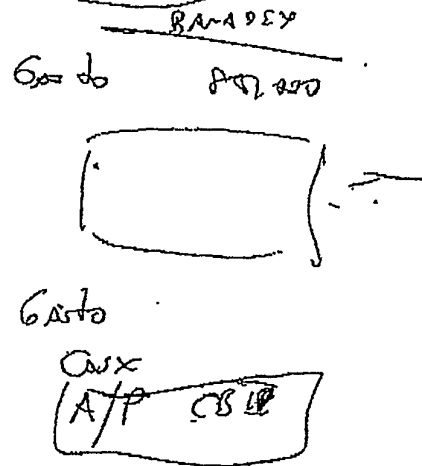
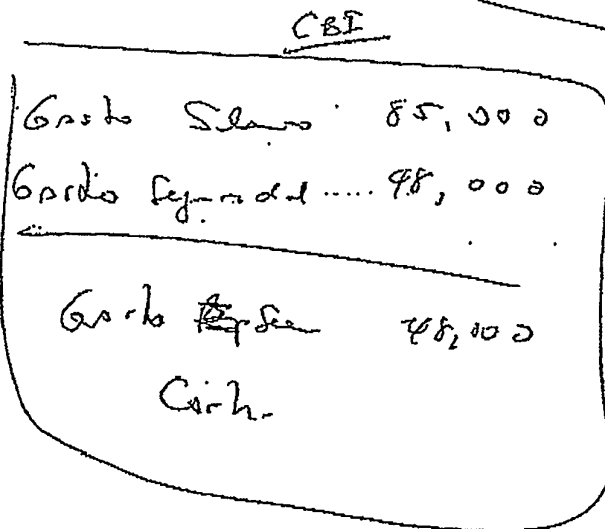
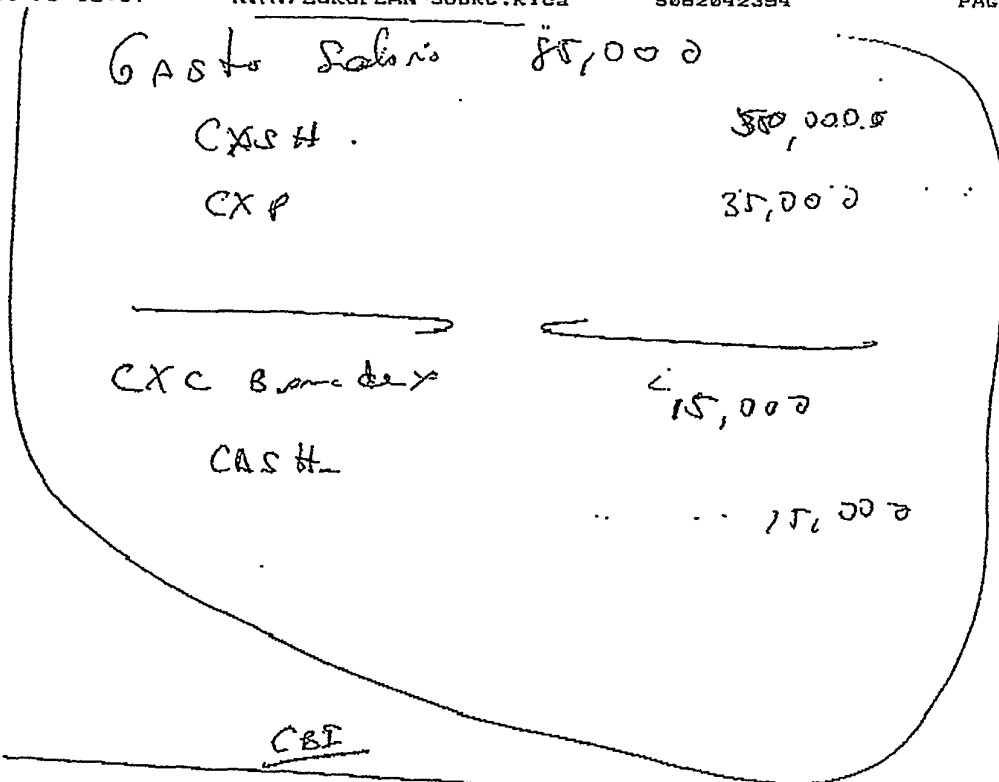


REDACTED

CBI-V1-001-001069

NSD CHIQUITA 2676



→ Gasto Seguridad 48,000

A/P Bordenx

11/04/2003 03:53PM

CBI-V1-001-001068

NSD CHIQUITA 2677

$$2,000 \times 26 = 52,000$$
$$4000 \times 12$$

2000 JUN 10

2000 DIC

BANK 1

GROSS SALARY - 65 → 85
TAXES 13
52 (18)

BANK 2

(2)

~~120~~

(130)

~~20~~

25

XX

$$\text{split} - \frac{\text{col}}{70} + \frac{\text{us}}{95} = 147$$

$$\dots\dots\dots 70 + 77 = 147$$

$100 + 47$
 $\begin{array}{r} 18 \\ 25 \end{array} \} \text{SECURITY} + 12$
 $\begin{array}{r} \text{(~~28~~)} \\ 43 \\ \hline 52 \end{array}$
 $\begin{array}{r} 18 \\ 25 \\ \hline 95 \end{array}$

③ GASTOS REIN → ~~ZF~~ ~~6000~~ ~~24~~ ~~AZAR~~ final CHECKS

④ CASH IN US \rightarrow ~~36,000~~ 14,000
ADDED TO PAYROLL

11/04/2003 03:53PM

CBI-V1-001-001067

NSD CHIQUITA 2678

**Security Payments
Year 2003**

Account 65-496-313
Amount/box \$0.03

Month	Boxes	D	US\$	FX	Net Payment in Pesos From Calculation	Check request Form 1016 #	A	Check #	A	Payment - Pesos	E	Ref	Withholding Tax (Pesos)	Total Cost (Pesos)	Date of Payment	Total US\$	Per Accounting records	Difference	B
Jan-03	245,875	⊥	7,376	2,924	21,567,424	15271	✓	4173	Ψ	21,567,424	α	A-1	13,501,558	35,068,982	30-Jan-03	11,993.50	11,990.50	~	(3.00) Δ
Feb-03	196,146	⊥	5,884	2,940	17,300,000	16508	✓	4854	Ψ	17,300,000	α	A-2	10,830,081	28,130,081	9-May-03	9,567.48	9,568.31	~	0.83 Δ
Mar-03	251,751	⊥	7,553	2,868	21,662,004	16969	✓	4890	Ψ	21,662,004	α	A-3	13,560,767	35,222,771	28-May-03	12,281.30	12,279.72	~	(1.58) Δ
Apr-03	204,643	⊥	6,139	2,868	17,606,652	16972	✓	4919	Ψ	17,606,652	α	A-4	11,022,050	28,628,702	4-Jun-03	9,982.11	10,033.43	~	51.32 Δ
May-03	189,358	⊥	5,681	2,868	16,293,108	16976	✓	5015	Ψ	16,293,108	α	A-5	10,199,751	26,492,859	6-Jun-03	9,237.40	9,331.07	~	93.67 Δ
Jun-03	242,574	⊥	7,277	2,817	20,499,309	16984	✓	5100	Ψ	20,499,309	α	A-6	12,832,901	33,332,210	4-Jul-03	11,832.52	11,831.17	~	(1.35) Δ
Jul-03	192,984	⊥	5,790	2,888	16,721,520	16995	✓	5224	Ψ	16,721,520	α	A-7	10,467,943	27,189,463	31-Jul-03	9,414.63	9,413.59	~	(1.04) Δ
Aug-03																			
Sep-03																			
Oct-03																			
Nov-03																			
Dec-03																			
Total	1,523,331		45,700		131,650,017					131,650,017			82,415,051	214,065,068		74,309	74,448		139

- ⊥ Cross checked with the exported boxes report
- ✓ Cross checked with the check request form signed by the Controller
- Ψ Cross checked with copy of the check and/or check receipt signed by the GM
- Δ Difference (only in US\$) is due to corporate accounting exchange rate vs. exchange rate used for the calculation
- ~ Cross checked with the accounting ledger
- α Cross checked with the activity control kept by the GM in Quicken

- A Copies of check request forms, checks, and receipts of checks
- B Copy of Ledger printout (expense account)
- C Corporate Exchange rates
- D Exported boxes report
- E Printout of the activity control kept by the GM in Quicken

CBI-V1-001-001066
NSD CHIUQUITA 2679

**Security Payment
Year 2002**

Account 65-496-313
Amount/box \$0.03

Month	Boxes	US\$	FX	Net Payment in Pesos From Calculation	Check request Form 1016 #	Check #	Payment	Withholding Tax (Pesos)	Total Cost (Pesos)	Date of Payment	Total US\$	Per Accounting records	Difference
Feb-02	277,080	8,312	2,257	18,760,184			18,760,184	566,556	18,665,656	4-Apr-02	7,384.43	7,329.73	(54.70)
Mar-02	360,458	10,813	2,257	24,404,941			24,404,941	566,556	24,333,332	9-May-02	7,384.43	7,329.73	(54.70)
			2,335		12661	2914	11,165,125	3,623,120	14,788,245	7-Jun-02	6,333.30	6,332.48	(0.82)
Total February and March				43,165,125			43,165,125	4,956,452	48,121,577				
Apr-02	223,142	6,694	2,335	15,630,490	12662	2915	15,630,490	5,072,146	20,702,636	7-Jun-02	8,866.23	8,865.09	(1.14)
May-02	209,752	6,292	2,335	14,691,820	12663	2916	14,691,820	4,767,544	19,459,364	7-Jun-02	8,333.77	8,332.70	(1.07)
Jun-02	199,997	5,999	2,434	14,601,566	13114	3086	14,601,566	4,736,257	19,339,823	8-Jul-02	7,945.70	7,944.65	(1.05)
Jul-02	159,129	4,773	2,599	12,405,027	13116	3138	12,405,027	4,025,472	16,430,499	8-Aug-02	6,321.85	6,232.41	(89.44)
Aug-02	151,723	4,551	2,712	12,342,312	15467	3322	12,342,312	4,005,121	16,347,433	3-Sep-02	6,027.81	6,026.79	(1.02)
Sep-02	265,975	7,979	2,881	22,987,499	15472	3592	22,987,499	7,459,520	30,447,019	4-Oct-02	10,568.21	10,565.35	(2.86)
Oct-02	202,757	6,082	2,774	16,871,468			16,871,468	5,474,847	22,346,315	5-Nov-02	8,055.63	8,053.95	(1.68)
Nov-02	197,111	5,913	2,687	15,888,231		3827	15,888,231	5,155,784	21,044,015	30-Nov-02	7,831.79	7,694.23	(137.56)
Dec-02	271,820	8,154	2,864	23,353,056		4128	23,353,056	7,578,144	30,931,200	31-Dec-02	10,800.00	10,797.02	(2.98)
Total	2,518,944	75,562		191,936,594			191,936,594	53,233,287	245,169,881		95,853.16	95,504	(349)

check issued to rental car company (transaction generated IVA of 5,333,332 which we get back)
the withholding tax was keep by the car rental company to cover their expenses.

14,768.86 14,659.46 109.40

CBI-V1-001-001065
NSD CHIQUITA 2680

Security Payments

Uraba							
	1997	1998	1999	2000	2001	2002	2003
Mes	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Enero	-	-	-	16,238.00	11,824.58	17,158.25	17,447.98
Febrero	-	24,713.81	-	14,652.04	12,559.00	15,066.83	19,432.79
Marzo	-	-	22,288.17	21,185.46	18,150.66	20,696.93	28,153.81
Abril	8,954.41	20,184.72	6,938.22	14,230.62	12,638.24	27,839.65	20,290.46
Mayo	-	24,014.29	8,100.63	13,937.66	12,145.10	26,743.03	18,775.24
Junio	32,123.96	23,914.37	8,205.28	16,319.58	12,786.88	16,609.95	16,817.35
Julio	22,684.65	10,224.92	8,948.60	13,922.94	9,343.78	11,350.75	-
Agosto	-	3,678.58	10,423.50	14,623.68	11,526.18	14,916.45	-
Septiembre	-	15,557.13	15,391.50	18,082.88	21,112.80	25,180.75	-
Octubre	30,814.82	-	13,948.50	14,805.34	21,312.65	25,476.20	-
Noviembre	-	11,186.71	12,173.33	15,825.34	20,604.33	23,335.45	-
Diciembre	57,193.04	14,752.72	13,879.02	16,000.00	22,355.98	23,241.18	-
Total	151,770.88	148,227.25	120,296.74	189,823.54	186,360.17	247,615.40	120,917.64

Santa Marta							
	1997	1998	1999	2000	2001	2002	2003
Mes	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Enero	8,737.99	11,224.35	6,620.76	6,125.34	6,154.23	8,326.17	7,376.25
Febrero	45,724.79	11,103.13	14,568.63	5,674.77	6,550.14	8,312.40	5,884.38
Marzo	10,018.47	11,062.76	-	7,336.29	8,110.53	10,813.74	7,552.53
Abril	-	11,767.88	3,427.99	7,147.53	7,350.66	6,694.26	6,139.29
Mayo	6,734.09	12,961.84	-	6,865.71	6,145.41	6,292.56	5,680.74
Junio	24,520.22	10,757.39	8,993.46	10,410.00	6,521.55	5,999.91	7,277.22
Julio	8,156.66	14,511.04	8,383.54	7,527.00	5,797.62	4,773.87	5,789.52
Agosto	16,628.76	-	1,349.31	8,736.00	5,473.20	4,551.69	-
Septiembre	16,006.55	11,041.44	15,923.61	8,796.00	7,312.29	7,979.25	-
Octubre	13,870.87	9,430.17	-	7,263.00	6,555.57	6,082.71	-
Noviembre	4,114.36	9,654.31	20,160.36	6,456.00	5,979.51	5,913.33	-
Diciembre	20,506.17	1,963.01	-	7,020.00	8,029.35	8,154.60	-
Total	175,018.93	115,477.32	79,427.66	89,357.64	79,980.06	83,894.49	45,699.93

Total Colombia	326,789.81	263,704.57	199,724.40	279,181.18	266,340.23	331,509.89	166,617.57
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CBI-VI-001-001064

NSD CHIQUITA 2681

Security Payments

Uraba

Mes	1999		2000		2001		2002		2002 Adicional		2003	
	Cajas	US\$	Cajas	US\$	Cajas	US\$	Cajas	US\$	Cajas	US\$	Cajas	US\$
Enero			811,900	0.020	591,229	0.020	571,830	0.025	114,500	0.025	634,472	0.0275
Febrero			732,602	0.020	627,950	0.020	602,673	0.025			706,647	0.0275
Marzo			1,059,273	0.020	907,533	0.020	827,877	0.025			1,023,775	0.0275
Abril			711,531	0.020	631,912	0.020	677,412	0.025	436,174	0.025	737,835	0.0275
Mayo	810,063	0.010	696,883	0.020	607,255	0.020	590,131	0.025	479,590	0.025	682,736	0.0275
Junio	820,188	0.010	815,979	0.020	639,344	0.020	664,398	0.025			611,540	0.0275
Julio	596,573	0.015	696,147	0.020	467,189	0.020	454,030	0.025				
Agosto	694,900	0.015	731,184	0.020	576,309	0.020	596,658	0.025				
Septiembre	1,026,100	0.015	904,144	0.020	844,512	0.025	1,007,230	0.025				
Octubre	929,900	0.015	740,267	0.020	852,506	0.025	1,019,048	0.025				
Noviembre	811,555	0.015	791,267	0.020	824,173	0.025	933,418	0.025				
Diciembre	925,268	0.015	800,000	0.020	894,239	0.025	929,647	0.025				

Santa Marta

Mes	1999		2000		2001		2002		2003	
	Cajas	US\$	Cajas	US\$	Cajas	US\$	Cajas	US\$	Cajas	US\$
Enero					205,141	0.030	277,539	0.030		
Febrero			189,159	0.030	218,338	0.030				
Marzo			244,543	0.030	270,351	0.030				
Abril			238,251	0.030	245,022	0.030				
Mayo			228,857	0.030	204,847	0.030				
Junio			347,000	0.030	217,385	0.030				
Julio			250,900	0.030	193,254	0.030				
Agosto			291,200	0.030	182,440	0.030				
Septiembre			293,200	0.030	243,743	0.030				
Octubre			242,100	0.030	218,519	0.030				
Noviembre			215,200	0.030	199,317	0.030				
Diciembre			234,000	0.030	267,645	0.030				


Se hicieron a Manglar

Estos pagos se realizaron mediante "Manager Funds" ver detalle en next tab

Excel = FCPA - Colombia

CBI-V1-001-001063

NSD CHIQUITA 2682



Pending

- If Option 3, is there any additional costs to bring money or could it be part of normal traveling?
- Review of the tax numbers, mainly of the Option for by local.
- Legal review.

Option 3 - Use GM salary structure - Accounting

- Representation expenses will be recorded as they are actually done.
- Additional salary payments will be recorded as such in the local books, but will need to be reclassified to security expenses in the G.O. books or as a Corporate reclassification.
- Cash brought from out of the country will be recorded in (CBI, CIL??) as security payments.

