

The following is an updated clarification -- as requested by the FEC pursuant to the 2007 Mid-Year Report -- regarding the administrative expenses of the U.S.-Cuba Democracy PAC.

The U.S.-Cuba Democracy PAC ("the PAC") is a small administrative operation. Most of the PAC's activities are conducted on a volunteer basis, as it involves individuals that are personally -- not professionally -- committed to its objectives. Strictly within the limitations provided by federal law, the PAC strives to keep its costs and expenses to a minimum. As regards non-volunteer expenses and activities, these have been accurately disclosed each reporting period. The following further clarifies all information regarding administrative expenses:

1. Rent: The PAC rents a small unit within an office located at 1200 West 49th Street, Hialeah, Florida. For this small unit, the PAC pays -- by means of an individual in-kind contribution -- a monthly rate of \$200, as has been consistently and accurately reported. Additionally, the PAC rents a mailbox address from the UPS Store at 2020 Pennsylvania Ave., N.W., Washington, D.C. A rate of \$185 for this space is paid -- by means of an individual in-kind contribution -- on a six-month basis, as reported in the 2007 Mid-Year Report.
2. Salaries: As previously mentioned, most of the activities of individuals involved with the PAC are conducted on a personal, volunteer basis. Nonetheless, any limited non-volunteer administrative duties, e.g. in preparation for special events or occasionally for FEC reporting, are recorded and compensated by means of individual in-kind contributions, as have been consistently reported in the past. Additionally, legal and consulting services, outside of volunteer activity, whether in-kind or directly paid by the PAC, have been accurately disclosed and reported each reporting period.
3. Utilities and Telephone Service: Utilities, such as electricity, for the small unit in Hialeah, Florida are included in the monthly rent. Meanwhile, telephone service (approximately \$80 monthly), including long-distance (via MCI), has been accurately reported -- as an in-kind contribution -- each period.
4. Other Expenses: Other expenses, including -- but not limited to -- office supplies (Sir Speedy), graphic design (Creation Network), credit card processing (Americart and Bank of America), printing (Sir Speedy and 12th Avenue Graphics), and website and email maintenance (Burnette Solutions) have been specifically disclosed and settled each reporting period as operating expenses of the PAC. Additionally, the 2007 Mid-Year Report specifically reflects all PAC-only mailing (U.S. Postal Service and Zip Mailer) and FedEx expenses, whether paid for in-kind or directly by the PAC.

Pursuant to federal law, all in-kind contributions to the PAC comply with the limitations and prohibitions of 2 U.S.C. Secs. 441(a) and 441(b).