

## CONTROL ORGAN'S REPORT

According to the provisions of article 27, item (c) of the approved and valid Bylaws of the **LATIN AMERICAN AND CARIBBEAN INTERNET ADDRESS REGISTRY (LACNIC)**, and having the members of the Control Organ been approved on April 23, 2003, in Santiago de Chile, a meeting of the Control Organ is held, with the presence of Cassio Vecchiatti, Sebastián Bellagamba and Adriana Ibarra Vázquez.

In view of the above, a report is issued in reference to the Annual Report, Inventory, General Balance Sheet, and Expense and Income Account corresponding to the period January-December 2003.

**ONE.-** The results of report prepared by Ernst & Young, in their capacity as external auditors, in relation to the Annual Report, Inventory, General Balance Sheet, and Expense and Income Account corresponding to the period January-December 2003 were verified. The results of said verification have been favorable.

**TWO.-** On the basis of the analysis of the external auditor's report performed by the Control Organ and the documentation submitted by LACNIC, it is our conclusion that the information we have been presented reflects the true situation and we advise its approval on the part of the General Assembly.

**THREE.-** On the basis of the analysis performed by the Control Organ, we recommend that during the following three-year period no efforts are spared in order to have sufficient cash reserves to cover 150% of LACNIC's annual fixed and operating costs.

February 25, 2004.

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Cassio Vecchiatti

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Sebastián Bellagamba

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Adriana Ibarra Vázquez.