GM's reported Remuneration

	Actual	#1	#2	#3	#4
Salary	\$ 85,000	\$ 85,000	\$85,000	\$ 85,000	\$ 130,000
Rep Expense	139,024	108,920		50,384	43,415
Total	\$ 224,024	\$ 193,920	\$85,000	\$ 135,384	\$ 173,415

CBI-V1-001-001058

NSD CHIGUITA 2687

Option 3 - Use GM salary structure - Accounting

- Representation expenses will be recorded as they are actually done.
- Additional salary payments will be recorded as such in the local books. Such amounts will be reduced from the US salary base in Corporate books and will be correctly accounted for as security expenses.
- Cash transferred to the GM's US bank account by Corporate will also be recorded as security payments.



Option 4 – Combination – Pro's and Con's

Pro's

1. Salaries reported locally match. accounting records.
2. Estimated savings of \$26,095.
3. GM's total local remuneration is higher than that of his direct reports and even though it is still high, it is lower than last year's.
4. There is no need to physically bring cash t cash from out of the country.

Con's

1. Incremental costs due to taxes are still very high.
2. GM's total remuneration is very high, increasing security risk.
3. Accounting is neater (FCPA).

CBI-V1-001-001056

NSD CHIUITA 2689

Option 4 - Combination - Cost

	Proposed	Actual	Savings
Payroll	\$ 46,800		
Security/Cash	12,000		
Rep. expenses	26,700	\$ 85,500	
Taxes	27,429	53,524	\$ 26,095
Total	\$ 112,929	\$ 139,024	\$ 26,095



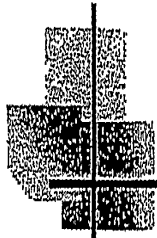
Option 4 – Combination

- Increase local base salary from \$85,000 to \$130,000. This will allow to pay \$46,800 once required local payment by GM is met.
- Transfer \$12,000 (2 payments per year) of security payments from headquarters to GM's US bank account. This amount will be transfer by the GM to one of his local bank accounts.
- The outstanding payments will still be obtained from GM's representation expenses.

Option 3 - Use GM salary structure - Accounting

- Representation expenses will be recorded as they are actually done.
- Additional salary payments will be recorded as such in the local books, but will need to be reclassified to security expenses in the G.O. books or as a Corporate reclassification.
- Cash brought from out of the country will be recorded in (CBI, CIL??) as security payments.

Option 3 - Mix of Options 1 and 2 and Representation Expenses – Pro's and Con's



Pro's

1. Salaries reported locally match accounting records.
2. Estimated savings of \$34,126.
3. GM's total local remuneration is higher than that of his direct reports and even though it is still high, it is lower than last year's.

Con's

1. Incremental costs due to taxes are still very high.
2. Though it is a smaller amount and it is not required to be reported, bringing in cash (aprox \$3K per month) could give the wrong idea to local authorities, if detected.

Option 3 - Mix of Options 1 and 2 and Representation Expenses - Cost

	Proposed	Actual	Savings
Payroll	\$ 12,514		
Security/Cash	36,000		
Rep. expenses	36,986	\$ 85,500	
Taxes	23,154	53,524	\$ 30,370
Total	\$ 108,654	\$ 139,024	\$ 30,370

CBI-V1-001-001051

NSD CHIQUITA 2694



Option 3 – Mix of Options 1 and 2 and Representation Expenses - Description

- Pay \$18,514 from the total GM salary reported local but paid offshore (after local tax increment) – Option 1.
- Bring \$36,000 from outside the country (\$3,000 p/ month aprox.) Option 2.
- The outstanding payments will still be obtained from GM's representation expenses.



Option 2 - Bring cash flow – Pro's and Con's

Pro's


1. Estimated savings of \$53,524.
2. GM's salary is significantly reduced, therefore security risk is lower.

Con's

1. Even when it is not required to be reported, bringing that amount (aprox \$7K per month) of cash could give the wrong idea to local authorities, if detected.
2. GM's total local remuneration is not higher than that of his direct reports.
3. Remuneration reported for 2003 is lower than that of 2002-even when there are ways to explain this decrease, it could rise questions from authorities.
4. GM locally reported salary does not match accounting records.

Option 2 – Bring cash flow - Accounting

- Cash disbursements will be recorded in (CBI, CIL??) as security payments.



Option 2- Cost

	Proposed	Actual	Savings
Security/Cash	\$ 85,500		
Rep. expenses		\$ 85,500	
Taxes		53,524	\$ 53,524
Total	\$ 85,500	\$ 139,024	\$ 53,524

Option 2- Bring required cash into the country - Description

- Bring full amount of required payments from outside the country.

Option 1 - Use GM salary structure – Pro's and Con's

Pro's

1. Salaries reported locally match accounting records.
2. Estimated savings of \$11,590.
3. No additional cash is required.
4. GM's total local remuneration is higher than that of his direct reports

Con's

1. GM's salary is still very high which rises security issues
2. Incremental costs due to taxes are still very high.

Option 1 - Use GM salary structure - Accounting

- Representation expenses will be recorded as they are actually done.
- Additional salary payments will be recorded as such in the local books, but will need to be reclassified to security expenses in the G.O. books or as a Corporate reclassification.

Option 1 - Use GM salary structure - Cost

	Proposed	Actual	Savings
Payroll	\$ 12,514		
Rep. expenses	72,986	\$ 85,500	
Taxes	45,691	53,524	\$ 7,833
Total	\$ 131,191	\$ 139,024	\$ 7,833

CBI-V1-001-001043

NSD CHIQUITA 2702

Option 1 - Use GM salary structure - Description



- From the total GM salary reported locally, \$18,514 are paid offshore (after local tax increment).
- This amount is filed, however is not shown in the local accounting records.
- Local taxes are already paid for this amount.
- Pay this amount locally and use the cash for security payments.
- The outstanding payments will still be obtained from GM's representation expenses.



Options

1. Use the amount of salary been paid to the GM offshore (is reported locally for tax purposes) as cash flow for the security payments.
2. Bring required cash into the country.
3. A mix of the two options above and representation expenses.
4. A combination of:
 1. Increment salary base locally and reduce it in US.
 2. Transfer part of the payment to the US bank account of the GM, who will transfer to one of his local accounts.
 3. Pay a part as representation expense.
5. Do not change present method.



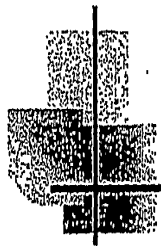
Present situation - cost

■ Projected boxes for 2003	2,850,000
■ Cost per box	\$ 0.03

■ Expected security cost for 2003	\$ 85,500
■ Tax cost based on previous tax rates	27,745

Cost per prior rate tax	\$ 113,245
■ Tax incremental cost	25,779

Total cost expected for 2003	\$ 139,024



Present situation

- All security payments are taken from GM's representation expenses.
- Those expenses are considered part of the GM's remuneration and file as such to local tax authorities. Therefore income tax and any other related payroll expenses are paid, as required by law. This increments the total costs of the security payments.
- In the accounting records, this amounts are described as security payments.



Objectives

- Reduce incremental costs due to income tax rate increase in 2003 (from 38% to 39%).
- Reduce total income reported by the GM given security issues.
- Differentiate GM's salary to that of his direct reports (managers).
- Keep compliance with FCPA rules even when the payments will not be done to a Governmental agency???

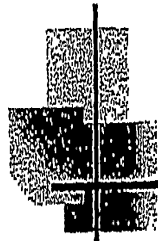
Powerpoint = Security 2

Security Payments

Proposal for 2003

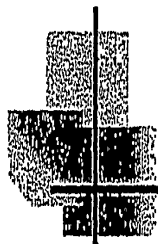
CBI-V1-001-001037

NSD CHIQUITA 2708



Pending

- Is there any additional costs to bring money or could it be part of normal traveling?
- Legal review.
- Status of other strategy.



GM's reported Remuneration

	Actual	#1	#2	#3
Salary	\$ 85,000	\$ 85,000	\$ 85,000	\$ 85,000
Rep Expense	139,024	\$ 108,920		50,384
Total	\$ 224,024	\$ 193,920	\$85,000	\$ 135,384

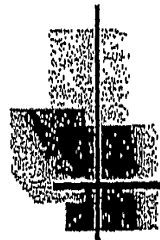
CBI-V1-001-001035

NSD CHIUQUITA 2710

Option 3 - Use GM salary structure - Accounting

- Representation expenses will be recorded as they are actually done.
- Additional salary payments will be recorded as such in the local books, but will need to be reclassified to security expenses in the G.O. books or as a Corporate reclassification.
- Cash brought from out of the country will be recorded in (CBI, CIL??) as security payments.

Option 3 - Mix of Options 1 and 2 and Representation Expenses – Pro's and Con's



Pro's

1. Salaries reported locally match accounting records.
2. Estimated savings of \$34,126.
3. GM's total local remuneration is higher than that of his direct reports and even though it is still high, it is lower than last year's.

Con's

1. Incremental costs due to taxes are still very high.
2. Though it is a smaller amount and it is not required to be reported, bringing in cash (aprox \$3K per month) could give the wrong idea to local authorities, if detected.

Option 3 - Mix of Options 1 and 2 and Representation Expenses - Cost

	Proposed	Actual	Savings
Payroll	\$ 18,514		
Cash	36,000		
Rep. expenses	30,986	\$ 85,500	
Taxes	19,398	53,524	\$ 11,590
Total	\$ 104,898	\$ 139,024	\$ 34,126



Option 3 – Mix of Options 1 and 2 and Representation Expenses - Description

- Pay \$18,514 from the total GM salary reported local but paid offshore (after local tax increment) – Option 1.
- Bring \$36,000 from outside the country (\$3,000 p/ month aprox.) Option 2.
- The outstanding payments will still be obtained from GM's representation expenses.



Option 2 - Bring cash flow – Pro's and Con's

Pro's

1. Estimated savings of \$53,524.
2. GM's salary is significantly reduced, therefore security risk is lower.

Con's

1. Even when it is not required to be reported, bringing that amount (aprox \$7K per month) of cash could give the wrong idea to local authorities, if detected.
2. GM's total local remuneration is not higher than that of his direct reports.
3. Remuneration reported for 2003 is lower than that of 2002-even when there are ways to explain this decrease, it could rise questions from authorities.
4. GM locally reported salary does not match accounting records.

Option 2 – Bring cash flow - Accounting


- Cash disbursements will be recorded in (CBI, CIL??) as security payments.

Option 2- Cost

	Proposed	Actual	Savings
Cash	\$ 85,500		
Rep. expenses		\$ 85,500	
Taxes		53,524	\$ 53,524
Total	\$ 85,500	\$ 139,024	\$ 53,524

Option 2- Bring required cash into the country - Description

- Bring full amount of required payments from outside the country.



Option 1 - Use GM salary structure – Pro's and Con's

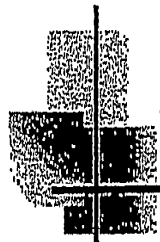
Pro's

1. Salaries reported locally match accounting records.
2. Estimated savings of \$11,590.
3. No additional cash is required.
4. GM's total local remuneration is higher than that of his direct reports

Con's

1. GM's salary is still very high which rises security issues
2. Incremental costs due to taxes are still very high.

Option 1 - Use GM salary structure - Accounting




- Representation expenses will be recorded as they are actually done.
- Additional salary payments will be recorded as such in the local books, but will need to be reclassified to security expenses in the G.O. books or as a Corporate reclassification.

Option 1 - Use GM salary structure - Cost

	Proposed	Actual	Savings
Payroll	\$ 18,514		
Rep. expenses	66,986	\$ 85,500	
Taxes	41,934	53,524	\$ 11,590
Total	\$ 127,434	\$ 139,024	\$ 11,590

Option 1 - Use GM salary structure - Description

- From the total GM salary reported locally, \$18,514 are paid offshore (after local tax increment).
- This amount is filed, however is not shown in the local accounting records.
- Local taxes are already paid for this amount.
- Pay this amount locally and use the cash for security payments.
- The outstanding payments will still be obtained from GM's representation expenses.



Options

1. Use the amount of salary been paid to the GM offshore (is reported locally for tax purposes) as cash flow for the security payments.
2. Bring required cash into the country.
3. A mix of the two options above and representation expenses.
4. Do not change present method.

Present situation - cost

■ Projected boxes for 2003	2,850,000
■ Cost per box	\$ 0.03

■ Expected security cost for 2003	\$ 85,500
■ Tax cost based on previous tax rates	27,745


Cost per prior rate tax	\$ 113,245
■ Tax incremental cost	25,779

Total cost expected for 2003	\$ 139,024



Present situation

- All security payments are taken from GM's representation expenses.
- Those expenses are considered part of the GM's remuneration and file as such to local tax authorities. Therefore income tax and any other related payroll expenses are paid, as required by law. This increments the total costs of the security payments.
- In the accounting records, this amounts are described as security payments.



Objectives

- Reduce incremental costs due to income tax rate increase in 2003 (from 38% to 39%).
- Reduce total income reported by the GM given security issues.
- Differentiate GM's salary to that of his direct reports (managers).
- Keep compliance with FCPA rules even when the payments will not be done to a Governmental agency???

Powerpoint = Security 1

Security Payments

Proposal for 2003

CBI-V1-001-001018

NSD CHIQUITA 2727



GM's reported Remuneration

	Actual	#1	#2	#3
Salary	\$ 85,000	\$ 85,000	\$ 85,000	\$ 85,000
Rep Expense	139,024	\$ 108,920		50,384
Total	\$ 224,024	\$ 193,920	\$85,000	\$ 135,384

Option 3 - Mix of Options 1 and 2 and Representation Expenses - Cost

	Proposed	Actual	Savings
Payroll	\$ 18,514		
Cash	36,000		
Rep. expenses	30,986	\$ 85,500	
Taxes	19,398	53,524	\$ 11,590
Total	\$ 104,898	\$ 139,024	\$ 34,126



Option 3 – Mix of Options 1 and 2 and Representation Expenses - Description

- Pay \$18,514 from the total GM salary reported local but paid offshore (after local tax increment) – Option 1.
- Bring \$36,000 outside the country (\$3,000 p/ month aprox.) Option 2.
- The outstanding payments will still be obtained from GM's representation expenses.

Option 2 - Bring cash flow – Pro's and Con's

Pro's


1. Estimated savings of \$53,524.
2. GM's salary is significantly reduced, therefore security risk is lower.

Con's

1. Even when it is not required to be reported, bringing that amount (aprox \$7K per month) of cash could give the wrong idea to local authorities if detected.
2. GM's total local remuneration is not higher than that of his direct reports.
3. Remuneration reported for 2003 is lower than that of 2002-even when there are ways to explain this decrease, it could rise questions from authorities.
4. GM locally reported salary does not match accounting records.

Option 2 – Bring cash flow - Accounting

- Representation expenses will be recorded as they have been done.
- Additional salary payments will be recorded as such in the local books, but will need to be reclassified to security expenses in the G.O. books or as a Corporate reclassification.

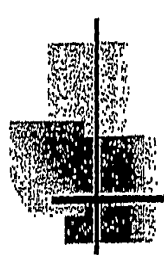


Option 2- Cost

	Proposed	Actual	Savings
Cash	\$ 85,500		
Rep. expenses		\$ 85,500	
Taxes		53,524	\$ 53,524
Total	\$ 85,500	\$ 139,024	\$ 53,524

Option 2- Bring required cash into the country - Description

- Bring full amount of required payments from outside the country.



Option 1 - Use GM salary structure – Pro's and Con's

Pro's

1. Salaries reported locally match accounting records.
2. Estimated savings of \$11,590.
3. No additional cash is required.
4. GM's total local remuneration is higher than that of his direct reports

Con's

1. GM's salary is still very high which rises security issues
2. Incremental costs due to taxes are still very high.

Option 1 - Use GM salary structure - Accounting

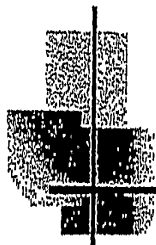
- Representation expenses will be recorded as they have been done.
- Additional salary payments will be recorded as such in the local books, but will need to be reclassified to security expenses in the G.O. books or as a Corporate reclassification.

Option 1 - Use GM salary structure - Cost

	Proposed	Actual	Savings
Payroll	\$ 18,514		
Rep. expenses	66,986	\$ 85,500	
Taxes	41,934	53,524	\$ 11,590
Total	\$ 127,434	\$ 139,024	\$ 11,590

Option 1 - Use GM salary structure - Description

- From the total GM salary reported locally, \$18,514 are paid offshore (after local tax increment).
- This amount is filed, however is not shown in the local accounting records.
- Local taxes are already paid for this amount.
- Pay this amount locally and use the cash for security payments.
- The outstanding payments will still be obtained from GM's representation expenses.



Options

1. Use the amount of salary been paid to the GM offshore (is reported locally for tax purposes) as cash flow for the security payments.
2. Bring required cash into the country.
3. A mix of the two options above and representation expenses.
4. Do not change present method.



Present situation - cost

■ Projected boxes for 2003	2,850,000
■ Cost per box	\$ 0.03

■ Expected cost for 2003	\$ 85,500
■ Tax cost based on previous tax rates	27,745

Cost per prior rate tax	\$ 113,245
■ Tax incremental cost	25,779

Total cost expected for 2003	\$ 139,024



Present situation

- All security payments are taken from GM's representation expenses.
- Those expenses are considered part of the GM's remuneration and file as such to local tax authorities. Therefore income tax and any other related payroll expenses are paid, as required by law. This increments the total costs of the security payments.
- In the accounting records, this amounts are described as security payments.



Objectives

- Reduce incremental costs due to income tax rate increase in 2003 (from 38% to 39%).
- Reduce total income reported by the GM given security issues.
- Differentiate GM's salary to that of his direct reports (managers).
- Keep compliance with FCPA rules even when the payments will not be done to a Governmental agency???

