

ARMENIA FUND USA ACTION NEWS

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WITH ARMENIA FUND ON THE JOB, SHUSHI IS ON THE RISE



When it comes to the economic and social rebirth of Shushi, it may all depend on three vital networks: the arteries that lead to and from the heart of the city; the supply lines that deliver water to residents and businesses; and the community of residents that will keep the city flourishing as a haven for Armenian cultural pride and human dignity.

Thanks to last year's record-breaking funds generated just for Shushi by Armenia Fund and its affiliates, the resources are available to bring these important networks into the modern age by the year's end, creating a new lease on life for a town still mired in physical decay and economic stagnation.

Making central streets safe and easy to navigate.

The flow of street traffic, both pedestrian and vehicular, is fundamental to keeping the town of Shushi the nexus of business and social activity. Such is reason enough for Armenia Fund to embark on a major reconstruction effort that will modernize the main streets leading to and from the city center. The project will result in safer and swifter passage for the goods and services, businesses and workers, as well as tourists and consumers that are indispensable to the development of the entire Shushi province. Following the liberation of Karabakh, certain streets in Shushi were renamed to honor landmark figures in Armenian history, such as Ghazanchetsots, Hakhumyan, Manukyan, and Nzhdeh Streets. Nevertheless, these roads remained in disrepair for over a decade, proving hazardous for driving and walking. Not only were the sidewalks unsafe, but the utility infrastructure, such as sewers and gutters, also dysfunctional and dangerous. Ghazanchetsots Street, for example, is the northern gateway to Shushi, yet continual landslides make it often impassable, causing delays in the inflow and outflow of essential goods and services.

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Thanksgiving Day
November 25, 2010

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MESSAGE FROM THE PRESIDENT OF THE REPUBLIC OF ARMENIA



In 2009, the Hayastan All Armenian Fund continued to carry out its work with utmost diligence and conscientiousness, as demonstrated by the present report. The unique mission undertaken by the Fund since 1992 is a direct reflection of the aspirations and goals of the Armenian nation as a whole. As both an institution and an ideal, the Fund embodies Armenian unity. Indeed, its accomplishments serve as living proof that Armenians across the globe, despite the geographical distances that separate them, can focus on the same direction, share the same concerns, be enthralled by the same vision, and join forces to find solutions to common issues.

Throughout last year, we witnessed a wonderful new phenomenon, namely the tripling of donors living in the homeland and the almost doubling of those in the diaspora. The Fund had never experienced such leaps in the numbers of its supporters.

Today we must spare no effort to rebuild our treasured Shushi, so that it will dazzle the world with its renewed splendor and charm. By supporting the Fund, every individual and organization helps bolster our faith in our collective strength and the future of our nation.

With its vigor, optimally designed projects, and long track record of successfully completed initiatives, the Fund brings extraordinary passion and enthusiasm to the pursuit of our shared objectives. The Hayastan All Armenian Fund continues to integrate the Armenian people's resources, capabilities, and efforts in its abiding quest to achieve true greatness.

Serzh Sargsyan
President of the Republic of Armenia

With Armenia Fund on the Job, Shushi Is on the Rise from page 1

With the Shushi street renewal project, brand-new civil engineering structures are now being installed, followed by the anesthetic and practical overhaul of sidewalks with new asphalt and curbstones. The sewer systems and gutters on Manukyan and Nzhdeh Streets are already assembled, and trenches for soil-related work are in progress on those streets as well as Hakhumyan Street. As for Ghazanchetsots Street, reinforcement of the support walls will prevent future landslides.

With a target completion date of November 2010, these renewed streets will lead the way to greater productivity and efficiency in all spheres of life, from running businesses to simply arriving to school and work on time.



A steady flow of street traffic will keep Shushi the nexus of business and social activity.

Despite efforts by the Karabakh government as well as humanitarian organizations to redress the problem, Shushi residents still receive running water only two or three times per week in two-hour increments. The local authorities are in a race against time to keep the damaged network from a complete shutdown.

Solving such water distribution issues requires a comprehensive program that will include the rehabilitation of the water purification station, the daily regulated reservoirs, as well as the construction of a new reservoir. The project, to be implemented in several phases, ultimately will cover the entire internal water supply network for all districts of Shushi, delivering clean drinking water 24/7. The target date for completion is October 2010.

