

Return of Organization Exempt From Income Tax

2013

Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter Social Security numbers on this form as it may be made public.
▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

Department of the Treasury
Internal Revenue Service

A For the 2013 calendar year, or tax year beginning 2013, and ending 2013, and ending 20

B Check if applicable:
 Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

C Name of organization **FOUNDATION FOR PUERTO RICO, INC.**
 Doing Business As _____
 Number and street (or P O box if mail is not delivered to street address) **650 MUÑOZ RIVERA AVENUE** Room/suite **502**
 City or town, state or province, country, and ZIP or foreign postal code **SAN JUAN, PR 00918-4149**

D Employer identification number **66-0776227**
E Telephone number **787-773-1100**
G Gross receipts \$ **1,102,822**

F Name and address of principal officer **DAMARIS OCASIO**
650 MUÑOZ RIVERA AVENUE, SUITE 502, SAN JUAN, PR. 00918-4149

H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
 If "No," attach a list (see instructions)

I Tax-exempt status 501(c)(3) 501(c) () ◀ (insert no) 4947(a)(1) or 527

J Website: ▶ **www.foundationforpuertorico.com**

K Form of organization Corporation Trust Association Other ▶ **L** Year of formation: **2011** **M** State of legal domicile **PR**

H(c) Group exemption number ▶ _____

Part I Summary		Prior Year	Current Year
Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>SEE SCHEDULE O</u>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	8
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	8
	5 Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	10
	6 Total number of volunteers (estimate if necessary)	6	6
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
	7b Net unrelated business taxable income from Form 990-T, line 34	7b	0
Revenue	8 Contributions and grants (Part VIII, line 1h)	500,000	1,043,453
	9 Program service revenue (Part VIII, line 2g)	0	
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0	97
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	59,272
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	500,000	1,102,822
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	0	
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	
	17 Total fundraising expenses (Part IX, column (D), line 25)		
18 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	342,751	1,008,276	
19 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	342,751	1,008,276	
20 Revenue less expenses. Subtract line 19 from line 12	157,249	94,546	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	157,552	306,405
	21 Total liabilities (Part X, line 26)	303	54,610
	22 Net assets or fund balances. Subtract line 21 from line 20	157,249	251,795

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here Signature of officer: [Signature] Date: 10-7-2014
 Type or print name and title: Jon Borschow, Chairman

Paid Preparer Use Only

Print/Type preparer's name: JUAN R ROBLES Preparer's signature: [Signature] Date: 10/7/2014 Check if self-employed PTIN: P01338369
 Firm's name ▶ HLB PARISSI, P.S.C. Firm's EIN ▶ 66-0610575
 Firm's address ▶ 650 MUÑOZ RIVERA AVENUE, SUITE 502, SAN JUAN, PR, 009184149 Phone no 787-641-9801

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

SCANNED OCT 27 2014

RECEIVED
OCT 13 2014
COGNITIVE
RESOURCES

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Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:
SEE SCHEDULE O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: 501(c)(3)) (Expenses \$ 329,822 including grants of \$ 0) (Revenue \$ 0)

Entrepreneurial Engagement and Exports

The objective of our Entrepreneurial Engagement & Exports platform is to enable strategic business entrepreneurs and enterprises to create socio-economic value within the global economy, help them integrate into functional ecosystems organized around industry or value chains, and improve their capacity to contribute, both individually and/or collectively, to this effort. Some of the main goals of the platform are:

- Increase the export and strategic import substitution's share of Puerto Rico's GDP
- Strengthen entrepreneur and firm capacity to export
- Promote local firms' participation so that they can actively contribute in the visitor economy
- Increase the impact of competitive export-capable functional clusters in Puerto Rico
- Improve R&D investment and commercialization infrastructure

4b (Code: 501(c)(3)) (Expenses \$ 184,480 including grants of \$ 0) (Revenue \$ 0)

Participation, Communication, and Movement Building

The Participation, Communications and Movement Building support platform aims to help re-envision who we are as a nation, create a shared vision and message among citizens for Puerto Rico's new economic model, build consensus, provide spaces where in-depth discussions regarding the development of this new economic model can take place and re-define how we will interact with the rest of the world. Some of its main objectives are:

- To create consensus with regards to a new globalized and sustainable economic model for Puerto Rico.
- To increase participation of informed and knowledge residents of Puerto Rico in economic activity that is aligned with increasing export or competitive import substitution.
- To increase the sophistication and understanding of public discourse related to PR economic development.
- To transform a culture of wealth collectors into a culture of wealth creators.

4c (Code: 501(c)(3)) (Expenses \$ 146,866 including grants of \$ 0) (Revenue \$ 0)

Economic Analysis

The main purpose of the Economic Analysis support platform is to gather, organize, analyze and make available credible information related to Puerto Rico's socio-economic development and opportunities for global engagement that can best inform FPR decisions and those of our partners.

Some of its main goals are:

- To research local industry and global markets, identifying opportunities for Puerto Rico and promoting its competitive advantages
- To provide market data for export promotion
- To research, identify and promote best practices
- To inform economic development processes/decisions and measures to assess the current fiscal cost of private sector development programs and regulations and contribute to fiscal stabilization

4d Other program services (Describe in Schedule O.)
(Expenses \$ 252,467 including grants of \$ 0) (Revenue \$ 0)

4e Total program service expenses **▶ 913,635**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12 a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
14 a Did the organization maintain an office, employees, or agents outside of the United States?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV.</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV.</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I (see instructions)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
20 a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	<input type="checkbox"/>	<input type="checkbox"/>

Part IV Checklist of Required Schedules (continued)

