, cámbese: "el Ministerio de Bienestar Social".

Comuníquese y publíquese.— Palacio Nacional, Quito, a 17 de noviembre de 1987.  
Por el Presidente Constitucional de la República, Ministro de Bienestar Social, f.) Abg. Aquiles Ríos Santibáñez.

Es fiel copia del original.— Lo certifico: Patricia C. de González, Directora Administrativa.

Art. 3º— Disponer la inscripción en el Registro General de Fundaciones, que para el efecto lleva a la Dirección Nacional Forestal de esta Secretaría de Estado.

Comuníquese y publíquese.— Dado en Quito, a 13 de abril de 1988.

L) Lcdo. Rafael Serrano Puig, Ministro de Agricultura y Ganadería, Encargado.

Es fiel copia del original.— Lo certifico:  
L) Miguel E. Paredes T., Jefe Departamento de Documentación del MAG.

ACUERDO Nº 1634

EL PRESIDENTE CONSTITUCIONAL DE LA REPUBLICA,

Visto el estatuto del Comité Pro-Adelanto y Mantenimiento del Cemenario "La Magdalena", con domicilio en la ciudad de Quito;

Acuerda:

Aprobarlo con las siguientes modificaciones:

PRIMERA.— Después del Art. 1º crear un artículo que diga: "Art...El Comité es una corporación de derecho privado de las reguladas por las disposiciones del Título XXIX, del Libro Primero del Código Civil".— SEGUNDA.— Suprimase el literal e), del Art. 2º.— TERCERA.— Suprimase el literal b), del Art. 6º.— CUARTA.— En el literal e), del Art. 6º

después de: "aportaciones"; añádase: "ordenarias".

QUINTA.— Al final del literal a), del Art. 7º, agréguese: "formalmente aceptado por el directorio".— SEXTA.— En el literal b), del Art. 8º

suprimase desde: "Cuando de..."; hasta: "...extinción"; y, en su lugar póngase: "Por una de las causas determinadas en la ley".— SEPTIMA.— En el Art. 34, crear un literal que diga: "Por bajar sus socios a un número menor de 15".— OCTAVA.— Después del Art. 34, crear un artículo que diga: "Art... Disuelto el Comité, sus fondos y bienes pasarán a una institución de servicio social".— NOVENA.—

Suprimanse los Arts. 36, 37 y 38.— DECIMA.— Al final del Art. 39, póngase: "racial, laboral, sindical y religioso".— UNDECIMA.— En el Art. 41, cámbese

"la función Ejecutiva"; por: "el Ministerio de Bienestar Social".

Comuníquese y publíquese.— Palacio Nacional, Quito a 17 de noviembre de 1987.

Por el Presidente Constitucional de la República, (Ministro de Bienestar Social, f.) Abg. Aquiles Ríos Santibañán.

Es fiel copia del original.— Lo certifico:

Patricia C. de González, Directora Administrativa.

Nº 1641

EL MINISTRO DE BIENESTAR SOCIAL,

Considerando:

Que se ha enviado al Ministerio de Bienestar Social, la documentación correspondiente para la aprobación del estatuto de la Cooperativa de Vivienda Urbana "Centenario de Quito", domiciliada en la ciudad de Quito, provincia de Pichincha.

Que el señor Secretario General Encargado de la Dirección Nacional de Cooperativas, mediante certificación de 13 de noviembre de 1987, que se anexa expresa que las personas que constan de la nómina de socios fundadores de la precooperativa, luego de la verificación que se ha hecho de la documentación señalada en la certificación, no pertenecen a otra cooperativa de la misma clase o línea, dándose cumplimiento a lo estipulado en el Art. 12 de la Ley de Cooperativas.

Que el Departamento de Desarrollo Cooperativo de la Dirección Nacional de Cooperativas, mediante memorando Nº 647 DDC, de 27 de octubre de 1987, emite informe favorable al respecto.

Que la Sección Jurídica de la Dirección Nacional de Cooperativas, mediante memorando Nº 115, de 13 de noviembre de 1987, emite informe favorable para su aprobación.

Que el Director Nacional de Cooperativas, con memorando igualmente de 13 de noviembre de 1987, Nº 523, solicita la aprobación del estatuto de la Indicada Entidad.

En uso de las atribuciones que le confiere el Art. 7º de la Ley de Cooperativas.

Acuerda:

Art. 1.— Aprobar el estatuto de la Cooperativa de Vivienda "Centenario de Quito", domiciliada en la ciudad de Quito, provincia de Pichincha.

Art. 2.— Calificar en calidad de socios fundadores de la Indicada Entidad, a las siguientes personas:

Cuesta Gallardo José Gustavo	C.I. 170417304—4
Palacios Vásconez Marcelo Ernesto	170093219—2
Pacheco Rey Marco Eleazar	110173949—6
Velasco Luis Alfredo	170241079—6
Fernández Gómez Julio Fernando	180042724—0
Paucarima Cozañas Segundo Amable	18075351—4
Calvoña Chiluita Mario Patricio	050071162—7
Gallardo Naranjo Carlos Marcelo	170130755—0
Torres Morejón Sergio	107095215—3
Aguilar Beloz Amada Eliza	170537313—0
Díaz Padilla Fanny Edith	170923881—8

Art. 3.— Disponer que la Cooperativa envíe a la Dirección Nacional de Cooperativas, la documentación justificativa de los ingresos de nuevos socios, para que ésta califique el procedimiento de su in-



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Ministerio de Agricultura y Ganadería  
Quito - Ecuador

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de siete miembros: El Presidente, el Director Ejecutivo y -  
cinco Vocales."

- En el inciso segundo del mismo artículo, suprimase las pala  
bras "un fundador y dos al menos activos".

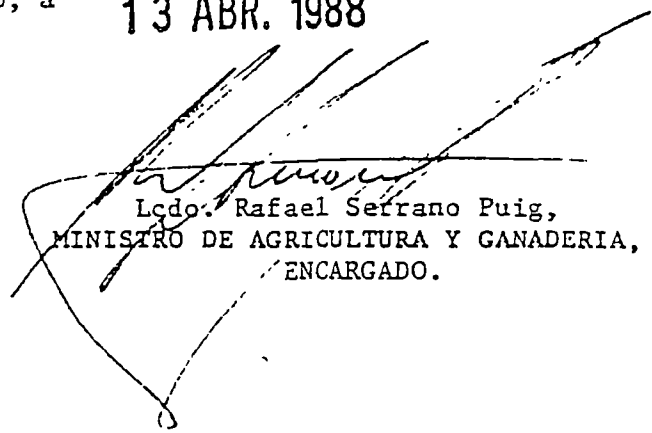
Art. 2°.- Calificar como miembros fundadores a las siguientes  
personas:

<u>N O M B R E</u>	<u>N° CED. IDENTIDAD</u>
1. José Rodrigo Ontaneda Hidalgo	110180519-8
2. Rebeca María Justicia Carvajal	170497467-2
3. Gustavo Francisco Morejón Jaramillo	010206363-3
4. Fausto Oswaldo Sarmiento Rodríguez	170527027-8
5. Patricia Elizabeth Gómez-Andrade Riquetti	170577834-6
6. Nancy Hilgert de Benavidez	170526297-8

Art. 3°.- Disponer la inscripción en el Registro General de -  
Fundaciones, que para el efecto lleva la Dirección  
Nacional Forestal de esta Secretaría de Estado.

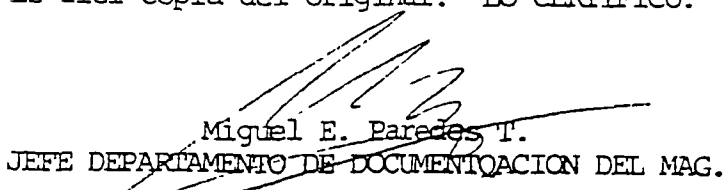
COMUNIQUESE Y PUBLIQUESE.-

DADO en Quito, a 13 ABR. 1988

  
Lcdo. Rafael Serrano Puig,  
MINISTRO DE AGRICULTURA Y GANADERIA,  
ENCARGADO.

Es fiel copia del original.- LO CERTIFICO:



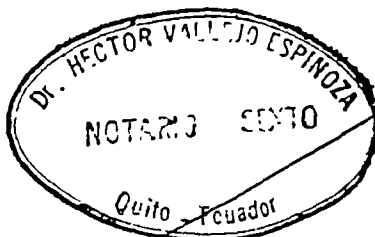
  
Miguel E. Paredes T.  
JEFE DEPARTAMENTO DE DOCUMENTACION DEL MAG.

Razon: A petición del interesado protocoliso en mi registro de escrituras públicas del año en curso en quince fojas útiles, con la documentación que antecede. En Quito, a cuatro de julio de mil novecientos ochenta y ocho.-

NOTARIO SEXTO  
CANTON QUITO

  
Dr. HUGO CORNEJO R.

Se Protocolizó, ante mí en fé de ello confiero ésta DECIMA NOVENA copia legalmente signada, sellada, firmada en Quito, a dieciséis y seis de febrero del dos mil



2001-PG-2



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# NOTARIA SEXTA

PRIMER

## TESTIMONIO DE LA ESCRITURA

De ..... PROTOCOLIZACION ESTADUTOS .....

Otorgada el 4 DE JULIO DE 1988 .....

H

Por el ..... FUNDACION MAQUIPUCUMA .....

C

A favor de ..... XXXXXXXXX .....

Cantidad \$: ..... INDETERMINADA .....

ANTE EL NOTARIO

### Dr. Hugo Cornejo Rosales

Av. Tarqui 615 y Luis Felipe Boija

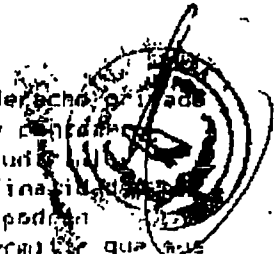
TELEFONOS: 529-531 - 563-090

Quito, a 4 de julio de 1988

CAPITULO NATURALIZA, DENOMINACION, DOMICILIO, OBJETO, MEDIOS Y PLAZO.

Artículo 1.º Naturaleza y denominación.

La Fundación es una persona jurídica de derecho privado sin fin de lucro capaz de ejercer derechos y contraer obligaciones, así como de ser representada judicial y extrajudicialmente. La Fundación no tiene finalidad política, ni religiosa; por lo tanto, no podrá realizarse actividades de ésta índole, ni permitir que sus miembros, funcionarios y empleados efectúen en los recintos de la Fundación cualquier acto de índole política o religiosa. Queda prohibida toda discriminación en razón del sexo, raza, nacionalidad, religión o tendencia política.



Se le denominará FUNDACION MAGUIPUCIMA. Para efectos de este estatuto se le podrá denominar en lo sucesivo, simplemente La Fundación.

Esta Fundación se constituye al amparo de lo dispuesto en el título XXIX del libro primero del Código Civil.

Artículo 2.º Domicilio.

La Fundación tendrá su domicilio principal en la ciudad de Huilo, República del Ecuador y podrá establecer o organizar oficinas filiales o núcleos especializados en cualquier otro lugar del país o en el exterior.

Artículo 3.º Objeto.

La Fundación tiene por objeto el promover y coordinar a la defensa, protección de los recursos de la Flora y la Fauna silvestres y especies en peligro de extinción, la investigación científica previa autorización del Ministerio de Agricultura y Ganadería; la cooperación con otras instituciones o personas para el mejor aprovechamiento de los conocimientos científicos, la difusión de programas conservacionistas, la búsqueda y obtención de nuevos recursos para contribuir a la preservación de las especies.

Artículo 4.º Medios.

Para el cumplimiento de su objeto, la Fundación podrá realizar, entre otros, los siguientes actos:

- a) Realizar, apoyar y auspiciar la investigación científica de los recursos naturales dentro del país.



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- B) Promover la protección y conservación de las especies nativas del Ecuador y de sus hábitats.
- C) Colaborar con personas naturales o jurídicas, organismos nacionales e internacionales, públicos y/o privados que tengan similares objetivos.
- D) Difundir principios básicos de la investigación y conservación de los recursos naturales por medio de campañas de divulgación en las áreas de protección, conservación y renovación de los hábitats naturales.
- E) Adquirir, enajenar o disponer de bienes raíces, darlos o tomarlos en arrendamiento, gravar los bienes de la Fundación, etc.
- F) Adquirir, administrar y disponer de equipos científicos y toda clase de bienes muebles.
- G) Recibir en donación bienes y valores para utilizarlos en el cumplimiento de sus fines.
- H) Promover la creación de estaciones científicas con suficientes facilidades como para constituirse en verdaderos centros de investigación en el área de las ciencias naturales.
- I) Cooperar con instituciones e individuos dedicados a la investigación de los recursos naturales, en la ejecución de proyectos sobre vida silvestre.
- J) Hacer, en general todos los actos y otorgar todos los contratos permitidos por las leyes Ecuatorianas.
- K) Hacer obra de divulgación en el área de las ciencias naturales.
- L) Prestar servicios técnicos dentro de las áreas de especialidad de la Fundación.

**Artículo 2º - Plazo.**

La Fundación tendrá un plazo de existencia indefinido, sin embargo, además de las causas establecidas en la ley, podrá disolverse por resolución del órgano competente adoptada por la asamblea con el 80 % de la mayoría, debiendo aprobarse dicha resolución ante las autoridades que han



Miembros y bienes

La Fundación está integrada por miembros fundadores, miembros activos y miembros honorarios.

Los miembros no adquieren derechos de ningún tipo sobre los bienes de la Fundación, y tampoco tienen obligaciones que las señaladas en estos estatutos, ni son responsables hacia terceros por obligaciones de la Fundación.



Artículo 3.

Miembros fundadores

Son miembros fundadores las personas que han intervenido en la constitución de la Fundación y que han suscrito el acta constitutiva de la misma.

Artículo 4.

Miembros activos

Son miembros activos Aquellas personas que intervienen en la Fundación participando en las actividades y en la consecución de los fines de ésta, y en general todas aquellas personas que prestan su ayuda y colaboración personal para conseguir los fines de la Fundación, siempre y cuando ésta calidad les haya sido concedida.

Cualquier persona natural mayor de edad puede ser miembro activo, para obtener tal calidad es necesario que sea postulado por al menos dos miembros activos de la Fundación y por un miembro Fundador, y que tal nominación sea aprobada por al menos el 75 % de los votos del directorio.

El nombramiento de miembro activo tendrá la duración de dos años a partir de su aprobación, pudiendo renovarse tal calidad por similares periodos.

Artículo 5.

Miembros honoríficos

Son miembros honoríficos todas aquellas personas naturales o jurídicas que han prestado o prestan una valiosa cooperación a la Fundación sin que necesariamente intervengan personalmente dentro de ella.

Se concede tal calidad a las personas antes indicadas, por resolución adoptada mediante mayoría simple por el directorio, previa solicitud de al menos un miembro fundador o activo.

El nombramiento como miembro honorífico tendrá la





Artículo 9.

Derechos y obligaciones.

Son derechos y obligaciones de los miembros fundadores y activos:

- a) Asistir y participar con voz y voto en las sesiones de la Asamblea General.
- b) Participar en las sesiones del Directorio, con voz y sin voto cuando el Directorio lo solicitare.
- c) Elegir y ser elegido miembro de los distintos órganos de la Fundación.
- d) Ser informado por la Fundación de las actividades, proyectos y asuntos de interés científico y conservacionista.
- e) Cumplir con el estatuto, reglamento, resoluciones y disposiciones emanados de la Asamblea General y el Directorio.
- f) Participar activamente en las áreas de investigación, conservación y protección de los recursos naturales.
- g) Informar al Directorio periódicamente de sus actividades, proporcionar artículos científicos y/o informativos para ser publicados por los medios de difusión de la Fundación, y
- h) Pagar las contribuciones que establezca la Asamblea General.

Artículo 10.

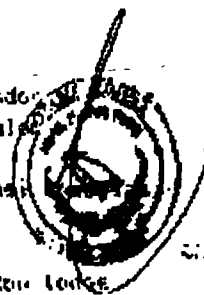
Pérdida de la calidad.

El Directorio luego de un estudio detallado al encontrarse faltas graves o razones suficientes podrá disponer la pérdida de la calidad de miembro de la Fundación sin importar el tipo de miembro de que se trate. La disposición de despojar a una persona determinada de su calidad de miembro de la Fundación, deberá ser tomada por lo menos por el 80% de los integrantes de la Directiva, excepto en el caso de pérdida de la ciudadanía y declaración de insolvencia (en la cual la pérdida de la calidad será automática).

Del Patrimonio



- a) las contribuciones de los socios;
- b) las donaciones, asignaciones, herencias, legados y subvenciones que se le hicieren a cualquier título;
- c) los bienes que adquiere a cualquier título, así como las rentas que estos produzcan.



La Fundación podrá acrecentar su patrimonio con todos los bienes muebles o inmuebles que en el futuro adquiere a título oneroso o gratuito.

Los bienes que a cualquier título adquiriera la Fundación, no pertenecen ni en todo ni en parte a ninguno de los miembros. De igual manera las deudas contraídas por la Fundación, no darán derecho a demandar ni en todo ni en parte a ninguno de los miembros ni darán acción alguna sus bienes propios, sino que cualesquiera acción se deba a dirigir contra la Fundación como persona jurídica y sobre los bienes que conforman su patrimonio.

**CAPITULO 2. Organos de administración.**

**Artículo 12.** La Fundación se administrará por los siguientes órganos:

- 1) La asamblea general de miembros.
- 2) El Comité ejecutivo.
- 3) Los demás comités u órganos auxiliares que crea el Directorio.

**Artículo 13.** De la Asamblea general de miembros.

La Asamblea General de miembros es el máximo órgano de la Fundación y estará integrada por todas las personas que tienen calidad de miembros fundadores y activos.

**Artículo 14.** Reuniones, convocatoria y quórum.

El presidente por sí o el Director ejecutivo a petición de tres miembros fundadores, convocarán a Asamblea General Ordinaria, por lo menos una vez al año, dentro de los tres primeros meses. Las convocatorias se harán por comunicación personal a los miembros, con una anticipación mínima de 10 días al de la fecha prevista para la asamblea. Para computar dicho plazo no se tendrán en cuenta ni el día de la convocatoria ni el día de la asamblea. La Asamblea se considerará válidamente constituida cuando concurren a ella por lo menos el 20% de los miembros.

Si no se obtuviera en la primera convocatoria el quórum



... y cuyo objeto será el mismo que se expresó en la primera convocatoria; En esta segunda convocatoria, la Asamblea podrá constituirse con el 30 % de los miembros.

Para los casos previstos en este artículo, las decisiones de la Asamblea General serán adoptadas con el voto favorable de por lo menos la mitad más uno de los miembros asistentes. Los votos en blanco y las abstenciones se sumarán a la mayoría numérica.

Artículo 15 De la Asamblea General Extraordinaria de Miembros.

La convocatoria se deberá efectuar de la misma manera que para las Asambleas ordinarias, pero con únicamente dos días de anticipación. La Asamblea Extraordinaria podrá conocer y resolver únicamente los puntos de la convocatoria.

Artículo 16 De la Asamblea Universal de Miembros.

En cualquier momento y lugar, sin necesidad de convocatoria previa, pueden reunirse los miembros en Asamblea Universal, para lo cual deberán estar presentes todos los miembros. Previamente la Asamblea establecerá la orden del día a ser tratada y dejará constancia de que todos los miembros han aceptado constituirse en Asamblea Universal.

Artículo 17 Derecho a voto y presentación.

En la Asamblea General, cada miembro tendrá derecho a un voto; cada miembro podrá representar a otro u otros en la Asamblea Siempre que cuenta con carta poder en la que se exprese dicha voluntad.

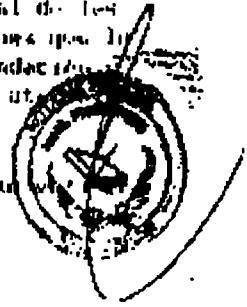
Artículo 18 Atribuciones y deberes de la Asamblea de Miembros.

- a) Ejercer las facultades y cumplir con las obligaciones que los presentes estatutos establecen como de su competencia privativa.
- b) Determinar la política de manejo y servicio que prestará la Fundación.
- c) Determinar las inversiones y proyectos prioritarios.
- d) Interpretar, en forma obligatoria, para todos los miembros y órganos administradores las normas consagradas de los estatutos.
- e) Elegir y remover a los miembros del Comité Ejecutivo.



1) Dirigir la marcha y dar la orientación general de las actividades de la Fundación, ejercer las funciones que le competen como Unidad directiva suprema de la Fundación, y todas aquellas funciones que estos estatutos no atribuyan expresamente a otro órgano de la Fundación.

2) Elegir al presidente de la Asamblea quien será el Presidente de la Fundación.



#### Artículo 19. Comité Ejecutivo

El Comité Ejecutivo de la Fundación se compone de siete miembros: El presidente, el director ejecutivo y cinco vocales.

Se elegirán tres vocales suplentes. Los miembros del Comité Ejecutivo serán elegidos por un periodo de dos años y podrán ser reelegidos indefinidamente. En todo caso continuarán en ejercicio de sus cargos hasta ser legalmente reemplazados.

Los vocales serán elegidos en número de cinco y el primer vocal reemplazará al director en caso de que éste llegue a faltar. El director ejecutivo se encargará de la presidencia en caso de ausencia temporal del Presidente. Los vocales durarán dos años en sus funciones, pudiendo ser reelegidos.

#### Artículo 20. Reuniones, convocatoria, quórum y decisiones.

El Comité Ejecutivo se reunirá ordinariamente, por lo menos una vez cada mes, previa convocatoria del Director, del gerente y extraordinariamente cuando lo convoque cualquiera de sus miembros y aún sin necesidad de convocatoria cuando se hallen presentes la totalidad de sus miembros.

#### Artículo 21. Atribuciones y deberes del Comité Ejecutivo.

Son atribuciones y deberes del Comité Ejecutivo, entre otros, las siguientes:

- 1) Cuidar la buena marcha y funcionamiento de la Fundación.
- 2) Elegir al Síndico, gerente, contador y auditor; y fijar sus remuneraciones.
- 3) Fijar las remuneraciones de sus miembros.



designa a sus representantes.

- 5) Cumplir y hacer cumplir las disposiciones de la Asamblea General.
- 6) Autorizar la constitución de mandatarios de la Fundación.
- 7) Aprobar el presupuesto de gastos.
- 8) Presentar al departamento correspondiente del Ministerio de Agricultura y Ganadería un informe anual de las actividades relacionadas con las áreas naturales y recursos silvestres. Este informe deberá ser presentado dentro de los primeros 3 meses de cada año.

Artículo 22.

De él: Presidente, el Director, El Síndico y Gerente o Administrador.

- a) Del Presidente.- El Presidente debe ser el portavoz oficial de la Fundación. El cargo tendrá la duración de dos años, pudiendo ser reelecto indefinidamente. En caso de que no se realice una elección, se prorrogará en sus funciones hasta que se realice dicha elección. Deberá presidir la Junta General de Miembros y las reuniones del Comité Ejecutivo.

Son atribuciones y deberes del Presidente:

- Convocar y presidir las reuniones del Comité.
- Convocar y presidir la Asamblea General Ordinaria.
- Rendir un informe anual a la Asamblea General.
- Orientar al Director Ejecutivo en la Administración de la Fundación.
- Ejercer la representación legal de la Fundación en ausencia o impedimento del Director Ejecutivo.

- b) Del Director Ejecutivo.- Se encargará de la Presidencia de la Fundación en caso de ausencia temporal del Presidente. Convocará a elección de Presidente cuando la ausencia de éste sea permanente. Ejercerá la representación legal de la Fundación a nombre del Comité Ejecutivo. Ejercerá la función de Gerente Administrador mientras el Directorio no nombre a una persona para que desempeñe tal cargo con exclusividad.

- c) Del Síndico.- Será elegido por el Comité Ejecutivo de



entre los miembros fundadores o activos. Desempeñará su cargo por dos años. Entre otras cosas, el síndico debe supervisar la marcha de la Fundación y prestar su servicio de asesoría y consejo legal para el buen funcionamiento de la Fundación.

d) Del Gerente o Administrador.- Son deberes y atribuciones del Gerente o Administrador:

- Representar legalmente a la Fundación.
- Cumplir y hacer cumplir el reglamento y estatutos de la Fundación.
- Administrar la marcha de la Fundación y recaudar las aportaciones obligatorias de los socios.
- Efectuar gastos por cuantías menores a 100 salarios mínimos vitales; cuando la cantidad o monto supere dicha cuantía, requerirá de la autorización del Directorio.
- Establecer y mantener las relaciones de la Fundación con otras personas naturales o jurídicas.
- Contratar y remover al personal de la Fundación.
- Actuar como secretario del Comité Ejecutivo y de la Asamblea General con voz y sin voto. Llevar los libros de actas, custodiarlos y otorgar copias certificadas de dichos organismos a los miembros que lo requieran.
- En su ausencia delegará sus funciones a uno de los miembros del Comité Ejecutivo.
- Obtener contribuciones y recursos financieros para la Fundación.
- Presentar al Comité Ejecutivo el informe anual de actividades, el estado financiero del ejercicio concluido, el presupuesto y el plan de actividades para el año siguiente.
- Presentar para la aprobación del Comité Ejecutivo los planes y proyectos de la Fundación.
- Obtener las autorizaciones que se requieran para la ejecución de los proyectos de la Fundación, especialmente de parte del Ministerio de Agricultura y Ganadería.

Artículo 23. De Comisario

El Comisario revisará las cuentas y balances de la Fundación y presentará su informe anual a la Asamblea General.

Artículo 24. De Auditor

El Auditor vigilará el correcto uso de normas y procedimientos en la contabilidad y Administración de la Fundación y presentará su informe anual a la Asamblea General.

Será nombrado por el Comité Ejecutivo por un plazo de un



Artículo 25. Reservas

Por resolución de la Asamblea General de Miembros se podrá destinar una parte de los fondos de la Fundación para reservas, las mismas que podrán mantenerse en cuentas de ahorros, cédulas hipotecarias u otras inversiones igualmente seguras que garanticen una renta estable a la Fundación. Las reservas serán fijadas por el Comité Ejecutivo de acuerdo al estado económico de la Fundación y no podrán invertirse en nada que sea contrario o ajeno a los objetivos de la Fundación.

Artículo 26. Disolución

En caso de que se disolviera la Fundación por cualquier causa legal, la Asamblea General de Miembros, o en su defecto el Directorio, o a falta de éstos dos organismos, los liquidadores que sean designados deberán indicar a la institución nacional, a la que deberán entregarse, junto de pagadas las deudas de la Fundación, los bienes de ésta, dejando constancia de que dichos bienes no podrán pasar sino a otra institución de derecho privado con objetivos de beneficencia pública o social de cualquier clase y que no tenga finalidades lucrativas, políticas ni religiosas.

Hasta aquí los estatutos.

Certifico que los presentes estatutos fueron aprobados en las reuniones llevadas a efecto los días 6, 7 y 15 de noviembre de 1987, y que las reformas en él introducidas han sido aprobadas en las reuniones llevadas a efecto los días 25 y 28 de marzo de 1988.



*[Handwritten Signature]*  
Doña Isabel F. Durini  
Secretaría Ad-Hoc.

EL MINISTRO DE AGRICULTURA Y GANADERIA

CONSIDERANDO:



Que mediante solicitud de 10 de febrero de 1988, se ha presentado en este Ministerio la documentación correspondiente a la aprobación de los Estatutos de la Fundación Hequipueuna, domiciliada en la ciudad de Quito, provincia de Pichincha;

Que la Dirección Nacional Forestal, de conformidad con las facultades que la confiere la Ley y el Reglamento en la materia, ha emitido informe favorable para la aprobación de los estatutos, según consta del memorando N°001290 DNF-AJ de 4 de abril de 1988;

En uso de las facultades previstas en el Art. 137 del Reglamento General de Aplicación de la Ley Forestal y de Conservación de Areas Naturales y Vida Silvestre y en el Título XXIX del libro primero del Código Civil,

ACUERDA:

Art. 1° Aprobar el Estatuto y conceder personería jurídica a la Fundación Hequipueuna, domiciliada en la ciudad de Quito, provincia de Pichincha, con las siguientes modificaciones:

- Sustituyase el contenido del Art. 3 del Objeto y en su lugar dirá: "Art. 3.- La Fundación tiene por objeto el promover y coadyuvar a la defensa, protección de los recursos de la flora y fauna silvestres y especies en peligro de extinción, la investigación científica previa autorización del Ministerio de Agricultura y Ganadería; la cooperación con otras instituciones o personas para el mejor aprovechamiento de los conocimientos científicos, la difusión de programas conservacionistas, la búsqueda y obtención de fondos y recursos para contribuir a la preservación de las especies."

- Suprimase el contenido del literal e) del Art. 4.

En el Art. 12, numeral 1) sustituyase la palabra "Fundadores" por "Miembros"; y, en el numeral 2, del mismo artículo cámbiase "El Directorio de Miembros" por "El Comité Ejecutivo".

En el Art. 17, suprimase las palabras "u otros".

- Suprimase el contenido del primer inciso del Art. 19 y en su lugar dirá: "El Comité Ejecutivo de la Fundación se compone





de siete miembros: El Presidente, el Director Ejecutivo y cinco Vocales.

En el inciso segundo del mismo artículo, suprimase las palabras "un fundador y dos al menos activos".

Art. 2º.- Calificar como miembros fundadores a las siguientes personas:

NOMBRE	Nº CED. IDENTIDAD
1. José Rodrigo Ontaneda Hidalgo	110180519-8
2. Rebeca María Justicia Carvajal	170497467-2
3. Gustavo Francisco Morejón Jaramillo	010206363-3
4. Fausto Oswaldo Sarmiento Rodríguez	170527027-8
5. Patricia Elisabeth Gómez-Andrade Riquetti	170577834-6
6. Nancy Hilgert de Bonavides	170526297-8

Art. 3º.- Disponer la inscripción en el Registro General de Fundaciones, que para el efecto lleva la Dirección Nacional Forestal de esta Secretaría de Estado.

COMUNIQUESE Y PUBLIQUESE.-

DADO en Quito, a 13 ABR. 1988

Ldo. Rafael Serrano Ruiz,  
MINISTRO DE AGRICULTURA Y GANADERÍA,  
ENCARGADO.

Es fiel copia del original. - LO CERTIFICO:

Miguel E. Pazos  
JEFE DEPARTAMENTO DE DOCUMENTACION DEL MAG.

NOTARIA PRIMERA DE QUITO  
EN APLICACION A LA LEY NOTARIAL  
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en: \_\_\_\_\_ Fojas: 10  
Quito a: 10-SEP-2002  
Dr. Jorge Machado Cevallos  
Notario Primero del Cantón QUITO



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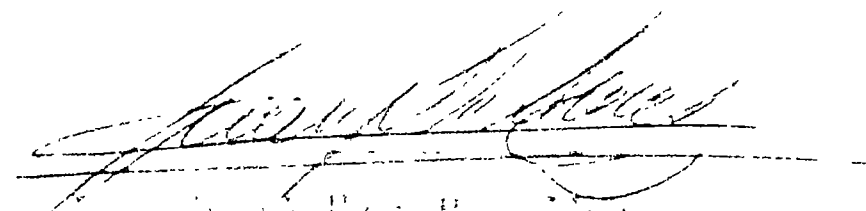




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Attest:



Director General del Servicio de Rentas Internas

# 9



REPUBLICA DEL ECUADOR  
MINISTERIO DE FINANZAS

DIRECCION GENERAL DE RENTAS  
DELEGACION REGIONAL DE RENTAS DEL NORTE  
DEPARTAMENTO DE CONTROL TRIBUTARIO  
ASUNTO: EXONERACION DEL I.T.M. y/o P.S.  
TRAMITE: N° 4895

OFICIO: N° DREN-005222  
QUITO, A 18 AGO. 1989

Señor (a)  
FUNDACION MAQUIPUCUNA  
JORGE WASHINGTON # 718 Y AMAZONAS  
Ciudad.

*17/20*

Para los fines pertinentes comunico a usted, que su actividad económica de INVESTIGACION CIENTIFICA... se halla exenta del pago del Impuesto a las Transacciones Mercantiles y/o Prestación de Servicios a partir de ABRIL DE 1.988. SIN EMBARGO LE RECUERDO QUE EN LAS COMPRAS E IMPORTACIONES GRAVADAS, DEBERA OBLIGATORIAMENTE SATISFACER ESTE TRIBUTU.

