

Javier Arguello

Manuel Rosales
CCAA President & CEO
Washington DC

August 21, 2007

Dear Mr. Rosales:

I am writing as a final attempt to get CCAA to comply with the payments due and to prevent a legal dispute arising from the following financial obligations you are skirting:

1. **June 1-15 Salary (\$4,000):** It has now been two months since you provided a termination of employment letter dated June 20th. CCAA indicated that my salary would be honored through June 15th. I have yet to receive this payment. The amount due is \$4,000. CCAA has no right to retain these funds.
2. **Expense Reports:** It has also been a longer period of time that I await expense reimbursements. Although there are several items in the reports that are not reimbursable, such as sales taxes on photocopies and meals that exceed the limits, these explain less than 5% of what is pending. Larger receipts, such as airfare for which you have receipts, salary payments for personnel that I made out of pocket, office equipment, etc were ignored despite numerous attempts to reconcile payments. *As an example, you refused to reimburse me \$1,720 for an events expense for which I submitted a formal letter from the company, invoice and receipt. Yet, Ms. Monger sent me an email claiming that the company providing the services made an accounting error and the receipt in my possession would be voided. However, you submitted the receipt to USAID for reimbursement (I have proof of this).*

Expense Reports	Submitted	Processed	Pending
Total	\$26.935,09	\$20.750,33	\$6.184,76

3. **Funides Close-out:** As perhaps the most disturbing act to date you altered evidence submitted to Garcia & Bodan law firm in order to obtain a second legal opinion to disprove the labor relationship and in turn dissolve CCAA/USIAD from your obligation to liquidate staff at FUNIDES (see excel document attached). This was done after you repeatedly stated that USAID would honor all legally bound termination expenses for the staff and had agreed to hire Valdivia & Assoc. for a legal opinion on the close-out costs. Unable to withhold evidence from them, you were dissatisfied from the results and hired Garcia & Bodan, in order to nullify my position as Executive Director (among others), despite being given full responsibility to create and manage FUNIDES. The letter provided by CCAA and dated August 9th 2006 confirms this appointment. The liquidation amount calculated by Valdivia & Assoc. is **\$35,487.30**. However, this would need to be recalculated based on the liquidation date.

My least desirable path is a law suit, however if I do not receive payment by August 31st I will press legal charges against CCAA to the fullest extent of the law. I hope you take this matter seriously and I look forward to your response.

Thanks,

Javier Arguello

Cc: Funides Board of Directors, Valdivia & Asociados