		Yes	No
21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		✓
22	Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		✓
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		✓
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		✓
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		✓
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		✓
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If so, complete Schedule L, Part II</i>		✓
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		✓
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		✓
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		✓
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	✓	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		✓
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		✓
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		✓
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		✓
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		✓
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		✓
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?		✓
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		✓
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		✓
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	✓	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	<input type="checkbox"/>	<input type="checkbox"/>
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	<input type="checkbox"/>	<input type="checkbox"/>
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	<input type="checkbox"/>	<input type="checkbox"/>
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	<input type="checkbox"/>	<input type="checkbox"/>
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O	<input type="checkbox"/>	<input type="checkbox"/>
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	<input type="checkbox"/>	<input type="checkbox"/>
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	<input type="checkbox"/>	<input type="checkbox"/>
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	<input type="checkbox"/>	<input type="checkbox"/>
7	Organizations that may receive deductible contributions under section 170(c).	<input type="checkbox"/>	<input type="checkbox"/>
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	<input type="checkbox"/>	<input type="checkbox"/>
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7d	If "Yes," indicate the number of Forms 8282 filed during the year	<input type="checkbox"/>	<input type="checkbox"/>
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	<input type="checkbox"/>	<input type="checkbox"/>
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	<input type="checkbox"/>	<input type="checkbox"/>
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	<input type="checkbox"/>	<input type="checkbox"/>
9	Sponsoring organizations maintaining donor advised funds.	<input type="checkbox"/>	<input type="checkbox"/>
9a	Did the organization make any taxable distributions under section 4966?	<input type="checkbox"/>	<input type="checkbox"/>
9b	Did the organization make a distribution to a donor, donor advisor, or related person?	<input type="checkbox"/>	<input type="checkbox"/>
10	Section 501(c)(7) organizations. Enter:	<input type="checkbox"/>	<input type="checkbox"/>
10a	Initiation fees and capital contributions included on Part VIII, line 12	<input type="checkbox"/>	<input type="checkbox"/>
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<input type="checkbox"/>	<input type="checkbox"/>
11	Section 501(c)(12) organizations. Enter:	<input type="checkbox"/>	<input type="checkbox"/>
11a	Gross income from members or shareholders	<input type="checkbox"/>	<input type="checkbox"/>
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	<input type="checkbox"/>	<input type="checkbox"/>
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	<input type="checkbox"/>	<input type="checkbox"/>
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<input type="checkbox"/>	<input type="checkbox"/>
13	Section 501(c)(29) qualified nonprofit health insurance issuers.	<input type="checkbox"/>	<input type="checkbox"/>
13a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	<input type="checkbox"/>	<input type="checkbox"/>
13b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	<input type="checkbox"/>	<input type="checkbox"/>
13c	Enter the amount of reserves on hand	<input type="checkbox"/>	<input type="checkbox"/>
14a	Did the organization receive any payments for indoor tanning services during the tax year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	<input type="checkbox"/>	<input type="checkbox"/>

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.
 Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	1a	7
b	Enter the number of voting members included in line 1a, above, who are independent	1b	7
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	<input checked="" type="checkbox"/>
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3	<input checked="" type="checkbox"/>
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	<input checked="" type="checkbox"/>
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	<input checked="" type="checkbox"/>
6	Did the organization have members or stockholders?	6	<input checked="" type="checkbox"/>
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	<input checked="" type="checkbox"/>
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	<input checked="" type="checkbox"/>
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	8a	<input checked="" type="checkbox"/>
b	Each committee with authority to act on behalf of the governing body?	8b	<input checked="" type="checkbox"/>
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	<input checked="" type="checkbox"/>

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	<input checked="" type="checkbox"/>
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	<input type="checkbox"/>
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	<input checked="" type="checkbox"/>
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	<input checked="" type="checkbox"/>
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	<input checked="" type="checkbox"/>
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	<input checked="" type="checkbox"/>
13	Did the organization have a written whistleblower policy?	13	<input checked="" type="checkbox"/>
14	Did the organization have a written document retention and destruction policy?	14	<input checked="" type="checkbox"/>
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official	15a	<input checked="" type="checkbox"/>
b	Other officers or key employees of the organization	15b	<input checked="" type="checkbox"/>
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	<input checked="" type="checkbox"/>
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	<input type="checkbox"/>

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed ► **NONE**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► **DAMARIS OCASIO, 650 MUÑOZ RIVERA AVE, SUITE 502, SAN JUAN, PR, 00918-4149 787-641-9801**

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) DAMARIS OCASIO ASST.TREAS./ASST. SECRETARY	35 0	✓	✓				0	0	0	
(2) JONATHAN BORSCHOW CHAIRMAN	15 0	✓	✓				0	0	0	
(3) MILTON CRUZ SECRETARY	2 0	✓	✓				0	0	0	
(4) GREGORY KAUFMAN TREASURER	1 0	✓	✓				0	0	0	
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
(11)										
(12)										
(13)										
(14)										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
1b Sub-total							0	0	0	
c Total from continuation sheets to Part VII, Section A							0	0	0	
d Total (add lines 1b and 1c)							0	0	0	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		✓
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		✓
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		✓

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
NONE		
2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization		0