Atentamente,  
DIOS, PATRIA Y LIBERTAD

Gonzalo Mogolón Vivanco  
DELEGADO REGIONAL DE RENTAS DEL NORTE



# TRANSLATION

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## BY-LAWS OF MAQUIPUCUNA FOUNDATION

Chapter 1: CHARACTER, DENOMINATION, DOMICILE,  
OBJECTIVE, METHODS AND DURATION

Article 1. Character and denomination.

The foundation is a non-profit legal person under private license, able to exercise its rights and acquire obligations, as well as to be judicially and extra-judicially represented. The foundation has no political or religious intentions; therefore, it may not carry out any activities of this kind, nor allow that its members, functionaries or employees carry out political or religious within the confines of the Foundation. Discrimination on the basis of sex, race, nationality, religion or political tendency is expressly prohibited.

The foundation is to be called MAQUIPUCUNA FOUNDATION and, for the purpose of these by-laws, may here forth be simply called "The Foundation".

This Foundation is constituted in accordance with the stipulations of title XXIX of the first book of the Civil Code.

Article 2. Domicile.

The foundation is to have its principle domicile in the city of Quito, Republic of Ecuador and may establish or organize affiliate offices or specialized nucleus in any other place within the country or abroad.

Article 3. Objective.

The Foundation is established for the purpose of promoting and supporting the defense and protection of wild flora and fauna resources and species in danger of extinction, effecting scientific investigations prior authorization from the Ministry of Agriculture and Livestock; cooperating with other institutes of persons in order to obtain the utmost benefit from scientific knowledge; broadcasting conservational programs, searching and obtaining funds and resources in order to contribute to the preservation of the species.

Article 4. Methods.

In order to meet its objectives, the Foundation may carry out the following activities, among others:

- A) Carry out, support and sponsor scientific investigations with regards to natural resources within the country;
- B) Promote the protection and conservation of the native species of Ecuador and their habitats.
- C) Cooperate with natural or legal persons, national or international organizations, public and or private having similar objectives.
- D) Propagate basic principles of investigation and conservation of natural resources through awareness campaigns in areas of: protection, conservation and renovation of natural habitats.
- E) Acquire, sell or dispose of real estate, give or receive them in rental, encumber the Foundation's patrimony, etc.
- F) Acquire, manage and dispose of scientific equipment and all kinds of movable goods.
- G) Receive, in donation, goods and valuables for use in the accomplishment of its objectives.
- H) Promote the creation of scientific stations with sufficient facilities for establishing genuine work stations, in the area of natural sciences.
- I) Cooperate with institutions of individuals dedicated to the investigation of natural resources, in the execution of projects related to wildlife.
- J) In general, do all those things and celebrate all those contract permitted by Ecuadorian Law.
- K) Endeavor to promote the area od natural sciences.
- L) Lend technical services within the Foundation's areas of proficiency.

Article 5. Duration.

The Foundation will have an indefinite duration; nevertheless, in addition to the causes established by law, the Foundation may be dissolved by resolution from a competent body, adopted by at least 80% of the majority, and such resolution must be approved by the authorities that have legalized the Foundation's establishment.

## CHAPTER 2. MEMBERS AND PATRIMONY.

The Foundation is to be integrated by founding members, active members and honorary members.

The members do not acquire rights of any kind with respect to the Foundation's patrimony, nor are they to have any other obligations than those indicated in these by-laws, for which they are not responsible towards third parties for obligations acquired by the Foundation.

### Article 6. Founding Members.

The founding members are those who have intervened in the Foundation's Constitution and have signed the corresponding Constitutional Act.

### Article 7. Active Members.

The active members are those who participate in the Foundation, taking part of the activities, in the achievement of the Foundation's objectives and, in general, are all those persons who personally help and cooperate in achieving the Foundation's objectives, as long as this capacity has been granted to them.

Any natural person of legal age may be an active member. In order to obtain this faculty,, it is necessary that such person be nominated by at least two active members of the Foundation and by one Founding Member and such nomination is to be approved by at least 75% of the votes cast by the Board of Directors.

An active member's appointment will have the duration of two years, counted from the date of approval and such faculty may be renewed for like periods.

### Article 8. Honorary Members.

The honorary members are those natural or legal persons who have lent or lend their valuable cooperation to the Foundation, without necessarily intervening personally within the Foundation.

Such faculty will be granted to such persons by resolution adopted by simple majority of the Board of Directors, prior request but at least one founding or active member.

Appointment as an honorary member will have the duration of one year and may be renewed for similar periods. The faculty of Honorary Lifetime Member may be granted as an exception and based on relevant services.

**Article 9. Rights and Obligations.**

The following are the rights and obligations of the founding and active members:

- a) Assist and participate with the right to be heard and to vote in the sessions of the General Assembly.
- b) Participate in the sessions of the Board of Directors, with the right to be heard and to vote when the Board so requires.
- c) Elect and be elected member of the Foundation's various organizations.
- d) Be informed by the Foundation of the activities, projects and matters of scientific and conservational interest.
- e) Comply with the statutes, regulations, resolutions and stipulations originating from the General Assembly and the Board of Directors.
- f) Participate actively in the areas of investigation, conservation and protection of natural resources.
- g) Inform the Board of Directors periodically regarding activities, provide scientific and/or informative articles to be published in the Foundation's media, and
- h) Pay the contributions that would be established by the general Assembly.

**Article 10. Loss of Faculty.**

If the Board of Directors, after a detailed evaluation, were to find serious faults or sufficient reasons, may order a member to lose his faculty as member of the Foundation, notwithstanding such person's membership classification. The stipulation to revoke the membership of any determined person in the Foundation is to be decided by at least 80% of the members of the Board of Directors, except in the case of loss of citizenship and declaration of insolvency, in which cases loss of faculty will be automatic.

**Article 11. Patrimony.**

The Foundation's patrimony is to be conformed of:

- a) Members' contributions.
- b) Donations, assignments, inheritances, legacies and monetary assistance of all kinds.



- c) All types of acquired goods, as well as any income produced by such.

The Foundation may increase its patrimony with all the movable or immovable goods that it might acquire by purchase or through donation.

The goods acquired by the Foundation in any manner do not belong to any of its members, whether totally or partially. Likewise, the debts acquired by the Foundation will not be cause any legal action to be brought forth against the private property of its members of any one member, but rather any legal action must be directed against the Foundation as a legal person and with regards to properties that conform its patrimony.

### CHAPTER 3. ADMINISTRATIVE BODIES

Article 12. The Foundation shall be managed by the following bodies:

- 1) The General Assembly of Members.
- 2) The Executive Committee.
- C) The other committees or assistant bodies that would be created by the Board of Director.

Article 13. The General Assembly of Members.

The General Assembly of Members is the Foundation's maximum body and is to be conformed of all those persons having the faculty of founding or active members.

Article 14. Meetings, summons and quorum.

The President, by his own rights, or the Executive Director, by petition of three Founding Members, are to summon the General Ordinary Assembly, at least once a year, within the first three months of the year. The summons<sup>1</sup> are to be made by personal notification to the members, at least 10 days before the date planned for the Assembly. In order to calculate such period, neither the date of the summons nor the date of the Assembly are to be included. The Assembly will be validly constituted if at least 50% of its members have concurred.

If quorum is not obtained in the first established summons, a second summons may not be formulated until fifteen days after the date set for the first meeting and which purpose is to be the same expressed in the first summons. Quorum for the second summons will be achieved by concurrence of 30% of the Assembly members.

For those cases foreseen in this article, the decisions by the General Assembly are to be adopted by favorable vote by at least one half plus one of the members present. Blank votes and abstinences will be added to the numerical majority.

Article 15. The Extraordinary General Assembly of Members.

The summons is to be effected in the same manner as for ordinary assemblies, but with only two days anticipation. The Extraordinary Assembly may hear and resolve only those points expressed in the summons.

Article 16. The Universal Assembly of Members.

The members may meet in Universal Assembly at any time and in any place, without the need of a prior summons, in which case all members are to be present. The Assembly is to first establish the list of matters to be touched upon and set forth that all the members have accepted to be constituted in Universal Assembly.

Article 17. Right to vote and presentation.

Each member of the General Assembly is to have the right to vote; each member may represent another or others in the Assembly, as long as he or she has a written power of attorney in which such intention is expressed.

Article 18. Attributions and Obligations of the Assembly of Members.

- a) Exercise the faculties and comply with the obligations established by these by-laws as a personal prerogative.
- b) Determine the management and service policies to be delivered by the Foundation.
- c) Determine the priority investments and projects.
- d) Interpret the norms set forth in these by-laws, in an obligatory manner for all members and organizational bodies.
- e) Elect and remove members from the Executive Committee.
- f) Appoint the Executive Director.
- g) Direct the progress and provide general orientation in the Foundation's activities; exercise the functions corresponding to it as the Foundation's supreme directive entity, and all those functions that are not expressly assigned to another body of the Foundation.

- h) Elect the President of the Assembly, who, at the same time, is to be President of the Foundation.

Article 19. Executive Committee.

The Executive Committee is comprised of seven members: the President, the Executive Director and five members.

Three alternate members are to be elected. The members of the Executive Committee are to be elected for a period of two years and may be reelected indefinitely. In any case, they are to continue occupying their positions until legally substituted.

The members are to be elected in numerical order and the first member is to replace the director in the event such would be absent. The Executive Director is in charge of the presidency in the event of the President's temporary absence. The members are to remain in their positions for two years and may be reelected.

Article 20. Meetings, summons, quorum and decisions.

The executive committee is to meet ordinarily at least one a month, prior summons by the Director, the manager and, extraordinarily, when summoned by any two of its members and without the need of a summons when the total amount of members is present.

Article 21. Attributions and Obligations of the Executive Committee.

The following are attributions and obligations of the Executive Committee, among others:

- 1) Take care of the Foundation's good performance and operation.
- 2) Elect a syndicate, manager, commissary and auditor; and establish their salaries.
- 3) Establish the salaries of its members.
- 4) Create the committees and assistant bodies that may be necessary, establish the functions and attributions and designate its representatives.
- 5) Comply and order compliance with the dispositions of the General Assembly.
- 6) Authorize the establishment of the Foundation's agents.

- 7) Approve the expense budget.
- 8) Present to the pertinent department of the Ministry of Agriculture and Livestock, an annual report regarding the activities related to the areas of wildlife and natural resources. This report is to be presented within the first three months of each year.

**Article 22. The President, the Director, the Syndicate and Manager or Administrator.**

- a) **The President.-** The President is to be the official voice of the Foundation. The position will be occupied for two years and may be reelected indefinitely. In the event of lack of election, the President's functions will be extended until such election is carried out. The President is to preside the General Assembly of Members and the Executive Committee Meetings.

The following are attributions and obligations of the President:

- Summon and preside Committee meetings.
  - Summon and preside the Ordinary General Assembly.
  - Present an annual report to the General Assembly.
  - Orient the Executive Director regarding the Foundation's administration.
  - Exercise the Foundation's legal representation in the absence or incapacity of the Executive Director.
- b) **The Executive Director.-** The Executive Director will be in charge of the Foundation's Presidency in the event of the President's temporary absence. The Executive Director will summon the election of a new President when the absence of the former President is to be permanent. The Executive Director will exercise the Foundation's legal representation on behalf of the Executive Committee and will carry out the functions of Administrative Manager until the Board of Director appoint someone to exercise this faculty exclusively.
- c) **The Syndicate.-** The Syndicate is to be elected by the Executive Committee from among the founding or active members. The Syndicate will occupy his functions for two years. Among other things, the Syndicate must supervise the Foundation's performance and provide advisory services and legal council for the Foundation's correct operation.

d) The Manager or Administrator.- The following are attributions and obligations of the Manager or Administrator:

- Legally represent the Foundation.
- Comply and order compliance with the Foundation's Regulation and By-laws.
- Manage the Foundation's performance and collect the obligatory contributions from its members.
- Effect expenses for amount less than 100 vital minimum wages; when the amount of expenses exceeds this amount, authorization from the Board of Directors will be required.
- Establish and maintain the Foundation's relations with other natural and legal persons.
- Hire and remove the Foundation's personnel.
- Act as Secretary of the Executive Committee and of the General Assembly with voice participation but without the power to vote. Maintain the Book of Acts, conserve them and issue certified copies of such to the members that would require them.
- In his absence, shall delegate his functions to one of the members of the Executive Committee.
- Obtain contributions and financial resources for the Foundation.
- Present the annual report of activities, the financial statement of the finished period, the budget and plan of activities for the following year to the Executive Committee.
- Present the Foundation's plans and projects, for approval by the Executive Committee.
- Obtain the necessary authorizations for executing the Foundation's projects, especially authorizations by the Ministry of Agriculture and Livestock.

Article 23. The Commissary.

The Commissary will review the Foundation's accounts and statements and present his annual report to the General Assembly.

Article 24. The Auditor.

The Auditor will supervise the correct use of the norms and procedures in the Foundation's accounting and management and present his annual report to the General Assembly.

The Auditor will be appointed by the Executive Committee for the period one year, when the Executive Committee considers his actions necessary.

CHAPTER 4.-

Article 25. Reserves.

By resolution of the General Assembly of Members, part of the Foundation's funds may be destined to reserves, which are to be kept in savings accounts, mortgage certificates or other investments of similar security that guaranty a stable income for the Foundation. The reserves are to be set by the Executive Committee in accordance with the Foundation's economic statement and may not be invested in anything contrary or irrelevant to the Foundation's objectives.

Article 26. Dissolution.

In the event of the Foundation's dissolution for any legal cause, the General Assembly of Members, or in its place, the Board of Directors or, given the lack of these two bodies, the designated liquidators, should indicate the national institution to which should the Foundation's assets are to be delivered, after having paid the Foundation's debts, setting forth that such assets may only be passed on to another private law institution for public or private charitable benefit and not to any having lucrative, political or religious intentions.

The By-laws end here.

I hereby certify that the foregoing By-laws were approved in the meetings held November 4, 9 and 15, 1987 and that the reforms introduced therein has been approved in the meetings held March 25 and 28, 1988.

(signed)  
Jorge Paz Durini  
Secretary Ad-Hoc

**THE BUTLER FOUNDATION**

**EIN: 22-2701588**

Attachment to Form 4720

ATTACHMENT TO FORM 4720

EXHIBIT III (2000)

**The Butler Foundation  
Annual Report of Grantee Organization  
Fiscal Year 2000**

Maquipucuna Foundation	\$143,000 (2/1/2000 - \$58,000, 7/12/2000 - \$7,500, 8/29/2000 - \$77,500)	
Grantee Name	Original Grant Total	Grant Date

C/o Institute of Ecology, University of Georgia Athens		USA
Address	City	Country

Protection and Management of the Maquipucuna Reserve; Land Purchase; Construction of buildings for ecotourism operation; Carbon valuation of the Choco Andean Corridor.

Grant Purpose

1. Progress made in accomplishing the above Grant Proposal (attach additional pages if more space is needed):

Please see report attached (Attachment 2000AR 1)

2. Itemization of expenditures made from grant funds, including salaries, travel and supplies (attach additional pages if more space is needed):

Please see report attached (Attachment 2000AR 2)

Amount of grant funds remaining as of January 1, 2000: \$ 0 (This Annual Report shall constitute Grantee's Final Report if all above grant funds have been spent).

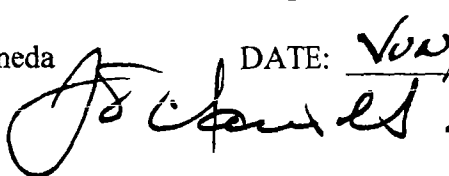
3. Amount of grant funds remaining as of January 1, 2001: \$ 0
4. Grantee asserts that it has made all expenditure detailed in Section 1 above in furtherance of the stated purpose of the grant.
5. Grantee asserts that it has complied with all of the terms and conditions of the grant specified in the Grant Agreement executed by the Grantee and the Butler Foundation.

I swear under penalties of perjury that I am authorized to sign this report on behalf of the above organization, and I have examined the foregoing statements and to the best of my knowledge they are true, correct and complete.

BY: Rodrigo Ontaneda

DATE: Nov/30/2000

TITLE: President





**CHOCO-ANDEAN CORRIDOR - ECUADOR MSP (TF-023882)**

**FUNDACION MAQUIPUCUNA**

**Report for the year 2000**

**I. INTRODUCTION**

The Choco-Andean Corridor region in northwest Ecuador is a unique biological region that teems with life. It is ranked among the top five "biodiversity hotspots" in the world. As well, the Corridor is home to indigenous and afro-Ecuadorian peoples subsisting in traditional ways, and more recent non-indigenous settlers making their livings mainly through modern market agriculture. They are all dependant on the continued health and vitality of this biodiverse and complex landscape.

The Choco-Andean Rainforest Corridor Project is a sweeping initiative to help preserve the natural value and unique heritage of the Corridor, while tackling some of the underlying social factors that threaten its biodiversity. The conservation and restoration of its forests are also important cost effective measures to prevent and mitigate climate change. The restoration of deforested areas that creates corridors for wildlife will be the basis for a C-offset long term funding strategy.

The project unfolds in a dual scale strategy. The strategic planning, consensus building & information management activities of the project are promoted amongst the largest institutional stakeholders and are centered on a one and a half million hectare zone (1,500,000 ha), or macro area linking cloud forests, tropical rainforests and the shores of the Pacific Ocean.

A pilot, or micro, initiative within the Corridor has targeted ca 150,000 hectares and its local population in the southernmost section, encompassing Protective Forests such as Maquipucuna, the Cuenca Alta del Guayllabamba and Mindo – Nambillo and their bufferzones. About a third of this area is already under protected status as protected forests, the rest will receive protection through a participative management plan. Seven communities in the pilot zone have been identified as partners in the process. Activities include intensive management, reforestation and sustainable economic development. The lessons learned in the pilot zone will be applied to the Corridor as a whole.

**II. NARRATIVE ON THE STATUS OF THE PROJECT PERFORMANCE**

Overall, the project has achieved most expected targets and has surpassed them in some cases. Targets that relate to coordination with other NGO's in the region are moving at a slower pace than expected but still with progress. We have identified some productive strategies in addition to what was proposed in the proposal and have designed an innovative model to optimize land use to promote Conservation Concessions or Easements adapted to the local conditions.

The government's approval to build the new Oil Pipe (OCP, Ltd ) through the southern part of the Corridor (Guayllabamba River Watershed Protective Forest and Mindo-Nambillo Protective Forests) may pose some risks to the project. OCP would cut through pristine forests, where endemic bird and plant species have been registered (Black-breasted-puffed & Lepanthes orchids respectively). In response Fundación Maquipucuna has participated actively in several instances aimed at reducing the impacts posed to the Corridor by the construction of the new heavy crude oil pipeline (OCP). Initial efforts included co-founding and actively participating at the *Comité Pro-Ruta Menor Impacto* and participating in the NGO review of the Environmental Impact Assessment. Once the Government of Ecuador approved the construction through the Northern Route, Fundación Maquipucuna has been placing its efforts on building institutional support to guarantee enforcement of Best Practices from OCP during construction and operation. The project has intensified training and the community guards program, is participating in the Comisión de Veeduria and is exploring possibilities to negotiate with OCP adequate ecological compensation to the Conservation Corridor through an eco-trust presented initially between Fundación Maquipucuna, CECIA, Bird Life International and Fundación Natura.

## 1. CONSERVATION PRIORITIES AND PLAN OF ACTION

**1.1 Conservation guidelines and priorities published and disseminated:** We have produced a video to explain the project. Fundación Maquipucuna is coordinating with the Ministry of Environment and has signed a Memorandum of Understanding with Conservation International as a strategic partner to prepare proposals to the Critical Ecosystem Partnership Fund. CI will also act as the Domestic Partner before USIJI when submitting the C trading project. We have not been able to gather enough material yet to start the interinstitutional newsletter during the first year.

The project is generating large expectations among private individuals and organizations in the macro area. Many have approached Maquipucuna for financial or technical support, opening possibilities for a continuing phase of the project because intensive field work outside of the pilot zone was not budgeted during the first 3 years of the project.

Fundación Maquipucuna received offers for sale of ca 27,000 ha of forest in several properties, north of Cotacachi - Cayapas. We assessed quality and property limits of those forestlands, and have digitized land tenure. No further efforts to purchase the area were made because major land tenure conflicts exist among palm plantation owners and local groups.

**1.2 Design of a Long term monitoring protocol.-** A workshop at UGA analyzed the appropriateness of adopting the Montreal Indicators for Sustainability<sup>1</sup>. The conclusion was such framework for monitoring may not be the most appropriate in view of the fact that relevant information available for the Corridor is still by far insufficient. The recommendation was that instead we should prioritize and find some key indicators.

*Effect of Land-Use on Connectivity:* Though scheduled to start the second year, a study of the primate populations has been initiated. The region harbors three species of primates that have different degrees of demand for intact habitat. Spider monkeys prefer undisturbed habitat, Cebus monkeys can be found in semi-disturbed areas, while Howler monkeys, if there is no hunting pressure, will adapt even in disturbed habitats. The study will result in a map of the locations of three indicator species of primates for the macro area. The results should validate the main conservation routes.

*Land-use change model:* The target for the first year was to secure a base map (topography, rivers, roads, and towns) at a 1:50,000 scale for the macro area. The map is 80% ready because the actual area being digitized is larger than expected.

*Policy Evaluation:* The terms of reference for the consultancy are ready. However, we felt the report would be more meaningful if it also addressed the effects of policies on specific economic alternatives proposed by the project and which have been identified during year 1. The contracting of the Policy Evaluation report will be delayed until year two.

## 2. ESTABLISHMENT OF A PILOT CORRIDOR

The boundaries and extent of the pilot zone are being re-defined with more precision through the GIS. The original target of enlarging the core-protected area to 75,000 ha still holds, and to reach that goal the project aims to increase the protected status by about 26,500 ha.

**2.1 The management plan.-** The first year's efforts concentrated on.

*Setting up a basic GIS for the pilot area:* A base map-scale 1:25,000 is in the final stages of edition. The photo-interpretation of 1996 has been groundtruthed, the National School Census for 2000 has been entered in a data base, and initiated the land tenure data base (with property titles of reserves, private owners and state owned properties).

*Revising the intervention strategy which will address issues of Community participation:* The way to involve different communities into the preparation of the management plan will be through the preparation of "Strategic Community Conservation and Sustainable Development Plans" and the

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<sup>1</sup> Montreal Indicators for Sustainability are those developed by FAO to monitor tropical forests sustainable management and adapted by the US and Canadá to monitor sustainable forest management.

identification and training of community leaders. **Food security:** A model for an integrated agro-ecological parcel for food self-sufficiency has been initiated at the Maquipucuna Reserve. Vegetable gardens from people at Yunguilla community keep being monitored. **Market based production** The suite of economic alternatives to deforestation chosen by the project and local people includes Ecotourism, Shade Coffee, Guadua, Paper and crafts, Eco-foods and Plant propagation. **Progressive land zoning:** The "Trade of Use" mechanism is a way to optimize the use of land, farmers time, technical assistance, provide an economic incentive for conservation and does not require any type of housing relocation. The idea has been shared and validated with members of communities of Yunguilla and Jamboe (in Zamora-South East Ecuador's Upper Amazon). A draft summary description of the mechanism is attached. We would start implementing a model in Yunguilla as soon as land the "trade of use farm" is purchased. **Land tenure clarification:** We have worked out a draft catastro proposal with local representatives to be submitted to the Municipality of Quito

*Achieving community and institutional support:* Maquipucuna has organized information and planning events with several communities of the pilot zone. Four of them have signed a Memorandum of Understanding with Fundación Maquipucuna PROBONA (IUCN-Intercooperación/Proyecto de Bosques Nativos Andinos) will provide counterpart funding to the Chocó-Andean Corridor for the next three years to implement community based activities within the management plan. The Environmental Branch of the National Police, The Ministry of Environment and the Provincial Council of Pichincha are joining the project to strengthen law enforcement at the pilot zone.

**2.2 Land Purchase and Conservation Easements.-** 460 ha have been secured and three properties totaling 380 ha are under negotiation. An 800 ha conservation easement is under negotiation in one of the critical areas crossed by OCP. In the Protected Forests of Mindo-Nambillo and Cuenca Alta Río Guayllabamba ca 8,000 ha have been offered for sale.

**2.3 Environmental community guards.-** Land trafficking and squatting are lingering problems in the area. Prices of the land have increased and with them land speculation. OCP's presence is one of the causes. As a response, the Utopia Guard post along the main road to the coast has been strengthened through training, providing them with supplies and equipment, radios and electric power generator and the permanent presence of environmental policemen from the national police. Two new guard posts have been established in the communities of Marianitas and Yunguilla. The project is working to find ways to make the environmental community guards a self-sustaining activity.

**2.4 Reforestation.-** 18 ha is the area reforested or under some sort of management. Of those, 8ha were established during last year. A guadua nursery is initiated. A coffee nursery initiated for which certified seeds were secured.

On the other hand, the project is tackling the challenge of amplifying the rate of reforestation to meet project goals. The first issue has been raising the additional funds required. A reforestation proposal is being discussed with PROFAFOR, a company owned by the Dutch Electric Companies, which is funding reforestation projects with credits from C offsets.

### 3. INTEGRATED ENVIRONMENTAL INFORMATION SYSTEM

The environmental Information System aims at increasing the availability, quantity, and quality of environmentally relevant information.

**3.1 Development of the system.-** Contacts are underway with different organizations (SUBIR partners, Plan Chocó, Unidad Coordinadora de Esmeraldas, CI, WWF's Chocó project and PROBONA). A navigation outline is ready for the main web site and a basic website has been uploaded on the Internet. The actual data base programming and the promotion of this system among institutions that house information will be done during year 2.

**3.2 Socio-economic monitoring.-** A survey design and questionnaire to gather baseline information are ready to be applied in the pilot area. The systematization is ready for the methodologies applied and the impacts of previous conservation activities promoted in the community of Yunguilla (the oldest community project for Maquipucuna in northwest Ecuador).

**3.3 Framework for research to support management.-** These are activities carried out at the pilot zone that will help answer some questions to improve management or validating methodology to be promoted by the project

*C studies*-initiated for Guadúa and primary forest.

*Integrated pest management* research on coffee and plantain systems proceeds and third year data has been collected to be submitted to publication next year.

*Product identification/Market analysis/ Business plans.-* In-vitro propagation techniques are being used to propagate orchid, bromeliad and blackberry species in a temporary lab in the Maquipucuna offices in Quito. The lab is to be re-located to the training building in Marianitas. The latest botanic expedition from the University of California has identified a plant that may have potential commercial importance. Contacts have been initiated, and the Atlanta Botanical Garden will provide technical assistance in the propagation and eventually patenting of the new plant propagates.

*Food security:* 3 experimental demonstrative parcels on agro-ecological farming (PASAS - 1 at 60% implementation & 2 designed) have been initiated, data on costs and other relevant issues is being taken to replicate the model in the future.

*Guadua* Initiated demonstrative stands of managed guadua.

**3.4 Establishment of an ecological monitoring plan.-** An integrated model that includes forest conservation, trash management and an artificial wetland to treat sewage is being discussed with the Marianitas community and faculty from Ecology, Anthropology and Bioengineering at the University of Georgia. In the mean time, a Manual for a Stream Visual Assessment Protocol is ready and training initiated for the environmental community guards as monitors of the quality of water in the main streams of the community.

Forestry management data collection proceeds on a second year at the Yunguilla community (phenology of 10 native tree species, growth of 2 primary forest permanent parcels, and growth in 1 parcel of secondary forest enriched with native Heart of Palm)

#### **4. ENVIRONMENTAL EDUCATION**

This first year the program has focused on training, program development and promotion. The Ecuadorian environmental education coordinator participated in a month internship at the Georgia State Botanical Garden at the University of Georgia (GSBG-UGA) in April. Both summers (2000 and 2001), 8 staff people from the GSBG-UGA visited Maquipucuna where they have assisted the development of "The Naturalist Program" for children, youth and leaders, as the guideline for curriculum development & training (contents of: tool boxes and prototype kits, manuals of usage, audience, etc.). They also advised about trail and general interpretation at the Training Center in Marianitas, and helped develop two puppet shows and training ecotourism guides and community guards.

With GSBG assistance a questionnaire was prepared to reveal local level of knowledge about rainforests. This knowledge will be used to adjust program development and training.

On the other hand, promotion of environmental education has reached directly approximately 305 local children at different events (parades, puppet shows, and guided walks to the Maquipucuna Reserve and talks to schools) from local schools and 15 international children during the trial summer camp. The introduction of paid camps in 2002 targeted to children from Quito and foreign schools is an effort to make the environmental education a financially self-sustaining program. The revenues generated by paid events will help create a fund to sustain an unpaid long term program for the local communities.

The volunteer program has received over 30 volunteers to become involved with project activities. A volunteers "Project Book" is in place as a means to keep track of projects mission, vision, objectives and timetable of volunteers, whereas a manual for volunteers, produced with the assistance of GSBG is ready to be loaded to promote volunteers on the www

## 5. PROGRESSIVE SUBSTITUTION OF DEFORESTATION BY ALTERNATIVE PRODUCTION IN 7 COMMUNITIES

**5.1 Training.-** Project staff has received training through several events including: an observation trip to Colombia (the Quindío Coffee region, guadua research center, CIAT, coffee research center, Parque Nacional del Café, Parque Nacional de la Cultura Agropecuaria & a self-sustained farm), an international workshop on Guadua cultivation, and workshops on Project Evaluation & Microsoft Project. Co-sponsored by the Swedish government, the agronomist of the team attended a 3-week Organic Certification workshop in Sweden.

As planned women from 3 communities craft groups have received training through several workshops on drawing, binding & accounting.

The rest of the training events focused on management of native Bamboo stands (*Guadua angustifolia*), building and carpentry techniques with Guadua, business management, dairy products, in-vitro plant propagation, ecotourism (first aid, environmental interpretation, ecotourism norms, Global Positioning Systems (GPS), and English as a second language) and agro-ecological farming. To date the project has involved people from 5 communities in training.

The building of the training center, is ready and progressively entering into operation. The tissue culture lab is being moved there from its temporary location in Quito. The training center has been designed with areas to "learn by doing & producing".

**5.2 Marketing image and strategic signage ecotourism:** After a perception survey performed among Maquipucuna staff, local people, and international associates, the institutional logo was re-designed. The purpose was to match a unified image of eco-production that later will be associated with the Chocó-Andean Conservation Corridor as a means to optimize marketing efforts. Along the same line of supporting marketing and to facilitate fundraising efforts, we produced a video for the Corridor and the ecotourism of the region.

Both designs and texts are ready for a package of road signs that will promote the biodiversity of the Corridor as well as the ecotourism facilities of the region.

A basic Eco-tourism web page is ready. The Yunguilla ecotourism operation has a promotional brochure prepared and printed by funding from the volunteer program. And a new domain has been registered [www.eco-tourism.org](http://www.eco-tourism.org) to further promote the ecotourism operations. Local TV and newspaper have been approached and have provided coverage about ecotourism & conservation projects at no cost.

**5.3 Development certification guidelines for ecotourism.-** Initial contacts have been established with the Ministry of Tourism and the Ecuadorian Association of Ecotourism to work collaboratively on this project. A draft proposal is ready for revision to then be submitted for funding.

**5.4 Promotion of two eco-enterprises.-** Two groups, the Colibri and Mamapallo groups are about finished with the construction of their new workplaces, built by community members with the assistance of Maquipucuna through counterpart funding.

A brief diagnosis of organizational and administrative aspects of existing small business ventures promoted by Maquipucuna in previous years is ready. The common conclusion of the reports is that all of them still need follow up and support in order to become financially self-sustainable. Therefore, a work plan to provide follow up has been prepared and the project will continue supporting their marketing & production efforts.

The "Strategic Plan to develop the conservation paper activity & technical recommendations to improve quality" was done by Dieu Donne Paper Mill, NY with counterpart funding. Also the study of the elasticity of demand for the Eco-cards in the US market is available to the project thanks to the assistance from the University of Iowa, Business School. During the 2<sup>nd</sup> year the project will follow the recommendations of both studies to strengthen the marketing potential for the cards & paper component.

