



Regarding certain articles published in the media about offshore corporations, the Legion of Christ makes the following clarifications:

1. The institutions and works promoted by the Legion of Christ do not currently have offshore corporations nor do they have resources deposited in offshore corporations. The corporations in Bermuda, Panama, Jersey, and Virgin Islands, to which certain media reports refer, which were created during the time in which Fr. Marcial Maciel was general director, have been closed.
2. The offshore corporations that existed and had some relation to the congregation and its members were operated in accordance with the law and were never used for illicit activities, as some news articles seem to affirm.
3. The accusation that more than \$300 million a year were channeled through International Volunteer Services is false. This entity was set up juridically but never functioned.
4. Oak Management Ltd, which directed the collection of tuition for the international language academies, has been closed.
5. The institutions, works or activities promoted by the Legion of Christ currently have corporations that operate in accord with the laws of the countries in which they carry out their pastoral mission.
6. The educational works related to the Congregation of the Legion of Christ operate transparently, have audited accounts, and observe the legal and fiscal provisions of the respective countries in which they operate. They have no involvement or operations with offshore corporations.
7. The Legion of Christ started in Mexico and has grown to the point that at present it engages in educational and charitable activity in more than twenty countries. Over the years, solidarity has existed between various locations to favor the



development of its mission. Educational centers grew vigorously in the nineties, thanks to the generosity of many people, the confidence of many families, and the professionalism of our teaching staff. From the year 2000 onwards, investments were funded in some cases through bank loans.

8. It is public knowledge that after the Apostolic Visitation called for by Pope Benedict XVI, the government of our congregation was entrusted to the Pontifical Delegate, Card. Velasio De Paolis. During this time, which extended from 2010 to 2014, the Commission for the Study and Revision of the Economic Situation of the Congregation of the Legionaries of Christ was convened. It was made up of five members: Cardinal Domenico Calcagno (president), Monsignor Mario Marchesi, Fr. Eduardo Vigneaux LC, Fr. Alberto Simán LC, and Dr. Rosinio Antonio Morelli (see Decree, January 4, 2011).
9. The purpose of the Commission for the Study and Revision of the Economic Situation of the Congregation of the Legionaries of Christ was to analyze the economic management and financial situation of the Congregation. The report that was presented by Monsignor Mario Marchesi, a member of the Commission, to the General Chapter:
 - a. emphasized that no misappropriation of money or other irregularities have been found in the fiscal activities reviewed.
 - b. indicated that the most urgent aspect that had to be addressed in this area was to reduce the bank debt that had resulted from various factors: the overly rapid expansion of the works of the Congregation, the worldwide real estate crisis, and a falloff in donations.
 - c. In some countries the debt is large but remains manageable given the income and assets of the Congregation.
 - d. signaled the need to adjust and simplify the administrative structure to promote the responsibility proper to territorial superiors, local superiors, both of the consecrated branches of Regnum Christi, and directors of the works of apostolate.
 - e. The General Chapter, the supreme authoritative body of the Congregation, had at its disposal the extensive and detailed documentation prepared by



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the general administrator, and the report on the internal and external audits done on the financial operations of the congregation throughout the world (CCG 2014, 219).

10. The Legion of Christ, following the doctrine of the Church expressed in the Catechism, considers morally illicit “speculation in which one contrives to manipulate the price of goods artificially in order to gain an advantage to the detriment of others; corruption in which one influences the judgment of those who must make decisions according to law; appropriation and use for private purposes of the common goods of an enterprise; work poorly done; tax evasion; forgery of checks and invoices; excessive expenses and waste” (Catechism of the Catholic Church, 2409).