January 2012

2011 Annual Update

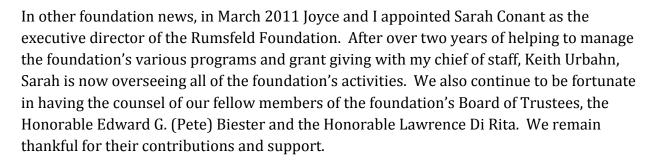
Dear Friends.

Joyce and I are delighted to update you on the Rumsfeld Foundation's activities over this past year. As you know, our mission is to support military charities, reward public service at home, and support the growth of free political and free economic systems abroad. In 2011 we have worked to expand and improve our programs supporting this mission.

It has been quite a whirlwind year. My memoir, *Known and Unknown*, was published on February 8th, 2011. In the time that has followed, *Known and Unknown* reached #1 on the

New York Times Bestseller List, I have visited 20 states, participated in over 75 events, and given more than 300 interviews. Also of interest, *Known and Unknown's* supporting website, www.rumsfeld.com, which hosts over 4,200 primary source documents, has had over 36 million hits to date.

Back in 2007 when I decided to write my memoir, Joyce and I also made the decision that all of the proceeds I would receive from the sales of my book would be given to charities that benefit the men and women of the U.S. armed forces, veterans, and their families. We are pleased to report that due to the success of *Known and Unknown* thus far, I have received my first check from the sales of my book, totaling \$524,077, and have donated it all to military charities at the close of 2011.



Following are some highlights of the foundation's work in our four focus areas. For additional information, we encourage you to visit our foundation website at www.rumsfeldfoundation.org.

1. U.S. Military and Veterans' Charities

In 2011 the Rumsfeld Foundation was pleased to make grants to military charities in excess of \$560,000. Specifically, in December 2011 grants totaling \$525,000 were distributed after receiving the first portion of my proceeds from the sales of *Known and Unknown*. This amount was disbursed among 28 grant recipients, all fine organizations providing a variety of programs, resources, and support for U.S. troops, veterans, and their families. Activities of these organizations range from outdoor rehabilitative therapies, educational scholarships, and mentorship and career counseling, to supporting special needs of the wounded and the day to day necessities for the troops on the ground.



San Diego Naval Base-June 17, 2011

One of the highlights of the book promotion tour for *Known and Unknown* this past year has been having the opportunity to visit a total of 16 military bases throughout the United States, Japan, and South Korea. It has been an honor and privilege to meet with and thank so many of the dedicated men and women in uniform who volunteer to serve our country. I plan to visit more bases in the year ahead.

Due to the many wide-ranging activities of the pundation is supporting in this undate we will no

military charities that the Rumsfeld Foundation is supporting, in this update we will not attempt to fully capture all of their impressive work. However, by way of example, some of their activities include:

Homes for our Troops is an organization that adapts current homes or builds new homes for the most severely injured service members who have been wounded in combat since 9/11. Luke's Wings provides families with transportation to visit during a service member's hospitalization and rehabilitation. Paws for Patriots trains assistance and guide dogs to be placed with wounded and visually impaired veterans. Green Beret Foundation provides unconventional resources and support for the Special Forces community.

For a complete list of the military organizations that the Rumsfeld Foundation supports, please visit our foundation website. There you will find brief descriptions of all of our grant recipients as well as links that offer more complete information. We believe you will be impressed by the important ways these groups provide support to the troops and their families.

Sgt. Shawn Mello and his Veteran Assistance Dog, Harpo, from Paws for Patriots

2. Graduate Student Fellowships

Now in the third year of our graduate fellowship program, the foundation has granted graduate fellowships to 36 students from 12 universities around the country. While varying in background, these students have a common desire to put their graduate educations to use by pursuing avenues of public service. We are fortunate to have a team of 14 trusted spotters around the country who continue to nominate exceptional fellowship candidates from year to year.

Once nominations are submitted, the Trustees of our foundation meet to review and determine the fellowships to be granted. Fellowships may include up to a \$15,000 stipend and \$10,000 in tuition support for one academic year. For the 2011-2012 academic year, the Trustees awarded a total of 15 fellowships. These fellows include students pursuing a Master's, Ph. D., or Juris Doctorate with concentrations including political and theological ethics, public management, economics, international affairs, philosophy, strategic studies, Middle East Politics, and East Asian Civilizations.

Having had the opportunity to meet with a number of our fellows over the past several years, I am confident that the fellowship support we provide is a sound investment in our country's future. They are bright, dedicated, and seem eager to serve in their areas of expertise.

