



Muhammad Subuh Foundation Review

World Subud Council Ratifies MSF - YMS ACCORD

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A MEETING OF FOUNDATIONS.....

During February a three day meeting was held in Jakarta between the trustees of the Muhammad Subuh Foundation (MSF) and the founders and board of management of Yayasan Muhammad Subuh (YMS). During part of the meeting there were representatives in attendance from PT S. Widjojo, Subud Indonesia, Kalimantan Investment Corporation (KIC) and the palm oil plantation project. Two Indonesian members holding senior Government positions, who have played vital roles in the plantation project (Pak Widarbo) and the Tengkilang real estate project (Pak Siregar), also attended.

The primary purpose of the meeting was to clarify the legal relationship between MSF and YMS. Secondary issues were YMS shareholdings in the Kalimantan enterprises and the sharing of potential profits from them in the future.

Background.

YMS was formed in 1989 to hold, on behalf of the World Subud Association (WSA), Bapak's House in Cilandak, which had been acquired with contributions from members throughout the world. MSF was established by WSA in 1991 to hold and manage its assets. YMS's activities expanded over time through PT Pancaran Cahaya Bahagia (PCB), the original company formed by Bapak for the development of Kalimantan enterprises, whose ownership was passed to YMS following his death.

A restructure of shareholdings in the gold exploration project resulted in PCB holding 20% in

the Contract of Work (issued by the Government to permit exploration activity).

Subsequently, PCB became involved in facilitating the development of the plantation and real estate projects. As these projects move forward and attract new investors, PCB will dilute its interest in them down to about 25%. A year ago, YMS was asked by WSA to take over the care and ownership of Bapak's personal archives and the International Archive House in Wisma Subud. The Kalimantan Support Group (UK) had donated the ownership and care of the Tengkilang Guest House in Kalimantan to YMS some years previously. With all these expanded activities, and the fact that YMS predated the establishment of MSF, it had become increasingly necessary to clarify the relationship between MSF and YMS and in turn, with the Kalimantan enterprises.

MSF/YMS Legal Relationship.

Decision 1: That MSF be appointed as the sole founder of YMS

It was necessary to establish whether YMS was 'Indonesian' or 'international' in character and to ensure that its legal structure was consistent with whichever of these was agreed upon. In her opening address, Ibu Rahayu (who is the very active Chairperson of the YMS Board of Management), set the tone by

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stating her view that YMS was the 'Indonesian representative' of MSF. This was because Bapak had always said the profits from the Kalimantan projects were to help Subud grow world wide. Therefore YMS assets were held for MSF, which in turn acts for the World Subud Association.

In advance of the meeting, YMS had obtained a legal opinion that MSF could effectively exercise ultimate control of YMS by becoming its Founder. This is because, under Indonesian law, the founder or founders of a Yayasan (foundation) have ultimate control over its activities. YMS's lawyers attended the meeting and explained that the existing founders (Abdullah Pope and Pak Kuswanda) could appoint MSF as a co-founder and then resign, leaving MSF as the sole founder. After reviewing various other options a proposal to make MSF the sole founder was unanimously adopted. Once in place, this step will demonstrate the intention and fact, that the assets held by YMS are the property of WSA through its financial institution, MSF.

Decision 2: That the Current board of Management of YMS be re-elected.

It was decided for practical purposes, that the day to day management and activities of YMS would continue to be undertaken by the current Board of Management. Therefore the Board will have considerable autonomy to continue its excellent work, relieving MSF of the task of making day to day decisions from afar. However various changes to the YMS Constitution are required to ensure that MSF, as founder, can exercise adequate legal control on behalf of WSA.

Decision 3: Changes to be made to the YMS Constitution:

Under the existing Constitution, MSF, as the sole founder will have the following powers:

- * to appoint or remove members of the Board of Management,
- * approve the purchase or acquisition of property or other assets, as well as any borrowings or pledging of assets, and
- * to receive and approve the accounts.