The ecotourism signage program has been designed as a financially self-sustaining program that will likely become one of these two eco-enterprises. The program consists on locating road signs, allusive to forest facts. They will be made primarily out of Guadua harvested from managed guadua stands at a

project-sponsored Guadua workshop initiated in Nanegal. The road signs will be located along 30 km of one of the main roads between the capital city of Quito and the coast in the pilot area traversed yearly by about 200,000 drivers. The road signs are educational, building up awareness about the importance of biodiversity, water and carbons cycling functions of the area, at the same time that they help promote and locate main ecotourism attractions of the region. Publicity spaces have been designed within the signs which will be sold to companies on a yearly basis, thus helping fund the actual building and maintenance of the signs.

A general model is being designed to promote small eco-business ventures generated by the project. It is called "Franchises for development". Further development of the idea will take place as well as a set of business plans for the different economic alternatives during year 2

## 6. DEVELOPMENT OF A TRUST FUND

**6.1 C valuation of the Choco-Andean project** - The report on the C-trading potential of the Choco-Andean Corridor project for accreditation with USIJI & the government of Ecuador is ready. It found that the pilot project has the capacity to generate approximately 1.27 million tones of carbon (4 65 million tCO<sub>2</sub>) sequestration over a 100-year lifetime. In addition, 1.16 million tones of carbon reduction emissions can be generated through the additional conservation of 50% of the forest area presently unprotected outside of existing protected areas, but within the pilot area. The potential funding from the carbon credits generated would be sufficient to create a trust fund of about \$5,000,000 for the life of the carbon project in the pilot area. Conservation International has agreed to serve as the domestic partner in the USIJI proposal and is expected to work collaboratively in the design and fundraising for the fund.

**6.2 Evaluation of long-term financing mechanisms.**- The project is considering a combination of financing mechanisms as a long-term funding strategy: The strategy includes a C-offset fund, preparing a portfolio of long term conservation projects for traditional fundraising, and designing and marketing project services as a series of self-sustaining activities (environmental education camps, ecotourism operations, eco-roadsigns publicity, patenting plant propagates, conservation coffee).

**6.3 Trust fund establishment & implementation.**- A consensus building workshop will be carried out during year 2 with the information gathered during year 1. An eco-fund for critical ecological areas is being developed with 3 other NGO's and OCP

**Table A. Benchmark and Status per Activity**

Outcomes & indicators	Target year 1	Status
<b>Outcome 1: Identifying and Disseminating Choco-Andean conservation priorities and an action plan (Ma)</b>		
<b>Activity 1: Design and dissemination of regional conservation priorities and plan of action (Ma)</b>	Consensus building process initiated with a stakeholder workshop to disseminate & evaluate Choco-Andean corridor strategy & to collaboratively prepare conservation & forest management project proposals. One issue newsletter Choco-Andean	Project discussed with WWF's Chocó project (Cali), other NGO's, CI's Biodiversity Conservation Symposium & CEPF planning meetings (Washington, Quito, Cali), and Plan Chocó - Min. of Env , Jatun-Sacha-CDC Memorandum of Understanding with CI created Several workshops held at pilot level. Newsletter preparation delayed until more material is available
	Monitoring protocol designed	Indicators identified
	Study Effect of land-use on connectivity	50% of primate study as indicator of habitat underway
	Base map using GIS is created for land-use change model	80% base map of macro area at 1:50,000, land tenure completed; GIS initiated
<b>Activity 2: Design long-term monitoring protocol &amp; data base (Ma)</b>	Evaluation of relevant policies and recommendations presented	TOR developed, report delayed 'til yr. 2.

<b>Outcome 2: Core corridor conservation-area created (75,000 ha)</b>		
<i>Activity 1: Creation of a management plan for pilot core conservation corridor (Pi)</i>	Areas for reforestation, purchase, and easement identified and mapped.	GIS data base initiated & Intervention strategy revised, Draft-proposal for participative cataster completed.
	Identification of 7 communities to become involved with project	MOUs with 4 communities & other institutions (PROBONA, Local governments, Provincial Council, Police, Min. of Env.)
<i>Activity 2: Conservation easements/land-purchase contracted- for a total of 1,000 ha over 3 years (Pi)</i>	Conservation easements & land purchase strategy, including endowment mechanisms report, completed	460 ha of primary forest purchased, negotiating 800 ha of conservation concession, 260 ha for management, and 125 ha for reforestation
<i>Activity 3: Increased enforcement of biodiversity conservation with community participation (Pi)</i>	Patrolling log of environmental community guards	New guard posts in Yunguilla & in Marianitas; Agreement signed with National Environmental Police; 6 training events for guards; GPS mapping of squatting activity.
<i>Activity 4: Reforestation contracts for 600 ha (Pi)</i>	Preparation of a C- mitigation sub-project for reforestation	18 ha managed at local level, 8 new ha; Guadua nursery initiated, Coffee nursery initiated, certified seeds secured. Negotiation of larger reforestation project initiated.
<b>Outcome 3: Development and dissemination of an integrated environmental information and decision-making system to support the conservation corridor</b>		
<i>Activity 1. Development of an Environmental Information System made publicly available (Ma)</i>	Design of a web-based environmental information system	Navigation outline for web page (www.maqui.org)
	Choco-Andean Working Group (CACWG) coordinating and exchanging information. (Ma)	NGO's & government organizations approached to participate in CACWG
<i>Activity 2: Creation of a socioeconomic monitoring plan (Pi)</i>	Socio-economic monitoring initiated.	Survey & questionnaire to gather baseline data
	Document planning process with local communities for management plan of the pilot corridor underway (Pi)	Sistematization of Yunguilla experience completed
	Ecotourism monitoring plan (Pi)	Planned for Yr2
<i>Activity 3: Development of a research program to feed into the integrated environmental information and decision-making system (Pi)</i>	C sequestration and storage monitoring protocol and data collection initiated.	C sequestration and storage monitoring studies in Guadua and primary forest areas initiated
	Initiate identification of commercial potential and technical feasibility of propagating epiphytes and medicinal plants (Pi)	Identification of flowering plant of possible commercial value by UCDavis
	Key applied research underway	IPM research on coffee continues. Guadua management trials-4 5 ha Experimental demonstrative parcels on agro-ecological farming (PASAS - 1 at 60% implementation & 2 designed)
<i>Activity 4: Establishment of an ecological monitoring plan with public participation (Pi)</i>	Design of an adopt-a-stream program (Pi)	Methodology (Visual Assessment Protocol) identified and field tested & trained locals for water monitoring
	Local people trained on key monitoring-data collection.	2 on Integrated Pest Management, 1 on Phenology, 2 on tissue culture, 4 on water monitoring, 3 self-sufficiency agroecological parcels

<b>Outcome 4: Increased local communities' environmental awareness</b>		
<b>Activity 1: Implementation of an environmental outreach program for children and adults of 7 communities (Pi) - 5 elementary (250 students) and 2 high schools involved (500 students)</b>	Dissemination of ed kits within 3 elementary schools and 1 high school.	215 children from 4 local schools participated in 3 workshops and visits to the Maquipucuna Reserve.
	Adaptation & development of three rainforest educational kits.	The Naturalist program concept and modules defined & volunteers working on materials
	International trial env ed vacation camp	Trial camp in 2000 & UGA & FM Staff organizing camp for 2002, 60% of brochure done.
	Environmental Ed. Parade conducted during festivities of Nanegal	Parades Nanegal 2000 & 2001 were carried out successfully
	Training for environmental education program personnel provided	Env. Ed. Coordinator, guides & guards trained by UGA-GSBG staff through internship & a field visit
<b>Activity 2: Volunteer program established</b>	Preparation of the volunteer program manual.	100% manual ready in English
<b>Outcome 5: Alternative production in 7 communities underway</b>		
<b>Activity 1: Training groups of interest in 7 communities on alternative production and economic development options</b>	Local leaders in 7 communities and project personnel trained in alternative production options.	<i>Project staff trained</i>
		<i>Training &amp; production center:</i> Construction of a training & production building designed for "learn by doing"
		In Guadua 7 local promoters on managing and harvesting native Guadua stands & 10 locals on construction techniques trained
		<i>Business management:</i> Visited the small rural businesses in Salinas - Bolívar with 48 people from Yunguilla
		2 workshops (45 trained) on dairy products production conducted ; Business analysis for micro dairy plant for Yunguilla completed
	<i>Coffee:</i> 2 local promoters trained	
One ecotourism training event held	6 training events in (FM, Yunguilla, Sta. Lucía held: First aid, Environmental interpretation, Ecotourism norms, English lessons (12 guías FM, 10 Marianitas, 4 Nanegal, 30 Yunguilla) & how to give an introduction to tourists	
Women from 3 communities trained on craft making.	<i>Paper &amp; crafts:</i> 6 workshops - 16 women (Marianitas, Yunguilla, & Nanegal on drawing, binding & accounting)	
<b>Activity 2: Prepare marketing image and strategic signage for ecotourism</b>	Develop marketing image for Corridor's eco-products & strategic signage for ecotourism in pilot area.	Video & new logos; 90% ready of text of signs & designs
<b>Activity 3: Promote 2 eco-enterprises with community/NGO/investor participation (Pi)</b>	Design eco-enterprise model & revenue distribution	Built Colibri craft shop & Yunguilla women's workshop; Draft design of Franchuses for Development, Paper strategy consultancy report completed
	Develop businesses and markets	Elasticity of demand with Iowa U. (1,800 cards) ; Local promotion & sale, Schools Working in America Together initiative at US schools
		Initiated Guadua eco-business



		Support ongoing Yunguilla eco-jams business (Microbiology analysis of Jams completed)
<b>OUTCOME 6: Trust fund established and endowed (Ma)</b>		
<i>Activity 1: Development of a trust fund</i>	Evaluation of the C-trading potential of the Choco-Andean Corridor project prepared by a consultant.	Final versions ready to be presented to Gov. of Ecuador & USIJI. CI agreed to act as Domestic Partner before USIJI  Eco-fund for critical ecological areas being developed with 3 other NGO's and OCP.

### III. FINANCIAL REPORTING OF FUNDS RECEIVED IN THE PREVIOUS DISBURSEMENT PERIOD:

A summary overview of expenditures from all sources of funds is presented below:

**TABLE B: EXPENDITURES BY CATEGORY**

Expenditure Category	GEF (USD \$)	Maquipucuna, Butler F. & UGA (USD \$)	Total (USD \$)
Goods	39,425.99	52,225.00	91,650.99
Workshops/training	99,695.34	24,077.54	123,772.88
Technical assistance	180,394.75	473,192.39	653,587.14
Operational costs	64,740.32	144,405.54	209,145.86
Land purchase	384,256.40	158,333.33	542,589.73
<b>Total</b>	<b>384,256.40</b>	<b>852,233.80</b>	<b>1,236,490.2</b>

**TABLE C: EXPENDITURE BY PROJECT COMPONENT**

Component	GEF (USD \$)	Maquipucuna, Butler F. & UGA (USD \$)	Total (USD \$)
Conservation priorities and plan of action	59,365	101,453	160,818
Establishment of a pilot Corridor	56,706	288,139	344,845
Integrated Environmental Information System	76,741	111,877	188,618
Environmental Education	81,801	150,651	232,452
Training and production of economic alternatives	88,952	156,193	245,145
Trust fund establishment	20,692	43,920	64,612
<b>Total</b>	<b>384,256</b>	<b>852,233</b>	<b>1,236,490</b>

### IV. PROJECTION OF FUNDS NEEDED FOR NEXT DISBURSEMENT PERIOD:

The total cost of project activities for year 2 (2001) is \$1,093,956. Of these funds, \$388,061 will be financed by the GEF grant as follows: \$331,448 is the budgeted amount for year two, plus \$56,613 which is balance in the special account (which includes year 1 interests). An amount of \$5,628 are expected as interests for year 2. Counterpart funding for year 2 is \$700,000. The activities, performance benchmarks, and requested GEF financing per activity are summarized below:

**TABLE D: SUMMARY OF ACTIVITIES, AGREED PERFORMANCE TARGETS, AND GEF FINANCING**  
Period November/2001– July/2002

ACTIVITIES	BENCHMARKS YR 2	GEF FINANCING
<b>Outcome 1: Identifying and Disseminating Choco-Andean conservation priorities and an action plan (Ma)</b>		76,144
<i>Activity 1: Design and dissemination of regional conservation priorities and plan of action</i>	<ul style="list-style-type: none"> <li>- Chocó-Andean coordination workshop</li> <li>- Newsletter underway</li> <li>- Chocó-Andean Corridor Brochure</li> <li>- Proposal with CI to CEPF</li> <li>- Congress Draft outline, participants &amp; co-sponsors identified for yr 3 Congress</li> </ul>	
<i>Activity 2: Design long-term monitoring protocol &amp; data base (Ma)</i>	<ul style="list-style-type: none"> <li>- 100% draft report of primate study &amp; distribution map</li> <li>- 100% base map, 100% land tenure map; 100% demography; 100% Conservation &amp; sustainable development projects</li> <li>- 100% actual land-use cover &amp; 100% two previous dates land-use cover</li> <li>- 100% Conceptual land-use change model</li> <li>- Report of evaluation of relevant policies and recommendations</li> </ul>	
<b>OUTCOME 2: Core corridor conservation-area (75,000 ha)</b>		52,908
<i>Activity 1. Management plan for pilot core conservation corridor (Pi)</i>	<ul style="list-style-type: none"> <li>- Outline of management plan</li> <li>- 100% base map @ 1:25,000</li> <li>- 100% map &amp; report of conservation &amp; reforestation areas in pilot corridor</li> <li>- Request extension of Protected Forest Cuenca Alta Rio Guayllabamba for Min. of Environment;</li> <li>- Coordinate with Bird Life to extend IBA Mindo</li> <li>- Agreements signed with partner communities</li> <li>- 100% of Strategic Sust. Deve. &amp; Conservation plans w/ 5 communities - Zone I</li> <li>- 3 out of 4 strategic partners have prepared conservation strategies within - zones II,III,IV,VI);</li> <li>- Cataster proposal; 80% Mapping de 1,000 ha</li> <li>- Inventory of guadua areas of commercial potential</li> <li>- Model management plan for guadua areas within the Maquipucuna reserve</li> </ul>	
<i>Activity 2. Conservation easements/land-purchase contracted- for a total of 1,000 ha over 3 years (Pi)</i>	<ul style="list-style-type: none"> <li>- Continue negotiation: 800 ha of conservation concession, 260 ha for management &amp; 125 for reforestation</li> </ul>	
<i>Activity 3: Increased enforcement of biodiversity conservation with community participation (Pi)</i>	<ul style="list-style-type: none"> <li>- 3 training events</li> <li>- Agreements signed with Provincial Council, Ministry of Environment, Police, FM to upgrade Utopia</li> <li>- 50% self-sustained farming plot implemented</li> <li>- Control &amp; report illegalities (tumber transport, charcoal, hunting, up-date squatting map)</li> <li>- Sistematization report of control activities</li> </ul>	

<i>Activity 4. Reforestation contracts for 600 ha (Pi)</i>	<ul style="list-style-type: none"> <li>- 1 tree nursery in Yunguilla &amp; 1 tree nursery in Marianitas; 1 guadua nursery; 1 coffee nursery</li> <li>- Reforestation contract for 150 ha</li> <li>- Proposal for the reforestation of up to 1,500 ha</li> </ul>	
<b>Outcome 3: Development and dissemination of an integrated environmental information and decision-making system to support the conservation corridor</b>		<b>101,612</b>
<i>Activity 1: Development of an Environmental Information System made publicly available (Ma)</i>	<ul style="list-style-type: none"> <li>- A WWW Data base designed as an Environmental Information System (EIS) (eg: able to download basemaps from the web)</li> <li>- MOU's with EIS (Chocó-Andean Working Group) potential partners</li> </ul>	
<i>Activity 2: Creation of a socioeconomic monitoring plan (Pi)</i>	<ul style="list-style-type: none"> <li>- Socio-economic baseline report</li> <li>- Index of info housed @ Maquipucuna</li> <li>- Data on ecotourism to study impact of income from ecotourism on conservation)</li> <li>- Document planning process with local communities for management plan of the pilot corridor underway (Pi)</li> </ul>	
<i>Activity 3: Development of a research program to feed into the integrated environmental information and decision-making system (Pi)</i>	<ul style="list-style-type: none"> <li>- C sequestration data for 1000 m analyzed</li> <li>- 75% propagation techniques of three plant species of potential commercial value</li> <li>- Publication of IPM research results</li> <li>- 30% sugar cane research parcel (1ha)</li> <li>- Trade of Use Model - report &amp; establishment of 2 experimental models</li> <li>- Model management plans for guadua</li> <li>- Agroecological model farms: 100% Umachaca &amp; 50% Utopía</li> </ul>	
<i>Activity 4: Establishment of an ecological monitoring plan with public participation (Pi)</i>	<ul style="list-style-type: none"> <li>Pilot Water quality monitoring manual</li> <li>7 people trained on key monitoring-data collection</li> </ul>	
<b>OUTCOME 4: Increased local communities' environmental awareness (OBJ.4)</b>		<b>66,282</b>
<i>Activity 1: Implementation of an environmental outreach program for children and adults of 7 communities (Pi) - 5 elementary (250 students) and 2 high schools involved (500 students)</i>	<ul style="list-style-type: none"> <li>- 75 % field testing of program involving 200 children from 7 local schools</li> <li>- 90% Curriculum developed(ages 8-11)</li> <li>- Day camps with 200 school children from Quito</li> <li>- Parade 2002</li> <li>- Training for environmental education personnel</li> </ul>	
<i>Activity 2: Volunteer program established</i>	<ul style="list-style-type: none"> <li>- Manual in English and on the www</li> </ul>	
<b>Outcome 5: Alternative production in 7 communities underway</b>		<b>71,062</b>
<i>Activity 1: Training groups of interest in 7 communities on alternative production and economic development options</i>	<ul style="list-style-type: none"> <li>- <i>Leadership</i>: 4 workshops for 15 people in 5 communities</li> <li>- <i>Native Guadua management</i> Certification of 6 guadueros, 1 workshop for 12 people from 5 communities</li> <li>- <i>Guadua woodwork</i> 5 people learning by doing</li> <li>- <i>Business management</i>: 2 Observation visits to key projects with 15 local leaders</li> <li>- <i>Jam production</i>. 1 workshop, 12 people</li> </ul>	

	<ul style="list-style-type: none"> <li>- <i>Food security</i>: Draft "self-sufficiency agroecological parcels (PASA) " manual, 1 workshop &amp; 12 people trained</li> <li>- <i>Coffee</i>: 1 workshop open to 5 communities - 12 people trained, 1 brochure IPM methods</li> <li>- <i>Ecotourism</i>. 2 events- 24 people from 3 communities</li> <li>- Training women on craft making: 2 workshops (open to at least 3 new communities)</li> </ul>	
<i>Activity 2: Prepare marketing image and strategic signage for ecotourism</i>	<ul style="list-style-type: none"> <li>- 22 signs on the main road (80% of pilot area signage)</li> <li>- <i>Development of standards and guidelines for ecotourism certification</i> (Coordination &amp; id information with ASEC, Min Tourism, USFQ, Ecotourism association, etc.)</li> </ul>	
<i>Activity 3: Promote 2 eco-enterprises with community/NGO/investor participation (Pi)</i>	<ul style="list-style-type: none"> <li>- Development of the proposal for the model of Franchises for Development (Report &amp; Initiation of model Jam business)</li> <li>- Development of the commercial image for the Corridor products</li> <li>- Implement recommendations from Paper Consultancy</li> <li>- Development of Guadua eco-business</li> <li>- Making head way into marketing coffee</li> <li>- Making head way into marketing bromeliads</li> </ul>	
<i>Activity 4: Three technical feasibility studies and business plans for alternative productive activities for communities.</i>	<ul style="list-style-type: none"> <li>- 50% Ecotourism feasibility study for Alaspungo</li> <li>- Terms of reference for the guadua feasibility study for macro area of corridor as an alternative productive activity that serves ecological restauration</li> <li>- 100% business plan for guadua eco-business</li> <li>- 100% commercialization plan for coffee</li> <li>- Business plan for micro dairy operation in Yunguilla</li> </ul>	
<i>Activity 5: Feasibility study for a conservation &amp; management high school.</i>	100% Terms of reference	
<b>OUTCOME 6: Trust fund established and endowed (Ma)</b>		<b>20,052</b>
<i>Trust fund established and endowed (Ma)</i>	<ul style="list-style-type: none"> <li>- C-offset project prepared</li> <li>- Submit C proposal for Ecuadorian &amp; USIJI endorsement</li> <li>- Negotiate agreements at macro scale, include C component in Reforestation proposal</li> </ul>	
<b>Total GEF for November 2001 – July 2002</b>		<b>388,061</b>

Annex 1-RESULTS & ECOTOURISM / RESEARCH PROMOTION

Actual/potential Research, volunteers & trips with Universities and Institutions/Groups

#	Institution - Researchers	Field / Subject	Time-frame
1	U. California Davis-G Webster & UREP-Univ. Research Expeditions Program	Botany / Flora of Maquipucuna	12/00
2	UGA-R. Carroll & C. Jordan	Ecology/IPM & gen. research Ecology/ C Sequestration	7-00 12-00
3	U. Wisconsin-B. Butler & R. Lippi T. Honn	Anthropology/Archaeology Univ. Press	7-00 7-00
4	ABG-R. Determann & R. Gagliardo	Horticulture/Installation of propagation hood w/ UGA	1 & 10-00
5	UGA-INIAP/R. Carroll-C. Suarez	IPM-Integrated pest management	8-00
6	U. Northern Iowa-D. Saija & I. Rainklin	Strategic planning, Ecocards commercialization	3 & 6/8-00
7	U. Northern Iowa-M Boyd	Education component	6/8-00
8	UGA-SBG-A. Shenk & C. Hoffman	Env. Ed. & Children's Camp	7/8-00
9	UGA-J. Affolter & J. Weinstein	Horticulture	8-00
10	UGA-T. Gragson	Anthropology/Social monitoring of projects	9/10-00
11	UGA-C. Pringle	Limnology/Establishment of adopt-an-stream program	8-00
12	U Wageningen-J. Wolf	Horticulture/bromeliad production	8/10-00?
13	EYA-Env. Youth Alliance (EcoPlan International)	Volunteer/Spanish services exchange 3-month-trip/s	6-00
14	UGA-M. Williams	Archaeology/Incorporation of high tech. equipment	8-00
15	Global Health Volunteers-NIU	Health/general survey-towns	7-00
16	U. Wageningen-J. Lussio/B. Elizalde	Ecotourism/Thesis research	6/8-00
17	Non Profits In Travel Conference	Contact w/ Tour operators and Alumni Assocations	2-00
18	Canodros	Development of Canopy walkway in the south of MR	7/00
19	Barnett Shoals School/J. Goul	Teacher (retired)	11/00

	POTENTIAL/to-be-CONFIRMED		
1	ABG/TNC-Georgia	Members trips	10-00?
2	Warren Wilson College/	Alumni trips	8-00?
3	UWSP/Dean Phillips	College of Natural Resources	
4	Elder Hostel	Volunteer services trips	
5	Yale/Yale Club of Atlanta	Alumni Trips	
6	Warren Wilson College	Volunteer program trips	8/00?
7	Sierra Club	Volunteers/member trips	
8	Earth Watch	Volunteers trip	
9	Zoo Atlanta	Research/Members trip	10-00?
10	Ecuador Plant Club	Member trips	8/00?
11	U.North Carolina Asheville-	Env. Sciences	00?

**FINANCIAL REPORT 2000  
TO THE BUTLER FOUNDATION**

<b>1. GRANTS RECEIVED &amp; BALANCE</b>		
<b>GRANTS RECEIVED</b>	58,000.00	2/1/2000
	7,500.00	7/12/2000
	77,500.00	8/29/2000
<b>TOTAL</b>	<b>143,000.00</b>	

<b>2. SUMMARY OF EXPENSES BY CATEGORIES</b>	
<b>MAQUIPUCUNA FOUNDATION - US</b>	
Salaries & Honoraria	
Rodrigo Ontaneda	23,106
Honoraria (EcoSecurities Carbon Study)	7,500
Expenses	
Expenses related to fundraising & land protection	18,644
Travel	3,620
<b>Subtotal</b>	<b>52,870</b>
Committed balance for EcoSecurities	9,350
<b>Total US</b>	<b>62,220</b>
<b>FUNDACION MAQUIPUCUNA - ECUADOR</b>	
Committed Ecuador	75,246
<b>Subtotal</b>	<b>80,780</b>
<b>TOTAL</b>	<b>143,000</b>

Attachment 2003AR 2 - TRANSFERS TO ECUADOR

FONDOS ENVIADOS DE MF A	
FECHA	VALOR
Febrero 25	40,000.00
Julio 31	9,000.00
Agosto 21	3,780.00
Septiembre 1	8,166.21
Septiembre 21	8,333.79
Septiembre 22	3,500.00
Noviembre 8	7,000.00
Diciembre 1	1,000.00
<b>ECUADOR</b>	<b>80,780.00</b>



INFORME DETALLADO DE GASTOS  
 DEL: 1 enero AL: 31 diciembre del 2000

MAQUIPUCUNA FOUNDATION USA			52,270.99
1. EXPENSE			18,644.47
02/25/2000	Athens Printing Company	Promotional Matenal	-190 31 e
09/21/2000	Athens Printing Company	Promotional Matenal	-713 77 e
01/12/2000	Bellsouth	Comunications	-304 54 e
03/29/2000	Bellsouth	Comunications	-193 56 e
03/29/2000	Bellsouth	Comunications	-171 06 e
08/21/2000	Bellsouth	Comunications	-385 10 e
05/26/2000	Checkcard purchases	office expenses, gas, meetings	-373 98 e
04/10/2000	Checkcard purchases	office expenses, gas, meetings	-200 00 e
03/29/2000	Citibankcard	Equipment Maquipucuna	-2,610 90 e
03/29/2000	Citibankcard	Equipment-Ecotunsmo	-2,486 93 e
08/21/2000	Citibankcard	Equipment, Air tickets	-6,615 43 e
07/03/2000	Homedepot, Bank of America, Radio Shack	Equipment, gas, bank fees	-742 68 e
06/24/2000	Lowe's, Sears, Walmart	Equipment for Reserve	-2,016 52 e
02/25/2000	Nations Bank / Bank of America	Bank debits	-49 00 e
08/21/2000	Nations Bank / Bank of America	Bank debits	-37 00 e
09/01/2000	Nations Bank / Bank of America	Bank debits	-6 50 e
10/21/2000	Nations Bank / Bank of America	Bank debits	-48.50 e
11/08/2000	Nations Bank / Bank of America	Bank debits	-6 50 e
09/21/2000	Operadora Tunstica South Pacific	Maquipucuna Ecuador	-250 00 e
07/31/2000	STM - Ecuador	Maintenace vehicles Ecuador	-481 12 e
01/12/2000	University of Georgia	parking/car rental/etc	-54 00 e
03/29/2000	University of Georgia	Office matenal	-32 00 e
03/29/2000	US Post Office	Shipping & Delivery	-10 69 e
01/12/2000	Vanous	Comunications	-22 15 e
03/20/2000	Vanous	Bank debits	-29 70 e
03/29/2000	Vanous	Comunications	-60 00 e
03/29/2000	Various	Miscellaneous	-72 00 e
04/03/2000	Tent for guards	Sams club	-106.90 e
04/03/2000	Miscellaneous		-20 34 e
04/03/2000	Sams	Sleeping bags Guards Reserve	-53 44 e
05/03/2000	Miscellaneous		-20 34 e
08/01/2000	Gas		-14 56 e
08/21/2000	Travel	movillanta	-55 96 e
11/08/2000	Miscellaneous	Eduardo Azanza	-107 85 e
01/06/2000	Miscellaneous		-101 14 e
<b>PERSONNEL</b>			<b>30,605.52</b>
08/21/2000	EcoSecurties	Carbon Consultancy	-7,500 00 s
03/29/2000	Multi National Insurance Co	Insurance	-65 52 s
01/06/2000	R Ontaneda	Proffesional Fundraising Fees	-2,500 00 s
03/29/2000	R Ontaneda	Proffesional Fundraising Fees	-2,000 00 s
03/29/2000	R Ontaneda	Proffesional Fundraising Fees	-1,040 00 s
05/03/2000	R Ontaneda	Proffesional Fundraising Fees	-2,500 00 s
07/03/2000	R Ontaneda	Proffesional Fundraising Fees	-2,000 00 s
08/01/2000	R Ontaneda	Proffesional Fundraising Fees	-2,000 00 s
08/21/2000	R Ontaneda	Proffesional Fundraising Fees	-2,500 00 s
09/01/2000	R Ontaneda	Proffesional Fundraising Fees	-2,000 00 s
09/21/2000	R Ontaneda	Proffesional Fundraising Fees	-2,000 00 s
09/21/2000	R Ontaneda	Proffesional Fundraising Fees	-500 00 s
11/08/2000	R Ontaneda	Proffesional Fundraising Fees	-2,000 00 s
12/01/2000	R Ontaneda	Proffesional Fundraising Fees	-2,000 00 s
<b>TRAVEL</b>			<b>3,021.00</b>
06/24/2000	R Ontaneda	tnp Ecu	-1,000 00 t
01/06/2000	Rebeca Justicia	tnp to Ecuador	-2,000 00 t
05/03/2000	Various		-21 00 t
			-53,869 58

MAQUIPUCUNA FOUNDATION  
 INFORME DE GASTOS DETALLADO  
 DEL 1 DE ENERO AL 31 DICIEMBRE 2000  
 (en sucres)

GASTOS		TOTAL
510103 MAQUIPUCUNA FOUNDATION-USA		
5101030702	5Suscripciones/membres'as	17,920,000 01
		17,920,000 01
510203 THE BUTLER FOUNDATION/TNC (INVASIONES)		
51020301 RECURSOS HUMANOS		
5102030100	1Sueldos	115,437,515 00
5102030100	3Responsabilidad	14,913,000 00
5102030100	5Bono de campo	12,232,533 00
5102030100	6Compensaci—n costo de vida	13,120,000.00
5102030100	7Bonificaci—n complementaria	44,800,000 00
5102030100	8Compensaci—n de transporte	6,400,000 00
5102030101	0Salud S.A.	2,717,131.00
5102030101	1Navidad	1,200,000 00
5102030101	2Seguros Sucre	8,129,500.00
5102030101	3Otros gastos	18,172 00
		218,967,851 00
51020302 BENEFICIOS SOCIALES		
5102030200	1DŽcimo Tercer Sueldo	10,862,545 00
5102030200	2DŽcimo cuarto sueldo	1,066,670 00
5102030200	3DŽcimo quinto sueldo	50,002 00
5102030200	4DŽcimo sexto sueldo	1,200,000 00
5102030200	5Aporte patronal	14,025,658 00
5102030200	6Fondo de reserva	7,729,515 00
		34,934,390.00
51020303 PRESTACION DE SERVICIOS		
5102030300	1Honorarios	15,000,000 00
5102030300	2Representaci—n	300,220 00
5102030300	8Trabajos ocasionales	36,394,000 00
5102030301	2Capacitaci—n	1,250,000 00
		52,944,220 00
51020305 VIAJES Y VIATICOS		
5102030500	1Vi'aticos	140,000 00
		140,000 00
51020307 GASTOS RECURRENTE		
5102030700	2Movilizaci—n y transporte	1,818,300 00
5102030700	3Combustibles y lubricantes	10,314,780 00
5102030700	7Mantenimiento locales	3,717,166 00
5102030700	8Mantenimiento equipos	5,943,000 00
5102030701	0Mantenimiento veh'culos	23,478,251 00
5102030701	3TelŽfono y fax	490,190 00
5102030701	4Material de oficina	9,624,340 00
5102030701	5Estados de cuenta	1,092,553 00
5102030701	6Impuestos	74,500 00
5102030701	7Intereses, multas y comisiones	105,400.00
5102030701	8Copias y reproducciones	606,673 00
5102030701	9Legales y notariales	217,000 00
5102030702	1Capacitaci—n	208,000 00
5102030702	2Utiles de aseo y limpieza	9,125,400.00
5102030702	3Reuniones	242,250.00
5102030702	8Instalaci—n Radios	672,000 00
5102030703	4Suministros vanos	1,836,320 00
5102030703	5Servicios vanos	62,667 00
5102030703	6Materiales	2,054,627.00
5102030703	7Ropa y Equipo de trabajo	3,494,010 00
5102030704	2Correo y comunicaciones	320,000 00
5102030704	3Revelado fotos, slides	1,066,450 00
5102030704	4Viveres	55,401,274 00
5102030704	5Subsistencias	720,000 00
		132,685,151 00
51020308 ADQUISICIONES		
5102030800	2Veh'culos	300,000.000 00
5102030800	3Equipos	4,800,000 00
5102030800	5Material bibliogr'fico	75,000 00
5102030800	6Material protecci—n ambiental	57,735,400 00
		362,610,400 00
51020309 CONSTRUCCIONES		
5102030900	2Mano de obra	1,150,000 00
5102030900	3Materiales	33,897,750.00
5102030900	4Combustibles y lubricantes	581,500 00
5102030900	5Amoblamiento y equipamiento	1,824,000 00
		37,453,250 00
51020310 CAPACITACION		
5102031000	1Talleres	33,698,221 00
		33,698,221 00
TOTAL GENERAL		891,353,483 01
		891,353,483 01