Security Payments

Proposal for 2003

Overseas = Security

	With Tax Increment 2003	Tax Increment	Without Tax Increment 2003
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Net payment	85,500		
Payroll	(18,514)		Salary Banadex
Cash	(36,000)		Security payments in CBI
Net rep expenses	30,986		

19,398	Withholding taxes	17,634	
	Withholding taxes	1,763	
	Rep. Expenses gross	50,384	MG Fund Banadex

Effective rate	38.5%
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Gross-up	50,384
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Total Security	104,898
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Savings	34,127
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AA total salary

Payroll	\$ 85,000
Rep Exp.	50,384

	<u>\$ 135,384</u>
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Previous method	-
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Decrease	<u>\$ 135,384</u>
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	With Tax Increment 2003	Tax Increment	Without Tax Increment 2003
Net payment	85,500		
53,524 Withholding taxes	48,659		
25,779 Withholding taxes	4,866		
27,745 Total cost	<u>139,024</u>	<u>25,779</u>	<u>113,245</u>

Effective rate 38.50%

139,024

Total AA 224,024

7,125

	With Tax Increment 2003	Tax Increment	Without Tax Increment 2003
Net payment	85,500		
Payroll	<u>(18,514)</u>		<u>18,514</u>
Net rep expenses	66,986		18,514
41,934 Withholding taxes	38,122		
Withholding taxes	3,812		
Rep. Expenses gross	<u>108,920</u>	<u>14,189</u>	<u>94,731</u>

Effective rate 38.5%

Gross-up 108,920

Total Security 127,434 14,189 113,245

Savings 11,590 11,590 -

AA total salary

Payroll \$ 85,000

Rep Exp. 108,920

\$ 193,920

Previous method 224,024

Decrease \$ (30,104)

CBI-V1-001-001000

NSD CHIQUITA 2745

Excel = 5 Payments

**BANADEX
SECURITY PAYMENTS**

2002

Payroll report Accounting Opportunity

Annual salary base

\$ 85,000

Colombia

Payroll reported to local authorities
Taxes

\$	85,000	61,784	\$	23,216
	(15,784)	(15,784)		0

Net

\$	69,216	\$	46,000	\$	23,216
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Paid in Colombia

	46,000		46,000		-
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Paid in USA

\$	23,216	\$	-	\$	23,216
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2003 (including income tax increment)

Payroll report Accounting Opportunity

Annual salary base

\$ 85,000

Colombia

Payroll reported to local authorities
Taxes estimated

\$	85,000	66,486	\$	18,514
	(20,486)	(20,486)		-

Net

\$	64,514	\$	46,000	\$	18,514
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Paid in Colombia

	46,000		46,000		-
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Paid in USA

\$	18,514	\$	-	\$	18,514
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Projected boxes
Rate

2,850,000
\$ 0.03

Base cost

\$ 85,500

Register

Page 3

Banadex
8/8/2003

Date	Num	Transaction	Increase	C	Decrease	Balance
7/4/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$20,499,309.00			2,499,309.00	0.00
8/8/2003		Received Check No. 5224 cat: [Banadex] memo: Total Check Amount \$16,721,520.00	9,000,000.00			-9,000,000.00
8/8/2003		Received Check No. 5224 cat: [Banadex] memo: Total Check Amount \$16,721,520.00	7,721,520.00			-16,721,520.00
8/8/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$16,721,520.00			9,000,000.00	-7,721,520.00
8/8/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$16,721,520.00			7,721,520.00	0.00

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NSD CHIQUITA 2747

Register

Page 2

Banadex
8/8/2003

Date	Num	Transaction	Increase	C	Decrease	Balance
5/29/2003		Received Check No. 4890 cat: [Banadex] memo: Total Check Amount \$21,662,004.00	9,000,000.00			-18,000,000.00
5/29/2003		Received Check No. 4890 cat: [Banadex] memo: Total Check Amount \$21,662,004.00	3,662,004.00			21,287,668.96
5/29/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$21,662,004.00			9,000,000.00	-12,662,004.00
5/29/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$21,662,004.00			9,000,000.00	-3,662,004.00
5/29/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$21,662,004.00			3,662,004.00	0.00
6/5/2003		Received Check No. 4919 cat: [Banadex] memo: Total Check Amount \$17,606,652.00	9,000,000.00			-9,000,000.00
6/5/2003		Received Check No. 4919 cat: [Banadex] memo: Total Check Amount \$17,606,652.00	8,606,652.00			-17,606,652.00
6/5/2003		Received Check No. 5015 cat: [Banadex] memo: Total Check Amount \$16,293,108.00	9,000,000.00			16,343,020.96
6/5/2003		Received Check No. 5015 cat: [Banadex] memo: Total Check Amount \$16,293,108.00	7,293,108.00			9,049,912.96
6/6/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$33,899,760.00			9,000,000.00	18,049,912.96
6/6/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$33,899,760.00			9,000,000.00	-15,899,760.00
6/6/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$33,899,760.00			9,000,000.00	-6,899,760.00
6/6/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$33,899,760.00			6,899,760.00	0.00
7/3/2003		Received Check No. 5100 cat: [Banadex] memo: Total Check Amount \$20,499,309.00	9,000,000.00			-9,000,000.00
7/3/2003		Received Check No. 5100 cat: [Banadex] memo: Total Check Amount \$20,499,309.00	9,000,000.00			-18,000,000.00
7/3/2003		Received Check No. 5100 cat: [Banadex] memo: Total Check Amount \$20,499,309.00	2,499,309.00			-20,499,309.00
7/4/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$20,499,309.00			9,000,000.00	-11,499,309.00
7/4/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$20,499,309.00			9,000,000.00	-2,499,309.00

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NSD CHIQUITA 2748

Register

Quick

Page 1

Banadex
8/8/2003

Date	Num	Transaction	Increase	C	Decrease	Balance
1/1/2003		Opening Balance cat: [Banadex]			146,065.00	146,065.00
1/20/2003		Received Check No. 4128 cat: [Banadex] memo: Check Amount: \$23,353,056.00	9,000,000.00			-8,853,935.00
1/20/2003		Received Check No. 4128 cat: [Banadex] memo: Check amount: \$23,353,056.00	9,000,000.00			-17,853,935.00
1/20/2003		Received Check No. 4128 cat: [Banadex] memo: Check Amount: \$23,353,056.00	4,353,056.00			20,742,681.96
1/21/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$23,353,056.00			9,000,000.00	-13,206,991.00
1/21/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$23,353,056.00			9,000,000.00	-4,206,991.00
1/21/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$23,353,056.00			4,353,056.00	146,065.00
2/7/2003		Received Check No. 4173 cat: [Banadex] memo: Total Check Amount: \$21,567,424.00	9,000,000.00			-8,853,935.00
2/7/2003		Received Check No. 4173 cat: [Banadex] memo: Total Check Amount: \$21,567,424.00	9,000,000.00			-17,853,935.00
2/7/2003		Received Check No. 4173 cat: [Banadex] memo: Total Check Amount: \$21,567,424.00	3,567,424.00			-21,421,359.00
2/8/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$21,567,424.00			9,000,000.00	-12,421,359.00
2/8/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$21,567,424.00			9,000,000.00	-3,421,359.00
2/8/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$21,567,424.00			3,567,424.00	146,065.00
5/1/2003		Received Check No. 4854 cat: [Banadex] memo: Total Check Amount \$17,300,000.00	9,000,000.00			-8,853,935.00
5/1/2003		Received Check No. 4854 cat: [Banadex] memo: Total Check Amount \$17,300,000.00	8,300,000.00			-17,153,935.00
5/2/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$17,300,000.00			9,000,000.00	-8,153,935.00
5/2/2003		Cash To [redacted] cat: [Banadex] memo: Total Cash: \$17,300,000.00			8,300,000.00	146,065.00
5/2/2003		Adjustment cat: Misc: Medellin Exp.	146,065.00			0.00
5/29/2003		Received Check No. 4890 cat: [Banadex] memo: Total Check Amount \$21,662,004.00	9,000,000.00			-9,000,000.00

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NSD CHIQUITA 2749

COUNTRY/CURRENCY		DECEMBER 02	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST
ARP	ARGENTINA/PESO	3.365	3.215	3.185	2.973	2.863	2.895	2.815	2.823	2.945
AUD	AUSTRALIA/DOLLAR	1.782	1.687	1.674	1.684	1.622	1.517	1.501	1.507	1.532
BZD	BELIZE/DOLLAR	1.97	1.97	1.97	1.97	1.97	1.97	1.97	1.97	1.97
BRL	BRAZIL/REAL	3.540	3.622	3.622	3.359	3.008	2.915	2.879	2.890	2.998
CAD	CANADA/DOLLAR	1.572	1.519	1.505	1.472	1.448	1.375	1.346	1.380	1.402
CNY	CHINA	8.278	8.278	8.278	8.278	8.278	8.278	8.278	8.278	8.278
CLP	CHILE/PESO (Local bnk)	720.4600	734.7539	750.1875	726.2164	712.2507	708.2147	699.79	700.28	697.35
COP	COLOMBIA/PESO (Local bnk)	2,866.9	2,932.6	2,943.77	2,957.70	2,910.38	2,852.25	2,817.70	2,892.68	2841.00
CRC	COSTA RICA/COLON (Local bnk)	378.83	381.54	384.73	388.71	391.47	394.49	398.50	401.70	404.55
XOF	COTE D'IVOIRE/CFA FRANC	628.40	604.98	609.09	608.41	594.66	560.70	573.79	569.75	602.48
CYP	CYPRUS/POUND	0.549	0.534	0.540	0.542	0.533	0.496	0.513	0.511	0.054
CZK	CZECH/KORUNA	30.066	29.036	29.490	29.568	28.639	26.582	27.563	27.824	29.700
DKK	DENMARK/KRONE	7.072	6.854	6.906	6.887	6.730	6.278	6.502	6.460	6.826
DOP	DOM REP/PESO	20.00	21.75	23.0	22.0	23.7	27.1	30.60	33.60	32.60
ECS	ECUADOR/SUCRE-FLOAT (Local bnk)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
SVC	EL SALVADOR/COLON	8.752	8.752	8.752	8.752	8.752	8.752	8.752	8.752	8.752
EUR	* EURO	1.050	1.083	1.076	1.078	1.104	1.187	1.143	1.151	1.089
GTQ	GUATEMALA/QUETZAL (Local bnk)	7.70	7.86	7.86	7.83	7.94	7.92	7.93	7.94	7.93
HNL	HONDURAS/LEMPIRA (Local bnk)	16.92	16.98	17.04	17.14	17.20	17.23	17.31	17.39	17.39
HKD	HONG KONG/DOLLAR	7.8	7.8	7.80	7.80	7.80	7.80	7.80	7.80	7.80
HUF	HUNGARY/FORINT	224.67	228.36	228.94	229.04	222.77	208.03	232.18	229.94	235.90
INR	INDIA/RUPEE	47.94	47.85	47.62	47.51	47.33	46.82	46.45	46.13	45.83
IDR	INDONESIA/RIPIAH	8,953.00	8,888.89	8,912.66	8,912.66	8,741.26	8,271.30	8,278.15	8,503.40	8432.00
IRR	IRAN (RIAL)	7,992	7,978	7,981	8,145	8,153	8,146	8,185	8,235	8315.00
ILS	ISRAEL (SHEKEL)	4.75	4.89	4.88	4.71	4.57	4.47	4.34	4.40	4.50
JMD	JAMAICA/DOLLAR	49.85	50.75	52.20	54.75	56.20	58.50	58.70	58.52	58.26
JPY	JAPAN/EN	118.76	117.63	118.75	118.76	120.19	118.89	119.69	118.85	117.58
KWD	KUWAIT (DINAR)	0.299	0.298	0.300	0.300	0.300	0.299	0.300	0.299	0.300
MTL	* MALTA/LIRA	2.509	2.574	2.544	2.546	2.595	2.750	2.679	2.683	2.565
MTL	MALTA/LIRA	0.399	0.389	0.393	0.393	0.385	0.385	0.373	0.373	0.390
FRF	MARTINIQUE/FRANC	7.433	7.433	7.433	7.433	7.433	7.433	7.433	7.433	7.433
MXN	MEXICO/NEW PESO	10.370	10.881	10.948	10.717	10.415	10.256	10.410	10.481	10.839
NZD	NEW ZEALAND/DOLLAR	1.91	1.82	1.79	1.82	1.80	1.71	1.72	1.70	1.71
NIO	NICARAGUA/CORDOBA ORO	14.57	14.65	14.74	14.74	14.79	14.79	14.99	15.07	15.16
NOK	NORWAY/KRONE	6.925	6.892	7.008	7.315	7.072	6.658	7.257	7.143	7.846
PAB	PANAMA/BALBOA	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
PEN	PERU/INUEVA SOL	3.503	3.498	3.480	3.476	3.465	3.492	3.476	3.473	3.482
PHP	PHILIPPINES/PESO	53.390	53.562	54.259	53.533	53.079	52.770	53.562	54.025	55.218
PLZ	POLAND/ZLOTY	3.829	3.864	3.885	4.077	3.891	3.675	3.892	3.825	4.012
SAR	SAUDI ARABIA/RIYAL	3.751	3.750	3.750	3.750	3.750	3.750	3.750	3.750	3.750
SGD	SINGAPORE (DOLLAR)	1.735	1.725	1.744	1.769	1.784	1.723	1.756	1.746	1.744
SKK	SLOVAKIA (KORUNA)	39.53	39.03	39.17	38.43	37.12	34.77	36.54	36.52	38.51
ZAR	SOUTH AFRICA/RAND-C	8.569	8.764	8.065	7.987	7.210	7.874	7.530	7.441	7.457
KRW	SOUTH KOREAN/WON	1,186	1,166	1,191	1,259	1,238	1,194	1,194	1,180	1,166
SEK	SWEDEN/KRONA	8.68	8.53	8.49	8.55	8.26	7.77	8.03	8.00	8.48
CHF	SWITZERLAND/FRANC	1.381	1.353	1.366	1.370	1.361	1.289	1.351	1.345	1.416
TWD	TAIWAN/NEW DOLLAR	34.65	34.49	34.70	34.76	34.76	34.65	34.55	34.32	34.15
TRL	TURKEY/LIRA	1,666,667	1,666,667	1,612,903	1,694,915	1,587,302	1,470,588	1,428,571	1,408,460	1,388,889
AED	UAE/DIRHAM	3.67	3.67	3.67	3.67	3.67	3.67	3.67	3.67	3.67
GBP	* UNITED KINGDOM/POUND	1.610	1.634	1.579	1.575	1.591	1.637	1.649	1.621	1.58
VEB	VENEZUELA (BOLIVAR)	1,388.89	1,923.08	1,597.44	1,597.44	1,597.44	1,597.44	1,597.44	1,597.44	1,597.00

CBI-V1-001-000994

* Dollar Per Foreign Currency
Source: Wall Street Journal; Monday, August 25, 2003
10/9903

**Security Payments
Year 2003**

Account 65-496-313
Amount/box \$0.03

Month	Boxes	D	US\$	FX	Check request			Payment - Pesos	E	Ref	Withholding Tax (Pesos)	Total Cost (Pesos)	Date of Payment	Per Accounting records		Difference	B	
					Net Payment in Pesos From Calculation	Form 1016 #	Check #							Total US\$	records			
Jan-03	245,875	1	7,376	2,924	21,567,424	15271 ✓	4173 Ψ	21,567,424	⊂	A-1	13,501,558	35,068,982	30-Jan-03	11,993.50	11,990.50	~	(3.00)	⊕
Feb-03	196,146	1	5,884	2,940	17,300,000	16508 ✓	4854 Ψ	17,300,000	⊂	A-2	10,830,081	28,130,081	9-May-03	9,567.48	9,568.31	~	0.83	⊕
Mar-03	251,751	1	7,553	2,868	21,662,004	16969 ✓	4890 Ψ	21,662,004	⊂	A-3	13,560,767	35,222,771	29-May-03	12,281.30	12,279.72	~	(1.58)	⊕
Apr-03	204,643	1	6,139	2,868	17,606,652	16972 ✓	4919 Ψ	17,606,652	⊂	A-4	11,022,050	28,628,702	4-Jun-03	9,982.11	10,033.43	~	51.32	⊕
May-03	189,358	1	5,681	2,868	16,293,108	16976 ✓	5015 Ψ	16,293,108	⊂	A-5	10,199,751	26,492,859	6-Jun-03	9,237.40	9,331.07	~	93.67	⊕
Jun-03	242,574	1	7,277	2,817	20,499,309	16984 ✓	5100 Ψ	20,499,309	⊂	A-6	12,832,901	33,332,210	4-Jul-03	11,832.52	11,831.17	~	(1.35)	⊕
Jul-03	192,984	1	5,790	2,888	16,721,520	16995 ✓	5224 Ψ	16,721,520	⊂	A-7	10,467,943	27,189,463	31-Jul-03	9,414.63	9,413.59	~	(1.04)	⊕
Aug-03			-		-			-			-	-				-		
Sep-03			-		-			-			-	-				-		
Oct-03			-		-			-			-	-				-		
Nov-03			-		-			-			-	-				-		
Dec-03			-		-			-			-	-				-		
Total	1,523,331		45,700		131,650,017			131,650,017			82,415,051	214,065,068		74,309	74,448		139	

- 1. Cross checked with the exported boxes report
- ✓ Cross checked with the check request form signed by the Controller
- Ψ Cross checked with copy of the check and/or check receipt signed by the GM
- △ Difference (only in US\$) is due to corporate accounting exchange rate vs. exchange rate used for the calculation
- ~ Cross checked with the accounting ledger
- ⊂ Cross checked with the activity control kept by the GM in Quicken

- A Copies of check request forms, checks, and receipts of checks
- B Copy of Ledger printout (expense account)
- C Corporate Exchange rates
- D Exported boxes report
- E Printout of the activity control kept by the GM in Quicken

CONFIDENTIAL

GENERAL MANAGERS' EXPENSES

EXHIBIT V - 1993 SANTA MARTA

A. What We Have:

1. Exhibit V - We received the 1993 General Managers' Expenses report (Total \$4,688.70).
2. We have 1016's for three (3) payments: August 10th \$104.70; January 27th \$185.29; and February 15th \$1,138.65 (Total \$1,428.64).