Moving forward, we are planning to create opportunities to bring our graduate fellows together and strengthen their network. We hope to host our first event bringing fellowship recipients together in 2012 or 2013.

3. Microfinance

In September 2011, we announced our microfinance grants totaling \$225,000 to support microfinance projects in 10 countries. These grants included \$20,000 to ACCION
International, \$25,000 to Grameen Foundation, \$60,000 to Opportunity International, and \$120,000 to FINCA International.



FINCA Kyrgyzstan Loan Client

The grants awarded are being used to provide support to a variety of microfinance projects including education programs, staff training, the opening of new micro-loan bank branches, and extension into rural areas. Also, in 2011 for the first time we provided a grant to Opportunity International to aid their subsidiary, MicroEnsure, the world's first microinsurance intermediary, in providing affordable insurance products to the world's poor.

While differing some in their methods and areas of work, all of these organizations encourage entrepreneurship and promote self-sufficiency in some of the world's impoverished nations. By providing

small loans directly to those in need, they bypass traditional aid systems and effectively support small business.

We look forward to hearing updates on how the projects we are supporting are progressing and finding additional ways to collaborate with our microfinance partners in the future. We thank them for the work they do to provide opportunity to the world's least privileged.

4. U.S.- Central Asia Relations

In the fall of 2011, we welcomed our seventh group of fellows from Central Asia, the Caucasus, Afghanistan, and Mongolia, bringing our total number of participants thus far to 52 fellows from 10 countries. We are pleased with the quality of the fellows in the program and remain grateful for our partnership with the Central Asia-Caucasus Institute at the School of Advanced International Studies at Johns Hopkins University. Critical to the success of our program are the invaluable support of Dr. S. Frederick Star, Chairman of the Central Asia-Caucasus Institute, and the dedicated work of our fellowship program manager, Mr. David Soumbadze.

"Without any doubt, meeting through the program such prominent people from the United States and young leaders from the region made a great positive impact on my mind and my heart."

- Kairat Karmanov Kazakhstan **Spring 2011 Fellow**

Our Fall 2011 group of fellows was our largest to date, consisting of 10 fellows from Afghanistan, Azerbaijan, Georgia, Kyrgyzstan, Mongolia, Tajikistan, Turkmenistan, and Uzbekistan. Their professions include positions such as a television



Director of News and Current Affairs, a CEO of a business association, an economist for the Asian Development Bank, and advisors to several Presidential Administrations.

During their six week fellowship program they had over 60 meetings with a wide variety of U.S. business leaders, government officials, journalists, and academics. Meetings included time spent with such fine

minds as U.S. Senator Lamar Alexander, former Governor of Tennessee; Secretary Elaine Chao, former U.S. Secretary of Labor; the Honorable Douglas Feith, former Undersecretary of Defense for Policy; and Ambassador John Negroponte, former Deputy Secretary of State and former Director of National Intelligence.



Along with their time spent in Washington, D.C., each PEN WORLD group of fellows also visits another city to experience the U.S. outside of our nation's capital. Our spring and

fall groups in 2011 visited Philadelphia and Chicago respectively. With the Fall 2011 group we also began an exciting new partnership with the Open World Leadership Center to bring the fellows to smaller U.S. cities to learn more about U.S. local governments and communities. The Open World Program, created in 1999, is a Congressionally sponsored exchange program that has brought over 17,000 young leaders from Eurasia to engage with Americans here in the U.S. During this first collaboration, 5 fellows visited St. Louis, Missouri and 5 fellows went to Columbus, Ohio, all staying with local host families during their visits. We are pleased that the feedback from the fellows on these trips has been

overwhelmingly positive. We hope to continue a partnership with the Open World program for future groups.

In this next year we plan to focus on strengthening our growing alumni network and improving communications among these remarkable young leaders we have had the pleasure of getting to know. We have no doubt but that they will continue to make increasingly significant contributions to their countries and their region in the years ahead.

Over the past few years, some folks have expressed interest in making charitable contributions to our foundation. While we have not engaged in active fundraising, it is possible to donate on our website at https://www.rumsfeldfoundation.org/contribute/. Since the Rumsfeld Foundation's founding in 2007, we have been grateful to receive over \$39,000 in donations. We are appreciative and heartened by the desire of others to be supportive of the foundation's important objectives.

If you have questions or suggestions, please call us at (202) 944-1304 or visit our website at www.rumsfeldfoundation.org. Joyce and I appreciate your interest and wish you the best for the New Year.

Warm regards,

Don and Joyce Rumsfeld

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