The Constitution will be amended to require:

- * an annual audit to be carried out by an auditor appointed by MSF,
- * an annual business plan, including budget, to be approved by MSF, and
- * voting on shares to be approved by MSF.

The World Subud Council held a teleconference on May 17th and, amongst other business, ratified the agreement that had been reached by the two foundations in Jakarta in February.

Shareholdings.

YMS, through its ownership of PCB, will have an interest of about 25% in the plantation and Tengkilung real estate projects. PCB held 20% of the previous gold mining exploration Contract of Works (COW). However, with the need to obtain a new COW, discussions had been taking place between YMS and KIC as to whether this arrangement should continue, or be replaced by something else. There were some reservations by the KIC directors to rolling over the previous arrangement, as they had concerns about interference by Subud institutions in the making of commercial decisions.

Various philosophical points were discussed. One such view, was that Subud institutional interests could be equally well served by KIC simply amending its Memorandum and Articles to require that a certain percentage of distributable profits be contributed to Subud, thereby avoiding the need for YMS to hold shares. Whilst this view had a lot of support, it was acknowledged by all present that the gold exploration had been initiated by Bapak through a company he had established for Kalimantan enterprises (PCB). In view of this, it was felt that shares were the preferred method of securing the Subud institutional interests.

Decision 4: The Subud institutional shareholding be in KIC rather than in a new Contract of Work.

Decision 5: In exchange a total of 20% of KIC's shares to be issued, 10% each to MSF and YMS/PCB.

Decision 6: The actual number of shares held could be subject to change, upwards if KIC sells more shares to Subud members or downwards if a large block of shares is sold to a non Subud partner. This will ensure that a ratio of 80% Subud investors and 20% MSF/YMS is always maintained.

Decision 7: MSF/YMS cannot dispose of shares other than with the agreement of KIC's Board of Directors.

Decision 8: Until agreed to by KIC's directors MSF/YMS will not exercise their voting rights.

Besides WSC's ratification, in order for KIC to issue 20% of its share capital to MSF/YMS, a resolution of its shareholders will be required. Murray Clapham, KIC's Chairman, advises that this resolution will now be put to shareholders at a

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at a General Meeting of Shareholders at the World Congress.

Distribution of Dividend.

Whilst each of the Kalimantan enterprises are probably many years away from having distributable profits, it was deemed to be important that there be some basis of understanding on the matter. In arriving at a decision on this matter, there were a number of factors at play. As the shares will be held for the WSA, there was an argument that 'distribution' is something that should be entirely in the hands of WSA.

However this might overlook the valid interests of Subud in Indonesia, especially as the projects are located there and draw upon the natural resources of that country. Indonesia's wealth is concentrated in the hands of few; with many people, including Subud members, short of life's necessities. In addition there are financing requirements for the ongoing activities of YMS; including the maintaining of Bapak's House, Bapak's Archives, and the Tengkliling Guest House.

Decision 9: 50% of potential profits should go to MSF and 50% to YMS

Decision 10: YMS to make an allocation, from its 50% share, to Subud Indonesia, to be negotiated between them.

Decision 11: The distribution policy to be subject to a review in four years time

Acknowledgement.

Quietly, but persistently YMS and the KIC team have kept alive Bapak's vision for Kalimantan. Perhaps we can remember this in our prayers; that one day these efforts may bring the rich rewards they so deserve. Rewards that will be used to further Bapak's mission of bringing the latihan kejiwaan of Subud to all of mankind.



MSF YMS Meeting - Behind the Scenes

Preparing for the World Congress was the catalyst that brought about these meetings. How to answer delegates' questions when indeed we couldn't answer them ourselves. What was the relationship between MSF and YMS? This lead on to other questions - what was YMS's role in Kalimantan, what was YMS's relationship to Indonesia and to the international? And finally the directors of KIC wanted the relationship between Subud institutions and enterprises to be examined.