B. What We Need:

1. We need 1016's for $\$4,688.70 - \$1,428.64 = \underline{\$3,260.06}$.

NOTE: A detailed explanation of confidential information concerning each is not required for this form—such information will be reviewed later by the Y.P. Internal Audit and the Law Department.

NSD CHIQUITA 2795

ENVIO:

[illegible]

EXHIBIT IV 1996 TURBO
JAN - JULY TOTAL \$2326.35

CONFIDENTIAL

GENERAL MANAGERS' EXPENSES

EXHIBIT IV - 1996 TURBO

A. What We Have:

1. We received the 1996 General Managers' Expenses reports dated July 10, 1996 for January - July 1996 (Total \$2,336.35).

B. What We Need:

1. We need 1016's for \$2,336.35.

ENVIO:

DIVISION: MEDELLIN - COLOMBIA							
Phone#	574 94 2663043		CBI INTERNAL AUDIT DEPARTMENT				
Prepared by:	[Redacted]		1995 GENERAL MANAGER'S EXPENSES				
Date Prepared: JULY 12, 1995							
Information provided is for account # 65B-45 assigned to [Redacted]							
MONTH	DATE OF TRANSACTION	ACCT. JV # OR REFERENCE #	ACCOUNT # CHARGED	AMOUNT OF PAYMENT (LOCAL CURRENCY)	AMOUNT OF PAYMENT (US DOLLARS)	DESCRIPTION OF PAYMENT FROM ACCTG RECORDS OR CASH OFFICE RECORDS	COMMENTS
11/95	01/11/95	30-00342	65B.45.4310.496.050	250,000	250.76	General Manager Expenses	Cash
12/95	01/12/95	30-00139	65B.45.4310.496.050	250,000	250.76	General Manager Expenses	Cash
TOTAL				500,000	\$01.52		

CBI-VI-001-001163

NOTE: A detailed explanation of confidential information concerning each is not required for this form — such information will be reviewed later by the V.P. Internal Audit and the Law Department.

NOTE: A detailed explanation of confidential information concerning cash is not required for this form—such information will be reviewed later by the U.S. Internal Audit and the Law Department.

[illegible]

ENVIO:
NSD CHIQUITA 2800

[illegible]

CONFIDENTIAL

GENERAL MANAGERS' EXPENSES

EXHIBIT III - 1995 TURBO

A. What We Have:

1. We received the 1995 General Managers' Expenses dated July 12, 1996 (Total \$3,079.42).

B. What We Need:

1. We need 1016's to document \$3,079.42 in expenses.
2. We also request an explanation of the major reduction in the level of expenses (\$3,079.42) for 1995 -vs- \$159,894.51 for 1994. (Have we determined that all expenses are included in the \$3,079.42?)

Listing of all transactions to record as General Manager's expenses
for the period of January 1, 1994 thru December 31, 1994

DIVISION: TURBO - COLOMBIA

Phone #: 331 - 7174

Prepared By: [redacted] Chief Accountant

Date Prepared: APRIL 28 /95

CBII INTERNAL AUDIT DEPARTMENT
1994 GENERAL MANAGERS' EXPENSES

Information provided is for account number: 6586207496712 Assigned to:

MONTH	DATE OF TRANSACTION	ACC. JV # OR REFERENCE #	ACCOUNT # CHARGED	AMOUNT OF PAYMENT (LOCAL CURRENCY)	AMOUNT OF PAYMENT (US DOLLARS)	*DESCRIPTION OF PAYMENT FROM ACCTG RECORDS OR CASH OFFICE RECORDS	COMMENTS
1st Quarter							
Jan - 94	Jan - 94			728,787	890.52	Cash	
Jan - 94	Jan - 94			686,202	838.49	Cash	
Jan - 94	Jan - 94			311,011	379.42	Cash	
Feb - 94	Feb - 94			1,129,500	1,377.94	Cash	
Feb - 94	Feb - 94			2,855,500	3,486.38	Cash	
2nd Quarter							
April - 94	April - 94			245,695	293.59	Cash	
May - 94	May - 94			10,000,000	11,949.43	Cash	
May - 94	May - 94			13,000,000	15,459.08	Cash	
May - 94	May - 94			23,245,695	27,702.10	Cash	
3rd Quarter							
July - 94				117,162	143.00	Cash	
July - 94				992,397	1,209.00	Cash	
July - 94				67,770	83.00	Cash	
July - 94				172,282	211.00	Cash	
July - 94				152,219	187.00	Cash	
August - 94				214,726	263.00	Cash	
August - 94				322,370	396.00	Cash	
August - 94				900,000	1,099.00	Cash	
September - 94				2,894,326	3,666.00	Cash	
September - 94				5,454,945	6,476.56	Cash	
September - 94	August - 94			13,910,040	16,520.24	Cash	
September - 94	September - 94			67,770	80.49	Cash	
September - 94				25,368,007	30,336.28	Cash	
4th Quarter							
October - 94	October - 94			3,000,000	3,571.22	Cash	
October - 94	October - 94			6,500,000	7,797.63	Cash	
October - 94	October - 94			13,910,000	16,558.54	Cash	
October - 94	October - 94			5,500,000	6,637.22	Cash	
November - 94	November - 94			10,250,000	12,369.37	Cash	
November - 94	November - 94			8,400,000	10,196.85	Cash	
November - 94	November - 94			13,910,000	16,788.14	Cash	
November - 94	November - 94			13,910,000	16,793.43	Cash	
December - 94	December - 94			6,500,000	7,819.36	Cash	
December - 94				81,880,000	98,349.75	Cash	
TOTAL 1994				193,347,202	159,874.51		

*NOTE - A detailed explanation of confidential information concerning each is not required for this form - such information will be reviewed later by the V.P. Internal Audit and the Law Department.

COMPAÑIA FRUTERA DE SEVILLA
MEDELLIN - COLOMBIA

DATE: 02-May-95

TO: [redacted] Cincinnati

CC: [redacted] Medellin

FROM: [redacted]

SUBJECT: General Manager Expenses

Per your request, attached we are including a listing with all payments realized during 1994, that were recorded under account 65B 6207 496 712 assigned to accumulate sensitive payments.

Please let us know if you need additional information.

*Copy Ordener
Jhon
5/15/98*

CARRERA 43 A, No. 23 SUR 15 - EDIFICIO ZURIGA ENVIGADO - ANTIOQUIA • TEL: 331 74 74 • FAX: 270 88 11 • TELEX: 66746

CBI-V1-001-001157

*EXHIBIT II
1994 TURBO*

NSD CHIQUITA 2803

CONFIDENTIAL

GENERAL MANAGERS' EXPENSES

EXHIBIT II - 1994 TURBO

A. What We Have:

1. Exhibit II - We received the 1994 General Managers' Expenses dated May 2, 1995 for January - December 1994 (Total \$159,874.51).
2. We have a confidential memo from an individual summarizing \$134,319.00; please call to determine how this relates to the \$159,874.51.

B. What We Need:

1. We need 1016 Forms for 1994 documenting expenses of \$159,874.51.
2. We need documentation to support \$159,874.51 [if the \$134,319 applies then, such amounts should be identified on the May 2, 1995 listing attached and documentation provided for the remaining difference (\$25,555.51)].

EXHIBITS.WWW

CBI-V1-001-001156

NSD CHIKUITA 2804

ENVIO:

[illegible]

NSD CHIQUITA 2806

ENVIO:

[illegible]

EXHIBIT VIII SANTA MONICA 1996 (JAN-MAY)
TOTAL ~~77,000.00~~
\$ 156.08

CONFIDENTIAL

GENERAL MANAGERS' EXPENSES

EXHIBIT VIII - 1996 SANTA MARTA

A. What We Have:

1. We received 1996 General Managers' Expenses report dated July 10, 1996 for January - May 1996 (Total \$156.08).

B. What We Need:

1. We need 1016's for \$156.08.

b7c

ENVIO:

[Handwritten signature]

•b7C•

ENVIO:

Q

ENVIO:



513 784 6300: # 1

C.I. BANADEX-

7-15-96 : 12:01 :

NSD CHIGUITA 2811

:01:00

DIVISION : SANTA MARTA - COLOMBIA				CBI INTERNAL AUDIT DEPARTMENT			
Phone # 5734 712486				1995 GENERAL MANAGER'S EXPENSES			
Prepared by [redacted]				Date Prepared : APRIL 15, 1996			
Information provided is for account # 65F-0636				assigned to [redacted]			
MONTH	DATE OF TRANSACTION	ACCT.JV# OR REFERENCE #	ACCOUNT# CHARGED	AMOUNT OF PAYMENT (LOCAL CURRENCY)	AMOUNT OF PAYMENT (US DOLLARS)	DESCRIPTION OF PAYMENT FROM ACCTG RECORDS OR CASH OFFICE RECORDS	COMMENTS
01/95	01/10/95	TE-011	65F-0636	34,000	40.16	General Manager Expenses	Cash
02/95	18/02/95	AA-002	65F-0636	28,000	32.64	General Manager Expenses	Cash
02/95	16/02/95	JAM-002	65F-0636	34,000	40.03	General Manager Expenses	Cash
03/95	23/03/95	JAM-003	65F-0636	68,000	77.93	General Manager Expenses	Cash
TOTAL				164,000	190.76		

NOTE: A detailed explanation of confidential information concerning each is not required for this form - such information will be reviewed later by the V.P. Internal Audit and the Law Department.

Listing all transactions to record General Manager's Manager's expenses for the period of January 1, 1995 to March 31, 1995.

TO: [redacted]
As your Request,

Possible Fax Note 7871	
Co/Dept	Phone #
Phone #	Fax #
513 784 6300	266041

EXHIBIT VII 1995 SANTA MARTA
TOTAL \$407.25

Copy for [redacted]

9/15/96

CONFIDENTIAL

GENERAL MANAGERS' EXPENSES

EXHIBIT VII - 1995 SANTA MARTA

A. What We Have:

1. 1995 General Managers' Expenses reports dated July 11, 1996 (Total \$407.25).
2. We have 1016's for \$77.65 in May/June.

B. What We Need:

1. We need 1016's for the balance (\$329.60).

EXHIBITS.WWW

CBI-V1-001-001148

NSD CHIQUITA 2812

EXHIBIT VI SANTA MARTA 1994
2ND QUARTER # 100.60

NSD CHIQUITA 2813

CONFIDENTIAL

GENERAL MANAGERS' EXPENSES

EXHIBIT VI - 1994 SANTA MARTA

A. What We Have:

1. We received 1994 General Managers' Expenses reports dated July 1994 for only 2nd Quarter (Total \$100.60).
2. We have 1016's for \$100.60.

B. What We Need:

1. 1994 General Managers' Expenses listed by transaction for 1st, 3rd, and 4th Quarters.
2. We need 1016's for these expenses.

EXHIBITS.WWW

CBI-V1-001-001146

NSD CHIQUITA 2814

INTERNAL AUDIT REPORT #L94.01
Compañía Frutera de Sevilla, Turbo Division Disbursements Review
Medellín, Colombia
STATUS OF FINDINGS/RECOMMENDATIONS
SCHEDULE

REPORT REF NUMBER	AUDITOR'S RECOMMENDATIONS	REPLY	TARGETED COMPLETION DATE
1.	Include unreported 1993 Statement of Policies and Procedures in fourth quarter disclosure to the Legal Department.		
2.	Completely reconcile all bank accounts and record related reclassification and adjusting entries.		
3.	<ul style="list-style-type: none"> • Prepare and include approval documentation (eg. purchase order and work orders) in the payment support voucher. • Prepare the approval documentation prior to effecting the transaction. • Cancel the payment supporting documentation with "paid" or "canceled" stamps. 		
4.	Require settlement of employee travel advances as outlined in Corporate policy. Also, consider using travel & entertainment form that lists the deduction of company-paid airfare separately from the deduction of travel advances.		

AMEDELLIN.90

January 24, 1994

CBI-V1-001-001145

NSD, CHIGUITA 2815.

In addition, as many of the expense reports involve airplane travel to and from the farms, we recommend that the new expense report forms be considered. The new form includes a separate line item for airplane tickets paid for by the company (see attachment). As such, the tickets will no longer have to be included as travel advances and will therefore be more easily identified.

We recognize that local management has recently implemented and continues to implement procedural changes to enhance controls over disbursements. To ensure continued control over the disbursements activities, we recommend the following:

- Purchase Orders, Work Orders, or other proper supporting document be required before payment is authorized, as the inclusion of these documents is the only way to ensure that goods or services have been received.
- Purchase Orders, Work Orders, or any other supporting documentation be prepared and authorized prior to the actual purchase or work.
- All voucher package items be canceled with a 'PAID' or 'CANCELED' stamp so as to avoid the possibility of double payment.
- Payment of bills, such as the telephone bill cited above, strictly be made using checks written out to the institutions or persons that the money is payable to.

4. Travel & Entertainment Expense Report Exceptions

As part of the disbursements testing we also examined travel and entertainment related expenditures. We randomly selected a sample of twenty-two items from the Companies' expense reports and reviewed them for compliance with company policy. The following exceptions were noted:

- In four of the twenty-two reports examined, the travel advances that were to be reimbursed to the company, were instead deducted from the employee's payroll.
- In two of twenty-two reports examined, Form 68 (company reimbursement form) was not included.

Based on the above mentioned exceptions we recommend the following:

- The practice of deducting the travel advance owed back to the company from employee's payroll be immediately discontinued. Instead the entire advance should be reimbursed as soon as the expense report is processed.
- Form 68 be included in all cases where the employees must reimburse the company. Inclusion of this form will ensure that the company has been reimbursed for travel advances.

Internal Audit Report #L94.01

Schedule B

2. Cash Reconciliations

We noted that the majority of the cash accounts were fully analyzed in November 1993 for the first time since December 1992. We noted that Data Entry Department miskeyed the majority of the stale reconciling items, which required that Accounting record a reclassification entry among the entities' bank accounts. The P&L impact of the reconciling items is \$9M, exclusive of approximately \$59M remaining (absolute value) of reconciling items to clear.

As noted in the Ernst & Young Management Letter Comments, the lack of bank reconciliation analysis has been a recurring problem. Management stated in the June Quarterly Representation Letter to Cincinnati that "[all] major bank accounts have been reconciled through (one month prior to the representation letter date) and all reconciling items that should have been charged to profit and loss for the period were." Previous quarters' representation letters have similar wording.

We recommend that Management perform monthly analysis of the bank reconciliations and clear the reconciling items on a timely basis.

3. Disbursement Exceptions

In our disbursements review, which included a sample of ninety-nine items and covered the period January through November 1993, we encountered several exceptions to corporate disbursement approval policies. The most significant of which were the following:

- Thirteen paid items (13.1% of total tested) for a total of C\$151.5MM (\$189M U.S.), did not include either purchase orders, work orders, or receiving reports.
- Eight paid items (8.1% of total tested) for a total of C\$1.3MM (\$2M U.S.), included purchase orders, work orders, or other supporting documentation that were dated after the work had been completed, materials had been purchased or services had been rendered.
- Thirty-six paid items (36.4% of total tested) for a total of C\$12.4MM (\$16M U.S.), included documentation that had not been properly canceled with a 'PAID' stamp.
- A check for C\$53M (\$66 U.S.) was written to [redacted] Company Driver) so that he could pay a company telephone bill in cash.

B-2/4

CBI-V1-001-001142

NSD CHIQUITA 2818

LISTING OF AUDIT MEMOS

The following audit memos are being distributed to the addressee only to provide detail information for items addressed in the Executive Summary and Schedule R (Status of Findings/Recommendations). The audit memos were discussed during the audit and should be used as a reference to respond to Schedule R. Management agreed with our audit memo recommendations.

1. Statement of Policy and Procedure Reportable Payments

We noted that the Division did not report in the quarterly Statement of Policy and Procedures Report (SPPR) several donations to Governmental Agencies which CFS and Banadex made during the first three quarters of 1993. The Policy requires that all payments made to governments or governmental employees, other than for tax payment or specific assessments or services outlined by law. These payments include payments-in-kind, gifts, donations, facilitating payments, etc. We understand that the Division misunderstood which items needed to be disclosed in these quarterly reports. Subsequently, this understanding was corrected and noticeable improvement was made in the third quarter report.

We recommend that Management prepare ~~quarterly~~ ~~1993~~ ~~SPPR's~~ for the attached list of reportable transactions.