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	1,043,453				
	g Noncash contributions included in lines 1a-1f: \$						
	h Total. Add lines 1a-1f ▶			1,043,453			
Program Service Revenue	Business Code						
	2a _____						
	b _____						
	c _____						
	d _____						
	e _____						
	f All other program service revenue .						
g Total. Add lines 2a-2f ▶							
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶			97	97		
	4 Income from investment of tax-exempt bond proceeds ▶						
	5 Royalties ▶						
	6a Gross rents	(i) Real	(ii) Personal				
		14,110					
	b Less: rental expenses						
	c Rental income or (loss)						
	d Net rental income or (loss) ▶			14,110	14,110		
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
	b Less: cost or other basis and sales expenses						
	c Gain or (loss)						
	d Net gain or (loss) ▶						
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a					
		b Less: direct expenses	b				
c Net income or (loss) from fundraising events . ▶							
9a Gross income from gaming activities. See Part IV, line 19	a						
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities . . ▶						
10a Gross sales of inventory, less returns and allowances	a						
	b Less: cost of goods sold	b					
	c Net income or (loss) from sales of inventory . . ▶						
Miscellaneous Revenue			Business Code				
11a <u>SHARED SERVICES REVENUE</u>				45,162	45,162		
	b _____						
	c _____						
	d All other revenue						
e Total. Add lines 11a-11d ▶				45,162			
12 Total revenue. See instructions. ▶				1,102,822	59,369		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes	373,978	349,493	24,485	
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	295,150	247,061	48,089	
12 Advertising and promotion				
13 Office expenses	26,204	18,733	7,471	
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel	19,503	19,503		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	7,093	5,462	1,631	
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance	2,215		2,215	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a RENTAL	17,542	13,507	4,035	
b MEALS AND ACTIVITIES	4,409	3,480	929	
c MIT REAP PROGRAM	125,000	125,000		
d MIT PREP PROGRAM	109,324	109,324		
e All other expenses INTERNSHIP EXPENSE	23,449	22,072	1,377	
25 Total functional expenses. Add lines 1 through 24e	1,003,867	913,635	90,232	
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash—non-interest-bearing	50,000	1	132,698
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	107,552	4	173,707
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a		
	b Less: accumulated depreciation	10b		10c
	11 Investments—publicly traded securities		11	
	12 Investments—other securities. See Part IV, line 11		12	
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11		15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	157,552	16	306,405	
Liabilities	17 Accounts payable and accrued expenses	303	17	54,610
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	303	26	54,610
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	157,249	27	226,795
	28 Temporarily restricted net assets	0	28	25,000
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	157,249	33	251,795	
34 Total liabilities and net assets/fund balances	157,552	34	306,405	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,102,822
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,008,276
3	Revenue less expenses. Subtract line 2 from line 1	3	94,546
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	157,249
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	251,795

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? . . . If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		<input checked="" type="checkbox"/>
b Were the organization's financial statements audited by an independent accountant? . . . If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	<input checked="" type="checkbox"/>	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		<input checked="" type="checkbox"/>
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . .		<input checked="" type="checkbox"/>
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2013

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 or Form 990-EZ.
▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Open to Public Inspection

Name of the organization FOUNDATION FOR PUERTO RICO, INC.	Employer identification number 66-0776227
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Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vii)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I b Type II c Type III—Functionally integrated d Type III—Non-functionally integrated
 - e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
 - f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
 - g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

	Yes	No
11g(i)		
 - (ii) A family member of a person described in (i) above?

	Yes	No
11g(ii)		
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(iii)		
 - h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")				500,000	1,043,453	1,543,453
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3				500,000	1,043,453	1,543,453
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4				500,000	1,043,453	1,543,453
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources				0	59,369	59,369
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						1,602,822
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input checked="" type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14		%
15 Public support percentage from 2012 Schedule A, Part II, line 14	15		%
16a 33 1/3% support test—2013. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>			
b 33 1/3% support test—2012. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>			
17a 10%-facts-and-circumstances test—2013. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>			
b 10%-facts-and-circumstances test—2012. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>			
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions <input type="checkbox"/>			

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2012 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests—2013. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests—2012. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

FOUNDATION FOR PUERTO RICO, INC.

Employer identification number 66-0776227

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate contributions to (during year), 3 Aggregate grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors... Yes No, 6 Did the organization inform all grantees... Yes No.

Part II Conservation Easements.

Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 2 columns: Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization, 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution, 3 Number of conservation easements modified, transferred, released, extinguished, or terminated, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No, 6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year \$, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No, 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 2 columns: \$, \$. Rows include: 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items. b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenues included in Form 990, Part VIII, line 1 \$, (ii) Assets included in Form 990, Part X \$, 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items. a Revenues included in Form 990, Part VIII, line 1 \$, b Assets included in Form 990, Part X \$.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a** Public exhibition
 - b** Scholarly research
 - c** Preservation for future generations
 - d** Loan or exchange programs
 - e** Other
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b** If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|--|-----------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a** Did the organization include an amount on Form 990, Part X, line 21? Yes No
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds.

Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment ▶%
- b** Permanent endowment ▶%
- c** Temporarily restricted endowment ▶%

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations	3a(i)	
(ii) related organizations	3a(ii)	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶

Part VII Investments—Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments—Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value	
(1) Federal income taxes		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶		

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

Schedule O

Form 990, Part I & III, Line 1:

The main objective of the Organization is to promote strategic philanthropy as catalyst to accelerate the economic, social, and sustainable development in Puerto Rico by commissioning highly focused research, offering expert counsel and conducting educational activities that will advance the philanthropic initiatives and programs to be supported by the Organization.

Form 990, Part III, Line 4d:

Public Sector Innovation- Our Public Sector Innovation platform seeks to leverage the resources of FPR and its collaborators to support Puerto Rico's government by facilitating capacity building and collaboration initiatives. The platform's objectives are aimed at building innovative, knowledgeable, transparent and effective public sector leaders, institutions and programs which are aligned with a global and sustainable economy for Puerto Rico.

Human Capital - Our Human Capital Platform aims to advance relevant, rigorous and value-based educational, skills training and professional development experiences. Through these experiences we hope to enable our people to: 1) develop a clear understanding of where we come from, 2) conceptualize our strengths as a nation in order to develop our workforce and, 3) enable a new collective vision that will advance Puerto Rico's potential for growth through global engagement.

Social Innovation- Our Social Innovation Platform seeks to help a number of key enterprises develop their core capabilities and scale their endeavors towards a better Puerto Rico. We will achieve this by developing innovative co-working spaces and shared services that will serve to promote high impact strategic collaboration and foster Social Innovation. This cost-effective approach towards knowledge sharing provides the opportunity to develop collaborative strategies and shared capabilities to increase and promote a collective impact culture.