# FUNDACION MAQUIPUCUNA

2001-76-7a



FUNDACION MAQUIPUCUNA  
BALANCE GENERAL  
AL 31 DE DICIEMBRE DEL 2000

MAQUIPUCUNA

337,843.08

ACTIVOS		
CAJA Y BANCOS		
CAJA CHICA		247.00
Fundación Maquipucuna	180.00	
Ecoturismo	100.00	
Carg	12.00	
BANCOS		332,601.08
National Lottery	5,137.83	
IPM-CRSP	615.89	
R Maquipucuna	25.63	
Fundación Maquipucuna	254.10	
Ecoturismo	1,231.91	
Corredor	324,467.95	
Carg	975.47	
CUENTAS POR COBRAR		
PROYECTOS		492.55
Fundación Maquipucuna	267.01	
Corredor	1,669.94	
EMPLEADOS		7,862.68
National Lottery	300.00	
Fundación Maquipucuna	1,233.10	
Ecoturismo	663.52	
Carg	686.00	
ANTICIPOS PARA GASTOS		14,920.76
Corredor	14,920.76	
OTROS		3,039.84
Fundación Maquipucuna	1,961.24	
Ecoturismo	963.89	
Corredor	94.71	
FONDOS POR RECAUDAR		16,037.57
Fundación Maquipucuna	13,135.50	
R Maquipucuna	1,800.00	
IPM-CRSP	1,102.27	
GASTOS ANTICIPADOS		27,360.00
Fundación Maquipucuna	26,420.00	
Corredor	940.00	
IMPUESTOS ANTICIPADOS		4,114.64
Fundación Maquipucuna	3,652.86	
Ecoturismo	461.78	
ACTIVO FIJO		345,546.45
NO DEPRECIABLE		326,522.82
Ecoturismo		
Fundación Maquipucuna	17,522.82	
DEPRECIABLE		19,023.63
Ecoturismo	1,233.49	
Fundación Maquipucuna	17,790.14	
TOTAL ACTIVOS		<u>751,688.57</u>

*Luis Palma*

Luis Palma  
COORDINADOR GENERAL

*Cloja Quisada*

Cloja Quisada  
COORDINADOR FINANCIERO

# FUNDACION MAQUIPUCUNA

## FUNDACION MAQUIPUCUNA BALANCE GENERAL Al 31 DE DICIEMBRE DEL 2000



MAQUIPUCUNA  
CALLE 1000 N. 7  
31 924 77

<b>PASIVOS</b>			
<b>CUENTAS POR PAGAR</b>			
PROYECTOS		11 600 01	
National Lottery	161 34		
IPM-CRSP	1 766 58		
Corredor	267 61		
Fundación Maquipucuna	6 585 42		
Carg	973 43		
R. Maquipucuna	<u>1 825 63</u>		
<b>EMPLAZOS</b>		4 578 14	
IPM-CRSP	29 78		
Ecoturismo	2 707 47		
Carg	69 06		
Fundación Maquipucuna	<u>2 206 81</u>		
<b>PROVEEDORES</b>		3 363 36	
Corredor	<u>3 363 36</u>		
<b>OTROS</b>		10 373 76	
Corredor	740 30		
Fundación Maquipucuna	16 433 16		
Ecoturismo	<u>1 209 80</u>		
<b>IMPUESTOS POR PAGAR</b>			8 306 70
National Lottery	544 15		
IPM-CRSP	201 80		
Carg	97 09		
Fundación Maquipucuna	1,254 64		
Ecoturismo	<u>6,109 02</u>		
<b>IMPOSICIONES SOBRL PLANILLA</b>			3 525 63
Carg	162 13		
Fundación Maquipucuna	673 09		
Ecoturismo	<u>2,740 61</u>		
<b>FONDOS POR RENDIR</b>			346,690 01
National Lottery	5,432 34		
Carg	371 76		
Fundación Maquipucuna	157 84		
Corredor	<u>340,728 09</u>		
<b>OTROS PASIVOS</b>			7 202 90
Ecoturismo	<u>7 202 90</u>		
<b>TOTAL PASIVOS.....</b>			<u>403 650 23</u>
<b>FONDO PATRIMONIAL</b>			302 947 61
Fundación Maquipucuna	337 690 77		
<b>RESULTADOS</b>			
<b>EJERCICIOS ANTERIORES</b>			
Fundación Maquipucuna	-20,110 76		
Ecoturismo	<u>11 331 65</u>		
<b>PRESENTE EJERCICIO</b>			45 090 53
Fundación Maquipucuna	46 657 09		
Ecoturismo	<u>-1 566 56</u>		
<b>TOTAL PASIVOS Y PATRIMONIO.....</b>			<u>\$ 751,688 57</u>

*[Signature]*

Luis Palma  
COORDINADOR GENERAL

*[Signature]*

Olivia Quesada  
COORDINADORA FINANCIERA

# FUNDACION MAQUIPUCUNA

2001-1676



MAQUIPUCUNA

FUNDACION MAQUIPUCUNA  
 BALANCE DE RESULTADOS  
 Del 1 de Enero Al 31 de Diciembre del 2000

INGRESOS:

Fundacion Maquipucuna	75.204,71
The Butler Foundation	40.308,75
Rain Forest Concern	68.037,11
Comite Holandes	1.50,63
Ecoturismo	85.400,65
Carg	13.958,78
Corredor	90.858,97
Hacienda Orongo	5.927,85
Ecoturismo en Yunguilla	1.098,37
IPM-CRSP	14.775,55
R Maquipucuna	<u>30.749,13</u>

435.222,81

(-) GASTOS:

RECURSOS HUMANOS:	110.604,40
Fundacion Maquipucuna	41.855,47
Comite Holandes	1.164,13
Ecoturismo - Yunguilla	832,00
The Butler Foundation	12.174,96
Ecoturismo	37.248,30
Carg	7.012,50
Corredor	18.152,78
Rain Forest Concern	13.575,73
IPM-CRSP	6.536,00
Reintroduccion marinos	<u>1.755,04</u>

-290.322,9

ACTIVIDADES DE OPERACION

Fundacion Maquipucuna	574,39	136.021,03
Comite Holandes	20,00	
Ecoturismo - Yunguilla	7,26	
The Butler Foundation	57.388,67	
Ecoturismo	5.083,29	
Carg	2.563,63	
IPM CRSP	6.141,91	
Corredor	47.373,58	
Rain Forest Concern	14.752,89	
Reintroduccion Marinos	<u>1.215,40</u>	

GASTOS ADMINISTRATIVOS

Fundacion Maquipucuna	24.253,33	113.506,84
Comite Holandes	125,50	
Ecoturismo - Yunguilla	63,88	
The Butler Foundation	5.332,45	
Ecoturismo	40.703,38	
Carg	3.382,04	
Corredor	34.383,11	
Rain Forest Concern	2.130,14	
IPM-CRSP	2.097,65	
Reintroduccion marinos	70,56	
R Maquipucuna	<u>716,80</u>	

EXCEDENTE DEL EJERCICIO

45.090,53

*[Signature]*

Director General

*[Signature]*

Comisario Financiero



**MAQUIPUCUNA FOUNDATION, INC.**

**Profit & Loss**

January - December 2000

	<b>Total</b>
<b>Income</b>	
Donors	143,000 00
Ecotourism	975 00
Fund Raising	
Adopt an acre	800 00
<b>Total Fund Raising</b>	<b>\$ 800.00</b>
Fundacion Maquipucuna	6,880 00
Markup	4,500 00
<b>Total Income</b>	<b>\$ 156,155.00</b>
<b>Gross Profit</b>	<b>\$ 156,155.00</b>
<b>Expenses</b>	
Bank debits	7,631 18
Comunications	1,393 55
Cell Phones	60 00
<b>Total Comunications</b>	<b>\$ 1,453.55</b>
<b>Cost of Goods Sold</b>	
Shipping & Delivery	10 69
<b>Total Cost of Goods Sold</b>	<b>\$ 10.69</b>
Credit Card office expenses	15,309 31
Equipment	355 00
Fundraising Expenses	23,040 00
Insurance	65 52
Maquipucuna Ecuador	88,129 24
Miscellaneous	5,774 78
Office material	32 00
Personal Loan Payments	975 00
Promotional Material	904 08
Travel	3,055 96
Gas	14 56
parking/car rental/etc	54 00
<b>Total Travel</b>	<b>\$ 3,124.52</b>
<b>Total Expenses</b>	<b>\$ 146,804.87</b>
<b>Net Income</b>	<b>\$ 9,350.13</b>
Accrual Basis	

**MAQUIPUCUNA FOUNDATION, INC.****Balance Sheet**

As of December 31, 2000

	<b>Total</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Bank Accounts</b>	
<b>Bank of America USA</b>	
B. America / account 0032 5041 1768	24,281.96
<b>Total Bank of America USA</b>	<b>\$ 24,281.96</b>
<b>Total Bank Accounts</b>	<b>\$ 24,281.96</b>
<b>Total Current Assets</b>	<b>\$ 24,281.96</b>
<b>TOTAL ASSETS</b>	<b>\$ 24,281.96</b>
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
<b>Total Liabilities</b>	
<b>Equity</b>	
Opening Bal Equity	990.00
Retained Earnings	35,406.31
Net Income	-12,114.35
<b>Total Equity</b>	<b>\$ 24,281.96</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 24,281.96</b>

Monday, May 10, 2004 04:33:48 PM GMT-4 - Accrual Basis



**MAQUIPUCUNA FOUNDATION, INC.**

**Profit & Loss Detail**

January - December 2000

	Date	Type	Num	Name	Division	Memo/Description	Split	Amount	Balance
<b>Ordinary Income/Expense</b>									
<b>Income</b>									
<b>Donors</b>									
	02/01/2000	Deposit		The Buttler Foundation	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	58 000 00	58 000 00
	07/12/2000	Deposit		The Buttler Foundation	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	7 500 00	65 500 00
	07/31/2000	Deposit		The Buttler Foundation	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	77 500 00	143 000 00
<b>Total for Donors</b>								<b>\$ 143,000 00</b>	
<b>Ecotourism</b>									
	03/20/2000	Deposit		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	975 00	975 00
<b>Total for Ecotourism</b>								<b>\$ 975 00</b>	
<b>Fund Raising</b>									
<b>Adopt an acre</b>									
	05/22/2000	Deposit		Various Donors	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	800 00	800 00
<b>Total for Adopt an acre</b>								<b>\$ 800 00</b>	
<b>Total for Fund Raising</b>								<b>\$ 800 00</b>	
<b>Fundacion Maquipucuna</b>									
	06/22/2000	Deposit		Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	6 880 00	6 880 00
<b>Total for Fundacion Maquipucuna</b>								<b>\$ 6 880 00</b>	
<b>Markup</b>									
	07/31/2000	Deposit		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	4 500 00	4 500 00
<b>Total for Markup</b>								<b>\$ 4,500 00</b>	
<b>Total for Income</b>								<b>\$ 156,155 00</b>	
<b>Expenses</b>									
<b>Bank debits</b>									
	02/25/2000	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	49 00	49 00
	03/20/2000	Cash Purchase		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	29 70	78 70
	04/10/2000	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	200 00	278 70
	05/26/2000	Cash Purchase		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	373 98	652 68
	06/26/2000	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	6 880 00	7 532 68
	08/21/2000	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	37 00	7 569 68
	09/01/2000	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	6 50	7 576 18
	10/21/2000	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	48 50	7 624 68
	11/08/2000	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	6 50	7 631 18
<b>Total for Bank debits</b>								<b>\$ 7,631 18</b>	
<b>Communications</b>									
	01/12/2000	Check	1226	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	22 15	22 15
	01/12/2000	Check	1243	Bellsouth	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	304 54	326 69
	03/29/2000	Check	1205	Bellsouth	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	193 56	520 25
	03/29/2000	Check	1211	Bellsouth	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	171 06	691 31
	05/03/2000	Check	1219	Bellsouth	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	317 14	1 008 45
	08/21/2000	Check	1225	Bellsouth	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	385 10	1 393 55
<b>Total for Communications</b>								<b>\$ 1,393 55</b>	
<b>Cell Phones</b>									
	03/29/2000	Check	1204	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	60 00	60 00
<b>Total for Cell Phones</b>								<b>\$ 60 00</b>	
<b>Total for Communications with sub-accounts</b>								<b>\$ 1,453 55</b>	
<b>Cost of Goods Sold</b>									
<b>Shipping &amp; Delivery</b>									
	03/29/2000	Check	1213	US Post Office	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	10 69	10 69
<b>Total for Shipping &amp; Delivery</b>								<b>\$ 10 69</b>	
<b>Total for Cost of Goods Sold</b>								<b>\$ 10 69</b>	
<b>Credit Card office expenses</b>									
	01/06/2000	Check	1247	Citibank	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	3 596 05	3 596 05
	03/29/2000	Check	1206	Citibank	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 486 93	6 082 98
	03/29/2000	Check	1207	Citibank	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 610 90	8 693 88
	08/21/2000	Check	1238	Citibank	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	6 615 43	15 309 31
<b>Total for Credit Card office expenses</b>								<b>\$ 15 309 31</b>	
<b>Equipment</b>									
	09/21/2000	Check	1239	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	355 00	355 00
<b>Total for Equipment</b>								<b>\$ 355 00</b>	
<b>Fundraising Expenses</b>									
	01/06/2000	Check	1245	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 500 00	2 500 00
	03/29/2000	Check	1203	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 040 00	3 540 00
	03/29/2000	Check	1209	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	5 540 00
	05/03/2000	Check	1220	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 500 00	8 040 00

	Date	Type	Num	Name	Division	Memo/Description	Split	Amount	Balance
	07/03/2000	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	10 040 00
	08/01/2000	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	12 040 00
	08/21/2000	Check	1234	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 500 00	14 540 00
	09/01/2000	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	16 540 00
	09/21/2000	Check	1248	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	500 00	17 040 00
	09/21/2000	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	19 040 00
	11/08/2000	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	21 040 00
	12/01/2000	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	23 040 00
<b>Total for Fundraising Expenses</b>								<b>\$ 23,040 00</b>	
<b>Insurance</b>									
	03/29/2000	Check	1201	Multi National Insurance Co	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	65 52	65 52
<b>Total for Insurance</b>								<b>\$ 65 52</b>	
<b>Maquipucuna Ecuador</b>									
	02/25/2000	Cash Purchase		Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	40 000 00	40 000 00
	07/31/2000	Check	1223/24/26/29/30	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	9 000 00	49 000 00
	08/21/2000	Check	1232/35/36/37	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	3 780 00	52 780 00
	08/21/2000	Cash Purchase		Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	7 500 00	60 280 00
	09/01/2000	Check	1241	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	8 166 21	68 446 21
	09/21/2000	Check	1242/43/44	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	8 333 79	76 780 00
	09/21/2000	Check	1245	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	250 00	77 030 00
	09/21/2000	Check	1246	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 500 00	79 530 00
	10/21/2000	Cash Purchase		Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	599 24	80 129 24
	11/08/2000	Check	1249/50/51	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	7 000 00	87 129 24
	12/01/2000	Check	1252	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 000 00	88 129 24
<b>Total for Maquipucuna Ecuador</b>								<b>\$ 88 129 24</b>	
<b>Miscellaneous</b>									
	01/06/2000	Cash Purchase		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	100 00	100 00
	03/29/2000	Check	1208	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 282 59	1 382 59
	03/29/2000	Check	1212	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	72 00	1 454 59
	04/03/2000	Check	1214	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	106 90	1 561 49
	04/03/2000	Check	1216	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	20 34	1 581 83
	04/03/2000	Check	1215	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	53 44	1 635 27
	05/03/2000	Check	1217	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	20 34	1 655 61
	05/03/2000	Check	1218	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	21 00	1 676 61
	05/03/2000	Check	1218	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 016 52	3 693 13
	06/24/2000	Check	1223	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	742 68	4 435 81
	07/03/2000	Cash Purchase		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	750 00	5 185 81
	07/31/2000	Check	1228	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	481 12	5 666 93
	07/31/2000	Check	1231	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	107 85	5 774 78
	11/08/2000	Check	1233	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768		
<b>Total for Miscellaneous</b>								<b>\$ 5 774 78</b>	
<b>Office material</b>									
	03/29/2000	Check	1200	University of Georgia	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	32 00	32 00
<b>Total for Office material</b>								<b>\$ 32 00</b>	
<b>Personal Loan Payments</b>									
	03/29/2000	Check	1248	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	975 00	975 00
<b>Total for Personal Loan Payments</b>								<b>\$ 975 00</b>	
<b>Promotional Material</b>									
	02/25/2000	Check	1249	Athens Printing Company	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	190 31	190 31
	09/21/2000	Check	1247	Athens Printing Company	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	713 77	904 08
<b>Total for Promotional Material</b>								<b>\$ 904 08</b>	
<b>Travel</b>									
	01/06/2000	Check	1246	Rebeca Justicia	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 000 00	2 000 00
	06/24/2000	Check	1222	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 000 00	3 000 00
	08/21/2000	Check	1240	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	55 96	3 055 96
<b>Total for Travel</b>								<b>\$ 3,055 96</b>	
<b>Gas</b>									
	08/01/2000	Cash Purchase		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	14 56	14 56
<b>Total for Gas</b>								<b>\$ 14 56</b>	
<b>parking/car rental/etc</b>									
	01/12/2000	Check	1244	University of Georgia	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	54 00	54 00
<b>Total for parking/car rental/etc</b>								<b>\$ 54 00</b>	
<b>Total for Travel with sub-accounts</b>								<b>\$ 3,124 52</b>	
<b>Total for Expenses</b>								<b>\$ 146,804 87</b>	
<b>Net Income</b>								<b>\$ 9,350 13</b>	

**INFORMATION REQUESTED OF FOREIGN ORGANIZATIONS REQUESTING GRANTS BASED ON EXPENDITURE RESPONSIBILITY**

**ANSWERS TO ALL QUESTIONS MUST BE WRITTEN OR TYPED IN ENGLISH**  
**TRANSLATIONS INTO ENGLISH MUST BE PROVIDED FOR ALL ATTACHED DOCUMENTS**

The information and documentation requested below will assist the Foundation in determining whether or not the Foundation can, under the laws of the United States, make a grant to your organization. Attach additional sheets in answer to questions where space is not provided.

**PART I**

1. Please provide the exact legal name of the organization  
Maquipucuna Foundation/Fundacion Maquipucuna
2. Please provide the complete address of the organization.  
USA (c/o Institute of Ecology, University of Georgia, Athens, GA 30602); Ecuador (Baquerizo E9-153, Quito)
3. Please provide the name, title and telephone number of the official contact for the organization.  
Rodrigo Ontaneda, President, (706) 542 2923

**PART II**

- 1 Is the organization organized as a corporation under the laws of your country?  
 No  Yes

If no, what is the form of organization?

Non-profit nature conservation organization

Please attach

- A copy of the documents under which the organization was created (examples include a charter, decree, legislative act, or similar document, including any amendments thereto), and Decree No 116 Registered in the Official Registry (Attachment 2000 PG-1)
- If not stated in the foregoing document, the document which states the purpose for which the organization was organized, and
- The organization's by-laws or constitution.  
Attached By-laws in Spanish and Translation (Attachment 2000 PG-2)

2. Is the organization exempt from taxation in your country?  
 No  Yes
- 3 Are contributions to the organization deductible for income tax purposes under the laws of your country?  
 No  Yes

4. Please give a brief description of the specific activities that the organization has conducted in the past three (3) years and is now conducting and planning to conduct, particularly with respect to use of the proposed grant funds A copy of the budget describing the intended use of the proposed grand should be attached

Please see grant proposal & budget attached (Attachment 2000 PG-3)

- 5 Does the organization engage in any broad scale solicitation of funds from the general public?  
 No  Yes

If yes, please state the nature and extent of such activities?

6. Does the organization carry on propaganda which could be considered political in nature or otherwise attempt to influence legislation?

No  Yes

If yes, please state the nature and extent of such activities?

7. Does the organization participate in, or intervene in (including the publishing or distribution of statements), political campaigns on behalf of or in opposition to any candidate for public office?

No  Yes

If yes, please state the nature and extent of such activities?

8. Does any part, or does the organization plan to have any part of its assets or income inure to the benefit of private individuals (other than as reasonable compensation for services rendered, including reimbursement for expenses)?

No  Yes

9. If in any year the organization's receipts exceed its expenditures, is the organization required to apply such excess receipts in furtherance of its stated purpose?

No  Yes

(This information may be contained in the documents provided in answer to question I of Part II above, if not, please attach a copy of any legal document dealing with this matter).

10. Please list the names of the organization's officers and the members of its Board of Directors or similar governing body

(Attachment 2000 PG-4)

Does the organization make any payments to such individuals other than as reasonable compensation for services rendered, including reimbursement for expenses?

No  Yes

If yes, please state the amount and purpose of such payments.

11 Please list the names of individuals and organizations, other than governmental units, from which the organization has received ten percent or more of its annual support during each of the last four years, or, if the organization has been in existence less than four years, for the period of its existence. State the relationship, if any, of any such individuals or organizations to your organization's officers or the members of its Board of Directors or similar governing body

1996 MacArthur Foundation, Junta Castilla La Mancha, Spain; Dutch Government; World Conservation Union; United Nations Development Program – Small Grants; Fondo de Contravalor Ecuatoriano Suizo; Rainforest Concern; World Food and Agricultural Organization (FAO); The University of Georgia; Butler Foundation; Maquipucuna Ecotourism Lodge.

1997 CRSP IPM - USAID; CRSP SANREM -USAID; Junta Castilla La Mancha, Spain; Dutch Government; World Conservation Union (IUCN Dutch Committee); PROBONA; United Nations Development Program – Small Grants; Fondo de Contravalor Ecuatoriano Suizo; British National Lottery; Rainforest Concern; The University of Georgia; World Food and Agricultural Organization (FAO); Butler Foundation; Maquipucuna Ecotourism Lodge.

1998 CRSP IPM - USAID; CRSP SANREM -USAID; Junta Castilla La Mancha, Spain; Dutch Government; World Conservation Union (IUCN Dutch Committee); PROBONA; United Nations Development Program – Small Grants; Fondo de Contravalor Ecuatoriano Suizo; British National Lottery; Holly Hill Trust; Rainforest Concern; The University of Georgia; World Food and Agricultural Organization (FAO); Lincoln Park Zoo; Butler Foundation; Maquipucuna Ecotourism Lodge.

1999 CRSP IPM - USAID; CRSP SANREM -USAID; Junta Castilla La Mancha, Spain; Dutch Government; World Conservation Union (IUCN Dutch Committee); PROBONA; United Nations Development Program – Small Grants; Fondo de Contravalor Ecuatoriano Suizo; British National Lottery; Holly Hill Trust; Rainforest Concern; The University of Georgia; World Food and Agricultural Organization (FAO); Lincoln Park Zoo; Butler Foundation; Maquipucuna Ecotourism Lodge.

12 Upon dissolution, are the assets of the organization required to be distributed for charitable, educational, scientific, religious or literary purposes.

No

Yes

(This information may be contained in the documents supplied in answer to question I of Part II, above, but if it is not, please attach a copy of any statute, governmental regulation, or court decision concerning this matter )

13 Is the organization controlled by or operated in connection with any other organization?

No

Yes

If yes, please list the names of such organization and describe, in detail, the nature of such control or connection,

Maquipucuna Foundation US operates in the USA to help coordination of research and ecotourism activities as well as to carry out the fundraising, monitoring, evaluation and control of expenditures associated with the activities of conservation of biodiversity and education carried out by Fundacion Maquipucuna in Ecuador

14 Please attach financial statements showing assets and liabilities and receipts and expenditures of the organization for the last three years, or, if the organization has been in existence less than three years, for the period of its existence ALL FINANCIAL DATA MUST BE EXPRESSED IN U S DOLLARS.

1997,1998,1999 (Balance Sheets and Receipt&Expenditure Reports for Maquipucuna Foundation- US and Fundacion Maquipucuna)

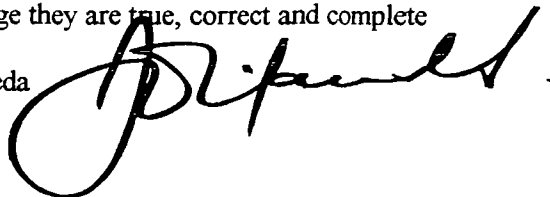
15. Please state the fiscal year end of your organization.  
December 31

Date *12/30/00*

Name of Organization: Maquipucuna Foundation

I swear under the penalties of perjury, that I am authorized to sign this form on behalf of the above organization, and that I have examined the foregoing statements and the documents attached hereto and to the best of my knowledge they are true, correct and complete

By: Rodrigo Ontaneda



Title: President

**INFORMATION REQUESTED OF FOREIGN ORGANIZATIONS  
PURSUANT TO UNITED STATES DEPARTMENT OF TREASURY  
ANTI-TERRORISM FINANCING PROCEDURES**

**ANSWERS FOR ALL QUESTIONS UNLESS OTHERWISE INDICATED, MUST BE WRITTEN  
OR TYPED IN ENGLISH. TRANSLATIONS INTO ENGLISH MUST BE PROVIDED FOR ALL  
ATTACHED DOCUMENTS**

The information and documentation requested below will assist the Foundation in determining whether or not the Foundation can, under the laws of the United States, make a grant to your organization. Attach additional sheets in answer to questions where space is not provided.

1. Please provide the exact legal name of the organization, plus any acronyms or other names used to identify your foreign organization.

Fundacion Maquipucuna – FM & Maquipucuna Foundation

2. Please provide the exact legal name of the organization in the language of origin, plus any acronyms or other names used to identify your foreign organization.

Fundacion Maquipucuna - FM

3. In what country (countries) does your organization maintain a physical presence?

Ecuador & USA (GA)

4. In what country (countries) is your organization incorporated or formed?

Ecuador & USA (GA)

5. Please list the mailing, street address, and phone number of any place of business of your organization. Baquerizo E9-153 y Tamayo – Quito – Ecuador. (5932) 507200  
C/o Institute of Ecology, University of Georgia, Athens, UGA 30602. (706) 542 2923

6. Please identify the principal purpose of your organization, as well as your past and future projects and goals.

Fundacion Maquipucuna’s mission is to contribute to the conservation of biodiversity and sustainable management of natural and cultural resources, through education, scientific research, nature reserves management and community-based economic development projects in Ecuador.

- Our focus is the conservation of the biodiversity at risk of northwest & southeast Ecuador
- We design projects to seek ecological, social and financial sustainability
- We use a systems approach to analyzing and solving problems

Our main projects are the establishment of the Choco Andean Conservation Corridor in Northwest Ecuador and the establishment of additional nature reserves within ecological priority areas of the country.

7. Please list the names and addresses of all organizations to which your organization currently provides or proposes to provide funding, services or material support.

none

8. Please provide the names and addresses of all subcontracting organizations utilized by your organization.

none

9. Please provide copies of all public filings or releases by your organization, including, but not limited to, your most recent official registry documents, annual reports and annual filings with the pertinent government, as applicable.

Please see attached (2000 PG 1; 2000 PG2; AT1-SRI-1999)

10. Please provide your organization's existing sources of income, such as official grants, private endowments commercial activities.

World Bank - GEF; CRSP IPM - USAID; Dutch Government; World Conservation Union PROBONA; United Nations Development Program - Small Grants; Fondo de Contravalor Ecuatoriano Suizo; British National Lottery; Rainforest Concern; The University of Georgia; Lincoln Park Zoo; Margott Marsh Fund; Butler Foundation; Maquipucuna Ecotourism Lodge.

11. Please provide the full name in English and in the language of origin and any acronyms or other names used, as well as the nationality, citizenship, current country of residence, place of birth of the following key staff members at its principal place of business:

a. All directors or board members of the organization

Attachment 2000 PG - 4

b. All senior employees - see list attached

Attachment 2000 PG - 4

Please identify the names and addresses of the financial institutions in which you maintain accounts.

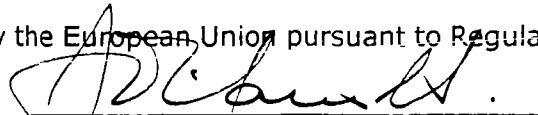
Attachment (2000 AT2)

12. Please complete the following certification dealing with entities or individuals that are currently contained on lists maintained by the U.S. Department of Treasury as entities or individuals known to be associated with foreign recipient organizations that support terrorism.

### **CERTIFICATION**

Rodrigo Ontaneda hereby certifies that they do not employ or deal with any entities nor individuals on any list identified below, nor with any entities or individuals know to our organization to support terrorism.

1. The U.S Department of Treasury Office of Foreign Assets Control "Specifically Designated Nationals List";
2. The U.S. Department of Justice "Terrorist Exclusion List";
3. The United Nations List promulgated by the U.N. in U.N. Security Council Resolution 1267 and 1390;
4. The European Union List promulgated by the European Union pursuant to Regulation 2580.



Title: President  
Duly Authorized



2000 B-1

07231-638

# REGISTRO OFICIAL



ORGANO DEL GOBIERNO DEL ECUADOR

EL ECUADOR HA SIDO, ES Y SERA PAIS AMAZONICO

Administración del Sr. Ing. León Febres Cordero Ribadeneyra,  
Presidente Constitucional de la República

ARO IV — QUITO, JUEVES 21 DE ABRIL DE 1988 — NUMERO 919

Telefonos:

Dirección: 212-564  
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### MINISTERIO DE AGRICULTURA:

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- 1646 Comité Pro-Mejoras de Manuelita Sáenz "19 de Julio", con domicilio en Chillogallo, provincia de Pichincha ..... 8
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Es fiel copia del original.— Lo certifico:  
 f.) Miguel E. Paredes T., Jefe Departamento  
 Documentación del MAG.

Nº 115

**MINISTRO DE AGRICULTURA Y GANADERIA.**

**Considerando:**

Que, los señores doctor Fausto Espinoza Espinoza, ingeniero Severo Ronquillo Solórzano, funcionario del Proyecto de Fomento Ganadero han sido designados para que asistan a la Décimo Primera Reunión Latinoamericana de Producción Animal a efectuarse en La Habana, Cuba del 15 de abril al 2 de mayo de 1988.

Que, la Secretaría General de la Administración Pública autorizó el viaje de los citados servidores según Oficio Nº 88-856-SGA de 30 de marzo de 1982.

Vistos, los informes favorables emitidos por la Dirección Nacional de Personal y el Ministerio de Finanzas según Oficios Nros. DNP-DIR-88-03239 y SP-88-1427 de 17 y 24 de marzo de 1988.

**Acuerda:**

Art. 1º Declarar en comisión de servicios en el exterior con derecho a sueldo a los señores doctor Fausto Espinoza e ingeniero Severo Ronquillo Solórzano para que cumplan con la comisión que se indica en el primero de los considerandos del presente Acuerdo.

Art. 2º Los gastos por concepto de pasajes de ida y retorno así como los de estadía serán sufragados por la Oficina de Cooperación Técnica Alemana, GTZ, por lo que no representa egreso alguno para el Estado.

Comuníquese.— Dado en Quito, a 12 de abril de 1988.

f.) Marcos Espinel Martínez, Ministro de Agricultura y Ganadería.— f.) Rafael Serrano Puig, Subsecretario Administrativo.

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 f.) Miguel E. Paredes T., Jefe Departamento  
 Documentación del MAG.