<u>Recipient</u>	<u>Purpose</u>	<u>Pesos</u>	<u>Pmt. Form</u>	<u>Date</u>
Banadex				
Antinarcotics Police CFS	Fill-dirt	220,000	Check	Aug 1993
Operative Command	Security	79,440	In-kind-Fuel	Jan 1993
Operative Command	Security	68,000	In-kind-oil meas. stick	Jan 1993
Operative Command	Security	79,440	In-kind-Fuel	Mar 1993
Operative Command	Security	79,440	In-kind-Fuel	Mar 1993
Operative Command	Security	79,440	In-kind-Fuel	Apr 1993
Operative Command	Security	79,440	In-kind-Fuel	May 1993
Operative Command	Security	79,440	In-kind-Fuel	Jun 1993
Operative Command	Security	79,440	In-kind-Fuel	July 1993
Operative Command	Security	79,440	In-kind-Fuel	Aug 1993
Admin. Dept. of Security	Anniversary Celebration	150,000	Check	Sep 1993
Operative Command	Security	79,440	In-kind-Fuel	Oct 1993

B-1/4

CBI-V1-001-001141

NSD CHIQUITA 2819

Internal Audit Report #L94.01

Schedule A

BACKGROUND

GENERAL: CFS-Turbo is one of CBII's two banana-producing divisions in Colombia. The division exports fruit from Company-owned farms, ADE farms, and from various associate producer farms.

FINANCE AND ORGANIZATION: Financial reporting and accounting are centralized at the division Headquarters in Envigado, a suburb of Medellin, located approximately 300 kilometers from the production region. Financial reporting to Cincinnati is done directly to CBI.

CHANGES IN THE BUSINESS: Our discussions with management indicated that the division is in the process of combining administrative functions with a related group of entities, which are managed by [redacted]. Management expects to realize efficiencies from the combination through reduction of redundant processes. Management stated that they were not aware of any anticipated changes in the business, or to sell the business or any segment. Management stated that they intend to concentrate on reducing production and overhead costs.

FINANCIAL: Key October 1993 financial and statistical projecting through year-end are as follows (comprising farms and associate producers):

Amounts in thousands (except for cost per box)

	<u>Budget (Plan)</u>	<u>Projections As of Oct, 1993</u>
Total Shipped Costs	\$67,882	\$73,041
Total Available Boxes	11,724	12,261
Cost per box	\$5.77	\$5.79

AREAS OF AUDIT COVERAGE

~~Due to the limited time available, the audit was limited in scope and the depth and breadth of the work performed that is listed below was not as extensive as that of a typical audit.~~

Expenditures Review as of Oct. 1993
Consulting Fees
Cash
Manager's Expenses

Statement of Policies & Procedures
Contracts
Unusual Payments

Participants at the 12/16/93 Audit Teleconference:

[redacted]

[redacted]

Audit Team Members:

[redacted] (Lead Auditor)

[redacted]

A-1/1

CBI-V1-001-001140

NSD CHIQUITA 2820

Internal Audit Report #L94.01

We wish to thank you as well as your staff for the courtesy and cooperation extended to us during the course of the audit. Please use the attached Schedule R to advise us of the action taken on all items. Corporate policy requires responses to audit reports to be submitted within sixty (60) days of issuance of the report. We request your reply to [redacted] by March 28, 1994.

Very truly yours,

[redacted]

Audit Manager

[redacted]

Vice President

MOB/lkj

cc:

[redacted]

[redacted]

Attachments:

- Schedule A: Background
- Schedule B: Listing of Audit Memos
(addressee only)
- Schedule R: Status Findings/Recommendations
(addressee only)

:MEDELLIN,501-5

Internal Audit Report #L94.01

were prepared after the transactions (8 occurrences totaling \$2M); uncanceled payment documentation (36 occurrences totaling \$164M); and a check payable to an employee for a cash payment of a Company obligation.

Management has been implementing procedural changes to enhance controls over disbursements since October. Management agreed to require that Purchase Orders, Work Orders, or other supporting documents be prepared before Management authorizes payment, or legally commits the Company to the transactions because these documents are the only substantive means to indicate that the Company requested, authorized, and received the goods or services. In addition, all voucher package items will be canceled to reduce the possibility of overpaying for the same invoice and checks will be made payable to only the vendor.

TRAVEL & ENTERTAINMENT REPORTS

In four of the twenty-two employee expense reports that we sampled, Management deducted the unspent travel advances from the employee's semi-monthly payroll, rather than requesting the employees repay their unused travel advances when their expense reports are processed. Also, for two employee expense reports that we sampled, unused travel advance payments by employees to the Company were not supported by a Company reimbursement form (Form 68). Management agreed to require that employees return unspent travel advances upon presenting the related expense reports for processing and to require that employees submit a Form 68 in all cases where they must reimburse the company for unused travel advances.

The above suggestions and observations represent the more significant matters noted during the course of our audit. Other, less significant findings were also noted and discussed with Management. Details of audit findings are being provided only to the addressee in the form of audit memos (Schedule B) attached to the addressee's copy of the report; other individuals on the distribution of this report should contact us for further details or additional information.

Internal Audit Report #L94.01

Our principal suggestions and observations are summarized below:

**UNREPORTED STATEMENT OF POLICIES AND PROCEDURES -
RELATED PAYMENTS**

In 1980 CBII issued a policy (F&A 2.0) to monitor compliance with the Foreign Corrupt Practices Act. The procedure included signing an "Affirmation of Compliance" form stating that the management member confirming will comply with the provisions and requirements of the FCPA and the purpose and objectives of the Statement of Policies and Procedures. The policy also requires that 20 days after the end of each quarter a written confirmation be sent to the CBII Law Department stating either that no unlawful payments or contributions have been made, or that such payments were made and details be provided in the statement.

We noted 12 reportable contributions primarily fuel to the Army (Operative Command), totalling approximately \$1,400 that were not included in the 1993 quarterly reports. Management clarified their understanding of reportable transactions during the year and they recognized the oversight when we brought these items to their attention. Management agreed to include these in the fourth quarter 1993 reports.

UNRESOLVED BANK ACCOUNT RECONCILING ITEMS

Management was working to clear numerous reconciling items from its large number of bank accounts (39 such accounts). Management had fully analyzed the majority of the cash accounts as of November 1993, for the first time this year. The P&L impact of the reconciling items is \$9M, exclusive of approximately \$59M, absolute value, of reconciling items remaining to cleared. The Data Entry Department had miskeyed the majority of the old reconciling items, which required that Accounting record a reclassification entry among the entities' bank accounts.

Based on the Ernst & Young Management Letter Comment and the Quarterly Management Representation Letters, the lack of timely bank reconciliation analysis has been a recurring problem. This may result in inefficient management of cash and failure to record transactions in the proper period. Management agreed to perform monthly analysis of the bank reconciliations and to clear the reconciling items on a timely basis.

DISBURSEMENTS

In our disbursements sample of ninety-nine items that covered the period January through November 1993, we encountered several exceptions to Corporate disbursement policies in the following areas: omitted payment support, such as purchase orders, work orders, and receiving reports (13 occurrences totaling \$189M); support, such as purchase orders and work orders, that

El Mundo newspaper
Medellin, Colombia
June 18, 2000

Bleeding

The army stated that guerillas and the paramilitary killed 785 civilians between January and May of this year, 170 more than during the same period in 1999. According to that report, guerillas killed 394 people and the United Self Defenders of Colombia killed 391.

CBI-V1-001-001127

NSD CHIQUITA 2833

JUN-19-00 13:53

N.A./EUROPEAN-SOURC.Rica

5062042394

PAG



European Sourcing Department
Parque Empresarial Forum - Building D
Santa Ana, Costa Rica

June 19, 2000

REDACTED

REDACTED

CBI-V1-001-001125

NSD CHIQUITA 2835

Inserts

In spite of it all,
it continues arriving

direct foreign investment*
(excluding investment in shares and bonuses)
in US\$ millions

1995.....	US\$1.321
1996.....	US\$ 1.880
1997.....	US\$ 2.933
1998.....	US\$ 4.186
1999.....	US\$ 4.002

Source: Corporacion Invertir en Colombia (Coinvertir) and Bank of the Republic

*does not include petroleum and gas

From where does it come?

Origin of the investment accumulated during 1995-1999 in US\$ millions

US.....	5.150
Antilles*.....	4.819
EU.....	4.810
Central America....	2.663
South America.....	855
Asia.....	258

*Includes remittances de fiscal paradises (offshore bank)

Source: Bank of the Republic and Coinvertir

The Pastrana plan

The government of conservative [] says it is determined to keep foreign investment in Colombia and to stimulate the arrival of new capital. His first measure was to involve the groups raised in arms in a dialogue aimed to end the hostilities.

By means of the Colombian Plan [] hopes to take in US\$7,500 million to finance his program of peace of which US\$3,500 would come from international aid. The US promised US\$1,500 million and he commits to obtaining the rest in Europe and Asia.

Additionally, [] got international executives to act as business ambassadors of Colombia. In the group are [] ex president of America Online; [] president of the New York Stock Exchange, [] president of Cemex; [] president of Mitsubishi Corp.; and [] ex prime minister of Canada. In exchange, [] promised to liberalize the treatment of foreign investment.

Until now, foreign companies have given [] the benefit of the doubt and have continued investing in spite of the bullets and bombs.

Cross Fire

Although without a defined ideology, the guerillas are to the left. The FARC as well as the ELN are opposed to privatization, the advocate for the better distribution of wealth and government reform. The paramilitary are financed by farmers and landowners to expel the guerillas from their properties. They do not have a particular ideology either. Both movements operate in rural zones. As part of their macabre warlike game, both factions-guerillas and paramilitary-kill those rural citizens who they believe are collaborating with the enemy.

CBI-V1-001-001124

NSD CHIQUITA 2836

discipline, in spite of the threats.

Nobody leaves. In spite of the bad publicity, Colombia continues being one of the principal economies of the region and nobody seems to be ready to sacrifice the positions gained to date. "All my clients tell me that they will continue operating because they do not want to yield the field to their competitors", says [redacted] of Kroll Associates.

Colombia is the third largest market in Latin America by population, with 40 million inhabitants. It is a trampoline for jumping toward the south or the north. "There is no doubt that if someone wants to have a presence in Latin America he needs to be in Colombia", says [redacted] vice president of corporate finance at the London investment bank Dresdner Kleinwort Benson, who visit but does not live in Colombia.

The success formula for investors is in finding that the cost benefit is justified. "Nevertheless, these negative factors can work to the detriment of investing in Colombia", says [redacted] executive director of the Colombian-American Chamber of Commerce. "But the investor is assured of having a large enough profit margin to cover the risk".

Also, according to [redacted] the volatile environment can become an advantage for the investor since he may, for example, obtain considerable discounts. Currently 44 international petroleum companies are in line hoping to obtain new exploration contracts. France's Total just signed its own. And the reason is that there is still a lot of land to explore.

I came, I saw, I conquered. This month, Telefonica of Spain and Telecom Italia are competing for the ownership of Telecommunications of Bogota and Telefonica is competing with BellSouth to purchase Celumovil SA, one of the leaders in the cellular phone industry.

Investors are giving their vote of confidence to the country in the most important way: green bills. US\$4,000 millions in foreign investments from 99 are in contrast to the chilling headlines about Colombia that the international press reports. "Foreign investment has remained because of business purchases, capitalizations and the transfer of technology", says [redacted] vice president of Coinvertir. "This is important because it allows new players to judge the country from within it", he adds. "The perception of someone who has never come to Colombia is one thing but it's another thing from someone who has been here".

For example, the local president of Texas Petroleum Company, [redacted] whose company just completed 74 years of operating in the overburdened Andean country, says that "we have never lost our confidence in Colombia, and we believe in the country, in its opportunities and its development". In agreement is [redacted] president of Colgate-Palmolive Colombia, who disclosed that is has never been better in spite of the country's worst economic period in 70 years. And although the security situation worries him, [redacted] predicted investments, in 2000, of up to US\$30 million.

The message is that Colombia is worth the trouble and simply that one has to wait for its current drama to end, which includes a negotiation with the FARC and laying out a ground plan of the economic model for reaching peace, something that scares employers. But while spirits are calmed down and one returns to sensibleness-a process that will take years-, daily reality continues trampling.

They attempted to kill one of [redacted] bodyguards to steal a motorbike. And recently the agricultural executive had to evacuate his office again due to another bomb threat. "Really, in Colombia there is never a dull moment", says [redacted]

CBI-V1-001-001123

NSD CHIQUITA 2837

companies receive protection from the country's security forces that establish strings of guards in their areas of operation. But they charge for it. Although they do not receive money, the military demands lodging, food and medical services which cannot come out of the national budget due to fiscal constraints.

"They treat the soldiers like any other plant worker", says [redacted] of the ACP. "One would think that the payment of taxes would cover it", he adds. "But in this case, it is not that way and the companies criticize it but they understand it". And although it is true that the military presence has proved to be effective in the pozos and in the production centers, it is not that way throughout other installations. Occidental's Cano Limon-Covenas pipeline, which transports 100,000 barrels of oil daily, is the preferred military mark for the BLN. Annually the pipeline loses 15% of its contents as a result of terrorist attacks. This translates into some US\$135 million that does not enter the country since the majority of local production is exported.

For all its sophistication and weight [redacted] company pays only US\$500,000 per year for security. It involves 30 people in three different cities and a dozen armored cars. The security personnel are on the company's payroll. They are ex army and police officials who bring an extensive intelligence net which is very useful for protecting commercial operations and strategies.

[redacted] nor his colleagues from the administrative or operating area know the security methods used by their own bodyguards. Everywhere that [redacted] and other executives go has been studied beforehand to establish escape routes in the event of an emergency. There cannot be furniture nor chairs in the road. The same with daily routes to and from work. Travel routes and schedules change constantly.

In the tightrope. At the beginning of this year, this set up became useless when the headquarters of [redacted] multinational company, located in the environs of an important government agency, was damaged by a car bomb. Therefore, faced with the necessity of protecting their assets and lives, many multinationals insure themselves by making payments to the armed organizations. They even risk receiving severe sanctions within the Foreign Corrupt Practices Act, a strict US law against bribes. "It is very difficult to work in rural Colombian zones without having contact with the paramilitary or the guerillas themselves", says [redacted]

If companies or their representatives insist on not playing these cards, they risk their lives and those of their employees. "Many times we have had to recover cadavers of our people, lying in the roads that lead to work areas", says [redacted] who moves throughout the countryside within an armored convoy.

Because, besides the guerillas and paramilitary, there are other enemies to watch out for: drug traffickers. Many export dispatches carried out have been used by the drug Mafias to send cocaine and heroine hidden in containers to Europe and the US. Dirty money, says [redacted] smashes any awareness and framework of security. And those who refuse to receive bribes may pay with their life. "The modus operandi of the drug traffickers seems to be that if money doesn't talk, then lead shot does", he adds. For him, the Mafias's attempts are a "weekly reality" and require double inspections of the containers at the loading point and again at the port.

Why, then, work in such a volatile and highly dangerous market such as Colombia where the risk factor seems to exceed any other benefit? Because Colombia is good business. For [redacted] his company's Colombian division is one of the most efficient and profitable in the region. "We offer competitive costs as compared to Panama and Costa Rica, among other countries". And he states in a proud manner that his employees work with dedication and

CBI-V1-001-001122

NSD CHIQUITA 2838

million, 4.4% less than the US\$4.200 million that reached the country in 1998.

These numbers are surprising given the obstacles that are involved in doing business in the country. Such as finding qualified personnel to fill positions. In reality, in order to attract candidates, generous salaries, the million dollar life insurance or the "danger pay" bonus, estimated at 15% of monthly pay, are not enough.

Nor do titles and rapid promotions appear to be sufficient. Most potential candidates prefer to remain in their country and enjoy weekends with their children. In short, they prefer to stay alive.

On average, companies take six months to a year to find or convince someone to accept the challenge of transferring to Colombia. And those who do are not typical executives. That is [redacted] case. "I never get bored", he says, although daily he confronts situations filled with risk and danger. "The decisions that I must make along the way make my job the best school of practical management that I know".

Prisoners of fear. One of the commandments of foreign executives is to keep a low profile. Among other things, they shouldn't speak with the press. As you can easily figure out, [redacted] is not the real name of this international business specialist. He has decided to tell his story under the condition of not revealing his name nor identifying his company. The fear of speaking openly on the experience of working in Colombia is so great that the majority of foreign firms opt to decline interviews with the press.

And more: the name of [redacted] company in Colombia is different from what it uses in the rest of the world. Almost all multinationals-the US ones, in particular- avoid placing announcements in their plants or buildings. Because what is a publicity advantage in almost all markets, is a potential danger in Colombia. The headquarters of the US petroleum company Occidental Petroleum, to the North of Bogota, looks more like a protected US embassy in the Middle East than a petroleum company.

Attacks against the civil population by the Revolutionary Armed Forces of Colbia (FARC) of the National Liberation Army (ELN) and the paramilitary are facts of daily life. In total, the two guerilla groups have 20,000 men; the paramilitary, 8,000. Last year they caused 1,655 deaths and 100 attacks against citizens.

One of the preferred methods of the guerillas is kidnaping with the intent to profit. More than 3,000 persons annually fall into the hands of kidnappers-as many guerillas as common delinquents-, according to the International Center of Criminal Sciences (Ciscp), with headquarters in Paris.

Millionaire security. As a strategy, many multinationals have decided to replace their expatriate personnel with Colombian workers. But the extortionists are not ready to lessen the pressure. "Now the way is to attack nationals who work for foreign companies", says [redacted] director of operations for America Latina of Kroll Associates, a US security company with a large portfolio of clients in Colombia.

"It may be that the insecurity of the country has to be incorporated into the cost of operating in Colombia", says [redacted] president of the Colombian Petroleum Association (ACP), a union member of the sector's companies. But what the petroleum companies are not ready to do is tolerate kidnaping and some pay to prevent it.