Access to Capital- Our Access to Capital support platform seeks to maximize flows of funding from local, federal and international capital through the best in-class intermediaries. It also strives to identify and access sources of capital to fund strategic projects aimed at Puerto Rico's socioeconomic development.

Form 990, Part VI, Section B, Line 11b:

Organization's process to review Form 990 prior to filing of Form 990, Ms. Damaris Ocasio, Chief Operating Officer, will review a draft of the form. Comments or changes suggested will be applied in order for the entity to submit the form to the Internal Revenue Service for filing.

Form 990, Part VI, Section B, Line 12c: Enforcement of Conflicts Policy

Each director shall annually sign a statement which affirms such person has received a copy of the conflicts of interest policy, has read and understands the policy and has agreed to comply with the policy.

Duty to disclose- In connection with any actual or possible conflict of interest, an interested person (any member, director or officer who has a direct or indirect financial interest) must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors and members of committees considering the proposed transaction or arrangement. An interested person may make a presentation at the Board of Directors or committee meeting.

Determining whether a conflict of interest exists- After disclosure of the financial interest and all material facts and after any presentation by and discussion with the interested person, the interested person shall leave, the Board of Directors or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Directors or committee members shall decide if a conflict of interest exists.

Procedures for addressing the conflict of interest- The Chairman of the Board of Directors or chairperson of the committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement. After exercising due diligence, the Board of Directors or committee shall determine whether the Foundation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors or committee shall determine by a majority vote of the disinterested Directors or committee members whether the transaction or arrangements is in the Foundation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into a transaction or arrangement.

Violation of the conflict of interest policy- If the Board of Directors or committee has reasonable cause to believe a member, director or officer has failed to disclose actual or possible conflicts of interest, it shall inform such member, Director or officer of the basis for such belief and afford such member, director or officer an opportunity to explain the alleged failure to disclose. If, after hearing the member's, director's or officer's response and after making further investigation as warranted by the circumstances, the Board of Directors or committee determined the member, director or officer has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Form 990, Part VI, Section C, Line 19: Governing documents Disclosure Explanation

No documents available to the public.

Form 990, Part IX, Line 11g: Other Fees for Services (non-employees)

	Program Services	Mgt. & General
Professional fees- Accounting & Legal		\$ 48,089
Professional fees- Entrepreneurial Engagement & Exports	\$ 79,350	
Professional fees- Human Capital	\$ 12,098	
Professional fees- Economic Analysis	\$ 44,423	
Professional fees- Public Sector Innovation	\$ 61,060	
Professional fees- Participation, Communication, & Movement Building	\$ 30,528	
Professional fees- Access to Capital	\$ 6,209	
Professional fees- Social Innovation	\$ 13,393	

**FOUNDATION FOR PUERTO RICO, INC.
66-0776227**

**STATEMENT ATTACHED TO AND MADE PART OF THE
RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX
FOR THE YEAR ENDED DECEMBER 31, 2013**

During taxable year 2013, Foundation for Puerto Rico, Inc. made changes related to its certified public accountants and the responsibility to audit its operations and prepare its tax returns for Puerto Rico and United States. The above mentioned change had the unexpected result in a delay of the financial information necessary to prepare a complete and accurate return. Accordingly, the 2013 return is being filed after the due date established by the US Internal Revenue Code, as amended, and the regulations issued there under.

The regulations provide that a request for abatement of penalties based on reasonable cause must be made in the form of a written statement setting forth all the facts alleged as reasonable cause.

Section 6652 of the Code provides for the imposition of a penalty for failure to timely file the information return, absent reasonable cause. The change in our CPAs directly impacted our ability to comply with our timely filing of the return.

We respectfully represent that the Organization has taken the necessary steps to prevent the same situation from occurring in the future. We believe that the attached return fully represent the Organization's operations and that it was not neglectful or careless, and that it will continue to exercise ordinary business care and prudence in the future at all times.

Based on the above, it is respectfully requested that the penalties related to the late filing of this return be eliminated since it was due to a reasonable cause and not with an intentional disregard of the rules and regulations.

I hereby declare under penalty of perjury that the above information is accurate and to the best of my knowledge and belief it is true, correct and accurate.

FOUNDATION FOR PUERTO RICO, INC.

BY-LAWS

ARTICLE I

Name of the Corporation

The name of the corporation shall be FOUNDATION FOR PUERTO RICO, INC. (hereinafter, referred to as the "Foundation").

ARTICLE II

The Foundation

Section 1. Purpose. The Foundation is established, in perpetuity, as an educational, literary and charitable entity (as defined under Section 1101.01(a)(2)(A) of the Puerto Rico Internal Revenue Code of 2011, as amended (the "PR Code") and Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended (the "US Code"). The purpose of the Foundation is to promote strategic philanthropy as a catalyst for the acceleration of the sustainable social and economic development of Puerto Rico. The Foundation will carry out its purpose by commissioning highly focused research, offering expert counsel, conducting educational activities and supporting social impact ventures that will advance the philanthropic initiatives and programs supported by the Foundation. The Foundation will have such other charitable purposes, as may be designated by a majority of its Board of Directors, that will allow the Foundation to qualify as a tax exempt organization under the provisions of the PR Code or US Code.

ARTICLE III

Registered Offices

Section 1. Registered Office and Registered Agent. The location of the registered office of the Foundation and the name of the registered agent of the Foundation within the Commonwealth of Puerto Rico shall be determined from time to time by the Members (as defined below) and shall be on file in the appropriate public offices of the Commonwealth of Puerto Rico pursuant to applicable provisions of law.

Section 2. Corporate Offices. The Foundation may have such other offices, either within or without the Commonwealth of Puerto Rico, as the Board of Directors may designate or as the business of the Foundation may require, from time to time.