Nº 116

**MINISTRO DE AGRICULTURA Y GANADERIA.**

**Considerando:**

Que mediante solicitud de 10 de febrero de 1988, se presentó en este Ministerio la documentación correspondiente para la aprobación de los Estatutos de la Fundación Maquipucuna, domiciliada en la ciudad de Quito, provincia de Pichincha;

Que la Dirección Nacional Forestal, de conformidad con las facultades que le confiere la Ley y el Reglamento en la materia, ha emitido informe favorable para la aprobación de los estatutos, según consta del memorando Nº 001290 DNF-AJ de 4 de abril de 1988;

En uso de las facultades previstas en el Art. 157 del Reglamento General de Aplicación de la Ley Forestal y de Conservación de Áreas Naturales y Vida Silvestre y en el Título XXIX del Libro Primero del Código Civil,

**Acuerda:**

Art. 1º— Aprobar el Estatuto y conceder personería jurídica a la Fundación Maquipucuna, domiciliada en la ciudad de Quito, provincia de Pichincha, con las siguientes modificaciones:

— Sustituyase el contenido del Art. 3 del Objeto y en su lugar dirá: "Art. 3 — La Fundación tiene por objeto el promover y coadyuvar a la defensa, protección de los recursos de la flora y fauna silvestres y especies en peligro de extinción, la investigación científica previa autorización del Ministerio de Agricultura y Ganadería; la cooperación con otros institutos o personas para el mejor aprovechamiento de los conocimientos científicos, la difusión de programas conservacionistas, la búsqueda y obtención de fondos y recursos para contribuir a la preservación de las especies."

— Suprimase el contenido de literal e) del Art. 4.

— En el Art. 12, numeral 1), sustituyase la palabra "Fundadores" por "Miembros"; y, en el numeral 2, del mismo artículo cámbiense "El Directorio de Miembros" por "El Comité Ejecutivo".

— En el Art. 17, suprimase las palabras "u otros".

— Suprimase el contenido del primer inciso del Art. 19 y en su lugar dirá: "El Comité Ejecutivo de la Fundación se compone de siete miembros: El Presidente, el Director Ejecutivo y cinco Vocales."

— En el inciso segundo del mismo artículo, suprimase las palabras "un fundador y dos al menos activos".

Art. 2º— Calificar como miembros fundadores a las siguientes personas:

Nombre	Nº Céd. Identidad
1. José Rodrigo Ontaneda Hidalgo	110180519-3
2. Rebeca María Justicia Carvajal	170197467-3
3. Gustavo Francisco Morejón Jaramillo	010206363-3
4. Fausto Oswaldo Sarmiento Rodríguez	170527027-3
5. Patricia Elizabeth Gómez Andrade Riquetti	170577834-3
6. Nancy Hilgert de Benavidez	170526297-3



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Ministerio de Agricultura y Ganadería  
Quito - Ecuador

Nº 116

EL MINISTRO DE AGRICULTURA Y GANADERÍA

CONSIDERANDO:

12

Que mediante solicitud de 10 de febrero de 1988, se ha presentado en este Ministerio la documentación correspondiente para la aprobación de los Estatutos de la Fundación Maquipucuna, domiciliada en la ciudad de Quito, provincia de Pichincha;

Que la Dirección Nacional Forestal, de conformidad con las facultades que le confiere la Ley y el Reglamento en la materia, ha emitido informe favorable para la aprobación de los estatutos, según consta del memorando N°001290 DNF-AJ de 4 de abril de 1988; y,

En uso de las facultades previstas en el Art. 157 del Reglamento General de Aplicación de la Ley Forestal y de Conservación de Areas Naturales y Vida Silvestre y en el Título XXIX del libro primero del Código Civil,

ACUERDA:

Art. 1°.- Aprobar el Estatuto y conceder personería jurídica a la Fundación Maquipucuna, domiciliada en la ciudad de Quito, provincia de Pichincha, con las siguientes modificaciones:

- Sustitúyase el contenido del Art. 3 del Objeto y en su lugar dirá: "Art. 3.- La Fundación tiene por objeto el promover y coadyuvar a la defensa, protección de los recursos de la flora y fauna silvestres y especies en peligro de extinción, la investigación científica previa autorización del Ministerio de Agricultura y Ganadería; la cooperación con otros institutos o personas para el mejor aprovechamiento de los conocimientos científicos, la difusión de programas conservacionistas, la búsqueda y obtención de fondos y recursos para contribuir a la preservación de las especies."
- Suprímase el contenido del literal e) del Art. 4.
- En el Art. 12, numeral 1), sustitúyase la palabra "Fundadores" por "Miembros"; y, en el numeral 2, del mismo artículo cambíese "El Directorio de Miembros" por "El Comité Ejecutivo".
- En el Art. 17, suprímase las palabras "u otros".

Suprímase el contenido del primer inciso del Art. 19 y en su lugar dirá: "El Comité Ejecutivo de la Fundación se compone

NO. 116-88  
DIRECCION QUITO



07234

# Ministerio de Agricultura y Ganadería

2...

Quito - Ecuador

13

de siete miembros: El Presidente, el Director Ejecutivo y - cinco Vocales."

- En el inciso segundo del mismo artículo, suprimase las palabras "un fundador y dos al menos activos".

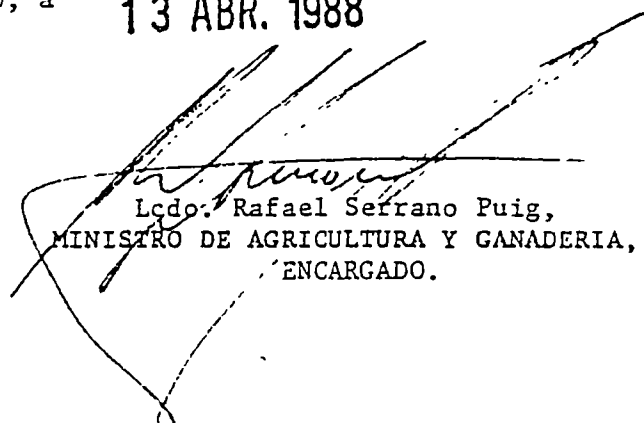
Art. 2°.- Calificar como miembros fundadores a las siguientes personas:

<u>N O M B R E</u>	<u>N° CED. IDENTIDAD</u>
1. José Rodrigo Ontaneda Hidalgo	110180519-8
2. Rebeca María Justicia Carvajal	170497467-2
3. Gustavo Francisco Morejón Jaramillo	010206363-3
4. Fausto Oswaldo Sarmiento Rodríguez	170527027-8
5. Patricia Elizabeth Gómez-Andrade Riquetti	170577834-6
6. Nancy Hilgert de Benavidez	170526297-8


Art. 3°.- Disponer la inscripción en el Registro General de - Fundaciones, que para el efecto lleva la Dirección Nacional Forestal de esta Secretaría de Estado.

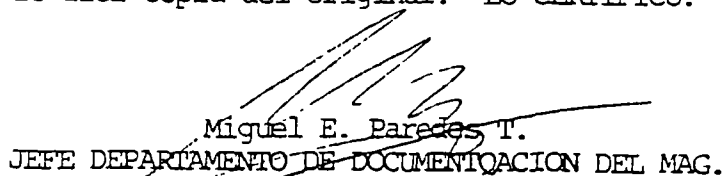
COMUNIQUESE Y PUBLIQUESE.-

DADO en Quito, a **13 ABR. 1988**

  
 Lcdo. Rafael Serrano Puig,  
 MINISTRO DE AGRICULTURA Y GANADERIA,  
 ENCARGADO.

Es fiel copia del original.- LO CERTIFICO:



  
 Miguel E. Paredes T.  
 JEFE DEPARTAMENTO DE DOCUMENTACION DEL MAG.

Razon: A petición del interesado protocoliso en mi registro de escrituras públicas del año en curso en quince fojas útiles con la documentación que antecede. En Quito, a cuatro de julio de mil novecientos ochenta y ocho.-

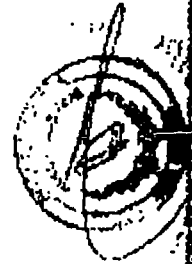
NOTARIO SEXTO  
CANTON QUITO

  
Dr. HUGO CORNEJO R.

Se Protocolizó, ante mí en fé de ello confiero ésta DECIMA NOVENA copia legalmente signada, sellada y firmada en Quito, a diez y seis de febrero del dos mil



2000-16-2



# NOTARIA SEXTA

PRIMER

## TESTIMONIO DE LA ESCRITURA

De ..... PROTOCOLIZACION ESTATUTOS .....

Otorgada el 4 DE JULIO DE 1988 .....

H

Por el ..... FUNDACION MAQUIPUCUNA .....

C

A favor de ..... XXXXXXXX .....

Cuantián \$: ..... INDETERMINADA .....

ANTE EL NOTARIO

### Dr. Hugo Cornejo Rosales

Av. Tarqui 615 y Luis Felipe Borja

TELEFONOS: 529-531 - 563-090

Quito, a 4 de Julio de 1988

CAPITULO I. NATURALEZA, DENOMINACION, DOMICILIO, OBJETO, MEDIOS Y PLAZO.

Artículo 1. Naturaleza y denominación.

La Fundación es una persona jurídica de derecho privado sin fin de lucro capaz de ejercer derechos y contraer obligaciones, así como de ser representada judicial y extrajudicialmente. La Fundación no tiene fines políticos, ni religiosos y por lo tanto no podrán realizarse actividades de esta índole, ni permitir que sus miembros, funcionarios y empleados efectúen en los recintos de la Fundación cualquier acto de índole política o religiosa. Queda prohibida toda discriminación en razón del sexo, raza, nacionalidad, religión o tendencia política.



Se le denominará FUNDACION MACQUIPUICAMA. Para efectos de este estatuto se la podrá denominar en lo posterior, simplemente La Fundación.

Esta Fundación se constituye al amparo de lo dispuesto en el título XIX del libro primero del Código Civil.

Artículo 2. Domicilio.

La Fundación tendrá su domicilio principal en la ciudad de Quito, República del Ecuador y podrá establecer u organizar oficinas filiales o sucursales especializadas en cualquier otro lugar del país o en el exterior.

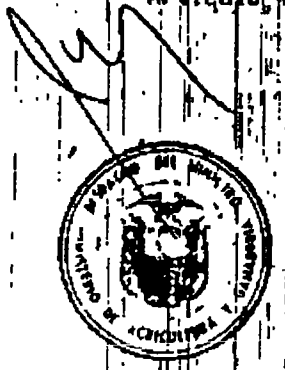
Artículo 3. Objeto.

La Fundación tiene por objeto el promover y conducir a la defensa, protección de los recursos de la Flora y la Fauna silvestres y especies en peligro de extinción, la investigación científica previa autorización del Ministerio de Agricultura y Ganadería; la cooperación con otros institutos o personas para el mejor aprovechamiento de los conocimientos científicos, la difusión de programas conservacionistas, la búsqueda y obtención de fondos y recursos para contribuir a la preservación de las especies.

Artículo 4. Medios.

Para el cumplimiento de su objeto, la Fundación podrá realizar, entre otros, los siguientes actos:

- a) Realizar, apoyar y auspiciar la investigación científica de los recursos naturales dentro del país.



- B) Promover la protección y conservación de las especies nativas del Ecuador y de sus hábitats.
- C) Colaborar con personas naturales o jurídicas, organismos nacionales o internacionales, públicos y/o privados que tengan similares objetivos.
- D) Divulgar principios básicos de la investigación y conservación de los recursos naturales por medio de campañas de divulgación en las áreas de protección, conservación y renovación de los hábitats naturales.
- E) Adquirir, enajenar o disponer de bienes raíces, darlos o tomarlos en arrendamiento, gravar los bienes de la Fundación, etc.
- F) Adquirir, administrar y disponer de equipos científicos y toda clase de bienes muebles.
- G) Recibir en donación bienes y valores para utilizarlos en el cumplimiento de sus fines.
- H) Promover la creación de estaciones científicas con suficientes facilidades para constituirse en verdaderos centros de investigación en el área de las ciencias naturales.
- I) Cooperar con instituciones e individuos dedicados a la investigación de los recursos naturales, en la ejecución de proyectos sobre vida silvestre.
- J) Hacer, en general todos los actos y otorgar todos los contratos permitidos por las leyes Ecuatorianas.
- K) Hacer obra de divulgación en el área de las ciencias naturales.
- L) Prestar servicios técnicos dentro de las áreas de especialidad de la Fundación.

**Artículo 2. Plazo.**

La Fundación tendrá un plazo de existencia indefinido, sin embargo, además de las causas establecidas en la ley, podrá disolverse por resolución del órgano competente adoptada por lo menos con el 80 % de la mayoría, debiendo aprobarse dicha resolución ante las autoridades que han





**Miembros y bienes**

La Fundación está integrada por miembros fundadores, miembros activos y miembros honorarios.

Los miembros no adquieren derechos de ningún tipo sobre los bienes de la Fundación, y tampoco son responsables hacia terceros por obligaciones de la Fundación.



**Artículo 4. Miembros fundadores.**

Son miembros fundadores las personas que han intervenido en la constitución de la Fundación y que han suscrito el acta constitutiva de la misma.

**Artículo 5. Miembros activos.**

Son miembros activos aquellas personas que intervienen en la Fundación participando en las actividades y en la consecución de los fines de ésta, y en general todas aquellas personas que prestan su ayuda y colaboración personal para conseguir los fines de la Fundación, siempre y cuando esta calidad les haya sido concedida.

Cualquier persona natural mayor de edad puede ser miembro activo, para obtener tal calidad es necesario que sea postulado por al menos dos miembros activos de la Fundación y por un miembro fundador, y que tal nominación sea aprobada por al menos el 75 % de los votos del directorio.

El nombramiento de miembro activo tendrá la duración de dos años a partir de su aprobación, pudiendo renovarse tal calidad por similares períodos.

**Artículo 6. Miembros honoríficos.**

Son miembros honoríficos todas aquellas personas naturales o jurídicas que han prestado o prestan una valiosa cooperación a la Fundación sin que necesariamente intervengan personalmente dentro de ella.

Se concede tal calidad a las personas antes indicadas, por resolución adoptada mediante mayoría simple por el directorio, previa solicitud de al menos un miembro fundador activo.

El nombramiento como miembro honorífico tendrá la



Artículo 9

Derechos y obligaciones

Son derechos y obligaciones de los miembros fundadores y activos:

- a) Asistir y participar con voz y voto en las sesiones de la Asamblea General.
- b) Participar en las sesiones del Directorio, con voz y sin voto cuando el Directorio lo solicitare.
- c) Elegir y ser elegido miembro de los distintos órganos de la Fundación.
- d) Ser informado por la Fundación de las actividades, proyectos y asuntos de interés científico y conservacionista.
- e) Cumplir con el estatuto, reglamento, resoluciones y disposiciones emanados de la Asamblea General y el Directorio.
- f) Participar activamente en las áreas de investigación, conservación y protección de los recursos naturales.
- g) Informar al Directorio periódicamente de sus actividades, proporcionar artículos científicos y/o informativos para ser publicados por los medios de difusión de la Fundación, y

h) Pagar las contribuciones que establezca la Asamblea General.

Artículo 10

Pérdida de la calidad

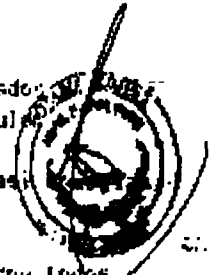
El Directorio, luego de un estudio detallado si encontrare faltas graves o razones suficientes podrá disponer la pérdida de la calidad de miembro de la Fundación sin importar el tipo de miembro de que se trate. La disposición de despojar a una persona determinada de su calidad de miembro de la Fundación, deberá ser tomada por lo menos por el 80% de los integrantes de la Directiva, excepto en el caso de pérdida de la ciudadanía y declaración de insolvencia en la cual la pérdida de la calidad será automática.

Artículo 11

Del Patrimonio



- a) las contribuciones de los socios.
- b) las donaciones, asignaciones, herencias, legados y subvenciones que se le hicieren a cualquier título.
- c) los bienes que adquiere a cualquier título, así como las rentas que éstos produzcan.



La Fundación podrá acrecentar su patrimonio con todos los bienes muebles e inmuebles que en el futuro adquiriera a título oneroso o gratuito.

Los bienes que a cualquier título adquiriera la Fundación, no pertenecen ni en todo ni en parte a ninguno de los miembros. De igual manera las deudas contraídas por la Fundación, no darán derecho a demandar ni en todo ni en parte a ninguno de los miembros ni darán acción alguna sobre bienes propios, sino que cualesquiera acción se deberá dirigir contra la Fundación como persona jurídica y sobre los bienes que conforman su patrimonio.

**CAPITULO 3. Organos de administración.**

**Artículo 12.** La Fundación se administrará por los siguientes órganos:

- 1) La asamblea general de miembros.
- 2) El Comité ejecutivo.
- 3) Los demás comités u órganos auxiliares que forme el Directorio.

**Artículo 13.** De la Asamblea general de miembros.

La Asamblea General de miembros es el máximo órgano de la Fundación y estará integrada por todas las personas que tienen calidad de miembros fundadores y activos.

**Artículo 14.** Reuniones, convocatoria y quórum.

El presidente por sí o el Director ejecutivo a petición de tres miembros fundadores, convocarán a Asamblea General Ordinaria, por lo menos una vez al año, dentro de los tres primeros meses. Las convocatorias se harán por comunicación personal a los miembros, con una anticipación mínima de 10 días a la fecha prevista para la asamblea. Para computar dicho plazo no se tendrán en cuenta ni el día de la convocatoria ni el día de la asamblea. La Asamblea se considerará válidamente constituida cuando concurren a ella por lo menos el 50% de los miembros.

Si no se obtuviera en la primera convocatoria el Domicilio



d.  
y cuyo objeto será el mismo que se expresó en la primera convocatoria; En esta segunda convocatoria, la Asamblea podrá constituirse con el 30 % de los miembros.

Para los casos previstos en este artículo, las decisiones de la Asamblea General serán adoptadas con el voto favorable de por lo menos la mitad más uno de los miembros asistentes. Los votos en blanco y las abstenciones se sumarán a la mayoría numérica.

**Artículo 15 De la Asamblea General Extraordinaria de Miembros.**

La convocatoria se deberá efectuar de la misma manera que para las Asambleas ordinarias, pero con únicamente dos días de anticipación. La Asamblea Extraordinaria podrá conocer y resolver únicamente los puntos de la convocatoria.

**Artículo 16 De la Asamblea Universal de Miembros .**

En cualquier momento y lugar, sin necesidad de convocatoria previa, pueden reunirse los miembros en Asamblea Universal, para lo cual deberán estar presentes todos los miembros. Previamente la Asamblea establecerá la orden del día a ser tratada y dejará constancia de que todos los miembros han aceptado constituirse en Asamblea Universal.

**Artículo 17 Derecho a voto y presentación .**

En la Asamblea General, cada miembro tendrá derecho a un voto; cada miembro podrá representar a otro u otros en la Asamblea Siempre que cuente con carta poder en la que se exprese dicha voluntad.

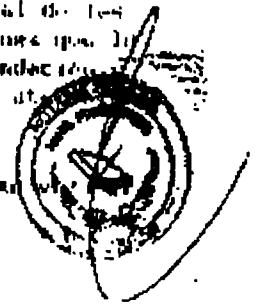
**Artículo 18 Atribuciones y deberes de la Asamblea de Miembros .**

- a) Ejercer las facultades y cumplir con las obligaciones que los presentes estatutos establecen como de su competencia privativa.
- b) Determinar la política de manejo y servicio que prestará la Fundación.
- c) Determinar las inversiones y proyectos prioritarios.
- d) Interpretar, en forma obligatoria, para todos los miembros y órganos administradores las normas consagradas de los estatutos.
- e) Elegir y remover a los miembros del Comité Ejecutivo.



g) Dirigir la marcha y dar la orientación general de las actividades de la Fundación, ejercer las funciones que le competen como unidad directiva superior de la Fundación, y todas aquellas funciones que estén estatutadas de otra manera expresamente a cargo o cargo de la Fundación.

h) Elegir al presidente de la Asamblea quien será el Presidente de la Fundación.



#### Artículo 19. Comité Ejecutivo

El Comité Ejecutivo de la Fundación se compone de cinco miembros. El presidente, el director ejecutivo y cinco vocales.

Se elegirán tres vocales suplentes. Los miembros del Comité Ejecutivo serán elegidos por un periodo de dos años y podrán ser reelegidos indefinidamente. En todo caso, continuarán en ejercicio de sus cargos hasta ser legalmente reemplazados.

Los vocales serán elegidos en número de orden y el primer vocal reemplazará al director en caso de que éste llegue a faltar. El director ejecutivo se encargará de la presidencia en caso de ausencia temporal del Presidente. Los vocales durarán dos años en sus funciones, pudiendo ser reelegidos.

#### Artículo 20. Reuniones, convocatorias, quórum y decisiones.

El Comité Ejecutivo se reunirá ordinariamente, por lo menos una vez cada mes, previa convocatoria del Director, del gerente y extraordinariamente cuando lo convoque cualquiera de sus miembros y aún sin necesidad de convocatoria cuando se hallen presentes la totalidad de los miembros.

#### Artículo 21. Atribuciones y deberes del Comité Ejecutivo.

Son atribuciones y deberes del Comité Ejecutivo, entre otros, las siguientes:

- 1) Cuidar la buena marcha y funcionamiento de la Fundación.
- 2) Elegir al Síndico, gerente, contador y auditor; y fijar sus remuneraciones.
- 3) Fijar las remuneraciones de sus miembros.



designar a sus representantes.

- 5) Cumplir y hacer cumplir las disposiciones de la Asamblea General.
- 6) Autorizar la constitución de mandatarios de la Fundación.
- 7) Aprobar el presupuesto de gastos.
- 8) Presentar al departamento correspondiente del Ministerio de Agricultura y Ganadería un informe anual de las actividades relacionadas con las áreas naturales y recursos silvestres. Este informe deberá ser presentado dentro de los primeros 3 meses de cada año.

#### Artículo 22.

De el Presidente, el Director, El Síndico y Gerente o Administrador.

- a) Del Presidente.- El Presidente debe ser el portavoz oficial de la Fundación. El cargo tendrá la duración de dos años, pudiendo ser reelecto indefinidamente. En caso de que no se realice una elección, se prorrogará en sus funciones hasta que se realice dicha elección. Deberá presidir la Junta General de Miembros y las reuniones del Comité Ejecutivo.

Son atribuciones y deberes del Presidente:

- Convocar y presidir las reuniones del Comité.
- Convocar y presidir la Asamblea General Ordinaria.
- Rendir un informe anual a la Asamblea General.
- Orientar al Director Ejecutivo en la Administración de la Fundación.
- Ejercer la representación legal de la Fundación en ausencia o impedimento del Director Ejecutivo.

- b) Del Director Ejecutivo.- Se encargará de la Presidencia de la Fundación en caso de ausencia temporal del Presidente. Convocará a elección de Presidente cuando la ausencia de éste sea permanente. Ejercerá la representación legal de la Fundación a nombre del Comité Ejecutivo. Ejercerá la función de Gerente Administrador mientras el Directorio no nombre a una persona para que desempeñe tal cargo con exclusividad.

- c) Del Síndico.- Será elegido por el Comité Ejecutivo de



entre los miembros fundadores o activos. Deberá desempeñar su cargo por dos años. Entre otras cosas, el síndico debe supervisar la marcha de la Fundación y prestar su servicio de asesoría y consejo legal para el buen funcionamiento de la Fundación.

d) Del Gerente o Administrador.- Son deberes y atribuciones del Gerente o Administrador:

- Representar legalmente a la Fundación.
- Cumplir y hacer cumplir el reglamento y estatutos de la Fundación.
- Administrar la marcha de la Fundación y recaudar las aportaciones obligatorias de los socios.
- Efectuar gastos por cuantías menores a 100 salarios mínimos vitales; cuando la cantidad o monto supere dicha cuantía, requerirá de la autorización del Directorio.
- Establecer y mantener las relaciones de la Fundación con otras personas naturales o jurídicas.
- Contratar y remover al personal de la Fundación.
- Actuar como secretario del Comité Ejecutivo y de la Asamblea General con voz y sin voto. Llevar los libros de actas, custodiarlos y otorgar copias certificadas de dichos organismos a los miembros que lo requieran.
- En su ausencia delegará sus funciones a uno de los miembros del Comité Ejecutivo.
- Obtener contribuciones y recursos financieros para la Fundación.
- Presentar al Comité Ejecutivo el informe anual de actividades, el estado financiero del ejercicio concluido, el presupuesto y el plan de actividades para el año siguiente.
- Presentar para la aprobación del Comité Ejecutivo los planes y proyectos de la Fundación.
- Obtener las autorizaciones que se requieran para la ejecución de los proyectos de la Fundación, especialmente de parte del Ministerio de Agricultura y Ganadería.

Artículo 23.

Del Comisario

El Comisario revisará las cuentas y balances de la Fundación y presentará su informe anual a la Asamblea General.

Artículo 24.

Del Auditor

El Auditor vigilará el correcto uso de normas y procedimientos en la contabilidad y Administración de la Fundación y presentará su informe anual a la Asamblea General.

Será nombrado por el Comité Ejecutivo por un plazo de un

CAPÍTULO I

Artículo 25. Reservas

Por resolución de la Asamblea General de Miembros se podrá destinar una parte de los fondos de la Fundación para reservas, las mismas que podrán mantenerse en cuentas de ahorros, cédulas hipotecarias u otras inversiones igualmente seguras que garanticen una renta estable a la Fundación. Las reservas serán fijadas por el Comité Ejecutivo de acuerdo al estado económico de la Fundación y no podrán invertirse en nada que sea contrario o ajeno a los objetivos de la Fundación.

Artículo 26. Disolución

En caso de que se disolviera la Fundación por cualquier causa legal, la Asamblea General de Miembros, o en su defecto el Directorio, o a falta de éstos dos organismos, los liquidadores que sean designados deberán indicar la institución nacional a la que deberán entregarse, junto de pagadas las deudas de la Fundación, los bienes de ésta, dejando constancia de que dichos bienes no podrán pasar sino a otra institución de derecho privado con objetivos de beneficencia pública o social de cualquier clase y que no tenga finalidades lucrativas, políticas ni religiosas.

Hasta aquí los estatutos.

Certifico que los presentes estatutos fueron aprobados en las reuniones llevadas a efecto los días 6, 9 y 15 de noviembre de 1987, y que las reformas en él introducidas han sido aprobadas en las reuniones llevadas a efecto los días 25 y 28 de marzo de 1988.



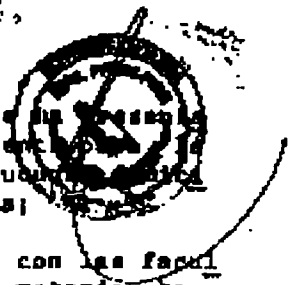
*[Handwritten Signature]*  
Dr. José Félix Burini  
Secretaría Ad-Hoc



EL MINISTERIO DE AGRICULTURA Y GANADERIA

CONSIDERANDO:

Que mediante solicitud de 10 de febrero de 1988, se ha presentado en este Ministerio la documentación correspondiente para la aprobación de los Estatutos de la Fundación Naquipucuna, domiciliada en la ciudad de Quito, provincia de Pichincha;



Que la Dirección Nacional Forestal, de conformidad con las facultades que le confiere la Ley y el Reglamento en la materia, ha emitido informe favorable para la aprobación de los estatutos, según consta del memorando N.º 001290 DWF-AJ de 4 de abril de 1988;

En uso de las facultades previstas en el Art. 157 del Reglamento General de Aplicación de la Ley Forestal y de Conservación de Areas Naturales y Vida Silvestre y en el Título XXIX del Libro primero del Código Civil,

A C U E R D A :

Art. 1.º.- Aprobar el Estatuto y conceder personería jurídica a la Fundación Naquipucuna, domiciliada en la ciudad de Quito, provincia de Pichincha, con las siguientes modificaciones:

- Sustituyase el contenido del Art. 3 del Objeto y en su lugar dirá: "Art. 3.- La Fundación tiene por objeto el promover y coadyuvar a la defensa, protección de los recursos de la flora y fauna silvestres y especies en peligro de extinción, la investigación científica previa autorización del Ministerio de Agricultura y Ganadería; la cooperación con otros institutos o personas para el mejor aprovechamiento de los conocimientos científicos; la difusión de programas de conservación de las áreas silvestres; y obtención de fondos y recursos para contribuir a la preservación de las especies."

Suprimase el contenido del literal e) del Art. 4.

En el Art. 11, numeral 1) sustituyase la palabra "Fundadoras" por "Miembros"; y, en el numeral 2, del mismo artículo cámbiase "El Directorio de Miembros" por "El Comité Ejecutivo".

En el Art. 17, suprimase las palabras "u otros".

Suprimase el contenido del primer inciso del Art. 19 y en su lugar dirá: "El Comité Ejecutivo de la Fundación se compone

Quito - Ecuador

de siete miembros: El Presidente, el Director Ejecutivo y cinco Vocales.

En el inciso segundo del mismo artículo, suprimase las palabras "un fundador y dos al menos activos".

Art. 2º.- Calificar como miembros fundadores a las siguientes personas:

	NOMBRE	Nº CED. IDENTIDAD
1.	José Rodrigo Ontaneda Hidalgo	110180519-8
2.	Rebeca María Justicia Carvajal	170497467-2
3.	Guatavo Francisco Morejón Jaramillo	010206363-3
4.	Fausto Osvaldo Sarmiento Rodríguez	170527027-8
5.	Patricia Elizabeth Gómez-Andrade Riquetti	170577834-6
6.	Nancy Hilgert de Benavides	170526297-8

Art. 3º.- Disponer la inscripción en el Registro General de Fundaciones, que para el efecto lleva la Dirección Nacional Forestal de esta Secretaría de Estado.

COMUNIQUESE Y PUBLIQUESE.-

DADO en Quito, a 13 ABR. 1988

*[Signature]*  
 Ldo. Rafael Serrano Plig,  
 MINISTERIO DE AGRICULTURA Y GANADERIA,  
 ENCARGADO.

Es fiel copia del original. - LO CERTIFICO:

*[Signature]*  
 Miguel S. Paredes T.  
 JEFE DEPARTAMENTO DE DOCUMENTACION DEL MAG.

NOTARIA PRIMERA DE QUITO  
 EN APLICACION A LA LEY NOTARIAL  
 DOY FE que la fotocopia que ANTECEDE esta  
 conforme con el documento que me fue presentado  
 en: 10 Fojas. *[Signature]*  
 Quito a 10 SEP 2002  
*[Signature]*  
 Dr. Jorge Machado Cevallos  
 Notario Primero del Canton Quito





17 OCT 2000

118377



# 9

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# 9



REPUBLICA DEL ECUADOR  
MINISTERIO DE FINANZAS

DIRECCION GENERAL DE RENTAS  
DELEGACION REGIONAL DE RENTAS DEL NORTE  
DEPARTAMENTO DE CONTROL FISCAL  
ASUNTO: EXONERACION DEL I.T.N. Y/O P.S.  
TRAMITE: N° 4895  
OFICIO: N° DREN-005222  
QUITO, A 18 AGO. 1989

A: Sr. (a)  
FUNDACION MAQUIPUCUNA  
JORGE WASHINGTON # 718 Y AMAZONAS  
Ciudad.

18/8/89

Para los fines pertinentes comunico a usted, que su actividad económica de INVESTIGACION CIENTIFICA... se halla exenta del pago del Impuesto a las Transacciones Mercantiles y/o Prestación de Servicios, a partir de ABRIL DE 1.988. SIN EMBARGO LE RECUERDO QUE EN LAS COMPRAS E IMPORTACIONES GRAVADAS, DEBERA OBLIGATORIAMENTE SATISFACER ESTE TRIBUTU.

Atentamente,  
DIOS, PATRIA Y LIBERTAD

Gonzalo Rodríguez Vivero  
DELEGADO REGIONAL DE RENTAS DEL NORTE



## BY-LAWS OF MAQUIPUCUNA FOUNDATION

Chapter 1: CHARACTER, DENOMINATION, DOMICILE,  
OBJECTIVE, METHODS AND DURATION

Article 1. Character and denomination.

The foundation is a non-profit legal person under private license, able to exercise its rights and acquire obligations, as well as to be judicially and extra-judicially represented. The foundation has no political or religious intentions; therefore, it may not carry out any activities of this kind, nor allow that its members, functionaries or employees carry out political or religious within the confines of the Foundation. Discrimination on the basis of sex, race, nationality, religion or political tendency is expressly prohibited.

