



Loreto Bay Foundation FAQ

As part of Loreto Bay Company's sustainable development practices, we have established a Foundation to benefit the town of Loreto and issues of importance to the community, including support for the Loreto Bay National Marine Park. The following are some of the most frequently asked questions regarding the Loreto Bay Foundation.

WHAT IS THE LORETO BAY FOUNDATION?

The Loreto Bay Foundation is an independent Mexican not-for-profit corporation. The Foundation, whose formal name is Fundación Bahía de Loreto, was established by The Trust for Sustainable Development, Loreto Bay's parent company. Its purpose is to serve the social, educational, ecological and business needs of the town of Loreto and the surrounding region, which are growing and changing with the development of The Villages of Loreto Bay, located seven miles to the south.

HOW IS THE FOUNDATION FUNDED?

Loreto Bay Company and FONATUR have contractually agreed to dedicate one percent of the gross proceeds of all sales to the Foundation. For over two years, all the necessary legal documentation has been in place to ensure that one percent from Loreto Bay Company sales, and all subsequent re-sales of property in this development, go to the Foundation. This money is being forwarded to the Foundation as contracts close and houses are completed. As of December 31, 2006, the Foundation had received over \$1 million in funding, given out nearly \$700,000 in grants and undertaken approximately \$280,000 in direct program services for the community.

WHERE IS THE FOUNDATION INCORPORATED?

In September 2004, the Foundation was formed and incorporated in Mexico. As part of this process, the Foundation formed its own Board of Trustees and identified its own mission and vision. In this way it has established clear independence from the developer/benefactor, as well as from FONATUR (Mexico's tourism development agency).

HOW IS THE FOUNDATION MANAGED?

The Loreto Bay Foundation has one part-time staff person, Mark J. Spalding, who is the Executive Director. Mark is a top expert in coastal and marine biodiversity conservation and community foundation philanthropy. In addition, the Foundation has received legal support provided free of charge from Loreto Bay Company's in-house counsel and Mexican legal counsel.

The Ocean Foundation, a private, international grant-making portal focused on supporting ocean resource conservation through skilled grant-making, is acting as the host of the Loreto Bay Foundation until this new Foundation reaches scale. The Ocean Foundation also provides the Loreto Bay Foundation with a way for U.S. tax-payers to benefit the community of Loreto and receive a tax deduction against U.S. sourced income. Donations are currently being accepted online.

The Foundation's Board of Trustees is charged with setting policies, including its long-term grant-making strategy. The Foundation currently has five board members. The plan is to add at least two more board members with unique knowledge of the needs of the Loreto region. Foundation staff handles all day-to-day management and grant making issues.

WHO IS ON THE BOARD OF TRUSTEES?

The members of the Board of Trustees of the Fundación Bahía de Loreto, A.C. are personally committed to the mission of the Foundation, and volunteer their time and expertise to make it a success. The Foundation's initial board is made up of:

- David C. Butterfield, President, The Trust for Sustainable Development and Chairman, Loreto Bay Company
- Catherine Cameron, former Executive Director, Wallace Global Fund (has spent the last 30 years working on international issues, especially those relating to women, population, health, etc.)
- Dr. James L. Elder, Cloud Institute for Sustainability Education (brings ecotourism knowledge and experience)
- Iain Kerr, Vice President and CEO, Ocean Alliance (offers experience in marine conservation as we focus on the Loreto Bay Marine Park)
- Mark J. Spalding, Executive Director

WHAT COMMUNITY PROJECTS WILL BE SUPPORTED BY THE FOUNDATION?

The scope of the Foundation covers the community of Loreto to include: health and human services, sustainable development, environment, education, preservation, affordable housing and the Marine Park. All Foundation activities are designed to be consistent with the principles of sustainable development and social equity, and to employ the best available practices in each of the listed fields.

WHAT ARE THE GRANT GUIDELINES?

Word has quickly spread that this Foundation has been established; the office has received and responded to inquiries from many potential grantees. The grant guidelines for the Foundation are available online in English and Spanish and also by request. The guidelines set forth deadlines for submissions, as well as the content requirements for the submission.

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