FOUNDATION FOR PUERTO RICO, INC.

Certificate of Corporate Resolution

The undersigned, as Assistant Secretary of FOUNDATION FOR PUERTO RICO, INC. (the "Foundation"), a corporation duly organized and validly existing under the laws of the Commonwealth of Puerto Rico, does hereby certify that the following resolution was adopted by the Board of Directors of the Corporation in a meeting held on March 27, 2012, and the same has not been amended, modified, revoked or rescinded and is in full force and effect on the date hereof:

"RESOLVED, that the By-Laws, in the form attached hereto as Exhibit A, are hereby approved as the amended By-Laws of the Foundation."

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Foundation, this 5th day of June, 2012.

By:

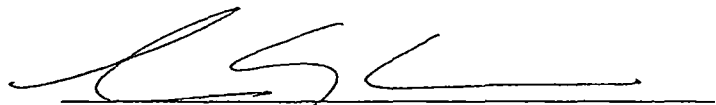


Name: Damaris Ocasio Nieves

Title: Assistant Secretary

Affidavit No. 411

Acknowledged and subscribed before me in San Juan, Puerto Rico on this 5th day of June, 2012 by the following person: Damaris Ocasio Nieves, of legal age, married, property owner and resident of Caguas, Puerto Rico, as Assistant Secretary of Foundation for Puerto Rico, Inc., who I have identified by means of her driver's license number 2526013 issued by the Commonwealth of Puerto Rico.



Notary Public

ARTICLE IV
Rights, Powers and Duties of the Foundation

The Foundation shall have and shall be able to exercise all rights, duties and powers that are necessary or advantageous to accomplish its purpose, including, but not limited to, the following:

- A. Acquire goods by any legal means, hold and administer them as it deems proper, and dispose of and transfer them when, in the form, and under the conditions that it deems necessary and proper.
- B. Carry out contractual relations such as donations, leases and loans and execute all documents necessary for the exercise and fulfillment of any of the powers, duties and responsibilities established in its Certificate of Incorporation and these By-Laws.
- C. Conduct the business and activities it deems necessary such as leases, loans, sales, promotion and publicity, to generate its own funds, control them, administer them and decide the character and necessity of all its expenses and the form in which they shall be incurred, authorized and paid.
- D. Accept, receive, take charge of, carry out and direct all functions, faculties, obligations, personnel, funds, donations, properties and goods of any kind that are conveyed and transferred, directly or by law, by the Government of Puerto Rico, by any federal agency, by the Government of the United States, or by public or private citizens or institutions.
- E. Create an endowment fund composed of public and private contributions whose revenues will be used to help the Foundation achieve its goals. The quantities and uses of this fund will be determined from time to time by the Board of Directors. The endowment fund shall have such separate accounts as may be created by the Board of Directors.
- F. Coordinate efforts with all private entities and government agencies of Puerto Rico whose purposes and functions relate in one form or another to the purpose of the Foundation and with other public and private organizations, within and without the Commonwealth of

Puerto Rico, that it deems pertinent and necessary for the fulfillment of its purpose.

- G. Formulate, adopt, amend and repeal rules and regulations to guarantee its internal functioning as well as those rules and regulations necessary to execute and fulfill the powers, duties and other functions granted or imposed by its Certificate of Incorporation or these By-Laws.
- H. Establish an organizational structure for the purpose of overseeing the administrative, fiscal and programmatic aspects of the Foundation. Have full control over its properties and activities, including the use and disposition of funds and assets.
- I. Adopt its own accounting system in order to maintain adequate control and records of its operations.
- J. Receive funds from both public and private sources and use such funds for purposes consistent with the purpose of the Foundation.
- K. Prepare and present, within six (6) months of the end of the Foundation's fiscal year, to the Board of Directors of the Foundation, an Annual Report that shall contain the following:
 - 1. Status and progress of activities from the creation of the Foundation or from the date of the last Annual Report.
 - 2. Audited financial statements certified by independent public accountants.
 - 3. Transactions realized by the Foundation during the preceding calendar year.
- L. Possess and use a corporate seal which shall only be altered when the Board of Directors of the Foundation deems necessary.
- M. Sue and be sued under its corporate name in any court and participate in any judicial, administrative, or arbitration proceeding of any kind.

ARTICLE V
Membership

Section 1. **Membership.** Initially, the members of the Foundation (hereinafter referred to as the "Members") shall be those persons named in the Amended and Restated Certificate of Incorporation filed with the Secretary of State of the Commonwealth of Puerto Rico on December 5, 2011. Substitute or additional Members shall be elected in accordance with the provisions of the Foundation's Certificate of Incorporation, as the same may be amended from time to time. If there are no other Members at the time of the death, disability or resignation of Jonathan Borschow, all of the lineal descendants of Jonathan Borschow of legal age shall automatically become Members, with the power to exercise all of the rights and privileges conferred upon Members in the Foundation's Certificate of Incorporation, as the same may be amended from time to time. Members may only be removed pursuant to and as provided in the Foundation's Certificate of Incorporation, as the same may be amended from time to time.

ARTICLE VI
Board of Directors

Section 1. **General Powers.** The Board of Directors of the Foundation shall have and shall exercise those rights, duties and powers that are necessary or advantageous in order to direct the business and affairs of the Foundation, and all other rights, duties and powers that the Puerto Rico General Corporation Law, as amended, or the law of corporations in Puerto Rico then in effect, give to the board of directors of a corporation, including, but not limited to, the following:

- A. Determine the general policies of the Foundation.
- B. Preserve the institutional independence and protect the property of the Foundation.
- C. Be loyal to the goals of the Foundation, to its regulations and to the established policy and not delegate its responsibilities.
- D. Carry out all the measures established in the Certificate of Incorporation and in these By-Laws and see that these measures are carried out by others.
- E. Create the committees necessary to manage the Foundation.