The foundation is to be called MAQUIPUCUNA FOUNDATION and, for the purpose of these by-laws, may here forth be simply called "The Foundation".

This Foundation is constituted in accordance with the stipulations of title XXIX of the first book of the Civil Code.

Article 2. Domicile.

The foundation is to have its principle domicile in the city of Quito, Republic of Ecuador and may establish or organize affiliate offices or specialized nucleus in any other place within the country or abroad.

Article 3. Objective.

The Foundation is established for the purpose of promoting and supporting the defense and protection of wild flora and fauna resources and species in danger of extinction, effecting scientific investigations prior authorization from the Ministry of Agriculture and Livestock; cooperating with other institutes of persons in order to obtain the utmost benefit from scientific knowledge; broadcasting conservational programs, searching and obtaining funds and resources in order to contribute to the preservation of the species.

Article 4. Methods.

In order to meet its objectives, the Foundation may carry out the following activities, among others:

- A) Carry out, support and sponsor scientific investigations with regards to natural resources within the country;
- B) Promote the protection and conservation of the native species of Ecuador and their habitats.
- C) Cooperate with natural or legal persons, national or international organizations, public and or private having similar objectives.
- D) Propagate basic principles of investigation and conservation of natural resources through awareness campaigns in areas of: protection, conservation and renovation of natural habitats.
- E) Acquire, sell or dispose of real estate, give or receive them in rental, encumber the Foundation's patrimony, etc.
- F) Acquire, manage and dispose of scientific equipment and all kinds of movable goods.
- G) Receive, in donation, goods and valuables for use in the accomplishment of its objectives.
- H) Promote the creation of scientific stations with sufficient facilities for establishing genuine work stations, in the area of natural sciences.
- I) Cooperate with institutions of individuals dedicated to the investigation of natural resources, in the execution of projects related to wildlife.
- J) In general, do all those things and celebrate all those contract permitted by Ecuadorian Law.
- K) Endeavor to promote the area of natural sciences.
- L) Lend technical services within the Foundation's areas of proficiency.

Article 5. Duration.

The Foundation will have an indefinite duration; nevertheless, in addition to the causes established by law, the Foundation may be dissolved by resolution from a competent body, adopted by at least 80% of the majority, and such resolution must be approved by the authorities that have legalized the Foundation's establishment.

## CHAPTER 2. MEMBERS AND PATRIMONY.

The Foundation is to be integrated by founding members, active members and honorary members.

The members do not acquire rights of any kind with respect to the Foundation's patrimony, nor are they to have any other obligations than those indicated in these by-laws, for which they are not responsible towards third parties for obligations acquired by the Foundation.

### Article 6. Founding Members.

The founding members are those who have intervened in the Foundation's Constitution and have signed the corresponding Constitutional Act.

### Article 7. Active Members.

The active members are those who participate in the Foundation, taking part of the activities, in the achievement of the Foundation's objectives and, in general, are all those persons who personally help and cooperate in achieving the Foundation's objectives, as long as this capacity has been granted to them.

Any natural person of legal age may be an active member. In order to obtain this faculty,, it is necessary that such person be nominated by at least two active members of the Foundation and by one Founding Member and such nomination is to be approved by at least 75% of the votes cast by the Board of Directors.

An active member's appointment will have the duration of two years, counted from the date of approval and such faculty may be renewed for like periods.

### Article 8. Honorary Members.

The honorary members are those natural or legal persons who have lent or lend their valuable cooperation to the Foundation, without necessarily intervening personally within the Foundation.

Such faculty will be granted to such persons by resolution adopted by simple majority of the Board of Directors, prior request but at least one founding or active member.

Appointment as an honorary member will have the duration of one year and may be renewed for similar periods. The faculty of Honorary Lifetime Member may be granted as an exception and based on relevant services.



Article 9. Rights and Obligations.

The following are the rights and obligations of the founding and active members:

- a) Assist and participate with the right to be heard and to vote in the sessions of the General Assembly.
- b) Participate in the sessions of the Board of Directors, with the right to be heard and to vote when the Board so requires.
- c) Elect and be elected member of the Foundation's various organizations.
- d) Be informed by the Foundation of the activities, projects and matters of scientific and conservational interest.
- e) Comply with the statutes, regulations, resolutions and stipulations originating from the General Assembly and the Board of Directors.
- f) Participate actively in the areas of investigation, conservation and protection of natural resources.
- g) Inform the Board of Directors periodically regarding activities, provide scientific and/or informative articles to be published in the Foundation's media, and
- h) Pay the contributions that would be established by the general Assembly.

Article 10. Loss of Faculty.

If the Board of Directors, after a detailed evaluation, were to find serious faults or sufficient reasons, may order a member to lose his faculty as member of the Foundation, notwithstanding such person's membership classification. The stipulation to revoke the membership of any determined person in the Foundation is to be decided by at least 80% of the members of the Board of Directors, except in the case of loss of citizenship and declaration of insolvency, in which cases loss of faculty will be automatic.

Article 11. Patrimony.

The Foundation's patrimony is to be conformed of:

- a) Members' contributions.
- b) Donations, assignments, inheritances, legacies and monetary assistance of all kinds.

- ) All types of acquired goods, as well as any income produced by such.

The Foundation may increase its patrimony with all the movable or immovable goods that it might acquire by purchase or through donation.

The goods acquired by the Foundation in any manner do not belong to any of its members, whether totally or partially. Likewise, the debts acquired by the Foundation will not be cause any legal action to be brought forth against the private property of its members of any one member, but rather any legal action must be directed against the Foundation as a legal person and with regards to properties that conform its patrimony.

### CHAPTER 3. ADMINISTRATIVE BODIES

Article 12. The Foundation shall be managed by the following bodies:

- 1) The General Assembly of Members.
- 2) The Executive Committee.
- C) The other committees or assistant bodies that would be created by the Board of Director.

Article 13. The General Assembly of Members.

The General Assembly of Members is the Foundation's maximum body and is to be conformed of all those persons having the faculty of founding or active members.

Article 14. Meetings, summons and quorum.

The President, by his own rights, or the Executive Director, by petition of three Founding Members, are to summon the General Ordinary Assembly, at least once a year, within the first three months of the year. The summons<sup>o</sup> are to be made by personal notification to the members, at least 10 days before the date planned for the Assembly. In order to calculate such period, neither the date of the summons nor the date of the Assembly are to be included. The Assembly will be validly constituted if at least 50% of its members have concurred.

If quorum is not obtained in the first established summons, a second summons may not be formulated until fifteen days after the date set for the first meeting and which purpose is to be the same expressed in the first summons. Quorum for the second summons will be achieved by concurrence of 30% of the Assembly members.

For those cases foreseen in this article, the decisions by the General Assembly are to be adopted by favorable vote by at least one half plus one of the members present. Blank votes and abstinences will be added to the numerical majority.

**Article 15. The Extraordinary General Assembly of Members.**

The summons is to be effected in the same manner as for ordinary assemblies, but with only two days anticipation. The Extraordinary Assembly may hear and resolve only those points expressed in the summons.

**Article 16. The Universal Assembly of Members.**

The members may meet in Universal Assembly at any time and in any place, without the need of a prior summons, in which case all members are to be present. The Assembly is to first establish the list of matters to be touched upon and set forth that all the members have accepted to be constituted in Universal Assembly.

**Article 17. Right to vote and presentation.**

Each member of the General Assembly is to have the right to vote; each member may represent another or others in the Assembly, as long as he or she has a written power of attorney in which such intention is expressed.

**Article 18. Attributions and Obligations of the Assembly of Members.**

- a) Exercise the faculties and comply with the obligations established by these by-laws as a personal prerogative.
- b) Determine the management and service policies to be delivered by the Foundation.
- c) Determine the priority investments and projects.
- d) Interpret the norms set forth in these by-laws, in an obligatory manner for all members and organizational bodies.
- e) Elect and remove members from the Executive Committee.
- f) Appoint the Executive Director.
- g) Direct the progress and provide general orientation in the Foundation's activities; exercise the functions corresponding to it as the Foundation's supreme directive entity, and all those functions that are not expressly assigned to another body of the Foundation.

Elect the President of the Assembly, who, at the same time, is to be President of the Foundation.

Article 19. Executive Committee.

The Executive Committee is comprised of seven members: the President, the Executive Director and five members.

Three alternate members are to be elected. The members of the Executive Committee are to be elected for a period of two years and may be reelected indefinitely. In any case, they are to continue occupying their positions until legally substituted.

The members are to be elected in numerical order and the first member is to replace the director in the event such would be absent. The Executive Director is in charge of the presidency in the event of the President's temporary absence. The members are to remain in their positions for two years and may be reelected.

Article 20. Meetings, summons, quorum and decisions.

The executive committee is to meet ordinarily at least one a month, prior summons by the Director, the manager and, extraordinarily, when summoned by any two of its members and without the need of a summons when the total amount of members is present.

Article 21. Attributions and Obligations of the Executive Committee.

The following are attributions and obligations of the Executive Committee, among others:

- 1) Take care of the Foundation's good performance and operation.
- 2) Elect a syndicate, manager, commissary and auditor; and establish their salaries.
- 3) Establish the salaries of its members.
- 4) Create the committees and assistant bodies that may be necessary, establish the functions and attributions and designate its representatives.
- 5) Comply and order compliance with the dispositions of the General Assembly.
- 6) Authorize the establishment of the Foundation's agents.

- 7) Approve the expense budget.
- 8) Present to the pertinent department of the Ministry of Agriculture and Livestock, an annual report regarding the activities related to the areas of wildlife and natural resources. This report is to be presented within the first three months of each year.

Article 22. The President, the Director, the Syndicate and Manager or Administrator.

- a) The President.- The President is to be the official voice of the Foundation. The position will be occupied for two years and may be reelected indefinitely. In the event of lack of election, the President's functions will be extended until such election is carried out. The President is to preside the General Assembly of Members and the Executive Committee Meetings.

The following are attributions and obligations of the President:

- Summon and preside Committee meetings.
  - Summon and preside the Ordinary General Assembly.
  - Present an annual report to the General Assembly.
  - Orient the Executive Director regarding the Foundation's administration.
  - Exercise the Foundation's legal representation in the absence or incapacity of the Executive Director.
- b) The Executive Director.- The Executive Director will be in charge of the Foundation's Presidency in the event of the President's temporary absence. The Executive Director will summon the election of a new President when the absence of the former President is to be permanent. The Executive Director will exercise the Foundation's legal representation on behalf of the Executive Committee and will carry out the functions of Administrative Manager until the Board of Director appoint someone to exercise this faculty exclusively.
  - c) The Syndicate.- The Syndicate is to be elected by the Executive Committee from among the founding or active members. The Syndicate will occupy his functions for two years. Among other things, the Syndicate must supervise the Foundation's performance and provide advisory services and legal council for the Foundation's correct operation.

d) The Manager or Administrator.- The following are attributions and obligations of the Manager or Administrator:

- Legally represent the Foundation.
- Comply and order compliance with the Foundation's Regulation and By-laws.
- Manage the Foundation's performance and collect the obligatory contributions from its members.
- Effect expenses for amount less than 100 vital minimum wages; when the amount of expenses exceeds this amount, authorization from the Board of Directors will be required.
- Establish and maintain the Foundation's relations with other natural and legal persons.
- Hire and remove the Foundation's personnel.
- Act as Secretary of the Executive Committee and of the General Assembly with voice participation but without the power to vote. Maintain the Book of Acts, conserve them and issue certified copies of such to the members that would require them.
- In his absence, shall delegate his functions to one of the members of the Executive Committee.
- Obtain contributions and financial resources for the Foundation.
- Present the annual report of activities, the financial statement of the finished period, the budget and plan of activities for the following year to the Executive Committee.
- Present the Foundation's plans and projects, for approval by the Executive Committee.
- Obtain the necessary authorizations for executing the Foundation's projects, especially authorizations by the Ministry of Agriculture and Livestock.

Article 23. The Commissary.

The Commissary will review the Foundation's accounts and statements and present his annual report to the General Assembly.

**Article 24. The Auditor.**

The Auditor will supervise the correct use of the norms and procedures in the Foundation's accounting and management and present his annual report to the General Assembly.

The Auditor will be appointed by the Executive Committee for the period one year, when the Executive Committee considers his actions necessary.

**CHAPTER 4.-**

**Article 25. Reserves.**

By resolution of the General Assembly of Members, part of the Foundation's funds may be destined to reserves, which are to be kept in savings accounts, mortgage certificates or other investments of similar security that guaranty a stable income for the Foundation. The reserves are to be set by the Executive Committee in accordance with the Foundation's economic statement and may not be invested in anything contrary or irrelevant to the Foundation's objectives.

**Article 26. Dissolution.**

In the event of the Foundation's dissolution for any legal cause, the General Assembly of Members, or in its place, the Board of Directors or, given the lack of these two bodies, the designated liquidators, should indicate the national institution to which should the Foundation's assets are to be delivered, after having paid the Foundation's debts, setting forth that such assets may only be passed on to another private law institution for public or private charitable benefit and not to any having lucrative, political or religious intentions.

The By-laws end here.

I hereby certify that the foregoing By-laws were approved in the meetings held November 4, 9 and 15, 1987 and that the reforms introduced therein has been approved in the meetings held March 25 and 28, 1988.

(signed)  
Jorge Paz Durini  
Secretary Ad-Hoc

ATTACHMENT 2000 FGi  
c.e. [REDACTED]

The Maquipucuna Foundation  
c/o Institute of Ecology-UGA  
Athens, GA 30602-2202

June 30, 2000

Mr Thomas Y. Butler  
The Butler Foundation

Dear Tom, Clara and Barbara:

Please excuse me for sending this delayed, once again. I have tried to include a summary of the basic information needed for you to learn how we have made progress the past year, as well as for this year needs. Enclosed you will find the report of the activities funded by The Butler Foundation for 1999, including the following:

Financial report to TBF Grant Proposal 1999,

Proposal to the Butler Foundation for 2000,

- Attachment # 1: Ecotourism Promotion outcomes;
- Attachment # 2: Auditing analysis-00;

In relation to the several conversations we have had lately, I have tried to include some of which are most important to be considered by The Butler foundation at this time, regarding the development and furthering the Corridor project

In relation to the potential land purchases priorities in lower-areas (as part of your pledged to GEF-World bank), I will travel to the area as soon as I'm in Ecuador and keep you informed

We'd like to set up a time with you all to meet over the phone to exchange ideas and provide more information if needed, so please let me know and we'll be here with Rebeca, hopefully tomorrow afternoon is good for you.

Thank you very much for everything.

Best regards,

Rodrigo



## PROPOSAL TO THE BUTLER FOUNDATION, TO LEVERAGE LAND PURCHASE AND PROTECTION FUNDS IN THE CHOCO-ANDEAN CORRIDOR

### BACKGROUND & JUSTIFICATION

Ideally, long term conservation should generate sufficient revenue so that ultimately local conservation activities should provide their own sources of financing. That vision lead us to implement the Ecotourism operation at the Reserve, which has been Maquipucuna's goal since its creation, and important with all the support of the Butler Foundation. In addition, to promoting productive activities among communities surrounding the reserve

Although this ideal situation is difficult to achieve, we feel Maquipucuna has made great progress towards that goal. We have accomplish a lot, specifically on ecotourism, which has reached an international level through the "Ecotourism Shocase 2000" Award. We know where to go in terms of improving quality of service. The community component—an essential element of a successful operation—is well developed, and we have identified within the Ecotourism Feasibility Study, the actions needed for improvement. We are still working with the Tinker foundation in order to re-submit a proposal with a stronger component of business plan and certification. Additionally, negotiations continue for a potential joint operation with the ecotourist operator—Canodros— in the south of Maquipucuna. In summary, as a contribution of the preparatory phase of the Choco-Andean Corridor project, we have the feasibility study to enhance Maquipucuna's ecotourism within a regional and strategic perspective.

As you know, Carbon-trading is a mechanism which is emerging to help, specially developed nations, to reduce their net CO2 contributions to global warming. Although in its infancy, C-trading has already been implemented to fund conservation projects in Costa Rica, and the Nature Conservancy and Conservation International are implementing related projects in Belize and Bolivia. In Ecuador it is being talked about only. Carbon trading for conservation of tropical rainforest is still not clearly regulated under the Kyoto Protocol but the tide seems to be going in the direction to favour the inclusion of conservation projects.

### NEEDS ASSESSMENT

Within the Corridor project, the design of long-term funding mechanisms for conservation as an explicit desirable outcome has been incorporated. A new-to-be-developed option for self-financing is available for Maquipucuna now to explore, as a positive outcome of the preparation of the Choco-Andean Corridor project proposal. Self-financing will be targeted through three basic fronts of action. Plus, we have incorporated one other need identified, as part of the improvement of the Thomas H. Davis Center, for your consideration, (the following items are described in the budget):

Items 1 & 2. Carbon trading component to be matched by the WB grant

First, designing the "Choco-Andean Forest Trust" to increase C stores through conservation and forest management. It entails evaluating and realising the CO<sub>2</sub> sequestration value of the Choco-Andean Corridor with a view that 'carbon credits' comprise one of the commercial outputs or products of the corridor. The designing also includes defining a policy framework and the political support<sup>1</sup> needed, identifying markets and defining actions<sup>2</sup> that would encourage building up supply.

The second one would be designing the system of revenue distribution from productive enterprises in such a way that a percentage is re-invested in the production & conservation process.

The third is the strengthening the international fundraising campaign for land-purchase<sup>3</sup> and conservation activities at the Corridor, through the creation of the Butler Conservation Fund. The Butler Conservation Fund-BCF, should be an excellent incentive for past & new donors to get involved, since your pledge of \$50,000/year for the next three years would attract more donations from the sources already identified. Specially, the proven ones such as the SWAT teams at the Schools, using the Ecocards, which will be ready during the summer.

As one of the priorities in Land purchase, Tom has mentioned the possibility to try to find more land available down towards the ocean, in order to considering acquiring a large parcel, pending it would be charged—when negotiations are in place—to the account of Carbon trading. Some parcels have been offered to us, and of considerable interest would be one of ~25,000 has., in the western border of the Cotacachi-Cayapas reserve. Other parcels of land would be prioritized as well, in close consultation with you.

Item 3. Construction of a new "Bird-watching Platform", with world-class trails to get there and its surroundings, easily accessible from, either the lodge or the research station. This Tom's idea will definitely, is going to be a new attraction for in the north, at the Thomas H. Davis Ecotourism Center.

Item 4. Construction of a Family Cabin (between the lodge & research station) & furnishing it, which will improve the space available for an increasing over-night visitors. Along those lines, we have budgeted a few items, such as equipment and linen, which need replacement (we have already been covering several other needed items with the ecotourism operation income).

Item 5. Auditing FM's accounting. To be executed within two months, after signing the contract.

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<sup>1</sup> This establishes fair rules for the game, defines the commodities (differentiates qualities or grades that are to be traded, and implements a crediting system to increase compliance with management agreements and reduce risk)

<sup>2</sup> Type of assistance to private forest landowners to understand the carbon dynamics and how to increase their forests' stores of atmospheric carbon and how they might participate in the Choco-Andean Forest Trust to enter the carbon market

<sup>3</sup> Current land purchase policy of Maquipucuna is that 20% of the value of the land is reserved in a trust fund for protection and management

**BUDGET & TIMEFRAME:**

Item	Description of needs / Outcomes	Time frame	Responsible party	Requested to TBF
1	Carbon Trading proposal contract w/ Ecosecurities	Aug/Dec-00	R. Justiera/ M Stuart	25,000
2*	Salaries of R. Ontaneda, for 9 months (@2,500/month, (including insurance)	Jan/Sep-00	R.Ontaneda	22,500
2*	Salaries of A. Ledergerber for 6 months (@500/month	Jan/Jul-00	R.Justicia	3,000
2*	Equipment, field assistants and transportation & lodging, in Ecuador.	Jan/Dec-00	R.Justicia	4,500
2*	Trips to Ecuador (3) ROntaneda, RJusticia & consultant (ecosecurities)	Jan/Aug-00	R.Ontaneda	2,000
3	Construction of New Platform & trails to get there and surrounding it.	Jul/Dec-00	R. Ontaneda/ A.Rodas	12,000
4	Construction of Family Cabin & furnishing & basic equipment	May/Aug-00	A.Rodas/ R.Ontaneda	11,000
5**	Auditing FM's accounting with Price Waterhouse	Jul/Sep-00	R.Leon/ R.Ontaneda	5,000
6	15% Administration (covered by self financing projects & ecotourism)	Jan/Dec-00	R Ontaneda	0
	<b>TOTAL</b>			<b>\$85,000</b>

**Explanation to the Budget:**

\*These items include what we have been doing and the needs for the preparation & participation during the Carbon consultancy together with Ecosecurities, totaling \$32,000, as detailed above. For the next phases of this component, if needed we will count with the funding from the WB.

\*\*The shared cost of a total of \$15,000, which as you know, Rainforest Concern has promised to contribute, too. Plus FM's project administration funding).

**NOTES**

1 Tom's suggestion about the improvement of the rooms doing an addition to the main wedding suit with its own bathroom

February 12, 2000

## A PROPOSAL TO LEVERAGE LAND PURCHASE AND PROTECTION FUNDS

Ideally, long term conservation should generate sufficient revenue so that ultimately local conservation activities should provide their own sources of financing. This has been Maquipucuna's goal since its creation. That vision lead us to implement the Ecotourism operation at the Maquipucuna Reserve and to the promoting of productive activities among communities surrounding the reserve. Establishing Maquipucuna's liason office in the United States was an intermediate step to obtain the necessary support which is not available in Ecuador.

Although this ideal situation is difficult to achieve, we feel Maquipucuna has made great progress towards that goal. We have learned a great deal about how to enhance ecotourism. We know where to go in terms of improving quality of service. The community component—an essential element of a successful operation—is well developed, and we have identified where it needs improvement. The negotiations are underway to develop a joint operation with a very reputable ecotourist operator—Canodros-- in the south of Maquipucuna. Finally, as a contribution of the preparatory phase of the Choco-Andean Corridor project—under consideration by the World Bank—there is a feasibility study to enhance Maquipucuna's ecotourism within a regional and strategic perspective.

Also, as a positive outcome of the preparation of the Choco-Andean Corridor project, another option for self-financing is available for Maquipucuna to explore. It is that of Carbon-credits trading. Carbon-trading is a mechanism which is emerging to help, specially developed nations, to reduce their net CO<sub>2</sub> contributions to global warming. Although in its infancy, C-trading has already been implemented to fund conservation projects in Costa Rica, and the Nature Conservancy and Conservation International are implementing related projects in Belize and Bolivia. In Ecuador it is being talked about only. Carbon trading for conservation of tropical rainforest is still not clearly regulated under the Kyoto Protocol.

However, under current economic conditions, conservation activities are net financial burdens that need to be financed with external aid. Recognizing this reality, this project has incorporated the design of long-term funding mechanisms for conservation as an explicit desirable outcome. It will be achieved through three fronts of action. First, designing the "Choco-Andean Forest Trust" to increase C stores through conservation and forest management. It entails evaluating and realising the CO<sub>2</sub> sequestration value of the Choco-Andean Corridor with a view that 'carbon credits' comprise one of the commercial outputs or products of the corridor. The designing also includes defining a policy framework and the political support<sup>1</sup> needed, identifying markets and defining actions<sup>2</sup> that would encourage building up supply.

The second one would be designing the system of revenue distribution from productive enterprises in such a way that a percentage is re-invested in the production process.

The thurd is the strengthening the international fundraising campaign for land-purchase<sup>3</sup> and conservation activities at the Corridor.

---

<sup>1</sup> This establishes fair rules for the game, defines the commodities (differentiates qualities or grades that are to be traded, and implements a crediting system to increase compliance with management agreements and reduce risk)

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<sup>3</sup> Current land purchase policy of Maquipucuna is that 20% of the value of the land is reserved in a trust fund for protection and management

#11

## Key staff / Directors for Fundación Maquipucuna – Ecuador 2000

NAME	Nationality Place of Birth,	Country of Residence	Place of Business	Citizenship
<b>SENIOR EMPLOYEES</b>				
Roberto Leon	Ecuador	Ecuador	Ecuador	Ecuadorian
<i>LUIS PALHA</i>	<i>ECUADOR</i>	<i>ECUADOR</i>	<i>ECUADOR</i>	<i>ECUADORIAN</i>
Bernardo Castro	Ecuador	Ecuador	Ecuador	Ecuadorian
Liliana Morillo	Ecuador	Ecuador	Ecuador	Ecuadorian
Fernando Echeverria	Ecuador	Ecuador	Ecuador	Ecuadorian
<b>DIRECTORS/BOARD MEMBERS</b>				
Rodrigo Ontaneda	Ecuador	USA	Ecuador/USA	Ecuadorian
Rebeca Justicia	Ecuador	USA	Ecuador/USA	Ecuadorian
<b>BOARD MEMBERS</b>				
Hernán Sotomayor	Ecuador	Ecuador	Ecuador	Ecuadorian
José María Gordillo	Ecuador	Ecuador	Ecuador	Ecuadorian
Bárbara Butler	USA	USA	USA	North American
Camilo Ontaneda	Ecuador	Ecuador	Ecuador	Ecuadorian
Peter Bennett	England	England	England	British

2000 - PG-5c & d  
 2000 - PG-6c & d  
 2000 - PG-7c & d

**MAQUIPUCUNA FOUNDATION, INC.**

**Balance Sheet**

As of December 31, 1997

	Total
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Bank Accounts</b>	
<b>Bank of America USA</b>	
B. America / account 0032 5041 1768	205.57
<b>Total Bank of America USA</b>	\$ 205.57
<b>Total Bank Accounts</b>	\$ 205.57
<b>Total Current Assets</b>	\$ 205.57
<b>TOTAL ASSETS</b>	<b>\$ 205.57</b>
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
<b>Total Liabilities</b>	
<b>Equity</b>	
Opening Bal Equity	990.00
Retained Earnings	-1,013.86
Net Income	229.43
<b>Total Equity</b>	<b>\$ 205.57</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 205.57</b>
Accrual Basis	



**MAQUIPUCUNA FOUNDATION, INC.**

**Balance Sheet**

As of December 31, 1999

	Total
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Bank Accounts</b>	
<b>Bank of America USA</b>	
B. America / account 0032 5041 1768	14,931.83
<b>Total Bank of America USA</b>	\$ 14,931.83
<b>Total Bank Accounts</b>	\$ 14,931.83
<b>Total Current Assets</b>	\$ 14,931.83
<b>TOTAL ASSETS</b>	\$ 14,931.83
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
<b>Total Liabilities</b>	
<b>Equity</b>	
Opening Bal Equity	990.00
Retained Earnings	45,398.93
Net Income	-31,457.10
<b>Total Equity</b>	\$ 14,931.83
<b>TOTAL LIABILITIES AND EQUITY</b>	\$ 14,931.83
Accrual Basis	



**FORMULARIO 101**  
RESOLUCION N° 031

100 IDENTIFICACION DE LA DECLARACION

102 AÑO

1999

104

NO FORMULARIO AUSENTE

AT 1-SRI-AAA

200 IDENTIFICACION DEL CONTRIBUYENTE

RUC 1390892514001

RAZON SOCIAL *Fundación Moquegua*

203 EJERCIENTE

**ESTADO DE SITUACION**

300 ACTIVO CORRIENTE	
CASH BANCOS	301
INVERSIONES FINANCIERAS - EMPLAZADA	302
CUENTAS Y DOCUMENTOS POR COBRAR (CLIENTES)	303
CUENTAS DE INVENTARIOS SUCEBROS	304
OTRAS CUENTAS POR COBRAR	305
INVENTARIO DE MATERIA PRIMA	306
INVENTARIO DE PRODUCTOS EN PROCESO	307
INVENTARIO DE SUMINISTROS Y MATERIALES	308
INVENTARIO DE Bienes Terminados y Mercaderías en Almacén	309
MERCADERIAS EN TRÁFICO	310
REPOSICION DE INVENTARIOS Y APLICACIONES	311
IMPUESTOS ANTE PAGOS	312
OTROS VALORES CORRIENTES	313
<b>TOTAL ACTIVO CORRIENTE</b>	<b>319</b>
350 ACTIVO FIJO	
TERRENOS - INDETERMINACIONES	351
MAGNANIAS - MUEBLES Y FURNITURAS	352
OTROS BIENES	353
OTROS VALORES FIJOS	354
VALORES DE INVERSIONES EN CAJA	355
<b>TOTAL ACTIVO FIJO</b>	<b>359</b>
360 ACTIVO NO CORRIENTE	
VALORES DE INVERSIONES EN EMPRESAS	361
VALORES DE INVERSIONES EN BONOS	362
VALORES DE INVERSIONES EN VALORES FIJOS	363
INVERSIONES EN ACCIONES	364
OTROS VALORES NO CORRIENTES	365
AMORTIZACION DE DEUDA	366
<b>TOTAL ACTIVO NO CORRIENTE</b>	<b>367</b>
<b>TOTAL DEL ACTIVO</b>	<b>373</b>
400 PASIVO CORRIENTE	
DEUDA FINANCIERA	401
DEUDAS POR PAGAR	402
OTROS VALORES PASIVOS	403

**ESTADO DE RESULTADOS**

600 INGRESOS		
VENTAS GRAVADAS CON TARIFA 10%	601	
VENTAS GRAVADAS CON TARIFA CERO	602	
APORTACIONES	603	
DEVALUACIONES Y GANANCIAS EN VENTAS	604	
INGRESOS NO OPERACIONALES	INGRESOS PERCIBIDOS Y RECIBIDOS	605
	INGRESOS NO GRAVADOS	606
	INDEMNIZACIONES FINANCIERAS	607
	OTRAS RENTAS	608
<b>TOTAL INGRESOS</b>	<b>609</b>	
700 COSTO DE VENTAS		
VALOR INICIAL DE BIENES NO PRODUCTIVOS POR LA VENTA	701	
COMPRAS DE PRODUCTOS TERMINADOS	702	
IMPORTACIONES DE PRODUCTOS TERMINADOS	703	
INVENTARIO INICIAL DE PRODUCTOS TERMINADOS	704	
INVENTARIO INICIAL DE MATERIA PRIMA	705	
COMPRAS DE MATERIA PRIMA	706	
INVENTARIO FINAL DE MATERIA PRIMA	707	
INVENTARIO INICIAL DE MATERIA PRIMA	708	
MANO DE OBRA DIRECTA	709	
VALORES DE OTRAS MAGNANIAS DE INVERSIONES EN CAJA	710	
MANO DE OBRAS INDIRECTAS	711	
MATERIALES Y MATERIAS	712	
VALORES DE INVENTARIOS MATERIAS PRIMAS, PRODUCTOS EN PROCESO Y PRODUCTOS TERMINADOS	713	
IMPUESTOS Y GASTOS SOCIALES	714	
MANTENIMIENTO Y REPARACIONES	715	
ENERGIA AGUA Y TELEFONO	716	
OTROS GASTOS DE FABRICACION	717	
INVENTARIO INICIAL DE PRODUCTOS EN PROCESO	718	
INVENTARIO FINAL DE PRODUCTOS EN PROCESO	719	
INVENTARIO INICIAL DE PRODUCTOS TERMINADOS	720	
INVENTARIO FINAL DE PRODUCTOS TERMINADOS	721	
<b>TOTAL COSTO DE VENTAS</b>	<b>722</b>	
<b>NO GASTOS DE ADMINISTRACION Y VENTAS</b>	<b>723</b>	
IMPUESTOS SOCIALES Y GASTOS SOCIALES	724	

POR LO QUE ASUMO LA RESPONSABILIDAD POR SU PRESENTACION (ART. 98, Ley 58)

**CONCILIACION PARA EL CALCULO DEL IMPUESTO A LA RENTA**

UTILIDAD O PERDIDA EJERCICIO	Tasador en campo 7801	800
NO GASTOS NO DEDUCIBLES EN EL PAIS		805
NO GASTOS NO DEDUCIBLES EN EL EXTERIOR		810
AMORTIZACION DE PERDIDAS POR ATRIBUCION PROPORCIONAL (ART. 10, Ley 58)		811
PARTICIPACION A TRABAJADORES Y PROPORCION (ART. 10, Ley 58)		812
IMPUESTOS DEDUCIBLES PERCIBIDOS EN EJERCICIO ANTERIORES (ART. 10, Ley 58)		813
OTRAS RENTAS Y GASTOS NO GRAVADOS (ART. 10, Ley 58)		814
UTILIDAD GRAVABLE	800 + 805 - 810 - 811 - 812 - 813 - 814	815
<b>IMPUESTO A LA RENTA</b>		816
UTILIDAD O PERDIDA DESPUES DEL MP A LA RENTA		817
ANEXOS		818
DEFERENCIAS EN LA FUENTE		819
<b>TOTAL RENTA</b>	815 + 818 - 819	820
<b>TOTAL SALDO A FAVOR</b>	815 - 816 - 819	821

**900 VALORES A PAGAR FORMA DE PAGO Y FIRMAS**

PAGO PRECISO	901
TOTAL IMPUESTO A LA RENTA	902
DEFERENCIAS EN FUENTE	903
VALORES	904
<b>TOTAL PAGAR</b>	<b>905</b>

812	91	912	913	915	917
914	916	918	919	920	921
922	923	924	925	926	927
928	929	930	931	932	933

**Name and addresses of Financial Institutions in which Maquipucuna maintain accounts**

account #	Institution	city	place	adress
295758-2	Banco del Pacifico	Quito	Ecuador	Naciones Unidas y Av. Shyris Esquina
303767-3	Banco del Pacifico	Quito	Ecuador	Naciones Unidas y Av. Shyris Esquina
433033-1	Banco del Pacifico	Quito	Ecuador	Naciones Unidas y Av. Shyris Esquina
308512-0	Banco del Pacifico	Quito	Ecuador	Naciones Unidas y Av. Shyris Esquina
308060-9	Banco del Pacifico	Quito	Ecuador	Naciones Unidas y Av. Shyris Esquina
4667224-0	Pacific National Bank	Miami	Florida	1390 Brickell Avenue
1299064-06	Pacific National Bank	Miami	Florida	1390 Brickell Avenue
1299122-06	Pacific National Bank	Miami	Florida	1390 Brickell Avenue
800604098	Banco Internacional	Quito	Ecuador	Avenida Amazonas 126 y Korea
3250411768	Bank of America	Athens	Georgia	110 East Clayton St.
3276301324	Bank of America	Athens	Gerorgia	110 East Clayton St.

