



April 20, 2012

Rupert Scofield
President & CEO
FINCA International
1101 14th Street, NW 11th Floor
Washington, DC 20005

Dear Mr. Scofield,

This letter explains our rationale for discontinuing our evaluation of FINCA International. Please feel free to share it with your stakeholders should they question why your charity is no longer represented on our site.

In our conversations with you, we have come to understand that FINCA International has transformed its international programs into locally registered subsidiaries in the countries in which you operate. FINCA International has needed to incorporate these entities locally for various reasons including compliance with foreign regulatory requirements and expansion of its mission. In our work we rate thousands and thousands of charities, and this is the first time we have come across this business model. Although FINCA International maintains ownership and control of these entities, their growth is not reflected on your Form 990 (which are only filed by U.S. registered charities) since the Form 990 does not allow consolidation of separately incorporated entities-even if part of the commonly owned managed network. As you know, our rating system is largely based on Form 990 information. Since critical information on FINCA International is not reflected therein our rating system does not properly reflect your operations as they are currently configured.

Please know that our removal of FINCA International from our site is neither a condemnation nor an endorsement of your charity. We also reserve the right to reinstate a rating for FINCA International as soon as we can identify a rating methodology that more appropriately captures your charity's performance.

We wish you all the best in achieving your charitable mission.

Sincerely,

Ken Berger
President & CEO
Charity Navigator