F. Receive, use, hold, invest and reinvest donations, bequests, devices, grants or funds from whatever source and use the same or the proceeds thereof consistent with the purpose of the Foundation or any of its activities.

G. Cause an annual audit to be made of the books and financial statements of the Foundation by independent certified public accountants.

Section 2. Composition. The Board of Directors shall be composed of such number of Directors as are established from time to time by the Members; provided, however, that the total number of Directors shall never be less than three (3). All the initial Directors shall serve for a term of three (3) years from the date of their election by the Members until the third anniversary thereof. After such initial three-year term, the Board of Directors shall then be divided into three (3) classes, Class 1, Class 2, and Class 3, as nearly equal in number as possible. The term of office of each initial Class 1 Director shall be one year, the term of office of each initial Class 2 Director shall be two years, and the term of office of each initial Class 3 Director shall be three years. The term of office for all subsequent Class 1, Class 2, and Class 3 Directors shall be three years from the date on which the term of the initial Class 1, Class 2, or Class 3 Director, respectively, ended. All Directors shall be elected by the Members. Any vacancies in the Board of Directors, by reason of an increase in the number of Directors, by the resignation, removal, or death of any Directors, or otherwise, shall be filled solely by the Members, and any Director so elected shall hold office for the remainder of the term that corresponds to the class of Directors to which such Director was elected. When the number of Directors is changed, any newly created directorships or any decrease in directorships shall be distributed among the classes by the Members so as to make all classes as nearly equal in number as possible. The composition of the Board of Directors and any committee created by the Board of Directors shall, at all times, comply with the requirements of Section 1101.01(d)(2) of the PR Code and/or any other provisions of the PR Code in order for the Foundation to qualify as a tax-exempt organization under the provisions of Section 1101.01(a)(2)(A) of the PR Code, as such section may be amended from time to time, or the equivalent section of any law that may substitute or replace the PR Code.

Section 3. Chairman and Vice Chairman of the Board. The Board of Directors shall have a Chairman and a Vice Chairman who

shall be elected by the Members. The Chairman of the Board of Directors shall preside at all meetings of the Board of Directors. The Vice Chairman shall substitute the Chairman in his absence.

Section 4. Vacancies. The seat of a Director, who, in a period of twelve (12) months does not attend at least seventy-five percent (75%) of the meetings of the Board of Directors held during said period, will be declared vacant, and such vacancy shall be filled by the Members.

Section 5. Removal of Directors. Any Director may be removed from office at any time, with or without just cause, by the Members as provided in the Foundation's Certificate of Incorporation, as the same may be amended from time to time, and the term of such Director whose removal is so ordered shall end when such removal is notified by the Members to the Board of Directors.

Section 6. Meetings. The meetings held by the Board of Directors will be held in the place designated by the Board of Directors. The Board of Directors shall meet not less frequently than quarterly, at an agreed upon time and place. The Board of Directors will determine the rules and procedures to follow at the meetings. The Chairman of the Board of Directors shall have the power to convene special meetings of the Board of Directors when he deems it necessary.

Section 7. Notification. All Directors shall be given written notice at least ten (10) days in advance of all meetings. This notice shall be delivered personally or sent by mail, fax, or any other electronic communication. In the case of emergency meetings, Directors shall be notified three (3) days in advance of such meeting. When mailed, notice will be considered given when the letter, with postage attached, is placed in the mail. If sent by fax, notice will be considered given on the date of transmission. If sent by e-mail, notice will be considered given on the date of transmission. Notice must include the hour, place and purpose of the meeting. Unless the laws of the Commonwealth of Puerto Rico, the Foundation's Certificate of Incorporation, or these By-Laws require otherwise, it will not be necessary to deliver notice to a Director who is present at a meeting, or who has renounced in writing his right to receive notification, both before and after the meeting. Any meeting of the Board will be legal without the Directors having been notified if all the Directors are present in such meeting.

Section 8. Quorum. A majority of the total number of Directors shall constitute a quorum for the consideration of the Foundation's business. The majority vote of the Directors present at a meeting when there is a quorum shall be sufficient to approve decisions of the Board of Directors, unless the Puerto Rico General Corporation Law or these By-Laws require a greater proportion.

Section 9. Participation through Telephone Conference and Other Means of Communication. When so determined by the Chairman of the Board of Directors or by a majority of the Directors, and subject to the notification requirements of Section 7 of this Article VI, the Directors or the members of any committee designated by the Board of Directors may participate in any meeting or committee through telephone or video conference or any other means of communication through which all individuals participating in the meeting can hear each other simultaneously.

Section 10. Compensation. By resolution of the Members, the Directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid such fee for attendance at each meeting of the Board of Directors as shall be fixed by the Members.

Section 11. Action without a Meeting. Any action required to be taken at a meeting of the Board of Directors, or any action which may be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent in writing, setting forth the action so to be taken, is signed by all the Directors and filed in the minutes of the proceedings of the Board of Directors. Such consent shall have the same effect as a unanimous vote. Any consent signed by a Director and transmitted by facsimile machine, email transmission or any other electronic communication shall be treated as an original document, and the signature of any Director thereon shall be considered as an original signature.

Section 12. Certain Restrictions. No person may be elected as Director while he/she is employed as an employee or officer of any governmental entity or is occupying any publicly elected or appointed office. The foregoing limitation does not apply to private citizens whose only public office constitutes serving on boards of directors or similar governing bodies of governmental entities.

Section 13. Officers of the Foundation. The officers of the Foundation shall include a President, Vice President,

Treasurer, Secretary and any other officer that the Board of Directors deems necessary. Each officer shall have such powers and responsibilities and perform such duties as may be assigned to him by the Board of Directors, and shall exercise his functions for such term as may be established by the Board of Directors. The Chairman shall always occupy the office of President, and the Vice Chairman shall always occupy the office of Vice President. The other officers shall be elected by the Board of Directors.