**THE BUTLER FOUNDATION**

**EIN: 22-2701588**

Attachment to Form 4720

ATTACHMENT TO FORM 4720

EXHIBIT IV (1999)

ATTACHMENT 2000 PG:  
c.e. [REDACTED]

The Maquipucuna Foundation  
c/o Institute of Ecology-UGA  
Athens, GA 30602-2202

June 30, 2000

Mr. Thomas Y. Butler  
The Butler Foundation

Dear Tom, Clara and Barbara:

Please excuse me for sending this delayed, once again. I have tried to include a summary of the basic information needed for you to learn how we have made progress the past year, as well as for this year needs. Enclosed you will find the report of the activities funded by The Butler Foundation for 1999, including the following:

Financial report to TBF Grant Proposal 1999,

Proposal to the Butler Foundation for 2000,

- Attachment # 1: Ecotourism Promotion outcomes;
- Attachment # 2: Auditing analysis-00;

In relation to the several conversations we have had lately, I have tried to include some of which are most important to be considered by The Butler foundation at this time, regarding the development and furthering the Corridor project

In relation to the potential land purchases priorities in lower-areas (as part of your pledged to GEF-World bank), I will travel to the area as soon as I'm in Ecuador and keep you informed.

We'd like to set up a time with you all to meet over the phone to exchange ideas and provide more information if needed, so please let me know and we'll be here with Rebeca, hopefully tomorrow afternoon is good for you.

Thank you very much for everything.

Best regards,

Rodrigo

## PROPOSAL TO THE BUTLER FOUNDATION, TO LEVERAGE LAND PURCHASE AND PROTECTION FUNDS IN THE CHOCO-ANDEAN CORRIDOR

### BACKGROUND & JUSTIFICATION

Ideally, long term conservation should generate sufficient revenue so that ultimately local conservation activities should provide their own sources of financing. That vision lead us to implement the Ecotourism operation at the Reserve, which has been Maquipucuna's goal since its creation, and important with all the support of the Butler Foundation. In addition, to promoting productive activities among communities surrounding the reserve.

Although this ideal situation is difficult to achieve, we feel Maquipucuna has made great progress towards that goal. We have accomplish a lot, specifically on ecotourism, which has reached an international level through the "Ecotourism Showcase 2000" Award. We know where to go in terms of improving quality of service. The community component—an essential element of a successful operation—is well developed, and we have identified within the Ecotourism Feasibility Study, the actions needed for improvement. We are still working with the Tinker foundation in order to re-submit a proposal with a stronger component of business plan and certification. Additionally, negotiations continue for a potential joint operation with the ecotourist operator—Canodros—in the south of Maquipucuna. In summary, as a contribution of the preparatory phase of the Choco-Andean Corridor project, we have the feasibility study to enhance Maquipucuna's ecotourism within a regional and strategic perspective.

As you know, Carbon-trading is a mechanism which is emerging to help, specially developed nations, to reduce their net CO2 contributions to global warming. Although in its infancy, C-trading has already been implemented to fund conservation projects in Costa Rica, and the Nature Conservancy and Conservation International are implementing related projects in Belize and Bolivia. In Ecuador it is being talked about only. Carbon trading for conservation of tropical rainforest is still not clearly regulated under the Kyoto Protocol but the tide seems to be going in the direction to favour the inclusion of conservation projects.

### NEEDS ASSESSMENT

Within the Corridor project, the design of long-term funding mechanisms for conservation as an explicit desirable outcome has been incorporated. A new-to-be-developed option for self-financing is available for Maquipucuna now to explore, as a positive outcome of the preparation of the Choco-Andean Corridor project proposal. Self-financing will be targeted through three basic fronts of action. Plus, we have incorporated one other need identified, as part of the improvement of the Thomas H. Davis Center, for your consideration, (the following items are described in the budget):

Items 1 & 2. Carbon trading component to be matched by the WB grant

First, designing the "Choco-Andean Forest Trust" to increase C stores through conservation and forest management. It entails evaluating and realising the CO<sub>2</sub> sequestration value of the Choco-Andean Corridor with a view that 'carbon credits' comprise one of the commercial outputs or products of the corridor. The designing also includes defining a policy framework and the political support<sup>1</sup> needed, identifying markets and defining actions<sup>2</sup> that would encourage building up supply.

The second one would be designing the system of revenue distribution from productive enterprises in such a way that a percentage is re-invested in the production & conservation process.

The third is the strengthening the international fundraising campaign for land-purchase<sup>3</sup> and conservation activities at the Corridor, through the creation of the Butler Conservation Fund. The Butler Conservation Fund-BCF, should be an excellent incentive for past & new donors to get involved, since your pledge of \$50,000/year for the next three years would attract more donations from the sources already identified. Specially, the proven ones such as the SWAT teams at the Schools, using the Ecocards, which will be ready during the summer.

As one of the priorities in Land purchase, Tom has mentioned the possibility to try to find more land available down towards the ocean, in order to considering acquiring a large parcel, pending it would be charged—when negotiations are in place—to the account of Carbon trading. Some parcels have been offered to us, and of considerable interest would be one of ~25,000 has., in the western border of the Cotacachi-Cayapas reserve. Other parcels of land would be prioritized as well, in close consultation with you.

Item 3. Construction of a new "Bird-watching Platform", with world-class trails to get there and its surroundings, easily accessible from, either the lodge or the research station. This Toms' idea will definitely, is going to be a new attraction for in the north, at the Thomas H. Davis Ecotourism Center.

Item 4. Construction of a Family Cabin (between the lodge & research station) & furnishing it, which will improve the space available for an increasing over-night visitors. Along those lines, we have budgeted a few items, such as equipment and linen, which need replacement (we have already been covering several other needed items with the ecotourism operation income).

Item 5. Auditing FM's accounting. To be executed within two months, after signing the contract.

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<sup>1</sup> This establishes fair rules for the game, defines the commodities (differentiates qualities or grades that are to be traded, and implements a crediting system to increase compliance with management agreements and reduce risk)

<sup>2</sup> Type of assistance to private forest landowners to understand the carbon dynamics and how to increase their forests' stores of atmospheric carbon, and how they might participate in the Choco-Andean Forest Trust to enter the carbon market

<sup>3</sup> Current land purchase policy of Maquipucuna is that 20% of the value of the land is reserved in a trust fund for protection and management.

**BUDGET & TIMEFRAME:**

Item	Description of needs / Outcomes	Time frame	Responsible party	Requested to TBF
1	Carbon Trading proposal contract w/ Ecorescurities	Aug/Dec-00	R. Justicia/ M.Stuart	25,000
2*	Salaries of R. Ontaneda, for 9 months (@2,500/month, (including insurance)	Jan/Sep-00	R.Ontaneda	22,500
2*	Salaries of A. Ledergerber for 6 months @500/month	Jan/Jul-00	R.Justicia	3,000
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3	Construction of New Platform & trails to get there and surrounding it.	Jul/Dec-00	R. Ontaneda/ A.Rodas	12,000
4	Construction of Family Cabin & furnishing & basic equipment	May/Aug-00	A.Rodas/ R.Ontaneda	11,000
5**	Auditing FM's accounting with Price Waterhouse	Jul/Sep-00	R.Leon/ R.Ontaneda	5,000
6	15% Administration (covered by self financing projects & ecotourism)	Jan/Dec-00	R Ontaneda	0
	TOTAL			\$85,000

**Explanation to the Budget:**

\*These items include what we have been doing and the needs for the preparation & participation during the Carbon consultancy together with Ecorescurities, totaling \$32,000, as detailed above. For the next phases of this component, if needed we will count with the funding from the WB.

\*\*The shared cost of a total of \$15,000, which as you know, Rainforest Concern has promised to contribute, too. Plus FM's project administration funding).

**NOTES**

1 Tom's suggestion about the improvement of the rooms doing an addition to the main wedding suit with its own bathroom

2







**MAQUIPUCUNA FOUNDATION, INC.**

**Profit & Loss Detail**

January - December 1999

	Date	Type	Num	Name	Division	Memo/Description	Split	Amount	Balance
<b>Ordinary Income/Expense</b>									
<b>Income</b>									
<b>Donors</b>									
	07/14/1999	Deposit		The Buttler Foundation	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	100 000 00	100 000 00
<b>Total for Donors</b>								<b>\$ 100,000 00</b>	
<b>Fund Raising</b>									
	06/24/1999	Deposit		Various Donors	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	100 00	100 00
	12/21/1999	Deposit		Various Donors	Maquipucuna USA	Adopt an acre	Bank of America USA B America / account 0032 5041 1768	2 635 00	2 735 00
<b>Total for Fund Raising</b>								<b>\$ 2,735 00</b>	
<b>Adopt an acre</b>									
	06/25/1999	Deposit		Various Donors	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 576 00	1 576 00
<b>Total for Adopt an acre</b>								<b>\$ 1,576 00</b>	
<b>Total for Fund Raising with sub-accounts</b>								<b>\$ 4,311 00</b>	
<b>Total for Income</b>								<b>\$ 104,311 00</b>	
<b>Expenses</b>									
<b>Bank debits</b>									
	12/31/1999	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	160 50	160 50
<b>Total for Bank debits</b>								<b>\$ 160 50</b>	
<b>Communications</b>									
	04/01/1999	Check	1148	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	595 66	595 66
	06/04/1999	Check	1154	Bellsouth	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	64 12	659 78
	07/07/1999	Check	1184/5	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	274 00	933 78
	10/25/1999	Check	1164	Rebeca Justicia	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	24 00	957 78
	11/30/1999	Check	1234	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	113 00	1,070 78
<b>Total for Communications</b>								<b>\$ 1,070 78</b>	
<b>Credit Card office expenses</b>									
	09/20/1999	Check	1171	Citibank	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 500 00	2 500 00
	11/24/1999	Check	1229	Citibank	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	3 800 00	6 300 00
<b>Total for Credit Card office expenses</b>								<b>\$ 6,300 00</b>	
<b>Fundraising Expenses</b>									
	01/31/1999	Check	1089/90	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	3 600 00	3 600 00
	02/09/1999	Check	1098	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	900 00	4 500 00
	02/22/1999	Check	1142	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	827 00	5 327 00
	02/22/1999	Check	1143	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 727 00	7 054 00
	04/07/1999	Check	1156	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 727 00	8 781 00
	05/19/1999	Check	1160	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2,550 00	11 331 00
	05/28/1999	Check	1163	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	804 00	12 135 00
	09/01/1999	Check	1170	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	5 000 00	17 135 00
	09/21/1999	Check	1194	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 500 00	18,635 00
	10/15/1999	Check	1172/73/74	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	8 265 00	26 900 00
	11/24/1999	Check	1230	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 500 00	29 400 00
	11/24/1999	Check	1231	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2,500 00	31 900 00
	12/01/1999	Check	1235	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 500 00	34 400 00
<b>Total for Fundraising Expenses</b>								<b>\$ 34,400 00</b>	
<b>Grants and allocation</b>									
	03/08/1999	Check	1146	Elliot-Gower	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	150 00	150 00
	07/07/1999	Check	1183	Elliot-Gower	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	191 25	341 25
<b>Total for Grants and allocation</b>								<b>\$ 341 25</b>	
<b>Maquipucuna Ecuador</b>									
	01/05/1999	Check	1094	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	3 000 00	3,000 00
	05/04/1999	Check	1175	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 500 00	4,500 00
	05/07/1999	Check	1181	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	544 19	5 044 19
	05/27/1999	Check	1180	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2,000 00	7 044 19
	08/12/1999	Check	1187/8/9/90/91/92	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	20 174 00	27,218 19
	08/25/1999	Check	1166	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 000 00	28 218 19
	09/09/1999	Check	1195/6	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	7 055 01	35 273 20
	10/04/1999	Check	1178/9	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	3 000 00	38,273 20

	Date	Type	Num	Name	Division	Memo/Description	Split	Amount	Balance
	11/11/1999	Check	1198/99/1225	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	8 054 75	46,327 95
	12/01/1999	Check	1236/7/9/40/1/2	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	13 327 49	59 655 44
<b>Total for Maquipucuna Ecuador</b>								<b>\$ 59,655 44</b>	
<b>Miscellaneous</b>									
	01/04/1999	Check	1136	Elliot-Gower	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	120 00	120 00
	02/01/1999	Check	1093/5	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	60 00	180 00
	02/13/1999	Check	1096/7	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	63 87	243 87
	02/17/1999	Check	1137/8/9	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	143 69	387 56
	03/13/1999	Check	1140	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	25 00	412 56
	03/30/1999	Check	1150	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	453 68	866 24
	05/04/1999	Check	1177	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	146 00	1 012 24
	05/19/1999	Check	1158/9/62	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	97 21	1 109 45
	06/19/1999	Check	1155	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	12 00	1 121 45
	07/09/1999	Check	1182	Ecosecurities	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	185 45	1 306 90
	11/30/1999	Check	1227	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	12 00	1 318 90
	12/01/1999	Check	1232	Petty Cash	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	100 00	1 418 90
	12/03/1999	Check	1165	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	85 48	1 504 36
	12/13/1999	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	500 00	2,004 36
<b>Total for Miscellaneous</b>								<b>\$ 2,004 36</b>	
<b>Office material</b>									
	02/24/1999	Check	1141	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	358 40	358 40
	03/09/1999	Check	1147	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	66 50	424 90
	06/04/1999	Check	1153	Kinko's	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	19 13	444 03
<b>Total for Office material</b>								<b>\$ 444 03</b>	
<b>Promotional Material</b>									
	03/04/1999	Check	1145	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	94 95	94 95
	04/16/1999	Check	1151	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	71 00	165 95
	06/19/1999	Check	1157	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	750 00	915 95
	08/30/1999	Check	1167/8	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	3 001 35	3 917 30
	09/27/1999	Check	1197	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	42 80	3 960 10
	11/23/1999	Check	1228	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	438 90	4 399 00
<b>Total for Promotional Material</b>								<b>\$ 4,399 00</b>	
<b>Travel</b>									
<b>parking/car rental/etc</b>									
	06/19/1999	Check	1169	University of Georgia	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	45 00	45 00
<b>Total for parking/car rental/etc</b>								<b>\$ 45 00</b>	
<b>Travel Meals</b>									
	02/25/1999	Check	1144	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	500 00	500 00
	08/16/1999	Check	1193	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 000 00	1,500 00
<b>Total for Travel Meals</b>								<b>\$ 1,500 00</b>	
<b>Total for Travel</b>								<b>\$ 1,545 00</b>	
<b>Total for Expenses</b>								<b>\$ 110,320 36</b>	
<b>Net Income</b>								<b>-\$ 6,009 36</b>	

Monday May 10 2004 04 56 12 PM GMT-4 - Accrual Basis

CON FECHA 31 DEC 99

C U E N T A

1	ACTIVO	<u>2,596,285,002.65</u>
11	ACTIVO CORRIENTE	1,218,489,006.06
<u>1101</u>	<u>CAJA</u>	<u>1,741,034.00</u>
<u>110101</u>	<u>CAJA GENERAL</u>	<u>52,284.00</u>
110102	CAJA CHICA	1,688,750.00
11010201	Oficina Central	75,500.00
<u>11010205</u>	<u>Carg</u>	<u>300,000.00</u>
<u>11010206</u>	<u>Ecoturismo</u>	<u>1,113,250.00</u>
<u>11010209</u>	<u>DEO- FAO</u>	<u>200,000.00</u>
1102	BANCOS	121,871,327.00
110201	BANCOS-MONEDA NACIONAL	-31,020,473.00
<u>110202</u>	<u>BANCOS-MONEDA EXTRANJERA</u>	<u>152,891,800.00</u>
<u>1104</u>	<u>CUENTAS POR COBRAR</u>	<u>544,222,806.06</u>
<u>110401</u>	<u>PROYECTOS</u>	<u>194,657,946.00</u>
<u>110402</u>	<u>EMPLEADOS</u>	<u>46,789,019.00</u>
110403	PROVEEDORES	1,500,000.00
110404	OTROS	62,676,575.40
<u>110405</u>	<u>FONDOS POR RECAUDAR</u>	<u>228,512,665.66</u>
<u>110406</u>	<u>DEPOSITOS EN GARANTIA</u>	<u>5,091,600.00</u>
<u>1105</u>	<u>GASTOS ANTICIPADOS</u>	<u>550,653,839.00</u>
110502	CONTRATOS	7,300,304.00
110503	COMPRA DE TERRENOS	543,353,535.00
<u>12</u>	<u>ACTIVO FIJO</u>	<u>1,331,795,996.59</u>
1201	NO DEPRECIABLE	1,181,297,600.00
<u>120101</u>	<u>OFICINA CENTRAL</u>	<u>518,900,000.00</u>
<u>12010103</u>	<u>TERRENOS</u>	<u>518,900,000.00</u>

C U E N T A

51010107	GASTOS ADMINISTRATIVOS	424,793,326.00
51010108	ADQUISICIONES	113,202,060.00
510102	SIGMA	46,035,063.00
51010201	RECURSOS HUMANOS	37,161,391.00
51010202	BENEFICIOS SOCIALES	5,875,872.00
51010205	VIAJES Y VIATICOS	1,786,000.00
51010207	GASTOS RECURRENTE	1,211,800.00
510103	MAQUIPUCUNA FOUNDATION-USA	986,000.00
51010306	GASTOS DE PROMOCION	100,000.00
51010307	GASTOS RECURRENTE	886,000.00
5102	NOR-OCCIDENTE ECUATORIANO	2,715,623,634.92
510202	PROTECCION Y MANEJO	65,043,895.00
51020201	RECURSOS HUMANOS	167,020.00
51020207	GASTOS RECURRENTE	64,876,875.00
510203	THE BUTLER FOUNDATION/TNC (INVASIONES)	197,060,723.00
51020301	RECURSOS HUMANOS	30,768,132.00
51020302	BENEFICIOS SOCIALES	4,635,610.00
51020303	PRESTACION DE SERVICIOS	141,613,235.00
51020307	GASTOS RECURRENTE	20,043,746.00
510204	RAIN FOREST CONCERN	157,814,947.00
51020407	COSTOS RECURRENTE	16,736,354.00
51020408	ADQUISICIONES	141,078,593.00
510205	PROYECTOS VARIOS	267,959,521.00
51020501	INIAP/PLANTAIN COFFEE	6,192,668.00
51020502	REINTRODUCCION MONOS	46,845,164.00
51020507	GASTOS RECURRENTE	355,100.00

CON FECHA 31 DEC 99

## C U E N T A

210202	EMPLEADOS	373.588.893.00
210203	PROVEEDORES	1.094.000.00
210204	OTROS	154.316.964.00
2103	IMPUESTOS POR PAGAR	80.335.00
210301	RETENCIONES EN LA FUENTE	80.335.00
2105	IMPOSICIONES SOBRE PLANILLAS	8.392.676.00
210501	PRESTACIONES SOCIALES	2.603.896.00
210502	APORTES JESS	8.667.607.00
210503	OTROS	-2.878.827.00
2106	FONDOS POR REPORTAR	3.367.943.970.94
210601	OFICINA CENTRAL	758.159.840.00
21060103	MAQUIPUCUNA FOUNDATION USA	758.159.840.00
210602	NOR-OCCIDENTE ECUATORIANO	2.609.784.130.94
21060201	PROTECCION Y MANEJO R.M.-CANJE	5.096.095.00
21060202	THE BUTLER FOUNDATION	649.748.000.00
21060203	THE NATURAL CONCERNVANCY INC	220.298.995.00
21060204	RAIN FOREST CONCERN	786.283.817.00
21060205	PROBONA-CARG	138.286.226.20
21060207	PROYECTOS VARIOS	183.291.600.00
21060208	PPD-PROGRAMA DE PEQUENAS DONACIONES	267.374.140.00
21060209	FAO-DFQ	7.159.247.00
21060210	GEF	36.467.966.50
21060211	COMITE HOLANDES	27.507.346.24
21060212	NATIONAL LOTTERY	288.270.698.00
23	OTROS PASIVOS	234.104.938.00
2302	NOR-OCCIDENTE ECUATORIANO	234.104.938.00

## CUENTA

51020819	CARTOGRAFIA	11,750,000.00
51020820	AMPLIACION AREA DE ACCION	10,295,000.00
510209	CORREDOR CHOCHO-ANDINO	303,453,909.00
51020903	PRESTACION DE SERVICIOS (CONSULTORIAS)	281,088,849.00
51020907	GASTOS RECURRENTE	15,706,561.00
51020914	CAPACITACION-TALIFRES	6,658,499.00
510210	ECOTURISMO	546,873,211.00
51021001	RECURSOS HUMANOS	157,206,575.00
51021002	BENEFICIOS SOCIALES	21,350,205.00
51021003	PRESTACION DE SERVICIOS	49,892,427.00
51021005	VIAJES Y VIATICOS	559,000.00
51021006	GASTOS DE PROMOCION	82,260,680.00
51021007	GASTOS RECURRENTE	235,604,324.00
510211	COMITE HOLANDES	236,385,360.42
51021103	SERVICIOS PROFESIONALES	72,577,173.00
51021105	VIAJES Y VIATICOS	6,000,000.00
51021106	GASTOS DE PROMOCION	5,025,000.00
51021107	GASTOS RECURRENTE	52,416,821.42
51021108	ADQUISICIONES	328,000.00
51021114	CAPACITACION	9,103,642.00
51021120	ACTIVIDADES OPERATIVAS	90,934,724.00
510212	ECOTURISMO EN YUNGUILLA	132,280,032.50
51021203	PRESTACION DE SERVICIOS	19,242,100.00
51021206	GSTOS DE PROMOCION	60,000.00
51021207	GASTOS RECURRENTE	25,789,688.50
51021208	ADQUISICIONES	34,168,694.00

CONFECHA 31 DEC 99

C U E N T A

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RESULTADOS	-1.518,913,163.58
PATRIMONIO	-308,581,098.51
PASIVO + PATRIMONIO	<u>2.596,285,002.65</u>

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RODRIGO ONTANEDA  
PRESIDENTE

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IRENE VILLACIS  
CONTADOR

Hora 15:49  
Fecha 14 JUN 04



Al : 31 DEC 99

C U E N T A

4	INGRESOS	2,451,294,593.34
41	CONTRATOS Y CONVENIOS	1,346,927,626.42
4102	NOR-OCCIDENTE ECUATORIANO	1,346,927,626.42
410205	PROBONA-CARG	219,922,391.00
410210	GEE	303,453,909.00
410211	COMITE HOLANDES	236,385,360.42
410212	NATIONAL LOTTERY	421,137,894.00
410213	RAINFOREST CONCERN-G.A.	166,028,072.00
42	INGRESOS NO OPERACIONALES	416,212,505.92
4201	OFICINA CENTRAL	416,212,505.92
420101	OFICINA CENTRAL-OPERACIONES	416,212,505.92
43	ACTIVIDADES DE DIVERSIFICACION	688,154,461.00
4301	OFICINA CENTRAL	34,870,466.00
430101	OFICINA CENTRAL OPERACIONES	5,399,586.00
430102	SIGMA	29,470,880.00
4302	NOR-OCCIDENTE ECUATORIANO	653,283,995.00
430205	HACIENDA ORONGO	10,000,000.00
430210	ECOTURISMO	642,591,823.00
430211	ECO. EN YUNGUILLA	692,172.00
5	GASTOS	3,970,207,756.92
51	GASTOS OPERACIONALES	3,970,207,756.92
5101	OFICINA CENTRAL	1,254,584,122.00
510101	OFICINA CENTRAL-OPERACIONES	1,207,563,059.00
51010101	RECURSOS HUMANOS	55,026,740.00
51010102	BENEFICIOS SOCIALES	5,855,222.00
51010103	SERVICIOS PROFESIONALES	608,685,711.00

CUENTA

51010107	GASTOS ADMINISTRATIVOS	424.793.326.00
51010108	ADQUISICIONES	113.202.060.00
510102	SIGMA	46.035.063.00
51010201	RECURSOS HUMANOS	37.161.391.00
51010202	BENEFICIOS SOCIALES	5.875.872.00
51010205	VIAJES Y VIATICOS	1.786.000.00
51010207	GASTOS RECURRENTE	1.211.800.00
510103	MAQUIPUCUNA FOUNDATION-USA	986.000.00
51010306	GASTOS DE PROMOCION	100.000.00
51010307	GASTOS RECURRENTE	886.000.00
5102	NOR-OCCIDENTE ECUATORIANO	2.715.623.634.92
510202	PROTECCION Y MANEJO	65.043.895.00
51020201	RECURSOS HUMANOS	167.020.00
51020207	GASTOS RECURRENTE	64.876.875.00
510203	THE BUTLER FOUNDATION/TNC (INVASIONES)	197.060.723.00
51020301	RECURSOS HUMANOS	30.768.132.00
51020302	BENEFICIOS SOCIALES	4.635.610.00
51020303	PRESTACION DE SERVICIOS	141.613.235.00
51020307	GASTOS RECURRENTE	20.043.746.00
510204	RAIN FOREST CONCERN	157.814.947.00
51020407	COSTOS RECURRENTE	16.736.354.00
51020408	ADQUISICIONES	141.078.593.00
510205	PROYECTOS VARIOS	267.959.521.00
51020501	INIAP/PLANTAIN COFFEE	6.192.668.00
51020502	REINTRODUCCION MONOS	46.845.164.00
51020507	GASTOS RECURRENTE	355.100.00

## CUENTA

510206	COMITE HOLANDES-LEGAL	1.663.679.00
51020607	GASTOS RECURRENTE	1.509.979.00
51020608	CAPACITACION	153.700.00
510207	THE NATIONAL LOTTERY	421.137.894.00
51020703	PRESTACION DE SERVICIOS	142.510.000.00
51020705	VIAJES Y VIATICOS PERSONAL/VOLUNTARIOS	1.775.200.00
51020706	VIAJES Y VIATICOS DE BENEFICIARIOS	4.661.000.00
51020707	GASTOS ADMINISTRATIVOS	67.824.438.00
51020708	ADQUISICIONES	31.388.461.00
51020709	CONSTRUCCIONES	115.707.779.00
51020712	MATERIALES/INSUMOS	16.383.764.00
51020714	CAPACITACION	39.350.306.00
51020720	MONITOREO Y EVALUACION	1.536.946.00
510208	APOYO COMUNITARIO-CARG	219.922.391.00
51020801	RECURSOS HUMANOS	55.208.980.00
51020802	BENEFICIOS SOCIALES	7.922.500.00
51020803	PRESTACION DE SERVICIOS	29.459.762.00
51020806	GASTOS DE PROMOCION/DIFUSION	7.500.000.00
51020807	GASTOS RECURRENTE	42.539.150.00
51020808	ADQUISICIONES	857.340.00
51020810	ACTIVIDADES PRODUCTIVAS	1.572.000.00
51020813	VIVEROS	3.838.000.00
51020814	CAPACITACION	19.928.564.00
51020815	MANEJO/PLANTACIONES	22.497.071.00
51020816	INVESTIGACION FORESTAL	4.854.024.00
51020817	MANEJO Y CONSERVACION DE SUELOS	1.700.000.00

MAQUIPUCUNA 1999  
BALANCE GENERAL CONDENSADO

Pag. No. 4

CON FECHA 31 DEC 99

C U E N T A

230211	COMITE HOLANDES	65,992,529.00
230220	PAQUETE - ECOTURISMO	168,112,409.00
3	PATRIMONIO	-308,581,098.51
31	FONDO SOCIAL PATRIMONIAL	469,533,092.00
3101	OFICINA CENTRAL	469,533,092.00
310101	OFICINA CENTRAL-OPERACIONES	469,533,092.00
31010101	APORTES DE CAPITAL	67,463,092.00
31010103	REVALORIZACION ACTIVOS	402,070,000.00
33	RESULTADOS	-1,769,064,156.51
3301	OFICINA CENTRAL	-1,769,064,156.51
330102	SIGMA	-1,769,064,156.51
33010201	SUPERAVIT (DEFICIT)	-1,769,064,156.51
34	DONACIONES	990,949,966.00
3401	OFICINA CENTRAL	514,244,720.00
340101	OFICINA CENTRAL-OPERACIONES	58,329,420.00
34010101	DONACIONES	58,329,420.00
340102	SIGMA	450,000,000.00
34010201	DONACIONES	450,000,000.00
340103	MAQUIPUCUNA FOUNDATION USA	5,915,300.00
34010301	DONACIONES	5,915,300.00
3402	NOR-OCCIDENTE ECUATORIANO	476,705,246.00
340201	PROTECCION Y MANEJO R.M.	443,584,900.00
34020101	DONACIONES	443,584,900.00
340210	ECOTURISMO	33,120,346.00
34021001	DONACIONES	33,120,346.00

Al : 31 DEC 99

Pag. No. 5

## CUENTA

51021214	CAPACITACION	42.279.150.00
51021220	ACTIVIDADES OPERATIVAS	10.740.400.00
510213	GUARDIAS AMBIENTALES	166.028.072.00
51021301	RECURSOS HUMANOS	45.091.800.00
51021302	BENEFICIOS SOCIALES	2.908.200.00
51021303	PRESTACION DE SERVICIOS	11.057.088.00
51021307	GASTOS RECURRENTE	59.934.979.00
51021308	ADQUISICIONES	38.951.269.00
51021314	CAPACITACION	8.084.736.00