February was an auspicious time for the meetings; the directors of PTS Widjojo were already in Jakarta for their Extraordinary General Meeting, the Indonesian National Congress was due in a week, for whom answers to these questions were relevant both nationally and internationally. And it was important that any agreements reached between MSF and YMS be acceptable to all concerned which was why Bp. Haryono, Bp. Siregar and Bp. Widarbo, representing the Indonesian point of view, were invited, and the directors of the Mining, the Plantations, the Real Estate Projects in Kalimantan, as well as of PTS Widjojo were also invited. It was a shame that Muchtar Martins, as WSA chair, was unable to attend.

Day 1. - The first meeting, opened by Markus Hoff Berge for MSF and Ibu Rahayu for YMS, had an air of formality, held as it was in the auditorium of the Widjojo building. The MSF presentation explained the Foundation's role in the Subud organisation, especially in relation to WSA, the reason for its existence, its aims, its achievements and its methods of working. The YMS presentation explained that apart from having been formed to hold Bapak's house on behalf of WSA, the reason for YMS's existence was to carry on Bapak's work in Kalimantan and as such had inherited PCB, the company set up by Bapak for the development of the concessions granted to Bapak in Kalimantan, through the members of Bapak's family donating their shares in PCB to YMS. PCB, itself, was not engaged in business operations, but, was a vehicle for holding shares in Indonesian companies i.e. KSM the plantation project, KWB the Real Estate project and PPK in the mining.

The meeting was then opened for questions, and Bp. Haryono, as Chairman of Indonesia, explained that he had found the cultural differences between MSF and Indonesia too great so had chosen not to request a loan from MSF which he felt had acted too much like a bank; and was YMS doing work that should be done by the Indonesian National Committee. Ibu Rahayu replied that YMS was merely the

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A photograph taken at the Meeting of MSF and YMS - sitting from left to right (front row) - Rohana Mitchell (MSF Trustee); Ibu Ismana (SD Indonesia); Ibu Rahayu (MSF Lifetime Trustee & Chair of YMS Supervisory Board); Ibu Hardiyati (Area 1 IH); Ibu Hartati Kuswanda (Member of YMS Supervisory Board). standing from left to right (back row) - Markus Hoffberg (MSF Chairman); Satrino (Kalimantan Plantations KSM); Rahman Connelly (MSF Trustee); Raymond Lee (KIC Director), Abdurrahman Mitchell (Area 1 IH); Bp Hariyono Sumohadiwidjojo (Chairman Subud Indonesia); Maarten Giel (SES Netherlands); Rozak Tatebe (MSF CEO and Trustee); Mansur Geiger (KIC Director); Bp. Siregar (Indonesian Government Official), Leonard van Hien (MSF Trustee and Treasurer); Iwan Daniels (Treasurer YMS) and Abdullah Pope (One of the original founders of YMS).

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vehicle through which Bp. Siregar and Bp. Widarbo, who had both promised Bapak that they would help in Kalimantan, were happy to use; and that through their generosity the land around Tengkilang was now licensed, and the plantation project had been made possible by linking it with transmigration. YMS was not working only for Indonesia but for Subud worldwide and for mankind.

In preparation for the lawyers who were coming to the meeting to answer queries put to them by MSF and YMS, questions that both bodies wanted answered were listed. Agreement had already been reached in principle at Alicante, it was the 'how' that remained. Can a foreign foundation be a founder of an Indonesian yayasan, can a yayasan hold shares; can MSF hold shares in Indonesian companies and so forth. The lawyers' answers formed the basis for the Memorandum of Understanding between MSF and YMS.

So the first day had actually, very easily answered the first three questions, i.e. the relationship between MSF and YMS, YMS's role in Kalimantan and lastly, where YMS stood

nationally and internationally; it just needed time to sink in.

Day 2 - The second day's meetings took place much more informally in the board room at Wisma Indonesia, at which the enterprises connected with YMS made their presentations.