ARTICLE VII Committees

Section 1. Committee Formation. The Board of Directors shall have an Executive Committee and a Finance Committee. The Board of Directors may create by resolution such additional committees as it may deem necessary from time to time.

Section 2. Executive Committee. As provided by the Puerto Rico General Corporation Law, the Executive Committee shall have the same powers as the Board of Directors. The members of the Executive Committee shall be determined by the Board of Directors, but shall always include the Chairman and Vice Chairman of the Board of Directors. The Executive Committee shall be presided by the Chairman of the Board of Directors.

Section 3. Finance Committee; Budget. The Treasurer of the Foundation shall chair the Finance Committee. The Finance Committee shall be responsible for developing and reviewing fiscal procedures, fundraising plans, and the annual budget with staff and other members of the Board of Directors. The Board of Directors must approve the annual budget and all expenditures must be within the approved annual budget. Any major change in the approved annual budget must be approved by the Board of Directors or the Executive Committee. Annual reports shall be submitted to the Board of Directors showing income and expenditures. The financial records of the Foundation are public information and shall be made available to members of the Board of Directors and to the public.

Section 4. Term of Committee Members. All Directors appointed to serve on a committee shall serve on such committee for a term equal to the term of their directorship, unless a shorter term is established by the Board of Directors. Any member of a committee (except the Executive Committee) who in a twelve month period fails to attend at least fifty percent (50%) of the meetings held by the committee during that period, without just cause, may be removed from his seat on said

committee. In such case, the request to remove such member must be approved by the majority of the members of the committee and be presented by these members to the Executive Committee, who shall decide, at its discretion, if the committee member in question shall be removed from the committee.

Section 5. Ex-Officio Members of Committees. The Chairman of the Board of Directors shall be an ex-officio member, with voice and vote, of all the committees created by these By-Laws or by the Board of Directors.

ARTICLE VIII Executive Director

Section 1. Executive Director. If necessary, the Board of Directors shall employ an Executive Director for the Foundation for such period of time and upon such terms and conditions as the Board of Directors may determine. In the event that the Board of Director determines to employ an Executive Director, he/she would perform all duties assigned to him/her by the Board of Directors, in strict compliance with these By-Laws and all applicable laws and regulations. The Executive Director shall serve ex-officio, unless otherwise approved by the Board of Directors, without vote in all meetings of the Board of Directors.

ARTICLE IX Conflict of Interest Policy

Section 1. Purpose. The purpose of the conflict of interest policy is to protect the Foundation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or Director of the Foundation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

Section 2. Definitions:

- A. Interested Person: Any Member, Director or officer who has a direct or indirect financial interest, as defined below, is an interested person.
- B. Financial Interest: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- (i) An ownership or investment interest in any entity with which the Foundation engages in a transaction or arrangement,
- (ii) A compensation arrangement with any entity or individual with which the Foundation engages in a transaction or arrangement, or
- (iii) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Foundation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration, as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article IX, Section 3, a person who has a financial interest may have a conflict of interest only if the Board of Directors or appropriate committee decides that a conflict of interest exists.

Section 3. Procedures.

- A. Duty to Disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors and members of committees considering the proposed transaction or arrangement. An interested person may make a presentation at the Board of Directors or committee meeting.
- B. Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any presentation by and discussion with the interested person, the interested person shall leave the Board of Directors or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Directors or committee members shall decide if a conflict of interest exists.
- C. Procedures for Addressing the Conflict of Interest. The Chairman of the Board of Directors or chairperson of the committee shall, if appropriate, appoint a disinterested person or committee to investigate

alternatives to the proposed transaction or arrangement.

After exercising due diligence, the Board of Directors or committee shall determine whether the Foundation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors or committee shall determine by a majority vote of the disinterested Directors or committee members whether the transaction or arrangements is in the Foundation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

- D. Violations of the Conflicts of Interest Policy. If the Board of Directors or committee has reasonable cause to believe a Member, Director or officer has failed to disclose actual or possible conflicts of interest, it shall inform such Member, Director or officer of the basis for such belief and afford such Member, Director or officer an opportunity to explain the alleged failure to disclose.

If, after hearing the Member's, Director's or officer's response and after making further investigation as warranted by the circumstances, the Board of Directors or committee determines the Member, Director or officer has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Proceedings. The minutes of the Board of Directors and all committees created by the Board of Directors shall include:

- A. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present,

and the Board's or committee's decision as to whether a conflict of interest in fact existed.

- B. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussions, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5. Compensation. Any Director who receives compensation, directly or indirectly, from the Foundation for services is precluded from voting on matters pertaining to that Director's compensation. A member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Foundation for services is precluded from voting on matters pertaining to that committee member's compensation. No voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Foundation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 6. Annual Statements. Each Director shall annually sign a statement which affirms such person:

- A. has received a copy of the conflicts of interest policy,
- B. has read and understands the policy,
- C. has agreed to comply with the policy, and
- D. understands the Foundation is a charitable organization, and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Section 7. Periodic Reviews. To ensure the Foundation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted by the Board of Directors or any committee to which such duty is assigned by the Board of Directors. The periodic reviews shall, at a minimum, include the following subjects:

- A. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length transaction.
- B. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Foundation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Section 8. Use of Outside Experts. When conducting the periodic reviews as provided for in Article IX, Section 7, the Foundation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted.

ARTICLE X
Contracts, Checks and Deposits

Section 1. Contracts. Except as otherwise provided by law, these By-Laws or resolutions of the Board of Directors, any contract or other instrument shall be valid and binding on the Foundation if executed and delivered in its name and on its behalf by the Chairman or the President or, in their absence or disability, by the Vice Chairman or Vice President. The Board of Directors may, however, authorize any Director or officer, acting singly, or two (2) officers acting jointly to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Foundation shall be signed by the Chairman or the President or, in their absence or disability, by the Vice Chairman or Vice President, or by any other Director, officer or agent of the Foundation to whom such authority is granted by resolution of the Board of Directors. Each of such Directors, officers and agents shall give such bond, if any, as the Board of Directors may require.