Protecting yourself from insecurity costs money. According to [redacted] a petroleum company invests between US\$1 million and US\$5 million annually. A small, low profile company may earmark between US\$40,000 and US\$300,000. Additionally, the petroleum

CBI-V1-001-001121

NSD CHIQUITA 2839

America Economy
May 4, 2000

LIVING WITH THE ENEMY

Colombia is a country at war but foreign investments keep entering. And despite the annoyance and threats, the multinationals are not ready to yield territory.

By [REDACTED]

Bogota

[REDACTED] is stopped at the edge of a 500 meter cliff at a popular spot in Northwestern Colombia. The US executive, barely 31 years old is about to jump while one of his eight bodyguards helps him make the final adjustments to his colorful parapente. The moment to jump has come. And there he goes.

[REDACTED] glides over the green and exuberant valley that lies at the bottom. He takes the control bar and begins the descent. He is not too worried about running into a tailwind. What matters more to him is not going too far from the armored car that awaits him below. To lose sight of it would be more dangerous than to fall.

In reality [REDACTED] doesn't worry about the risks of the intense sports that he enjoys: mountain climbing, diving and canoeing through fast rivers. What he works hardest at is maintaining his five senses as he works as operative administrator of a US multinational in the agricultural sector. On a daily basis, his company has to confront three groups that threaten the stability of Colombia: guerillas, paramilitaries and drug traffickers. They are all his potential enemies.

Colombia is a country in internal war. But a little known fact is that companies keep functioning and foreign investment, as incredible as that seems, continues arriving. But due to the insecurity, how do companies and their employees keep their investments profitable in the most dangerous country in the hemisphere? Or, more precisely, how do people such as [REDACTED] and their companies survive?

The majority of foreign companies and the executives that manage them in Colombia face constant dangers especially in sectors such as petroleum, mines, electricity, gas and infrastructure. Generally, these are labors that take place in the middle of lands dominated by armed groups or groups on the fringe of the law.

The same as everyone in Colombia, the managers of the multinationals are astonished at the violence. One poll, taken by the Corporacion Invertir in Colombia (Coinvertir) of 121 presidents of companies that do business in the country, found that the most worrisome topic is insecurity. In some cases, the participants stated that they had suspended their investment plans as a result of the assaults, kidnaping threats, land piracy and the spiraling increase in the cost of insurance policies. The US State of Department, in its last warning, says that in Colombia one takes the greatest risk in the world of being kidnaped. This risk also exists in the cities and foreigners are always potential victims.

But in spite of the current risk, foreign investment has not taken a beating. On the contrary. In 1999, investments (not counting petroleum and gas) reached more than US\$4.000

CBI-V1-001-001120

NSD CHIQUITA 2840

2/21/92

COMPANIA FRUTERA DE SEVILLA
SENSITIVE PAYMENTS
YEAR 1991

FOREING CORRUPT

<u>RECIPIENT'S NAME</u>	<u>PURPOSE OF PAYMENT</u>	<u>AMOUNT OF PAYMENT IN LOCAL CURRENCY</u>	<u>EQUIVALENT US\$</u>	<u>DATE OF PAYMENT</u>
NAVAL STATION	EXPEDITE TURBO OPERATION	125,300	200	June/91
NAVAL STATION	EXPEDITE TURBO OPERATION	125,300	200	December/91
OPERATIVE COMMAND	EXPEDITE TURBO OPERATION	240,000	379	April/91
OPERATIVE COMMAND	EXPEDITE TURBO OPERATION	7,690,000	12,164	December/91
NATIONAL ARMY-TURBO	EXPEDITE TURBO OPERATION	1,500,000	2,371	June/91
GUERRILLA	EXPEDITE TURBO OPERATION	20,000,000	31,611	October/91
		29,682,600	46,914	
TOTAL				

COMPUTERS

<u>INVOICE DATE</u>	<u>DESCRIPTION</u>	<u>AMOUNT OF PAYMENT IN LOCAL CURRENCY</u>	<u>EQUIVALENT US\$</u>	<u>ACCOUNT OF DATE</u>	<u>ACCOUNT FI-F2</u>
Jan 30/91	Two PS/2 MOD 25-285 39MB	4,275,325	7,398	March	15
Jan 30/91	Two IBM PS/2 65x61	5,343,019	10,293	March	15
Oct 15/91	CPU 55 SX-081	2,688,250	3,992	November	15
Oct 7/91	Operator Manual, Keyboard	1,499,471	2,216	November	15
	TOTAL	14,401,065	23,901		

PARABOLIC ANTENNA

<u>INVOICE DATE</u>	<u>DESCRIPTION</u>	<u>AMOUNT OF PAYMENT IN LOCAL CURRENCY</u>	<u>EQUIVALENT US\$</u>	<u>ACCOUNT OF DATE</u>	<u>ACCOUNT FI-F2</u>
Oct 15/91	Fix of Parabolic Antenna	2,262,270	3,351	December	15

OTHER SERVICES

<u>INVOICE DATE</u>	<u>DESCRIPTION</u>	<u>AMOUNT OF PAYMENT IN LOCAL CURRENCY</u>	<u>EQUIVALENT US\$</u>	<u>ACCOUNT OF DATE</u>	<u>ACCOUNT FI-F2</u>
Dec/30/91	Temporary Services	11,000,000	17,385	December	549

CBI-V1-001-001119

NSD CHIQUITA 2841



COMPANIA FRUTERA DE SEVILL
MEDELLIN - COLOMBIA

FAX: 251 65 44 - 251 68 35

FAX COVER LETTER

DATE: FEBRUARY 21 TH 1992

FROM:

TO:

CINCINNATI

COMMENTS: ATTACHED PLEASE FIND SENSITIVE PAYMENTS REPORT BY YEAR 1991
FOR TURBO DIVISION.

IF YOU HAVE ANY QUESTION PLEASE LET ME KNOW.

TOTAL PAGES INCLUDING FAX COVER LETTER:

2

CARRERA 47 No. 60 - 24 EDIF. FURATENA - PISO 14 TEL.: 251 60 82 A.A. 50309 TELEX: 68 746 SEVFRCO MED

CBI-V1-001-001118

NSD CHIQUITA 2842

2

5137848867

25185444

SENT BY: XEROX Telecopier 7017: 5-10-93 : 3:15PM ;

DIVISION: **FRUTERA DE SEVILLA-TURBO**

Plan #: **2516082**

Prepared By:

Prepared: **May 7, 1993**

CBI INTERNAL AUDIT DEPARTMENT

1992 GENERAL MANAGERS' EXPENSES

Listing of all transactions to record General Manager's/Manager's expenses for the period of January 1, 1992 to December 31, 1992.

Information provided is for account # _____ assigned to _____

MONTH	DATE OF TRANSACTION	ACCT. # / OR REFERENCE #	ACCOUNT # CHARGED	AMOUNT OF PAYMENT LOCAL CURRENCY	AMOUNT OF PAYMENT US DOLLARS	DESCRIPTION OF PAYMENT FROM ACCT# RECORD OR CASE OFFICE RECORDS	COMMENTS
January	31-01-93		85.999	20,000.000	31.018	Security expense approved by Mgr.	
March	31-03-93		85.999	9,400.000	14.523	Security expense approved by Mgr.	
April	30-04-93		85.999	3,850.000	5.911		
May	31-05-93		85.999	4,250.000	6.419		
June	30-06-93		85.999	8,950.000	12.802	Security expenses approved by Mgr.	
July	31-07-93		85.999	550.000	786		
August	31-08-93		85.999	850.000	1.225		
August	31-08-93		85.999	10,000.000	14.410	Security expense approved by Mgr.	
September	30-09-93		85.999	4,850.000	6.881	Security expense approved by Mgr.	
September	30-09-93		85.999	500.000	709		
October	31-10-93		85.999	5,750.000	8.075	Security expense approved by Mgr.	
November	31-10-93		85.999	750.000	1.039	Security expense approved by Mgr.	
December	31-12-93		85.999	18,859.760	22.846	Security expense approved by Mgr.	
December	31-12-93		85.999	5,000.000	6.775	Security expense approved by Mgr.	
					133,417	13/12	
					16,089	Exp approved by Mgr	
					117,328	Security Exp	
					72,751	Security Exp thru 8/92	

* NOTE - A detailed explanation of confidential information concerning such is not required for this form - such information will be returned later by the V.P. Internal Audit and the Law Department.

884 967

b6
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CBI-V1-001-001117

NSD CHIQUITA 2843

SENT BY: XEROX Telecopier 7017; 5-10-93 ; 3:15PM ;

2518544+

5137848887

1

COMPANIA FRUTERA DE SEVILLA
MEDELLIN - COLOMBIA



FAX: 251 65 44 - 251 65 35

FAX COVER LETTER

DATE: Medellin, May 10, 1993

Ext. 8379

TO:

FROM:

COMMENTS:

Attached is the Report for 1992 General Manager's expenses.

TOTAL PAGES INCLUDING FAX COVER LETTER: 2

CARRERA 47 No. 50 - 24 EDIF. FURATENA - PISO 14 TEL: 251 60 82 A.A. 80300 TELEX: 66 748 SEVFRCD MED

*Need to identify
account #*

Copy for

CBI-V1-001-001116

NSD CHIQUITA 2844

-EB-06-1997 10:44

P.03/03

V. ☒ I am aware of the following payment(s), contribution(s), donation(s), barter transaction(s), gift(s), or other transfer(s) of anything of value described in Section III. A. 1, 2, 3, and 4.

Recipient's Name	Recipient's Position	Purpose of Payment	Amount of Payment in Local Currency	Method of Payment	Date of Payment
<div style="border: 1px solid black; width: 150px; height: 40px;"></div>	NONE	DONATION	\$1,500,000	CASH	5/11/96
	NONE	REFRESHMENTS	48,000	CASH	20/12/96 not in E/L.

1548000 x .0009374 = \$1451.09

Intermediaries to local army/police

COLOMBIAN PESOS 1,005 = USD 1

VI. ☐ I am aware of the following instances in which the Company's books, records and accounts are inaccurate.

Signature:

Print Name:

Title:

Company:

Asst Controller
C.F. Banadex
Columbia Division

Period Covered

(Circle appropriate period)

January 1 - March 31, 1996

April 1 - June 30, 1996

July 1 - September 30, 1996

October 1 - December 31, 1996

C.F. Banadex

☐ Please contact me to discuss my reporting requirements under the Foreign Corrupt Practices Act. (Optional)

CBI-V1-001-001114

TOTAL P.03

#3/3

PAGE: 3

2-25-97 17:51:2685005 =>

TO: 2665005

FROM: 02/25 20:36 1997
EMISOR: C.I. BANADEX

NSD CHIQUITA 2846

11/19 14:28 1996 FROM: 2005000 TO: 9015137846691 P.01
11-19-1996 11:50AM FROM OK

OCT-31-1996 14:58

3/4

V. I am aware of the following payment(s), contribution(s), donation(s), barter transaction(s), gift(s), or other transfer(s) of anything of value described in Section III. A. 1, 2, 3, and 4.

Recipient's Name	Recipient's Position	Purpose of Payment	Amount of Payment in Local Currency	Method of Payment	Date of Payment
[Redacted]	Manager Criminals Department	Donation for maintenance of vehicle.	300,000 pesos	cash	23/07/96
The members of Brigade 17.	The member of Brigade 17.	Donation 2 pigs	170,000 pesos	Cash	28/08/96
The members of Cordoba Battalion	The members of Cordoba Battalion.	Donation	1,500,000 pesos	Cash	02/09/96
[Redacted]	Major Brigade 17 (Army)	Donation For supplies fuel.	184,200 pesos	Cash	04/09/96
[Redacted]	Major Estacion Nueva Colonia (Army) building maintenance	Donation for	200,000 pesos	Cash	04/09/96

2354200 X .0009339 = 2198.58

VI. I am aware of the following instances in which the Company's books, records and accounts are inaccurate.

Signature: [Redacted]
Print Name: [Redacted]
Title: CONTROLLER
Company: C.I. BANADEX S.A.

Period Covered:
(Circle appropriate period)
January 1 - March 31, 1996
April 1 - June 30, 1996
July 1 - September 30, 1996
October 1 - December 31, 1996

Please contact me to discuss my reporting requirements under the FARA

t.e. Security of
Fooding operation
in Urbaba &
Urbaba office

Post# Fax Note 7671 19/98

[Redacted]	
Phone #	Phone #
Fax # 9015137846691	Fax # 9060141

V. I AM AWARE OF THE FOLLOWING PAYMENT(S) CONTRIBUTION (S), DONATION (S), BARTER TRANSACCION (S), GIFT(S), OR ANYTHING OF VALUE DESCRIBED IN SECTION III. A. 1,2,3, AND 4.

INSTITUTION	RECIPIENT'S NAME	RECIPIENT'S POSITION	PURPOSE PAYMENT	AMOUNT PAYMENT LOCAL CURRENCY	PAYMENT IN \$ US	METHOD OF PAYMENT	DATE OF PAYMENT
POLICE		Middle Man	Security Support Santa marta	150,000	✓ 140.01	CASH	14.06.96
ARMY		Middle Man	Security Support Uraba	882,250	✓ 829.29	CASH	19.06.96
ARMY			Security Support Uraba	3,000,000	✓ 2,800.20	CASH	18.06.96
TOTAL 2 ND QUARTER 1996					3,769.50		
TOTAL 1 ST QUARTER 1996					5,339.70		
TOTAL ACUMULATED					9,109.20		

VI. I AM AWARE OF THE FOLLOWING INSTANCES IN WHICH THE COMPANY'S BOOKS, RECORDS AND ACCOUNTS ARE INACCURATE

SIGNATURE

PRINT NAME

TITLE C.A.O.

COMPANY C.I. BANADEX S.A.

PERIOD COVERED
(Circle appropriate Period)
APRIL 1 ST- JUNE 30 TH. 1996

CBI-V1-001-001112
NSD CHIOUITA 2848

file

04/15 18:57 1996

FROM:

2665005

TO:

PAGE: 2

04-15-1996 04:48PM

FROM BK

TO

15137846691

P.02

FCPA Report - sent to C.I. Banadex

V. I am aware of the following payment(s), contribution(s), donation(s), barter transaction(s), gift(s), or other transfer(s) of anything of value described in Section III. a. 1,2,3 and 4.

Institution	Recipient's Name	Recipient's Position	Purpose of Payment	Amount of Payment in Local Currency	Payment in US\$	Method of Payment	Date of Payment
Police		Middle Man	Security Support (Ports)	\$1,000,000.00	\$981.19	Cash	01/23/96
Army		Middle Man	Security Support (Uraba)	\$1,760,000.00	\$1,885.14	Cash	02/27/96
Army		Middle Man	Security Support (Santa Marta)	\$3,000,000.00	\$2,873.37	Cash	03/13/96
TOTALS 1ST QUARTER 1996					\$5,639.70		

VI. I am aware of the following instances in which the Company's books, records and accounts are inaccurate.

Signature

Print Name

Title

Company

C.A.O.

C.I. Banadex

Period Covered

(Circle Appropriate Period)

January 1 - March 31, 1996

April 1 - June 30, 1996

July 1 - September 30, 1996

October 1 - December 31, 1996

CBI-V1-001-001111

TOTAL P.02

NSD CHIQUITA 2849

FCPA / MANAGER FUNDS REPORTING TESTING
COLOMBIA

JV No.	Date	Description	Beneficiary	Pesos	Dollars	Comment	Attributes *	
							A	B
96013000357	23-1-96	Force out squatters farms Triunfo		3,000,000			N/A	Y
96032800002	19-3-96	Security of farms: Triunfo, Central e Isabel		1,000,000			N/A	Y
96032800012	27-3-96	Force out farms Sta. Marta (lawyer, transport, food)		2,900,000			N/A	Y
9603000466	13-3-96	Elmadex operation -Sierra Microempresa		10,000,000			N/A	Y
9603000466	13-3-96	Elmadex operation -Cooperativa zonal		10,000,000			N/A	Y
96040400079	22/4/96	Food expenses for army personnel-Zungo/TLO		248,500			Y	N/A
96041200037	15-4-92	Miscellaneous services		12,800,000			N/A	Y
96042800027	25-4-96	Donation to Police		300,000			N	Y
96043900015	31-3-96	Samarrex -Donations of materials	??	1,185,000		2)	N/A	Y
96073000336	15-7-96	Control program- travel expenses and service cost		9,150,000			N/A	N
96073000510	24/7/96	Industrial information (COMINFO)		350,000		1)	N/A	Y
96093000183	2-9-96	Control program- travel expenses and service cost		5,000,000			N/A	N
96093000597	20-9-96	Donacion Maritima		18,000,000			N/A	N
96102900030	8-10-96	Samarrex -Apoyo Logistico- Juan Manuel Alvarado		2,500,000			N	Y
96103000287	9-10-96	Apoyo Logistico- Juan Manuel Alvarado		2,500,000			N	Y
96113000136	5-11-96	Aid for army (Batallon Cordoba)		1,500,000			Y	N/A
96113000361	18-11-96	Programa de sierra		6,000,000			N/A	Y
Total number of exceptions							3	3
% of exceptions							18%	18%

N/A = NOT APPLICABLE

* ATTRIBUTES TESTED:

- A Properly reported in FCPA
B Properly reported in Manager Funds Report

1) Date does not agree with Manager Funds Report (MFR). Also, MFR shows 10 payments of 350,000 pesos each and G/L only shows 5 payments.

2) Pending clarification Juan Ml. Alvarado

Note: Sample was taken
from list on w/p DY.1

DY.

NSD CHIGUITA 2854
CBI-V1-001-001106

D3.