Bp. Gutomo director of KSM, the Indonesian company for the plantation project, explained how two blocks of land of 12,500 and 7,500 hectares had been granted by the Department of Transmigration for the settlement of 4250 families for whom Subud would be responsible, as well as for the planting and running of the oil palm plantations which will provide part of their livelihood. An overseas investment company KPL has also been established with Sharifin Gardiner as a director to help finance the project. PCB for YMS will hold around 25% of the shares in the project, a small part of which is for the goodwill for the work done in setting the project up, and the rest to be paid for out of the first dividends. In this case the enterprise will clearly not be donating the shares, but is making their acquisition possible.

Leonard van Hien followed on to explain how YMS came to
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hold shares in the mining project which was through PCB, a company Bapak established for the enterprises in Kalimantan, that had originally held 20% of the mining operation before the establishment of KIC. KIC was then set up by Leonard in '91 to revitalize the mining which had come to a standstill, and PCB retained its shares in the mining operation while KIC held the other 80%. Therefore there had, as with the plantations, been no gifting of shares to YMS, in this instance either. This was not, however, how the present directors of KIC understood it.

It became apparent that in trying to maintain YMS/PCB's 20% interest in the mine, the KIC directors had felt there had been an undue interference in the past, so they wanted all the shares in the mining operation to be held by KIC. They also wanted the right to choose how, when and where to use KIC's 25% donation to Subud.

Day 3 - The venue of the meeting changed to Bapak's house at Pamulang. Latihan was followed by a meeting, sensitively chaired by Markus Hoff Berge. It gradually emerged that if YMS/PCB gave up its shares in the mining operation to KIC, then the KIC directors in return would recommend to their shareholders that 20% of the Subud share in KIC to be allocated equally between MSF and YMS, but with conditions. After lunch a small group got down to the nitty gritty of wording the agreements.

Day 4 - A change of scene again. S.Widjojo's EGM and the decision to cut contributions to Subud by 50% caused a stir. A presentation by an American firm of architects proposed designs for a possible building on the newly purchased land behind Widjojo. Part of their promotion included the tallest building in the world that they'd designed and which is being built in Shanghai. We're in a rarified atmosphere, only the night before we'd seen designs by IDC for the tallest building in the world to be built in Jakarta. Back to earth with more work on the wording.

Day 5 - It was time for some trustees to leave. KIC directors and MSF trustees had dinner with Hartati to make sure there was complete accord. Did KIC and MSF and YMS want the same thing? Yes, they are all working for the growth of Subud. Why not test then "How is the growth of Subud if KIC gives these shares to Subud?" and "How is the growth of Subud if not?" "How is it for the mining project if these shares are held by MSF/YMS?" "How is it if they are not?" Yes, at last concord, the difference is truly evident and witnessed by all. The miracle of the latihan again experienced, mutual understanding, mutual agreement - at least for the moment.

Note: * The MSF/YMS, KIC agreement is not yet ratified by WSC or the KIC shareholders.



Muhammad Subud Foundation and World Subud Association Relationship

With the World Congress approaching, it would be beneficial if the current relationship between MSF and WSA were understood as this will help in making decisions about MSF's future development. However, it is important to first know what MSF is and how it came to be.

What is (MSF) Muhammad Subud Foundation?

The concept of the Muhammad Subud Foundation was first received by Varindra in the early 1960's, through a dream that had such an impact on Varindra that the next day he flew to Jakarta to tell Bapak about it. Bapak confirmed it was a true experience, and that "there should be an MSF but as long as Bapak was in this world we should call it the Subud Brotherhood, International Foundation and when Bapak was no longer here it would grow into the building that Varindra saw in his dream."

So the concept of a Foundation was not new with MSF, for Bapak had not only approved its eventual establishment, but had clearly explained the role of such a Foundation in describing his vision for SBIF. For the first ten years SBIF pioneered the social and charitable activities of Subud until this role was usurped by the decision to use SBIF as the legal form for the Subud organisation. This meant that on Bapak's death there was no trust or foundation to receive Bapak's name.

