

A PERSONAL INVITATION TO HELP POOR PEOPLE IN HAITI

BACKGROUND: December 6-13, 2003, six Minnesotans went on a study trip to Haiti. The experience was eye-opening. One of the most interesting and informative times was more than two hours spent with Dr. Anne Hastings, General Director of FONKOZE, a bank organized in 1995 specifically to assist poor Haitians needing small loans to start or expand small businesses. After the group returned to the U.S. we all agreed to work to fund a new branch bank for Fonkoze. Later political events in Haiti slowed down our plans, but we now have a specific proposal, and we invite the active participation of you and/or your group in this project. **More information about Fonkoze is at www.fonkoze.org. If you cannot access the internet, and need more information, let us know and we will provide the information you seek.**

THE GOAL: to raise \$27,000 to pay costs of establishing a new branch bank of Fonkoze in Thiotte, (pronounced "showt"), Haiti.

WHAT IS THIOTTE and WHY THIOTTE? Thiotte is a rural community of about 35,000 in the mountains southeast of Port-au-Prince. Its main local industry (and likely focus of this new local bank) is local growers of coffee beans who are organized into several cooperatives. We asked Fonkoze for a specific project site, and Thiotte was suggested because Fonkoze already has many clients there, but they have to travel four hours to the nearest Fonkoze branch, and there are no other financial institutions in the area.

WHAT IS FONKOZE? Briefly, Fonkoze was the brainchild of a Haitian Priest, Joseph Philippe, who wished to help the poor of his country. Fonkoze has a successful history, and is professionally managed. Fr. Philippe remains a director. Fonkoze is organized for the specific purpose of providing small loans to poor entrepreneurs in Haiti who have no other access to bank loans. Its average loan is a little over \$100 US. The repayment rate for these loans has been in excess of 99%, which is exceptional in any society anywhere. Fonkoze's objectives are not only to help independent entrepreneurs succeed at their own small businesses, but to teach them business planning skills, as well as literacy and health. A borrower need not be literate for first or second loans, but by the third loan must have entered a literacy center.

HOW YOU OR YOUR GROUP CAN HELP? We want to bundle \$27,000 in donations to open and staff the proposed branch bank in Thiotte, and we solicit donations. Any donation is acceptable; ideally, we seek donations of \$270 each (one per cent of the goal).

ARE CONTRIBUTIONS TAX DEDUCTIBLE? Yes, for U.S. taxpayers.

HOW DO I CONTRIBUTE? Simply make out your check to Fonkoze USA, and include in the memo line "Thiotte Project". Mail the donation to Fonkoze, PO Box 1695, New York NY 10156 attn: Sharmi Sobhan.

DO WE HAVE A DEADLINE? We'd like to complete this project by September, 2004, at the latest.

ARE THERE OTHER OPTIONS? Investing in Fonkoze is another desirable option. You can invest in Fonkoze USA's loan fund in multiples of \$500, loaning your money for a set period of time at interest. Such an investment would not be tax deductible, and you'd need a prospectus (disclosure statement) before making the investment. Investments are loaned to Fonkoze in Haiti which then uses the funds for on-lending capital. Requests for prospectus: to the same address as for mailing the donation (see above); or e-mail the request to fonkozeusa@fonkoze.org. Identify yourself as part of the Thiotte project.

OTHER QUESTIONS? Please ask Dick Bernard (chez-nous.net web site manager and group member) dick@chez-nous.net.