RESULTADOS

-1.518.913.163.58

RODRIGO ONTANEDA  
PRESIDENTE

IRENE VILLACIS  
CONTADOR

Hora : 15:52

Fecha Reporte : 14 JUN 04

MAQUIPUCUNA 1999 - *ASSETS & LIABILITIES*  
*Ecuator* BALANCE GENERAL CONDENSADO

*ATTACHMENT*  
*2000-PG-7a*  
 Pág No 1

CONFECHA 31 DEC 99

C U E N T A

1	ACTIVO	<u>2,596,285,002.65</u>
11	ACTIVO CORRIENTE	1,218,489,006.06
1101	CAJA	<u>1,741,034.00</u>
110101	CAJA GENERAL	<u>52,284.00</u>
110102	CAJA CHICA	1,688,750.00
11010201	Oficina Central	75,500.00
11010205	Carg	300,000.00
11010206	Ecoturismo	<u>1,113,250.00</u>
11010209	DFQ- FAO	<u>200,000.00</u>
1102	BANCOS	121,871,327.00
110201	BANCOS-MONEDA NACIONAL	-31,020,473.00
110202	BANCOS-MONEDA EXTRANJERA	<u>152,891,800.00</u>
1104	CUENTAS POR COBRAR	544,222,806.06
110401	PROYECTOS	194,652,946.00
110402	EMPLEADOS	46,789,019.00
110403	PROVEEDORES	<u>1,500,000.00</u>
110404	OTROS	67,676,575.40
110405	FONDOS POR RECAUDAR	228,512,665.66
110406	DEPOSITOS EN GARANTIA	<u>5,091,600.00</u>
1105	GASTOS ANTICIPADOS	<u>550,653,839.00</u>
110502	CONTRATOS	<u>7,300,304.00</u>
110503	COMPRA DE TERRENOS	543,353,535.00
12	ACTIVO FIJO	<u>1,331,795,996.59</u>
1201	NO DEPRECIABLE	<u>1,181,297,600.00</u>
120101	OFICINA CENTRAL	<u>518,900,000.00</u>
12010103	TERRENOS	<u>518,900,000.00</u>

## CUENTA

51010107	GASTOS ADMINISTRATIVOS	424.793.326.00
51010108	ADQUISICIONES	113.202.060.00
510102	SIGMA	46.035.063.00
51010201	RECURSOS HUMANOS	37.161.391.00
51010202	BENEFICIOS SOCIALES	5.875.872.00
51010205	VIAJES Y VIATICOS	1.786.000.00
51010207	GASTOS RECURRENTE	1.211.800.00
510103	MAQUIPUCUNA FOUNDATION-USA	986.000.00
51010306	GASTOS DE PROMOCION	100.000.00
51010307	GASTOS RECURRENTE	886.000.00
5102	NOR-OCCIDENTE ECUATORIANO	2.715.623.634.92
510202	PROTECCION Y MANEJO	65.043.895.00
51020201	RECURSOS HUMANOS	167.020.00
51020207	GASTOS RECURRENTE	64.876.875.00
510203	THE BUTLER FOUNDATION/TNC (INVASIONES)	197.060.723.00
51020301	RECURSOS HUMANOS	30.768.132.00
51020302	BENEFICIOS SOCIALES	4.635.610.00
51020303	PRESTACION DE SERVICIOS	141.613.235.00
51020307	GASTOS RECURRENTE	20.043.746.00
510204	RAIN FOREST CONCERN	157.814.947.00
51020407	COSTOS RECURRENTE	16.736.354.00
51020408	ADQUISICIONES	141.078.593.00
510205	PROYECTOS VARIOS	267.959.521.00
51020501	INIAP/PLANTAIN COFFEE	6.192.668.00
51020502	REINTRODUCCION MONOS	46.845.164.00
51020507	GASTOS RECURRENTE	355.100.00

CON FECHA 31 DEC 99

C U E N T A

210202	EMPLEADOS	373.588.893.00
210203	PROVEEDORES	1.094.000.00
210204	OTROS	154.316.964.00
2103	IMPUESTOS POR PAGAR	80.335.00
210301	RETENCIONES EN LA FUENTE	80.335.00
2105	IMPOSICIONES SOBRE PLANILLAS	8.392.676.00
210501	PRESTACIONES SOCIALES	2.603.896.00
210502	APORTES IESS	8.667.607.00
210503	OTROS	-2.878.827.00
2106	FONDOS POR REPORTAR	3.367.943.970.94
210601	OFICINA CENTRAL	758.159.840.00
21060103	MAQUIPUCUNA FOUNDATION USA	758.159.840.00
210602	NOR-OCCIDENTE ECUATORIANO	2.609.784.130.94
21060201	PROTECCION Y MANEJO R.M.-CANJE	5.096.095.00
21060202	THE BUTLER FOUNDATION	649.748.000.00
21060203	THE NATURAL CONCERNVANCY INC	220.298.995.00
21060204	RAIN FOREST CONCERN	786.283.817.00
21060205	PROBONA-CARG	138.286.226.20
21060207	PROYECTOS VARIOS	183.291.600.00
21060208	PPD-PROGRAMA DE PEQUENAS DONACIONES	267.374.140.00
21060209	FAQ-DFQ	7.159.247.00
21060210	GEF	36.467.966.50
21060211	COMITE HOLANDES	27.507.346.24
21060212	NATIONAL LOTTERY	288.270.698.00
23	OTROS PASIVOS	234.104.938.00
2302	NOR-OCCIDENTE ECUATORIANO	234.104.938.00



MAQUIPUCUNA 1999  
BALANCE GENERAL CONDENSADO

Pág. No. 4

CONFECIA 31 DEC 99

C U E N T A

230211	COMITE HOLANDES	65.992.529 00
230220	PAQUETE - ECOTURISMO	168.112.409.00
3	PATRIMONIO	-308.581.098 51
31	FONDO SOCIAL PATRIMONIAL	469.533.092.00
3101	OFICINA CENTRAL	469.533.092.00
310101	OFICINA CENTRAL-OPERACIONES	469.533.092.00
31010101	APORTES DE CAPITAL	67.463.092.00
31010103	REVALORIZACION ACTIVOS	402.070.000.00
33	RESULTADOS	-1.769.064.156.51
3301	OFICINA CENTRAL	-1.769.064.156.51
330102	SIGMA	-1.769.064.156.51
33010201	SUPERAVIT (DEFICIT)	-1.769.064.156.51
34	DONACIONES	990.949.966.00
3401	OFICINA CENTRAL	514.244.720.00
340101	OFICINA CENTRAL-OPERACIONES	58.329.420.00
34010101	DONACIONES	58.329.420.00
340102	SIGMA	450.000.000.00
34010201	DONACIONES	450.000.000.00
340103	MAQUIPUCUNA FOUNDATION USA	5.915.300 00
34010301	DONACIONES	5.915.300.00
3402	NOR-OCCIDENTE ECUATORIANO	476.705.246.00
340201	PROTECCION Y MANEJO R.M.	443.584.900.00
34020101	DONACIONES	443.584.900.00
340210	ECOTURISMO	33.120.346.00
34021001	DONACIONES	33.120.346.00

MAQUIPUCUNA 1999

BALANCE GENERAL CONDENSADO

Pág. No. 5

CONFECHA 31 DEC 99

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C U E N T A

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RESULTADOS	-1,518,913,163.58
PATRIMONIO	-308,581,098.51
PASIVO + PATRIMONIO	<u>2,596,285,002.65</u>

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RODRIGO ONTANEDA  
PRESIDENTE

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IRENE VILLACIS  
CONTADOR

Hora 15:49  
Fecha 14 JUN 04

## CUENTA

4	INGRESOS	<u>2,451,294,593.34</u>
41	CONTRATOS Y CONVENIOS	<u>1,346,927,626.42</u>
4102	NOR-OCCIDENTE ECUATORIANO	<u>1,346,927,626.42</u>
410205	PROBONA-CARG	<u>219,922,391.00</u>
410210	GEF	<u>303,453,909.00</u>
410211	COMITE HOLANDES	<u>236,385,360.42</u>
410212	NATIONAL LOTTERY	<u>421,137,894.00</u>
410213	RAINFORREST CONCERN-G.A.	<u>166,028,072.00</u>
42	INGRESOS NO OPERACIONALES	<u>416,212,505.92</u>
4201	OFICINA CENTRAL	<u>416,212,505.92</u>
420101	OFICINA CENTRAL-OPERACIONES	<u>416,212,505.92</u>
43	ACTIVIDADES DE DIVERSIFICACION	<u>688,154,461.00</u>
4301	OFICINA CENTRAL	<u>34,870,466.00</u>
430101	OFICINA CENTRAL OPERACIONES	<u>5,399,586.00</u>
430102	SIGMA	<u>29,470,880.00</u>
4302	NOR-OCCIDENTE ECUATORIANO	<u>653,283,995.00</u>
430205	HACIENDA ORONGO	<u>10,000,000.00</u>
430210	ECOTURISMO	<u>642,591,823.00</u>
430211	ECO. EN YUNGUILLA	<u>692,172.00</u>
5	GASTOS	<u>3,970,207,756.92</u>
51	GASTOS OPERACIONALES	<u>3,970,207,756.92</u>
5101	OFICINA CENTRAL	<u>1,254,584,122.00</u>
510101	OFICINA CENTRAL-OPERACIONES	<u>1,207,563,059.00</u>
51010101	RECURSOS HUMANOS	<u>55,026,740.00</u>
51010102	BENEFICIOS SOCIALES	<u>5,855,222.00</u>
51010103	SERVICIOS PROFESIONALES	<u>608,685,711.00</u>

## CUENTA

51010107	GASTOS ADMINISTRATIVOS	424.793.326.00
51010108	ADQUISICIONES	113.202.060.00
510102	SIGMA	46.035.063.00
51010201	RECURSOS HUMANOS	37.161.391.00
51010202	BENEFICIOS SOCIALES	5.875.872.00
51010205	VIAJES Y VIATICOS	1.786.000.00
51010207	GASTOS RECURRENTE	1.211.800.00
510103	MAQUIPUCUNA FOUNDATION-USA	986.000.00
51010306	GASTOS DE PROMOCION	100.000.00
51010307	GASTOS RECURRENTE	886.000.00
5102	NOR-OCCIDENTE ECUATORIANO	2.715.623.634.92
510202	PROTECCION Y MANEJO	65.043.895.00
51020201	RECURSOS HUMANOS	167.020.00
51020207	GASTOS RECURRENTE	64.876.875.00
510203	THE BUTLER FOUNDATION/TNC (INVASIONES)	197.060.723.00
51020301	RECURSOS HUMANOS	30.768.132.00
51020302	BENEFICIOS SOCIALES	4.635.610.00
51020303	PRESTACION DE SERVICIOS	141.613.235.00
51020307	GASTOS RECURRENTE	20.043.746.00
510204	RAIN FOREST CONCERN	157.814.947.00
51020407	COSTOS RECURRENTE	16.736.354.00
51020408	ADQUISICIONES	141.078.593.00
510205	PROYECTOS VARIOS	267.959.521.00
51020501	INIAP/PLANTAIN COFFEE	6.192.668.00
51020502	REINTRODUCCION MONOS	46.845.164.00
51020507	GASTOS RECURRENTE	355.100.00

## CUENTA

510206	COMITE HOLANDES-LEGAL	1.663.679.00
51020607	GASTOS RECURRENTE	1.509.979.00
51020608	CAPACITACION	153.700.00
510207	THE NATIONAL LOTTERY	421.137.894.00
51020703	PRESTACION DE SERVICIOS	142.510.000.00
51020705	VIAJES Y VIATICOS PERSONAL/VOLUNTARIOS	1.775.200.00
51020706	VIAJES Y VIATICOS DE BENEFICIARIOS	4.661.000.00
51020707	GASTOS ADMINISTRATIVOS	67.824.438.00
51020708	ADQUISICIONES	31.388.461.00
51020709	CONSTRUCCIONES	115.707.779.00
51020712	MATERIALES/INSUMOS	16.383.764.00
51020714	CAPACITACION	39.350.306.00
51020720	MONITOREO Y EVALUACION	1.536.946.00
510208	APOYO COMUNITARIO-CARG	219.922.391.00
51020801	RECURSOS HUMANOS	55.208.980.00
51020802	BENEFICIOS SOCIALES	7.922.500.00
51020803	PRESTACION DE SERVICIOS	29.459.762.00
51020806	GASTOS DE PROMOCION/DIFUSION	7.500.000.00
51020807	GASTOS RECURRENTE	42.539.150.00
51020808	ADQUISICIONES	857.340.00
51020810	ACTIVIDADES PRODUCTIVAS	1.572.000.00
51020813	VIVEROS	3.838.000.00
51020814	CAPACITACION	19.928.564.00
51020815	MANEJO/PLANTACIONES	22.497.071.00
51020816	INVESTIGACION FORESTAL	4.854.024.00
51020817	MANEJO Y CONSERVACION DE SUELOS	1.700.000.00

## CUENTA

51020819	CARTOGRAFIA	11,750,000.00
51020820	AMPLIACION AREA DE ACCION	10,295,000.00
510209	CORREDOR CHOCO-ANDINO	303,453,909.00
51020903	PRESTACION DE SERVICIOS (CONSULTORIAS)	281,088,849.00
51020907	GASTOS RECURRENTE	15,706,561.00
51020914	CAPACITACION-TALLERES	6,658,499.00
510210	ECOTURISMO	546,873,211.00
51021001	RECURSOS HUMANOS	157,206,575.00
51021002	BENEFICIOS SOCIALES	21,350,205.00
51021003	PRESTACION DE SERVICIOS	49,892,427.00
51021005	VIAJES Y VIATICOS	559,000.00
51021006	GASTOS DE PROMOCION	82,260,680.00
51021007	GASTOS RECURRENTE	235,604,324.00
510211	COMITE HOLANDES	236,385,360.42
51021103	SERVICIOS PROFESIONALES	72,577,173.00
51021105	VIAJES Y VIATICOS	6,000,000.00
51021106	GASTOS DE PROMOCION	5,025,000.00
51021107	GASTOS RECURRENTE	52,416,821.42
51021108	ADQUISICIONES	328,000.00
51021114	CAPACITACION	9,103,642.00
51021120	ACTIVIDADES OPERATIVAS	90,934,724.00
510212	ECOTURISMO EN YUNGUILLA	132,280,032.50
51021203	PRESTACION DE SERVICIOS	19,242,100.00
51021206	GSTOS DE PROMOCION	60,000.00
51021207	GASTOS RECURRENTE	25,789,688.50
51021208	ADQUISICIONES	34,168,694.00

CUENTA

51021214	CAPACITACION	42,279,150.00
51021220	ACTIVIDADES OPERATIVAS	10,740,400.00
510213	GUARDIAS AMBIENTALES	166,028,072.00
51021301	RECURSOS HUMANOS	45,091,800.00
51021302	BENEFICIOS SOCIALES	2,908,200.00
51021303	PRESTACION DE SERVICIOS	11,057,088.00
51021307	GASTOS RECURRENTE	59,934,979.00
51021308	ADQUISICIONES	38,951,269.00
51021314	CAPACITACION	8,084,736.00

RESULTADOS -1,518,913,163.58

RODRIGO ONTANEDA  
PRESIDENTE

IRENE VILLACIS  
CONTADOR

Hora : 15:52  
Fecha Reporte : 14 JUN 04

**THE BUTLER FOUNDATION**

**EIN: 22-2701588**

Attachment to Form 4720

ATTACHMENT TO FORM 4720

EXHIBIT V (1998)







**MAQUIPUCUNA FOUNDATION, INC.**

**Profit & Loss Detail**

January - December 1998

	Date	Type	Num	Name	Division	Memo/Description	Split	Amount	Balance
<b>Ordinary Income/Expense</b>									
<b>Income</b>									
<b>Adopt an acre (deleted)</b>									
	01/03/1998	Deposit		Various donors Acres	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1,827 00	1,827 00
<b>Total for Adopt an acre (deleted)</b>								<b>\$ 1,827 00</b>	
<b>Donors</b>									
	01/14/1998	Deposit		The Buttler Foundation	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	28,000 00	28,000 00
	01/23/1998	Deposit		R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2 562 16	30 562 16
	01/27/1998	Deposit		The Buttler Foundation	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	35 055 00	65,617 16
	03/13/1998	Deposit			Maquipucuna USA	certificate deposit	Bank of America USA B America / account 0032 5041 1768	40 000 00	105,617 16
	05/28/1998	Deposit		The Buttler Foundation	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	27,000 00	132,617 16
	09/03/1998	Deposit		Various Donors	Maquipucuna USA	monkey translocation	Bank of America USA B America / account 0032 5041 1768	1,850 00	134 467 16
	12/12/1998	Deposit		The Buttler Foundation	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	35,000 00	169,467 16
<b>Total for Donors</b>								<b>\$ 169,467 16</b>	
<b>Ecotourism</b>									
	10/23/1998	Deposit		Various Donors	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	3,545 00	3,545 00
	10/23/1998	Deposit		Various Donors	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	5,670 00	9,215 00
<b>Total for Ecotourism</b>								<b>\$ 9,215 00</b>	
<b>Fund Raising</b>									
	05/11/1998	Deposit		Various Donors	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	50 00	50 00
<b>Total for Fund Raising</b>								<b>\$ 50 00</b>	
<b>Adopt an acre</b>									
	10/13/1998	Deposit		Various Donors	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1,093 50	1,093 50
<b>Total for Adopt an acre</b>								<b>\$ 1,093 50</b>	
<b>Total for Fund Raising with sub-accounts</b>								<b>\$ 1,143 50</b>	
<b>Markup</b>									
	03/13/1998	Deposit			Maquipucuna USA	bank interests	Bank of America USA B America / account 0032 5041 1768	137 32	137 32
<b>Total for Markup</b>								<b>\$ 137 32</b>	
<b>Refund</b>									
	05/26/1998	Deposit		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	180 00	180 00
	12/12/1998	Deposit		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1,028 00	1,208 00
<b>Total for Refund</b>								<b>\$ 1,208 00</b>	
<b>Total for Income</b>								<b>\$ 182,997.98</b>	
<b>Expenses</b>									
<b>Bank debits</b>									
	05/26/1998	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	13 00	13 00
	12/31/1998	Cash Purchase		Nations Bank / Bank of America	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	90 75	103 75
<b>Total for Bank debits</b>								<b>\$ 103 75</b>	
<b>Bank Transfers</b>									
	11/17/1998	Check	1130	Citibank	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1,500 00	1,500 00
<b>Total for Bank Transfers</b>								<b>\$ 1,500 00</b>	
<b>Cost of Goods Sold</b>									
<b>Shipping &amp; Delivery</b>									
	09/22/1998	Check	1121	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	35 99	35 99
<b>Total for Shipping &amp; Delivery</b>								<b>\$ 35 99</b>	
<b>Total for Cost of Goods Sold</b>								<b>\$ 35.99</b>	
<b>Fundraising Expenses</b>									
	03/12/1998	Check	1071	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1,000 00	1,000 00
	09/03/1998	Check	1116	Rodrigo Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1,700 00	2,700 00
	09/19/1998	Check	1120	Rodrigo Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1,200 00	3,900 00
	10/13/1998	Check	1122	Rodrigo Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 700 00	5 600 00
<b>Total for Fundraising Expenses</b>								<b>\$ 5,600 00</b>	
<b>Grants and allocation</b>									
	05/20/1998	Check	1102	Students abroad	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	210 00	210 00
<b>Total for Grants and allocation</b>								<b>\$ 210 00</b>	
<b>Maquipucuna Ecuador</b>									
	01/21/1998	Check	1052	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	17,500 00	17,500 00
	02/09/1998	Check	1056	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	40,000 00	57,500 00

	Date	Type	Num	Name	Division	Memo/Description	Split	Amount	Balance
	03/12/1998	Check	1067	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	35 000 00	92,500 00
	06/19/1998	Check	1107	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	27,000 00	119,500 00
	09/10/1998	Check	1108/09	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1,310 00	120,810 00
	10/19/1998	Check	1074	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	436 00	121,246 00
	10/21/1998	Check	1081	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2,000 00	123,246 00
	10/21/1998	Check	1084	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2,000 00	125,246 00
	10/22/1998	Check	1083	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2,000 00	127,246 00
	12/12/1998	Check	1086	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1,000 00	128,246 00
	12/29/1998	Check	1087/8	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	15,000 00	143,246 00
<b>Total for Maquipucuna Ecuador</b>								<b>\$ 143,246 00</b>	
<b>Miscellaneous</b>									
	01/02/1998	Check	1050/1051	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	39 23	39 23
	01/02/1998	Check	88	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	41 63	80 86
	01/23/1998	Check	1055	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	70 44	151 30
	02/17/1998	Check	1056/7/8/9/61/62/63/	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	260 24	411 54
	03/07/1998	Check	1065/66	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	139 50	551 04
	03/15/1998	Check	1070	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	16 20	567 24
	03/23/1998	Check	1073/76/77/79/	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	144 14	711 38
	05/19/1998	Check	1101	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	410 40	1,121 78
	05/24/1998	Check	1103/4/5	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	138 01	1,259 79
	05/26/1998	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	100 00	1,359 79
	08/27/1998	Check	1117	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	101 50	1,461 29
	09/01/1998	Cash Purchase		Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	15 50	1,476 79
	09/01/1998	Check	1135	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	18 00	1,494 79
	09/03/1998	Check	1117/9	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	42 40	1,537 19
	09/10/1998	Check	1110/11/12/13/14/	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	174 02	1,711 21
	10/13/1998	Cash Purchase		R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	100 00	1,811 21
	10/21/1998	Check	1080	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2,500 00	4,311 21
	10/31/1998	Check	1085	Maquipucuna Ecuador	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	921 60	5,232 81
	11/17/1998	Check	1132	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	10 33	5,243 14
	11/28/1998	Check	1125/6/7	Various	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	80 60	5,323 74
<b>Total for Miscellaneous</b>								<b>\$ 5,323 74</b>	
<b>Office material</b>									
	01/21/1998	Check	1053	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	2,562 10	2,562 10
	11/17/1998	Check	1133	Office Max	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	113 59	2,675 69
	11/17/1998	Check	1134	Office Max	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	64 19	2,739 88
<b>Total for Office material</b>								<b>\$ 2,739 88</b>	
<b>Travel</b>									
	04/03/1998	Cash Purchase		Rodngo Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	3 00	3 00
<b>Total for Travel</b>								<b>\$ 3 00</b>	
<b>Travel Meals</b>									
	03/06/1998	Check	1064	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1 000 00	1,000 00
	03/23/1998	Check	1072	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	1,500 00	2,500 00
	05/24/1998	Check	1106	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	800 00	3,300 00
	10/13/1998	Check	1123	R Ontaneda	Maquipucuna USA		Bank of America USA B America / account 0032 5041 1768	200 00	3,500 00
<b>Total for Travel Meals</b>								<b>\$ 3,500 00</b>	
<b>Total for Travel with sub-accounts</b>								<b>\$ 3,503 00</b>	
<b>Total for Expenses</b>								<b>\$ 162,262 36</b>	
<b>Net Income</b>								<b>\$ 20,735 62</b>	

Monday, May 10, 2004 04:55:23 PM GMT-4 - Accrual Basis

Elaine Conners Center for Wildlife  
PO Box 97  
Madison, N. H. 03849  
603-367-WILD

To  
Cynthia  
Sanford

November 12, 2004

Tom and Clara Butler  
Butler Foundation  
c/o Charter Trust Co.  
Concord, N. H. 03301

4 pages

Dear Mr. and Mrs. Butler,

This letter confirms that grants for 2001 for \$2,500 and 2002 for \$1,000 were utilized for charitable purposes only and for no other account.

Enclosures:

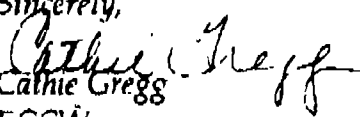
Letter of request for 2001 assistance dated Jun. 26, 2000

Letter of request for 2002 assistance dated Dec. 18, 2001

Both letters of request for funding ask for assistance with operating budget and this would include not only the "wildlife rehabilitation supplies and vet care" asked for in the Dec. 18, 2001 letter and the "overall care of each wild animal we admit, whether it be vet expenses, diet, formula or caging" specifically asked for in the January 12 and 26 letters, but could also be gasoline for rescues, bandages for injuries or medicines.

I look forward to meeting with you at some time and thanking you personally for all of the assistance you have given to our wildlife in need.

Sincerely,

  
Cathie Gregg  
ECCW



**Elaine Conners Center for Wildlife**  
**Wildlife Rehabilitation/ Education**  
**P.O. Box 97, Madison, New Hampshire 03849**  
**Ph. (603) 367-WILD (9453)**

December 18<sup>th</sup>, 2001

Mrs. Clara Butler  
Butler Foundation  
c/o Charter Trust Co.  
PO Box 2530  
Concord, N. H. 03301

Dear Mrs. Butler,

I am writing to thank you for your past support of our work at Elaine Conners Center for Wildlife and to request assistance with our funding for the upcoming year.

In the ten years we have been in existence, our numbers have grown steadily and we are seeking support to continue to provide care for the wildlife admitted to our Center.

This past year, some of the wild animals we have taken care of are listed on the second page. In addition to caring for these wild creatures, we take our education programs on the road to civic organizations, campgrounds and schools. We provide lectures at state organizations and last year, we presented a program in New York on the rehabilitation of bobcats. This year, we instructed a course in Bar Harbor, Maine before the ReMaine Wild State Organization about the larger mammals of New England, the fisher, deer and bobcat.

We are moving ahead into 2002 and are seeking assistance with operating budgets, wildlife rehabilitation supplies, veterinarian care, etc. Any support the Butler Foundation could provide toward this goal would be greatly appreciated.

We hope to hear from you regarding this request. In advance, we thank you for any consideration for funding to the Elaine Conners Center for Wildlife. With your help, we can continue to provide care to the countless injured and orphaned wild animals expected next year.

Sincerely,

  
Cathie Gregg  
Elaine Conners Center for Wildlife

**ELAINE CONNERS CENTER FOR WILDLIFE**  
Wildlife Care/Education  
P.O. Box 97, Madison, New Hampshire 03849  
Ph. (603) 367-WILD (9453)

January 12, 2000

The Butler Foundation  
c/o Charter Trust Company  
PO Box 2530  
Concord, N. H. 03301

Attn Mrs. Clara Butler  
Secretary/Trustee

Dear Mrs. Butler,

Enclosed, please find a grant request from the Elaine Connors Center for Wildlife to The Butler Foundation in the amount of \$2,500 to assist our rehabilitation program for the coming year.

This amount requested will go to the support of our wildlife rehabilitation program at our Center. At ECCW, the number of wildlife cases continues to rise each year, necessitating the raising of additional supporting funds.

⇒ This funding of \$2,500 will be used to assist us in the overall care of each wild animal we admit, whether it be veterinary expenses, diet and formula or caging

We are grateful for your support in 1998 and we will appreciate any assistance that you may be able to give us toward our coming year.

Our best wishes for a Happy New Year.

Sincerely,

*Cathie Gregg*  
Cathie Gregg, Director,  
Elaine Connors Center for Wildlife



***Elaine Conners Center for Wildlife***  
***Wildlife Rehabilitation/Education***  
***P.O. Box 97, Madison, New Hampshire 03849***  
***Ph. (603) 367-WILD (9453)***

January 30, 2008

The Butler Foundation  
c/o Charter Trust Company  
PO Box 2530  
Concord, New Hampshire 03302-2530

Att.: Mrs. Clara Butler

Dear Mrs. Butler,

The Elaine Conners Center for Wildlife is grateful to the Butler Foundation for its support of our work over the past several years. With the assistance of your foundation, we have been able to rescue, rehabilitate and release many thousands of wild birds and mammals. These wild animals may come to us as a result of human impact, such as "urban sprawl", or it may be a case of winter starvation, such as the case with bobcats or raptors. Whatever the story when they arrive, each wild bird and animal finds refuge at our wildlife center.

We are approaching the Butler Foundation for a specific funding need. To help assist in the care of our growing numbers of wild animals, we are moving into being a staffed organization. This necessitates a second office area. The funding we are requesting is \$2,198.86. The purpose of funding is to equip an office area.

Since the inception of the Elaine Conners Center for Wildlife twelve years ago, we have grown to be the largest wildlife care facility in the state. In addition to the rehabilitation of wildlife, we offer education programs to the public. Our resident Broad-winged hawk, Hunter, unreleaseable after being struck by a vehicle, is in training to join us for these education programs. We carry our mission to people through our presentations at schools, civic organizations, campgrounds, news-paper articles, radio and television.

FROM : OAKHILL

FAX NO. : 7636059

Nov. 10 2004 03:33PM P1

It used to be that spring and summer, known as "baby season", were the busiest times of the year at ECCW, with the winter months being somewhat slower. This breather in the winter months was a time to catch up on administrative work, grant-writing, newsletters, the annual appeal, state and federal year-end reporting, conferences, maintenance projects, and planning for the upcoming year. With the tremendous growth of ECCW however, there is no longer an "off season." This winter, we are caring for four hawks, four falcons and one owl which are eagerly waiting spring release. We also have a Barred owl recovering from a collision with a truck, and several Mallards caught in the winter storms. Because of the many litters of wildlife last year, we are over-wintering juvenile red and gray squirrels and eleven flying squirrels. We are in the midst of preparing for any bobcats in need, one of New Hampshire's most vulnerable wild animals in winter. This past year, our Center was granted a special permit by New Hampshire Fish and Game to release microchipped bobcats in this state, an important tool in gauging our success in rehabilitating this protected species.

In our grant application to you of January 2000, one of the goals we outlined was to train others who may be interested in rehabilitation. This would allow even more wildlife to be cared for in more areas of our state. In keeping with that goal, we established a formal volunteer program in 2001. These volunteers are invaluable as a resource to our Center, and three have gone on to become licensed rehabilitators in New Hampshire. This year fifteen volunteers who participated in the 2001 pilot program, will return to work with the orphaned wildlife which finds its way to our doors. In 2002, with funds granted by the Pequawket Foundation, we were able to hire one of the original volunteers, Maggie Wilkins, to return as part-time Volunteer Coordinator. This year, we are able to budget for Maggie to return full-time for the summer months.

Our request to you for funding is two-fold. The area we are planning will allow separate tasks to be worked on at the same time; or for two people to work on projects as a team.

But also important is the computer/printer system we are looking to purchase. Our present computer is six years old, functional, but outdated. With the proposed system, we will be able to add many components to our fundraising, memberships, grantwriting, brochures and education outreach. We will be able to create a database of our patients as they come in, updating their records as their medical and dietary needs change. We will be able to scan in veterinary records. With the proposed color printer/copier, we will be able to print our brochures and newsletters "in house", including color photos of our patients, at a fraction of the price we are currently paying to have them printed elsewhere. Our December 2001 appeal cost \$888.00 to print 300 copies at Staples. We printed the December 2002 appeal in black and white, including only one page of color which cost \$395.00 for 500 copies. Because of the expense involved, we are not able to reach all of our database.

Color photos of wildlife in rehabilitation attract attention and memberships. But money saved by doing the work "in house" can help additional animals in need.

A break-down of the funding which we are requesting is as follows:

\$1,699.00 iMac Super Drive

299.98 Hewlett Packard color printer/copier/scanner/fax

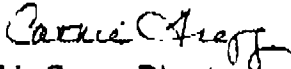
99.99 Sauder Cottage Home Desk

79.99 Desk Return (this piece sold separately—optional hut would be nice!)

\$2,178.86 Total funding requested.

At this time, we want to thank you again for your past support of our work. Your consideration of this grant request, or any part thereof, will be a tremendous help toward helping us help wildlife in crisis.

Respectfully submitted,



Cathie Gregg, Director  
Elaine Conners Center for Wildlife  
enclosures

addendum --

*-as I finished up this grant last night, I had no way of knowing that conservation officers were working in the northern part of the state to live-trap two starving bobcats. A call to our Center this morning alerted us to the fact that these animals would be coming in for care. These bobcats may be juvenile siblings still traveling together or possibly an adult male and female. Whatever their history, they will be interesting!*

**Cathie Gregg**

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**From:** "Cathie Gregg" <rehab@ncis.net>  
**To:** "DeStefano, Diane" <ddestefano@chartertrust.com>  
**Sent:** Wednesday, November 10, 2004 7:31 AM  
**Subject:** Butler grant 2003

Morning Diane,  
Butler Grant for 2003  
New Mac Computer \$1,774.00  
Sauder desk 99.00  
Color printer 314.98  
\$2,188.85  
Grant Butler -\$2,180.00

I will fax the receipts now. Thanks and have a good day.  
Cathie

11/10/2004

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**Sanford, Cynthia**

**Subject:** Butler grant 2003

-----Original Message-----

**From:** Cathie Gregg [mailto:rehab@ncla.net]

**Sent:** Wednesday, November 10, 2004 8:22 AM

**To:** DeStefano, Diane

**Subject:** Butler grant 2003

Hi Diane,

One more thing on the Butler 2003 grant:

Check #1242 on July 3, 2003 for \$25.00 to Chinook Cade for a Gift Certificate for volunteer Aaron Varowsky to assemble the desk.

Thanks,

Cathie

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11/10/2004