Establishment of MSF

The four years after Bapak's death saw the constitution of a world wide Subud Association approved by the '89 World Congress and the legal establishment of the World Subud Association. As WSA began to acquire long term assets i.e. Bapak's house in Cilandak and donations of shares, it became clear another entity was required to hold and manage these long term assets on behalf of WSA which would be a completely trust worthy and prudent manager for capital donations for the long term development of Subud.

The moment had arrived for the establishment of the Muhammad Subud Foundation, and in August 1991 in Tokyo, the World Subud Council agreed the mission and organisation of MSF and the first board of trustees was appointed. MSF was incorporated, as was WSA, in the USA as the US has all the necessary requirements for an international foundation.

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Relationship with (WSA) World Subud Association

MSF is not only a creation of WSA but the WSA maintains an on going control, in that:-

- 1) MSF reports annually on its activities and annually presents its budget which must be approved by WSA or WSC.
- 2) WSA receives a budget allocation from MSF by right and this includes funds for SDIA, SICA, SPI etc
- 3) WSA may jointly set up the Foundations programs
- 4) The voting rights of any shares owned by MSF are vested with WSA
- 5) Nominations for trustees can be made by National organisations through the Zonal reps, by WSC or by MSF trustees.
- 6) The trustees are elected by WSA at the World Congress or the annual WSC meetings, assisted by the IHS
- 7) MSF Chair is appointed at a plenary meeting of the World Congress
- 8) WSA chair is an ex-officio trustee
- 9) WSA can remove any trustee from office.

The WSA by its very nature is an international body and MSF is an international foundation, with no ties or affiliations to any other country or institution other than WSA. It is the tool for the Subud Brotherhood to bring about the aims of WSA.

As such MSF is there to be used by WSA and WSC, and through WSA/WSC, by SDIA, SICA and the affiliates, though the 'how' is still developing. Firstly MSF has not had sufficient funds for this to happen, and secondly the source of revenue in Subud is very limited so, for others, there has been a feeling of being threatened both by the sharing of limited resources, and the perceived wish of the Foundation to govern. This has arisen because any money donated to MSF, even if designated, is legally bound to be monitored by the trustees. As a result the trustees have recommended that all Susila Dharma type donations go direct to SD. This does not mean however that MSF will not support SDIA and the other affiliates when and where it can.

But the fact is, that MSF is all about providing long term funding by building up a strong capital base of income producing assets. To try and resolve WSA/WSC's shortfall by eating into MSF's (fragile) capital base is not an option that should be considered. If that means some WSA projects go short of funds, then that is a problem for WSA not MSF. As trustees of a foundation the MSF trustees have both a legal and moral responsibility to act diligently in the allocation of funds to meet objectives.

The Trustees

There are six elected trustees together with Ibu Rahayu who is a lifetime trustee, and the chairperson of WSA. There is also an Administrative Officer and a Foundation Secretary (who advises on legal matters) who are functionaries of the Foundation but who are not trustees. The expenses for the running of the Foundation, except for the administration and publication costs, so far, have been borne by the trustees personally. Markus Hoff Berge MSF Chairman has donated the cost of all the quarterly teleconferences. The trustees travel, and communication costs are all donated to the Foundation.

The Role of MSF

MSF's role is threefold - raising funds, managing funds and disbursing funds. Raising funds: To this end the trustees have raised the profile of MSF through articles in Subud Publications, through the portfolio and brochure which were widely distributed, through the bi-annual MSF Review which reports on the progress and activities of the Foundation and through presentations at Congresses, gatherings etc by the trustees and liaison officers. These are national MSF reps of which there are eleven. The re-running notice in Subud publications "Where there's a Will..... is the Foundation's hardest sell.

Donations are given by individuals and enterprises in the form of capital, shares or bequests from the very large to the very small. The support is broad based throughout the membership both geographically and economically and is very heartening as it is an expression of members' belief in the reality of Subud and peoples' trust in Subud and therefore the aims and objectives of MSF.