**Colombia Audit
FCPA REPORTING
1996**

	<u>Total YTD as per G/L</u>	<u>Total reported to Cincinnati</u>	<u>Difference</u>
<u>Pesos:</u>			
Payments to Government (65B 45 4340-478216)	17,549,785	13,684,550	3,865,235
<u>Detail of payments not reported:</u>			
Logistics Support (96-10/3000287) - Acct. 478216	2,500,000		
Logistics Support -Samarex (96-10/2900030) -Acct. 478216	2,500,000		
Donation police Sijin Cienaga (96-04/2800027) -Acct. 49607	300,000		
Total of payments not reported	5,300,000		
<u>Dollars:</u>			
Payments to Government (65B 45 4340-478216)	16,916	12,956	3,960
<u>Detail of payments not reported:</u>			
Logistics Support (96-10/3000287) - Acct. 478216	2,474		
Logistics Support -Samarex (96-10/2900030) -Acct. 478216	2,469		
Donation police Sijin Cienaga (96-04/2800027) -Acct. 49607	287		
Total of payments not reported	5,230		

FCPAANA.WK4

04/22/97

CBI-V1-001-001105

NSD CHIQUITA 2855

D3

COLOMBIA AUDIT
April 1997

FCPA TESTING

The FCPA report has been prepared by the Chief Accountant, who was fired this week as part of the overhead reduction. The base for him to prepare the report is the amounts recorded in the account 65B 454340478216.

All FCPA payments are coordinated by the Security Manager [redacted] According to conversations with him, all FCPA expenses are recorded in the account 65B 45 4340 -478216 "Apoyo logistico". We reviewed if all amounts recorded in this account had been reported in the FCPA Report and found that 4 of the payments showed on this account had not been reported (\$5.2K).

We also performed a sample review of payments recorded in other accounts, where special donations and disbursements are usually recorded, (Manager Funds account- 65B413510496045 and "Operation Expenses"-65B454340496070). We reviewed if the payment had been properly reported in the FCPA. We found only one instance where the payment had not been reported (only \$.3K).

Government donations or contributions are recorded in a "496-Miscellaneous" expense account instead of a "472-Contributions" account, which according to the WWCA (World Wide Chart of Accounts) should be used for contributions and donations. The reason for not using a contributions account is because according to colombian law all donations should be supported with a certificate properly approved by the government, which can not be obtain for the above mentioned donations.

Refer to D4 for a detail of the testing performed.

Conclusion:

According to the testing performed, 4 payments were not included in the FCPA report, which corresponds to \$5.2K. This represents 18% of the total that should be reported.

Recommendation:

To make sure that all reportable payments are included in the FCPA report, the Security Manager, should review that all amounts recorded in the account 65B454340496045 are correct and reported in the FCPA report. Also, a review of the description of the JV's recorded in the "Operations" and "Manager Funds" accounts should be done to identify other payments that should be reported.

CBI-V1-001-001104

NSD CHIQUITA 2856

D2

**Colombia Audit
Manager funds 1996**

	Total YTD as per G/L *	Total reported to Cincinnati	Difference
<u>Pesos:</u>			
Manager Funds Account (65B 41 3510-496 045)	2,660,320	3,792,000	(1,131,680)
Payments to Government (65B 45 4340-478216)	17,549,785	7,865,200	9,684,585
Other unusual payments (65B 45 4340-496070)	265,266,269	228,966,183	36,300,086
Total	285,476,374	240,623,383	44,852,991
<u>Dollars:</u>			
Manager Funds Account (65B 41 3510-496 045)	2,598	3,656	(1,059)
Payments to Government (65B 45 4340-478216)	16,916	7,705	9,210
Other unusual payments (65B 45 4340-496070)	256,746	223,548	33,198
Total	276,259	234,910	41,350

* The amounts recorded in the G/L were obtained from the detail of JV's shown on W/P D4.1 for Ba

Conclusion: A total of \$33.2K of the unusul payments account was not reported

Detail of payments not reported (pesos):	65,157,086
Payments reported that should not be reported because they had been credited-corrected in G/L:	(28,857,000)
Other payments erroneously reported	
Difference (net to be reported)	36,300,086

INGFUND.WK4

04/23/97

CBI-V1-001-001103

NSD CHIQUITA 2857

COLOMBIA AUDIT
April 1997

MANAGER FUNDS TESTING

The Manager Funds Report has been prepared by the Chief Accountant, who was fired this week as part of the overhead reduction. The base for him to prepare this report is the amounts recorded in the account 65B 413510-496045 plus other payments indicated to him by the Security department and that are recorded in other account for unusual payment (65B 454340-496070).

There is not a specific account where the payments corresponding to the Manager Funds are recorded, which makes the preparation of the report more difficult and more susceptible to errors. The manager fund's account 65B413510-496045 is also used to record expenses that are not reported as unusual payments. W/P D4.1 shows the payments recorded on this account that were reported to Cincinnati.

As per our review, some of the payments to government reported as FCPA were also included in the Manager Funds report, but there was not consistency because some FCPA payments were not included in the Manager Funds report.

W/P D2.1 shows a comparison between what was recorded in the G/L and what was reported to Cincinnati in 1996. Refer to W/P D4 for more detail on the payments included and not included in the Manager Funds Report.

Conclusion:

There is not a clear idea of which accounts represent reportable manager fund disbursements. The amounts reported to Cincinnati do not tie with the G/L. A total of \$33,2K that had been recorded in the "unusual payment account" 65B454340-478216 were not reported to Cincinnati (See D2.1).

Recommendation:

- ◆ Assign specific accounts to be used to record all reportable manager funds account (one for the unusual payments and another one for other types of payments)
- ◆ Indicate to the person who prepares the manager funds report that all the payments in the corresponding accounts should be reported.

CBI-V1-001-001102

NSD CHIQUITA 2858

b6
b7c

CBI-VI-001-001101

DIVISION: 7100
Form # 111 74-74
Prepared By: [Redacted]
Date Prepared: [Redacted]

CBI INTERNAL AUDIT DEPARTMENT
#92 GENERAL MANAGERS' EXPENSES

Listing of all transactions to general fund Manager's Expenses
expensive for period of January 1, 1992 to December 31, 1992

MONTH	DATE OF TRANSACTION	ACCT. JVF OR REFERENCE #	ACCOUNT # CHARGED	AMOUNT OF PAYMENT (LOCAL CURRENCY)	AMOUNT OF PAYMENT (IN DOLLARS)	DESCRIPTION OF PAYMENT FROM ACCTG RECORDS OR CASE OFFICE RECORDS	COMMENTS
August	92-08-08	60-16-01-00	60-16-01-00	16,000,000	14,410	Turbo Security payment	Manager's Expense BOX
August	92-08-11	60-16-01-00	60-16-01-00	480,000	577	Turbo Security payment	Manager's Expense CFS
August	92-08-20	60-16-01-00	60-16-01-00	290,000	351	Turbo Security payment	Manager's Expense CFS
August	92-08-20	60-16-01-00	60-16-01-00	290,000	289	Turbo Security payment	Manager's Expense CFS
August	92-08-25	60-16-01-00	60-16-01-00	190,000	143	Turbo Security payment	Manager's Expense CFS
August	92-08-30	60-16-01-00	60-16-01-00	178,350	185	Turbo Security payment	Manager's Expense CFS
September	92-09-01	60-16-01-00	60-16-01-00	250,000	361	Turbo Security payment	Manager's Expense CFS
September	92-09-01	60-16-01-00	60-16-01-00	2,540,000	3,613	Airport equipment replacement	Payment by CFS
September	92-09-01	60-16-01-00	60-16-01-00	939,350	1,351	Medical Equipment	Payment by BOX
September	92-09-10	60-16-01-00	60-16-01-00	250,000	359	Turbo Security payment	Manager's Expense CFS
September	92-09-14	60-16-01-00	60-16-01-00	250,000	359	Turbo Security payment	Manager's Expense CFS
September	92-09-14	60-16-01-00	60-16-01-00	4,000,000	5,344	Turbo Security payment	Manager's Expense CFS
September	92-09-14	60-16-01-00	60-16-01-00	250,000	359	Turbo Security payment	Manager's Expense CFS
September	92-09-15	60-16-01-00	60-16-01-00	250,000	502	Turbo Security payment	Manager's Expense CFS
September	92-09-15	60-16-01-00	60-16-01-00	62,821	89	Turbo Security payment	Payment by CFS
September	92-09-30	60-16-01-00	60-16-01-00	65,339	93	Turbo Security payment	Payment by CFS
September	92-09-30	60-16-01-00	60-16-01-00	2,750,000	3,930	Turbo Security payment	Manager's Expense CFS
October	92-10-01	60-16-01-00	60-16-01-00	1,350,000	1,774	Turbo Security payment	Manager's Expense CFS
October	92-10-21	60-16-01-00	60-16-01-00	181,200	1,368	Donation to Army	Payment by CFS
October	92-10-30	60-16-01-00	60-16-01-00	80,000	112	Donation to Army	Payment by CFS
October	92-10-30	60-16-01-00	60-16-01-00	750,000	1,038	Turbo Security payment	Manager's Expense CFS
November	92-11-11	60-16-01-00	60-16-01-00	150,000	207	Donation to Army	Payment by CFS
November	92-11-17	60-16-01-00	60-16-01-00	2,500,000	3,463	Turbo Security payment	Manager's Expense CFS
November	92-11-21	60-16-01-00	60-16-01-00	250,000	346	Turbo Security payment	Manager's Expense CFS
November	92-11-21	60-16-01-00	60-16-01-00	250,000	347	Turbo Security payment	Manager's Expense CFS
November	92-11-26	60-16-01-00	60-16-01-00	18,000	14	Turbo Security payment	Manager's Expense CFS
November	92-11-26	60-16-01-00	60-16-01-00	108,780	152	Vehicle Rental	Payment by CFS
November	92-11-26	60-16-01-00	60-16-01-00	88,000	111	Donation to Army	Payment by CFS
November	92-11-26	60-16-01-00	60-16-01-00	2,500,000	3,460	Turbo Security payment	Manager's Expense CFS
November	92-11-27	60-16-01-00	60-16-01-00	5,000,000	6,919	Turbo Security payment	Manager's Expense BOX
November	92-11-27	60-16-01-00	60-16-01-00	35,000	42	Vehicle Rental	Payment by CFS
November	92-11-27	60-16-01-00	60-16-01-00	5,000,000	6,812	Turbo Security payment	Manager's Expense CFS
November	92-11-29	60-16-01-00	60-16-01-00	250,000	345	Turbo Security payment	Manager's Expense CFS
November	92-11-30	60-16-01-00	60-16-01-00	250,000	345	Turbo Security payment	Manager's Expense CFS
November	92-11-30	60-16-01-00	60-16-01-00	2,630,000	3,611	Turbo Security payment	Manager's Expense CFS
December	92-12-03	60-16-01-00	60-16-01-00	210,000	286	Vehicle Rental	Payment by CFS
December	92-12-21	60-16-01-00	60-16-01-00	55,745	76	Turbo Security payment	Payment by CFS
December	92-12-21	60-16-01-00	60-16-01-00				
TOTAL				101,712,215	148,937		

12-30-93 10:08AM : FRUTERA DE S...

12-30-93

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LI-V1-001-001100

OUR AUDIT ONLY
VERIFIED 1993 -
WE DID NOT ESTABLISH
THAT THESE WERE
RECORDED IN THE
GENERAL LEDGER.

the proposed

listing of all transactions received December 1980 through January
expenses for the month of January 1, 1982 to November 11, 1992.

MONTH	DATE OF TRANSACTION	ACCT. IV# OR REFERENCE #	ACCOUNT # CHARGED	AMOUNT OF PAYMENT (LOCAL CURRENCY)	AMOUNT OF PAYMENT (US DOLLARS)	* DESCRIPTION OF PAYMENT FROM ACCTG RECORDS OR CASE OFFICE RECORDING	COMMENTS
January	92-01-15	60-16-01-00	60-16-01-00	5,000,000	7,251	Turbo Security payment	Manager's Expense CFS
January	92-01-14	60-16-01-00	60-16-01-00	5,000,000	7,279	Turbo Security payment	Manager's Expense CFS
January	92-01-13	60-16-01-00	60-16-01-00	5,000,000	7,603	Turbo Security payment	Manager's Expense CFS
January	92-01-16	60-16-01-00	60-16-01-00	5,000,000	7,632	Turbo Security payment	Manager's Expense CFS
January	92-01-11	60-16-01-00	60-16-01-00	300,000	469	Turbo Security payment	Manager's Expense CFS
March	92-03-11	60-16-01-00	60-16-01-00	250,000	388	Turbo Security payment	Manager's Expense CFS
March	92-03-18	60-16-01-00	60-16-01-00	200,000	778	Turbo Security payment	Manager's Expense CFS
March	92-03-19	60-16-01-00	60-16-01-00	3,000,000	4,676	Turbo Security payment	Manager's Expense CFS
March	92-03-20	60-16-01-00	60-16-01-00	150,000	546	Turbo Security payment	Manager's Expense CFS
March	92-03-20	60-16-01-00	60-16-01-00	2,000,000	3,118	Duration to Army	Payment by CFS
March	92-03-20	60-16-01-00	60-16-01-00	5,800,000	7,723	Turbo Security payment	Manager's Expense CFS
March	92-03-20	60-16-01-00	60-16-01-00	600,000	927	Turbo Security payment	Manager's Expense CFS
April	92-04-13	60-16-01-00	60-16-01-00	3,250,000	4,933	Turbo Security payment	Manager's Expense CFS
April	92-04-20	60-16-01-00	60-16-01-00	118,490	181	Travel Expenses	Payment by CFS
May	92-05-07	60-16-01-00	60-16-01-00	1,100,000	1,976	Turbo Security payment	Manager's Expense CFS
May	92-05-11	60-16-01-00	60-16-01-00	450,000	684	Turbo Security payment	Manager's Expense CFS
May	92-05-11	60-16-01-00	60-16-01-00	517,740	87	Travel Expenses	Payment by CFS
May	92-05-15	60-16-01-00	60-16-01-00	25,000,000	3,766	Turbo Security payment	Manager's Expense CFS
May	92-05-19	60-16-01-00	60-16-01-00	53,890	81	Travel Expenses	Payment by CFS
May	92-05-19	60-16-01-00	60-16-01-00	11,500	26	Travel Expenses	Payment by CFS
May	92-05-19	60-16-01-00	60-16-01-00	57,840	87	Travel Expenses	Payment by CFS
May	92-05-19	60-16-01-00	60-16-01-00	156,050	236	Travel Expenses	Payment by CFS
May	92-05-22	60-16-01-00	60-16-01-00	111,530	167	Travel Expenses	Payment by CFS
June	92-06-10	60-16-01-00	60-16-01-00	300,000	451	Turbo Security payment	Manager's Expense CFS
June	92-06-10	60-16-01-00	60-16-01-00	53,890	80	Travel Expenses	Payment by CFS
June	92-06-17	60-16-01-00	60-16-01-00	250,000	370	Turbo Security payment	Manager's Expense CFS
June	92-06-17	60-16-01-00	60-16-01-00	100,000	221	Turbo Security payment	Manager's Expense CFS
June	92-06-18	60-16-01-00	60-16-01-00	1,000,000	1,411	Turbo Security payment	Manager's Expense CFS
June	92-06-18	60-16-01-00	60-16-01-00	1,000,000	1,470	Turbo Security payment	Manager's Expense CFS
June	92-06-18	60-16-01-00	60-16-01-00	178,150	188	Travel Expenses	Payment by CFS
June	92-06-20	60-16-01-00	60-16-01-00	126,150	118	Travel Expenses	Payment by CFS
June	92-06-20	60-16-01-00	60-16-01-00	1,700,000	1,847	Turbo Security payment	Manager's Expense CFS
June	92-06-24	60-16-01-00	60-16-01-00	18,000,000	2,636	Turbo Security payment	Manager's Expense CFS
June	92-06-24	60-16-01-00	60-16-01-00	250,000	359	Turbo Security payment	Manager's Expense CFS
July	92-07-04	60-16-01-00	60-16-01-00	62,000	19	Turbo Security payment	Manager's Expense CFS
July	92-07-09	60-16-01-00	60-16-01-00	2,500,000	3,573	Turbo Security payment	Manager's Expense CFS
July	92-07-21	60-16-01-00	60-16-01-00	23,200	36	Turbo Security payment	Manager's Expense CFS
July	92-07-23	60-16-01-00	60-16-01-00	6,000,000	7,177	Turbo Security payment	Manager's Expense CFS
July	92-07-23	60-16-01-00	60-16-01-00	146,130	209	Travel Expenses	Payment by CFS

CBI-V1-001-001099

CB NSD CHIQUITA 2861

DIVISION: 10200
Phase I: 10/2/83
Prepared by: [Redacted]
Date Prepared: 10-Dec-83

CBI INTERNAL AUDIT DEPARTMENT
1993 GENERAL MANAGERS' EXPENSES

Listing of all transactions to General Manager's Office
Expenses for the period of January 1, 1993 to November 30, 1993.

