MEMORANDUM

To: [Redacted]
From: [Redacted]
Date: August 29, 1997
Re: CONVIVIR

During my trip to Colombia last week, I discussed the issue of CONVIVIR with the Head of Security, and advised me that we currently are members of an organization called CONVIVIR Puntaleda, S.A., a legal entity in which we participate with other banana exporting companies in the Turbo region. Banadex currently pays $0.03 per box to this CONVIVIR (from week 18th of this year through week 17th of next year).

CONVIVIR are entities that legally operate and exist under Colombian law. However, Banadex is not a shareholder per se (and likewise does not know who the real shareholders are, people which for obvious reasons wish to remain anonymous). CONVIVIR organizations have been pushed by the government as a means of combating guerrilla terrorism. While they operate under military supervision (and have offices at the military bases), their sole function is to provide information on guerrilla movements and the funds supplied by companies like Banadex go to buy radios, motorcycles and other equipment. The CONVIVIR members are not paramilitary groups and are generally unarmed.

The organization emphatically emphasizes that CONVIVIR operate under full legal protection in Colombia and that our participation is not illegal. Likewise, they advised me that CONVIVIR organizations are not public entities.

Should you have any question, please let me know.