Managing Funds

Current Assets	\$ 1,280,000
Fixed Assets	\$ 242,140
Shares and loans	\$ 552,016
Total	<u>\$ 2,074,000</u>

MSF has:-

a) A Permanent Capital Fund of which only the interest can be used. This includes the Farkas Fund of US\$ 387,000 of which 25% is earmarked for publications and 25% for social projects for children.

b) A Capital Use Fund of US\$ 889,000 into which most donations are given. \$ 67,759 is invested in the Massachusetts Financial Services while the rest is on a bank deposit while the trustees seek the most advantageous investment.

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- c) Subud House Fund
- d) Social and Humanitarian Fund
- e) Culture and Youth Fund

The donor restricted funds (c, d and e), interestingly enough, have not been significantly supported. They were set up to attract donations but in fact the Capital Use Fund which is not restricted, is the one that is supported the most and which is available to be used for any of these activities.

Besides these funds MSF has fixed assets which include the Latihan Hall at Amanecer, the Archive House Wisma Subud, and the Big House which for accounting purposes is written as a loan to YMS. MSF owns shares, some of which bring in dividends eg. PTS Widjojo and Flochem; and some of which are tradeable eg Kalimantan Gold, whilst others are non tradeable shares in Subud companies.

Disbursing Funds

The Foundation, due to its limited budget has concentrated on providing Subud houses in areas of need as this is the primary material requirement for the growth and development of Subud. Before any money is disbursed the following principles have been followed:-

1. That the request has been recommended by the National Committee, the Zonal Representative and the IHs of the Area
2. Ownership -this is decided by the Nat Committee and the group building the house. It is not MSF policy to acquire Subud houses to empower itself, rather the policy is to strengthen Subud in the country concerned.
3. Legality -e.g. ownership of land and building, building permit, receipt of foreign currency, ability to repay if a loan, are all checked.
4. Funds disbursed either as a grant or a loan - sometimes part loan part grant. No interest has been charged on the loans that have been granted so far.
5. Impartiality of the trustees. It was Bapak's wish that SBIF trustees should be global in view and not put their own area first So also with the MSF trustees.

Further Requests

It is clear that even with such generous donations as have been given the needs of Subud around the world far out stretch the funds available.

If an image of a tree can be used, the roots are the donations

from the enterprises and members. The stronger the support, the longer the roots and the firmer the tree. The trunk is WSA and MSF; they are the conduit through which energy flows, energy being direction, stimulation and activity through WSA or WSC and the Wings, and energy being money via MSF. The tree's branches are the centres and groups around the world, the leaves the members and the fruit the projects social and cultural. The growth of the tree is dependant on nourishment from the roots, the trunk is both a support and a channel. Each part of the tree is dependant on the other. This is only to illustrate the outer, the organisation.

Note: There is to be an official Working Party on MSF at the World Congress on Saturday August 9th from 3 - 6pm. There will also be an MSF Workshop for members wishing to ask questions, the time of which, is still to be arranged.



Subud Houses

MSF continues to be active in supporting Subud House proposals.

1) Malaysia

It has already been reported in the previous issue that the MSF had approved a loan to Subud Malaysia for their national Subud House project.



Members of the Malaysian Group in Kuala Lumpur

Their plan was to purchase a unit on the first floor of a 4-storey building on the outskirts of Kuala Lumpur (15 km from the centre of the city). Their total budget is US\$68,000 including repair costs, of which \$30,000 was requested from MSF in the form of a loan. After all the requirements set by

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MSF had been met, this sum was transferred to Malaysia on February 11th 1997.