MONTH	DATE OF TRANSACTION	ACCT. # OR REFERENCE #	ACCOUNT # CHANGED	AMOUNT OF PAYMENT (LOCAL CURRENCY)	AMOUNT OF PAYMENT (US DOLLARS)	* DESCRIPTION OF PAYMENT FROM ACCTG RECORDS OR CASE OFFICE RECORDS	COMMENTS
August	01-08-93	60-16-01-00	60-16-01-00	60,000	75	Travel Security payment	Manager's Expense CFS
August	01-08-93	60-16-01-00	60-16-01-00	100,000	125	Travel Security payment	Manager's Expense CFS
August	01-08-93	60-16-01-00	60-16-01-00	250,000	312	Travel Security payment	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	300,000	375	Travel Security payment	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	1,000,000	1,250	Travel Security payment	Manager's Expense CFS
August	01-08-93	60-16-01-00	60-16-01-00	2,000,000	2,500	Travel Security payment	Manager's Expense CFS
August	01-08-93	60-16-01-00	60-16-01-00	137,000	171	Travel Expenses	Payment by CFS
August	01-08-93	60-16-01-00	60-16-01-00	30,000	37	Travel Expenses	Payment by CFS
August	01-08-93	60-16-01-00	60-16-01-00	30,000	37	Travel Expenses	Payment by CFS
August	01-08-93	60-16-01-00	60-16-01-00	36,000	45	Travel Security payment	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	6,250,000	7,812	Travel Security payment	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	300,000	375	Travel Security payment	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	18,000	22	Travel Security payment	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	4,500,000	5,625	Travel Security payment	Payment by BOIX
August	01-08-93	60-16-01-00	60-16-01-00	451,200	564	Medical Services	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	1,000,000	1,250	Travel Security payment	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	200,000	250	Travel Security payment	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	250,000	312	Travel Security payment	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	250,000	312	Travel Security payment	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	3,000,000	3,750	Travel Security payment	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	100,000	125	Travel Security payment	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	5,561,390	6,951	Travel Security payment	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	6,500,000	8,125	Travel Security payment	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	1,000,000	1,250	Travel Security payment	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	5,450,000	6,812	Travel Security payment	Manager's Expense BOIX
August	01-08-93	60-16-01-00	60-16-01-00	3,000,000	3,750	Travel Security payment	Manager's Expense BOIX
TOTAL				96,250,390	121,275		

OUR COPY VERIFIED
UP TO 10/25/93

DIVISION: TURBO
Phone #: 341-7474
Prepared By: [redacted]
Date Prepared: 16 Dec 93CBI INTERNAL AUDIT DEPARTMENT
1993 GENERAL MANAGERS' EXPENSESListing of all transactions received General Managers' Manager's
expenses for the period of January 1, 1993 to November 30, 1993.

MONTH	DATE OF TRANSACTION	ACCT. TYPE OR REFERENCE #	ACCOUNT # CHARGED	AMOUNT OF PAYMENT (LOCAL CURRENCY)	AMOUNT OF PAYMENT (USDOLLARS)	* DESCRIPTION OF PAYMENT FROM ACCTG RECORDS OR CASH OFFICE RECORDS	COMMENTS
January	04-01-93	60-16-01-00	60-16-01-00	1,000,000	1,391	Turbo Security payment	Manager's Expense CFS
January	04-01-93	60-16-01-00	60-16-01-00	2,500,000	3,386	Turbo Security payment	Manager's Expense CFS
January	10-01-93	60-16-01-00	60-16-01-00	400,000	534	Turbo Security payment	Manager's Expense CFS
February	13-01-93	60-16-01-00	60-16-01-00	250,000	334	Turbo Security payment	Manager's Expense CFS
February	17-01-93	60-16-01-00	60-16-01-00	2,200,000	3,041	Turbo Security payment	Manager's Expense CFS
February	25-01-93	60-16-01-00	60-16-01-00	250,000	331	Turbo Security payment	Manager's Expense CFS
February	25-01-93	60-16-01-00	60-16-01-00	800,000	1,072	Turbo Security payment	Manager's Expense CFS
February	25-01-93	60-16-01-00	60-16-01-00	223,800	293	Turbo Security payment	Payment by CFS
March	05-01-93	60-16-01-00	60-16-01-00	250,000	332	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	800,000	1,072	Turbo Security payment	Payment by CFS
March	05-01-93	60-16-01-00	60-16-01-00	60,000	81	Payment to Police for protection in hotel	Payment by CFS
March	05-01-93	60-16-01-00	60-16-01-00	60,000	81	Purchasing of stock for Turbo Security	Payment by CFS
March	05-01-93	60-16-01-00	60-16-01-00	36,480	48	Purchasing of stock for Turbo Security	Payment by CFS
March	05-01-93	60-16-01-00	60-16-01-00	300,000	393	Turbo Security payment	Manager's Expense BOX
March	05-01-93	60-16-01-00	60-16-01-00	300,000	393	Turbo Security payment	Manager's Expense BOX
March	05-01-93	60-16-01-00	60-16-01-00	300,000	393	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	300,000	393	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	2,250,000	3,028	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	250,000	332	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	250,000	332	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	16,500	21	Turbo Security payment - miscellaneous	Payment by CFS
March	05-01-93	60-16-01-00	60-16-01-00	124,969	165	Turbo Security payment	Payment by CFS
March	05-01-93	60-16-01-00	60-16-01-00	200,000	268	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	3,653,000	4,895	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	75,000	97	Turbo Security payment	Manager's Expense BOX
March	05-01-93	60-16-01-00	60-16-01-00	476,000	615	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	204,000	264	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	2,000,000	2,663	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	3,000,000	3,941	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	350,000	449	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	250,000	331	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	71,880	96	Turbo Security payment	Payment by CFS
March	05-01-93	60-16-01-00	60-16-01-00	1,000,000	1,324	Turbo Security payment	Manager's Expense BOX
March	05-01-93	60-16-01-00	60-16-01-00	16,000	21	Purchasing of stock for Turbo Security	Payment by CFS
March	05-01-93	60-16-01-00	60-16-01-00	72,000	93	Purchasing of stock for Turbo Security	Payment by CFS
March	05-01-93	60-16-01-00	60-16-01-00	1,250,000	1,604	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	1,000,000	1,324	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	1,392,000	1,836	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	387,000	507	Turbo Security payment	Manager's Expense CFS
March	05-01-93	60-16-01-00	60-16-01-00	144,200	184	Turbo Security payment	Payment by CFS
March	05-01-93	60-16-01-00	60-16-01-00	1,755,000	2,320	Turbo Security payment	Manager's Expense BOX
March	05-01-93	60-16-01-00	60-16-01-00	1,512,000	1,970	Turbo Security payment	Manager's Expense BOX
March	05-01-93	60-16-01-00	60-16-01-00	6,000,000	7,970	Turbo Security payment	Manager's Expense BOX

1993 TURBO

OUR AUDIT VERIFIED
JAN 1, 1993 - OCTOBER 25, 1993
THAT THESE MONIES
WERE RECEIVED IN THE
GENERAL LEADER

REV 3V:

12-30-93 9:08AM FRUTERA DE SEVILLA



COMPANIA FRUTERA DE SEVILLA
MEDELLIN - COLOMBIA

FAX: 251 85 44 - 251 88 35

FAX COVER LETTER

DATE: XII-30-93

TO: [REDACTED] - INTERNAL AUDIT. (513-284-6635)

FROM: [REDACTED] - CONTROLLER'S ASSISTANT.

COMMENTS: ATTACHED you will find 1992 & 1993 (JAN-NOV.)
GENERAL MANAGER'S EXPENSES FOR [REDACTED]
DIVISION.

IF YOU HAVE ANY QUESTION PLEASE LET ME KNOW

REGARDS.



TOTAL PAGES INCLUDING FAX COVER LETTER: 5

CARRERA 47 No. 80 - 24 EDIF. FRUTENA - PISO 14 TEL: 251 80 82 A.A. 80308 TELEX: 88748 SEVFRCO MED

Copy to:

[REDACTED] VERY IMPORTANT
WHAT WE SAW IN THE MOI
ADDRESS WITH THIS OIL-MILK



THIS IS THE
REVISED REPORT FOR DE
SUPPORT



CBI-V1-001-001097

NSD. CHIQUITA 2863

NOV-04-03 15:16

N.A./EUROPEAN-SOURC.Rica

5062042394

PAG: 5/5

for 2000 → add to distribution

Page 3

11/04/2003 03:02PM

CBI-V1-001-001096

NSD CHIQUITA 2864

NOV-04-03 15:15

N.A./EUROPEAN-SOURC.Rica

5082042394

PAG: 4/5

- b. Internal Audit will periodically perform on-site reviews of disbursements at the operating units which use a Manager's Expense account to assure that the quarterly review, referred to above, includes all appropriate transactions.
- c. As part of the operating unit's TCS, the General Manager's supervisor should approve the amount for the Manager's Expense account.

If an operating unit does not have a Manager's Expense account and would like to use one, [redacted] CBII Vice President and Controller, should be contacted for authorization. The Financial & Administrative Policies relating to this subject are:

- X Internal Control A-1.0, pp. 1/7
- X Quarterly Representation Letter B-3.0, pp. 1-6
- X Fiduciary Responsibilities of Local Chief Financial Officers A-6.0, pp. 1-2
- X FCPA commentary and the Company's "Statement of Policies & Procedures," A-2.0, pp. 1-3 (and exhibits)

Please contact me if you have any questions.

Distribution

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:MgrsExp99.doc

11/04/2003 03:02PM

NOV-04-03 15:15

N.A./EUROPEAN-SOURC.Rica

5062042394

PAG: 3/5



Chiquita Brands International

MEMORANDUM

TO: Distribution

DATE: November 30, 1999

FROM: [REDACTED]

PHONE: 513-768-4933

SUBJECT: Accounting for Confidential Payments

This memorandum confirms current practices superseding previous guidance provided in memoranda from [REDACTED]. These practices help ensure operating units have accurate books and records and adequate systems of internal accounting controls, while allowing appropriate confidentiality.

There are two options for recording confidential payments. These are the only two options unless you receive authorization to use another method from [REDACTED] CBI Vice President and Controller.

1. Follow standard Company practices in recording and classifying these transactions in the operating unit's books and records; or
2. Record these transactions in a Manager's Expense account and comply with the following procedure:
 - a. The General Manager will maintain the details and documents supporting the transactions recorded in the Manager's Expense account.

At least once each quarter, the Manager of the San José, Costa Rica, Internal Audit Regional Office will perform an on-site review of each transaction recorded in the Manager's Expense account to determine whether:

- The transaction was properly authorized, documented and supported;
- Documentation and support exists for each transaction (a list of such transactions should be prepared by the local controller); and
- If required, transactions were reported on an appropriate quarterly Foreign Corrupt Practices Act Compliance Certificate.

During this review, the Internal Audit Manager may request copies of supporting details and documents for further review with the Law Department.

11/04/2003 03:02PM

CBI-V1-001-001094

NSD CHIQUITA 2866

REDACTED

11/04/2003 03:02PM

CBI-V1-001-001093

NSD CHIQUITA 2867

REDACTED

CBI-V1-001-001092

NSD CHIQUITA 2868

**Security Payments
Year 2003**Account 65-496-313
Amount/box \$ 0.03

Month	Boxes	US\$	FX	Net Payment in Pesos From Calculation	Payment	Withholding Tax (Pesos)	Total Cost (Pesos)	Date of Payment
Jan-03	245,875	7,376	2,924	21,567,424	21,567,424	13,501,558	35,068,982	30-Jan-03
Feb-03	196,146	5,894	2,940	17,300,000	17,300,000	10,830,081	28,130,081	9-May-03
Mar-03	251,751	7,553	2,868	21,662,004	21,662,004	13,560,767	35,222,771	29-May-03
Apr-03	204,643	6,139	2,868	17,606,652	17,606,652	11,022,050	28,628,702	4-Jun-03
May-03	189,358	5,681	2,868	16,293,108	16,293,108	10,199,751	26,492,859	6-Jun-03
Jun-03	242,574	7,277	2,817	20,499,309	20,499,309	12,832,901	33,332,210	4-Jul-03
Jul-03	192,984	5,790	2,888	16,721,520	16,721,520	10,467,943	27,189,463	31-Jul-03
Aug-03	231,266	6,938	2,841	19,710,858	19,710,858	12,339,318	32,050,176	28-Aug-03
Sep-03	313,265	9,398	2,879	27,056,842	27,056,842	16,938,023	43,994,865	
Oct-03	-	-	-	-	-	-	-	
Nov-03	-	-	-	-	-	-	-	
Dec-03	-	-	-	-	-	-	-	
Total	2,067,862	62,036		178,417,717	178,417,717	111,692,392	290,110,109	

00000001.00

Page 7

SENT BY: CIA FRUTERA SEVILLA :10-22-92 : 9:44 : CIA FRUTERA SEVILLA* 5137846691 :# 1



COMPAÑIA FRUTERA DE SEVILLA

DIVISION SANTA MARTA

CONFIDENCIAL

DATE : 10/22/92

TO

FAX No.: 6691

FROM

FAX No.: 211273

COPY :

SUBJECT: CONFIDENTIAL.

TOTAL PAGES INCLUDING THIS FAX COVER: 6

CBI-V1-001-001257

NSD CHIQUITA 2919

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NSD CHIQHITA 2921

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NSD CHITQUITA 2922

REDACTED

CBI-V1-001-001253

NSD CHIQUITA 2923

REDACTED

CBI-V1-001-001194

NSD CHICAGO 2982

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CBI-V1-001-001344

NSD CHICHIITA 2998

REDACTED

CBI-V1-001-001343

NSD CHICHIITA 2999

REDACTED

CBI-V1-001-001329

NSD CHIQUITA 3013

REDACTED

CBI-V1-001-001318

NSD CHIKUITA 3024

V. _____ I am aware of the following payment(s), contribution(s), donation(s), barter transaction(s), gift(s), or other transfer(s) of anything of value described in Section III. A. 1, 2, 3, and 4.

<u>Recipient's Name</u>	<u>Recipient's Position</u>	<u>Purpose of Payment</u>	<u>Amount of Payment in Local Currency</u>	<u>Method of Payment</u>	<u>Date of Payment</u>
-------------------------	-----------------------------	---------------------------	--	--------------------------	------------------------

REFER TO FOIA REPORT SUBMITTED BY
[REDACTED] SECURITY.

VI. _____ I am aware of the following instances in which the Company's books, records and accounts are inaccurate.

Signature:

Print Name:

Title:

Company:

[REDACTED]

Period Covered

(Circle appropriate period)

January 1 - March 31, 1999

April 1 - June 30, 1999

July 1 - September 30, 1999

October 1 - December 31, 1999

_____ Please contact me to discuss my reporting requirements under the Foreign Corrupt Practices Act. (Optional)

CBI-V1-001-001308

NSD CHICAGO 3034

07/30 18:22 1998

FROM:

2660141

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PAGE: 4

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C. I. BANADEX-

:# 4

V. I am aware of the following payment(s), contribution(s), donation(s), barter transaction(s), gift(s), or other transfer(s) of anything of value described in Section III. A. 1, 2, 3, and 4.

Recipient's Name	Recipient's Position	Purpose of Payment	Amount of Payment in Local Currency	Method of Payment	Date of of Payment
---------------------	-------------------------	-----------------------	---	----------------------	-----------------------

See Security Colombia

VI. I am aware of the following instances in which the Company's books, records and accounts are inaccurate.

Signature:

[Redacted Signature Box]

Period Covered
(Circle appropriate period)

Print Name:

January 1 - March 31, 1998

Title:

Financial Manager

April 1 - June 30, 1998

Company:

Ci. Banadex

July 1 - September 30, 1998

October 1 - December 31, 1998

 Please contact me to discuss my reporting requirements under the Foreign Corrupt Practices Act. (Optional)

CBI-V1-001-001300

NSD CHIQIITA 3042

07/30 18:21 1998
ENV10:

FROM:

2660141

TO:

7-30-98 ; 14:31 ;

C. I. BANADEX-

PAGE: 3

3

V. _____ I am aware of the following payment(s), contribution(s), donation(s), barter transaction(s), gift(s), or other transfer(s) of anything of value described in Section III. A. 1, 2, 3, and 4.

Recipient's Name	Recipient's Position	Purpose of Payment	Amount of Payment in Local Currency	Method of Payment	Date of of Payment
---------------------	-------------------------	-----------------------	---	----------------------	-----------------------

See Security Colombia

VI. _____ I am aware of the following instances in which the Company's books, records and accounts are inaccurate.

Signature: _____	Period Covered (Circle appropriate period)
Print Name: _____	January 1 - March 31, 1998
Title: <i>Financial Manager</i>	<u>April 1 - June 30, 1998</u>
Company: _____	July 1 - September 30, 1998
	October 1 - December 31, 1998

Please contact me to discuss my reporting requirements under the Foreign Corrupt Practices Act. (Optional)

CBI-V1-001-001299

NSD CHIQUITA 3043

V. _____ I am aware of the following payment(s), contribution(s), donation(s), barter transaction(s), gift(s), or other transfer(s) of anything of value described in Section III. A. 1, 2, 3, and 4.

<u>Recipient's Name</u>	<u>Recipient's Position</u>	<u>Purpose of Payment</u>	<u>Amount of Payment in Local Currency</u>	<u>Method of Payment</u>	<u>Date of of Payment</u>
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Reported on other sheets

VI. _____ I am aware of the following instances in which the Company's books, records and accounts are inaccurate.

Signature:

Print Name:

Title:

Company:



Period Covered
(Circle appropriate period)

January 1 - March 31, 1998

April 1 - June 30, 1998

July 1 - September 30, 1998

October 1 - December 31, 1998

_____ Please contact me to discuss my reporting requirements under the Foreign Corrupt Practices Act. (Optional)

CBI-V1-001-001298

NSD CHITQUITA 3044

FEDERAL BUREAU OF INVESTIGATION
FOIPA
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