Section 3. Deposits. All funds of the Foundation not otherwise employed shall be deposited from time to time to the credit of the Foundation in such banks, trust companies, or other depositaries as the Chairman or the President or, in their

absence or disability, the Vice Chairman or Vice President, may select from time to time.

Section 4. Gifts. The Board of Directors may accept on behalf of the Foundation any contribution, gift, bequest or devise for the general purpose or for any special purpose of the Foundation.

ARTICLE XI
Excise Taxes on Private Foundations

Section 1. Distribution of Income. The Foundation will distribute its income for each tax year at a time and in a manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the US Code, or the corresponding section of any further federal tax code, if applicable.

Section 2. Restriction on Self-Dealing. The Foundation will not engage in any act of self-dealing as defined in Section 4941(d) of the US Code, or the corresponding section of any future federal tax code, if applicable.

Section 3. Restriction on Retention of Excess Business Holdings. The Foundation will not retain any excess business holdings as defined in Section 4943(c) of the US Code, or the corresponding section of any future federal tax code, if applicable.

Section 4. Restriction on Investments. The Foundation will not make any investments in a manner as to subject it to tax under Section 4944 of the US Code, or the corresponding section of any future federal tax code, if applicable.

Section 5. Restriction on Taxable Expenditures. The Foundation will not make any taxable expenditures as defined in Section 4945(d) of the US Code, or the corresponding section of any future federal tax code, if applicable.

ARTICLE XII
Fiscal Year

Section 1. Fiscal Year. The fiscal year of the Foundation shall begin January 1st of each year and end on December 31st of the same year.

ARTICLE XIII
Corporate Seal

Section 1. Description. The corporate seal of the Foundation shall be a stamp with the words "FOUNDATION FOR PUERTO RICO, INC.", with the date of incorporation below the engraving of the registered symbol of the Foundation, if any.

Section 2. Use of Seal. The seal shall be in the custody of the Secretary of the Foundation and shall be affixed to all documents, certificates, deeds, legal papers, or office copies of resolutions, etc. requiring the seal of the Foundation.

ARTICLE XIV
Designation and Use of Funds

Section 1. Designation and Use of Funds. It is the basic principle that all funds obtained shall be exclusively used for the purposes described in Article II, Section 1 of these By-Laws.

ARTICLE XV
Dissolution

Section 1. Dissolution. In the event of dissolution, the Foundation's assets shall be distributed in accordance with the provisions of Section 1101.01(a)(2) of the PR Code and Section 501(c)(3) of the US Code.

ARTICLE XVI
Indemnification

Section 1. Indemnification. The Foundation shall indemnify any and all Directors, officers or staff, and former Directors, officers, or staff, against judgments, fines, penalties, amounts paid in settlements and all costs and expenses reasonably incurred by them or any of them in connection with the defense of any action, suit or proceeding (whether civil, criminal, administrative or investigative) in which they, or any of them, are made parties, or a party, or are threatened to be made parties or a party, by reason of being or having been directors, officers or staff of the Foundation (such costs and expenses shall include all reasonable fees, costs and expenses, including, without limitation, attorney's fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplication costs, printing, telephone charges, postage, delivery service fees and all other disbursements or expenses of the types customarily incurred in connection with

defending, preparing to defend, or investigating an actual or threatened action, suit or proceeding) if such (or former) Director, officer or staff acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interests of the Foundation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful.

The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of *nolo contendere* or its equivalent, shall not of itself, create a presumption that the person did not act in good faith and in a manner which he/she reasonably believed to be in or not opposed to the best interests of the Foundation, and with respect to any criminal action or proceeding, that such person has reasonable cause to believe that his/her conduct is unlawful.

Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled, under law, any agreement, vote of Directors or Members or otherwise and shall be provided to the full extent permitted by the Puerto Rico General Corporation Law.

The expenses for which indemnity is provided hereunder shall be paid or reimbursed by the Foundation in advance of the final disposition of such action, suit or proceeding promptly upon receipt by it of an undertaking of the indemnitee to repay such expenses if it shall ultimately be determined that he or she is not entitled to be indemnified by the Foundation. The expenses for which indemnity is provided shall include the fees and costs of enforcing this right to indemnification or to advance payment or reimbursement under this by-law.

Notwithstanding any provisions to the contrary in this Article XVI, to the extent that a Director, officer, employee or agent of the Foundation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to above, or in defense of any claim, issue or matter therein, he/she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him/her in connection therewith.

Any indemnification hereunder (unless ordered by a court) shall be made by the Foundation only as authorized in the specific case upon a determination that indemnification of the Director, officer or staff is proper in the circumstances

because he/she has met the applicable standard of conduct set forth above. Such determination shall be made (i) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (ii) if such a quorum is not obtainable or, even if obtainable, a quorum of disinterested Directors so directs, by independent legal counsel (who may be general counsel to the Foundation) in a written opinion, or (iii) by the Members if submitted to them by the Board of Directors.

The indemnification provided by or granted pursuant to this Section shall continue as to a person who has ceased to be a Director, officer or staff and shall inure to the benefit of the heirs, executors and administrators of such a person.

Notwithstanding any other provisions set forth in this Section, the indemnification authorized and provided hereby shall be applicable only to the extent that any such indemnification shall not duplicate any indemnity or reimbursement which such person has received or shall receive otherwise than under this Section.

ARTICLE XVII

Amendments

Section 1. Amendments. These By-laws may only be amended, altered or repealed, and new By-Laws may be adopted, by the Members in accordance with the provisions of the Certificate of Incorporation of the Foundation, as the same may be amended from time to time.