Michael Alfonso, Malaysian Committee Councillor, reported on April 14th: "I have just returned to Abu Dhabi from Kuala Lumpur, after spending a week with my family there, and am glad to inform you that Subud Malaysia has completed the transaction of the Subud House, and took possession of the premises on 1st April while I was there..... For Kuala Lumpur members, the Subud House has come in very timely. The present latihan premises are no more available. We were sharing an apartment with a group conducting music classes, but as the music teacher had decided to convert the apartment into his residence, the apartment is no longer available for latihan. At present the Kuala Lumpur latihan is being held at a helper's house until the Subud House is ready for us. Some partitioning, carpeting and air conditioning (to contain noises) has to be done, and we have arranged for it. We hope the Subud House will be ready to hold latihan in a month's time....."

2) Ukraine/ Cherkassy Subud House

The Cherkassy group is the largest in the Ukraine and the national committee is located there. They bought a tiny flat at the beginning of last year with the money donated by a Dutch entrepreneur, but this space is only enough for helpers' or committee meetings and insufficient for latihan. Therefore they developed a 2 stage plan:

- a) to buy a house with surrounding land (approx. 470 sq. m.) and do some repairs to the existing building so that they could start using this as a latihan space.
- b) to construct a 2 storey building consisting of two latihan halls of 70 sq.m each.



Members of Subud Ukraine with members from Europe who visited them to attend the last Zone 4 meeting.

Although their total funding request is for \$32,000 (half loan/half grant) they urgently needed \$25,000 to purchase the site they have chosen. So MSF transferred this amount at the end of March.

Many members helped Ukraine to realise this project. Harold Temple and Mark Merlin, the Zone 4 Rep, gave them their full support, Valentin Willecke gave us his help and advice, and a Polish enterprise run by Stefan and Demian facilitated the transfer of the funds.

3) Mexico

Subud Mexico came up with three project proposals. One was in Tlaxcala where a newly-formed group of 20 members had already bought a plot of 300 sq. m. and wanted to build a 2 storey Subud House with 230 sq.m. floor space. They applied for a grant of \$7,000 and \$3,000 loan, out of the total construction budget of \$24,000.



Muchtar Martins with members of the Mexico group

Another application was from the Puebla group who wanted to build a second floor on the existing Subud House with the total budget of \$12,000 and requested a grant of \$2,000 and a loan of \$3,000 from MSF. This was because the group is now growing. This city is where the national committee is based and the Puebla group has 60 members at present.

The third was a national Subud House project for which they requested \$15,000 (half loan/half grant). There are still some ambiguities in this proposal as regards site etc. so MSF has so far approved only the projects in Tlaxcala and Puebla to which \$15,000 was transferred at the beginning of May. Hopefully they will be starting construction shortly on the designs drawn up by Muchtar.

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4) Subud Houses in Developed Countries

It is the existing policy of MSF to give priority to Subud Houses in less developed countries. However as the assets of MSF have recently increased due to a generous donation, the Foundation is starting to receive requests from developed countries as well. This requires MSF to establish a general policy about the percentage of annual expenditure on Subud House projects (and others). It appears the Foundation will need a workable mechanism to evaluate the relative needs for each project together with WSC. MSF has already received 2 requests for assistance from developed countries.

- a) Subud New York has requested a loan from MSF to complete the renovations to their recently acquired Subud House so as to make it suitable as an enterprise for rental purposes.
- b) Subud Italy has requested a grant for their Subud House in Florence, the first one in Italy. Zone 3 countries are helping co-ordinate efforts.

5) Some Follow-Ups

- a) India: MSF has been communicating with the Indian Subud House Trust about the possibilities of making a fresh start since the MSF funds, which had been frozen, were returned by the Indian government to MSF.
- b) Zaire: Diabanza was successful in his fact-finding mission about SDI projects in Zaire. He also brought back a message from Zaire about their Subud House project but the MSF feels that there needs to be more clarity in their proposal. Unfortunately because of the current state of civil war in the country it is very difficult to communicate with them. MSF hopes that their delegates will be able to safely attend the World Congress and that they will be able to discuss their plans then with the Trustees.

Rozak Tatebe CEO



SPOKANE

You'll Love it Here!

MSF loses two fine Trustees, and the Foundation Secretary.

