

## ETEXT ATTACHMENT

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The following is a 2005 update regarding (elaborating upon) the operating 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 (after-hours) basis, as it involves individuals that are personally committed to its goals. It is an objective of the PAC to keep costs and expenses at a minimum. As regards non-volunteer expenses and activities, these have been appropriately disclosed each reporting period. The following further specifies all information regarding administrative expenses:

1. Rent: The PAC rents a small unit, and holds a monthly Board of Directors meeting, at 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 reported. Additionally, the PAC rents mail space from the UPS Store at 2020 Pennsylvania Ave., N.W., Washington, D.C. The rate of \$150 for this space is paid -- by means of an individual in-kind contribution -- on a six-month basis.

2. Salaries: As previously mentioned, most of the activities of individuals involved with the PAC are conducted on a volunteer basis. Nonetheless, any limited non-volunteer administrative duties, such as check processing or bookkeeping, conducted at the office unit in Hialeah, Florida, are recorded and compensated by means of individual in-kind contributions, as have been consistently reported. Additionally, legal and consulting services -- outside of volunteer activity -- have been appropriately disclosed each reporting period as in-kind contributions.

3. Utilities: Utilities, such as electricity, for the small unit in Hialeah, Florida are included in the monthly rent. However, telephone service in Washington, D.C., including long-distance (via MCI), are reported as in-kind "operating expenses."

4. Other Expenses: Other expenses, such as stationary, printing, mailing and website maintenance are consistently disclosed, reported, and settled each reporting period as operating expenses of 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), and do not benefit any federal candidates.