Both Markus and Rozak will be resigning as Trustees of the Foundation at World Congress in Spokane. We shall also



lose Peter Filippelli, our much loved, mostly unseen but highly efficient company Secretary.

Peter was a close friend of Varindra, and retires after eight years service to the Foundation; likewise Rozak, who joined the Foundation when it was first established as ISC Chairman, and was later elected a Trustee at

Amanecer.

Peter Filippelli - MSF Foundation Secretary

Markus was an obvious choice by Varindra to succeed him as Chairman of MSF. Working on the board with him has been an exemplary experience in the true Scandinavian style - exemplary because of his exceptional skills in diplomacy and negotiations. Patient, humorous and always businesslike, having found a point of understanding in a particular problem, he would work clearly towards that goal and gently overcome any difficulties that lay in the path to settle the matter.

As Chairman, he gave great attention to detail and was always willing to listen to everyone's voice during Trustee meetings. His standards of openness and integrity set a certain pace, and he counted the length of time spent in discussion as an opportunity for us to grow and learn something new about Subud member's difficulties and cultural needs which might affect our work. No decision was ever made until everyone present had spoken.



Markus Hoff Berge - MSF Chairman and Trustee

In spite of carrying a heavy work load necessitated by running his own, successful business, he gave his time unstintingly whenever it was needed. Markus is

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retiring to continue his work as Chairman of ICDP, a Norwegian Subud Foundation for the education of neglected children, which has become a major welfare program in Norway as well as internationally, especially since it is now supported and sponsored by the Norwegian government.



Rozak Tatebe -
MSF CEO and
Trustee

Rozak has filled the role of CEO during the last four years. An excellent administrator and communicator in spite of some natural language problems, he frequently offering sensitive solutions when the going got difficult. A gentle and pragmatic philosopher, both sagacious and thoughtful in his contributions to discussions, who became an integral part of the team. He generated a refined Japanese warmth in his relationships and was comfortable with the universality of the members of the Board.

Part of his work was to put together the policy manual which currently defines the guidelines and standards for the Trustees work. He also prepared other working documents which have now become an important guide for the Trustee's decision making process, such as the application form for help with building Subud Houses.

When we visited India together for discussions with the Madras Subud members, concerning the possibility of repayment of a loan from MSF, he met a great deal of opposition. I saw another side to his character when he became like a tiger. Speaking strongly, with all the force of a samurai, sitting crossed legged and unperturbed, surrounded by loquacious and gesticulating bearded Indians. His point was finally agreed and peace was restored.

Rozak is resigning because he wishes to devote his time to the Japanese enterprise, Purnama, in order to fulfill Bapak's wish for the Japanese Subud members.

The Trustees wish Markus, Rozak and Peter 'God Speed' in their so called retirement from the Foundation. We will miss them.

Hartati Horthy (June 4th 1997)



"Where there's a Will....."

The Muhammad Subuh Foundation is the principal body within the World Subud Association for accumulating capital to fund the objectives of Subud on a world wide basis.

To assist in these objectives, the Trustees invite members to consider making a bequest to the Foundation in their Will.

For a Muhammad Subuh Foundation portfolio, including information on Bequests contact Rahman Connelly, (who is responsible for these) at:

PO Box 311,
Dapto NSW 2530,
Australia.

Tel: 61-42-616955 (o) 61-42-617802 (h)

Fax: 61-42-616478.

E-mail: contem@ozemail.com.au

Members can also send their donations to Muhammad Subuh Foundation should they wish to support the spread of Subud Houses worldwide or other projects which MSF supports. US members can send a check made payable to The Muhammad Subuh Foundation or international members can send a Bank Draft. Please complete the form and mail to the address below.

Name: _____

Address: _____

Telephone No: _____

Fax No: _____

Email Address: _____

Amount : US\$ _____

Earmarked to:

Subud Houses: US\$ _____

Bapak's Talks: US\$ _____

Cut out or copy form and mail to:

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