Promoting a strong community and cultural life.

With the cohesion of the local community at stake, Armenia Fund is working diligently to ensure that every generation is energized by a vibrant cultural and social life.

This process begins with the reconstruction of the Shushi Town Cultural Center. An expansion of the center will not only help bring more local communities together, but promises to open Shushi to the outside world, regionally and beyond, as a tourist destination. Experts concur that Shushi's rich cultural assets stand to boost

Ensuring clean drinking water for all residents at all times.

No civil society can exist without easy access to clean water in homes, schools, businesses, and institutions such as hospitals and clinics. For Shushi, however, a resource as basic as potable water cannot be taken for granted even in the 21st century. Simply put, the potable water system is a major casualty of war. Fortunately, Armenia Fund is ready to fight back with a great sense of urgency.



Previous Shushi utility infrastructure, such as sewers and gutters, were dysfunctional and dangerous.

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The reconstructed cultural center will help drive Shushi's cultural renaissance.

from concerts and dance recitals to theatrical performances and film screenings. In 2007 and 2008, it was the site of the "Golden Apricot" international film festival.

After reconstruction, the capacity of the center will be greatly enhanced. A new theatre will be incorporated into the upgraded facility, helping to drive Shushi's cultural renaissance.

At the same time, Shushi's town library, a two-story building with a basement, is overdue for a makeover. Constructed in the 1980s, it has only seen the repair of the roof in 2009 in an effort by the Shushi town administration to safeguard the 13,000 books it houses (11,400 are in Armenian and 1,600 in Russian) from water damage.

The main library's archives and storeroom are located on the first floor, with the reading hall on the second floor. There are 4,000 rare books that are only for reading on-site; the



Shushi's town library is being renovated in time for the new school year.

its tourism sector, with a transformed cultural center serving as its crown jewel.

The existing center is a four-story structure built four decades ago, barely sustained by interim repairs made throughout the years.

Despite its compromised state, the center currently hosts a variety of cultural offerings,

remainder can be checked out. Including those who use a branch of the library located in the Mariamian Girls School, over 1,000 people of different ages and preferences borrow books each year. It is estimated that this number will increase significantly when the main library is renovated and updated in September, just in time for the new school semester.



Nearly 500 Shushi residents finally have a safe roof over their heads.

Finally, the reconstruction effort would not be complete without addressing the needs of local families in dire need of a literal "roof over their head." To that end, in July 2010, major roof repairs were completed on seven residential buildings, each with 20 to 27 apartments inhabited by 40 to 60 residents. Nearly 500 residents are finally under roofs complete with new ventilation shafts and chimneys, plus metal covers with water drainage systems.

Taken together, these major reconstruction and renovation projects are bound to shape the future of Shushi for years to come, bringing about both physical and social changes for the better. And for all those who look to this legendary town as a beacon of national freedom, Shushi promises to rise once more.

MARTUNI REGIONAL HOSPITAL: ON THE ROAD TO A FULL RECOVERY

The future of healthcare in the region of Martuni is looking brighter. The regional hospital, built nearly half a century ago, will be replaced by a new facility that can better serve the nearly 5,000 residents of the local town as well as 30 rural communities in the province, including border towns such as Khachen to the north, Shushi to the west, and Dizak to the southwest.

Unfortunately, decades of diminishing budgets and inadequate maintenance have taken a serious toll on the current facility, which has fallen way behind even minimum standards for a hospital of its size and scope. Not only are the premises an eyesore, but much of the equipment is outdated.

Helping health professionals live up to their calling.

Despite this unfriendly environment, the dedicated doctors, nurses, and staff members continue to work valiantly to heal the sick and treat diseases, still managing to draw over 1,300 patients annually. They

are, however, well aware that they can serve a much larger population.

According to Dr. Grigori Gasparyan, chief of staff of the hospital, "Right now, we are losing many patients who prefer to be taken to the hospital in the capital city of Stepanakert, in spite of the longer distance and inconvenience to their families. With the necessary upgrades and improvements, we can increase our patient capacity by as much as forty percent."



Old Martuni hospital exterior.

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Old Martuni hospital: patient room.

A private-public partnership designed for long-term success.

Thanks to a joint effort among Armenia Fund, the Armenian Medical Fund (AMF), and the Karabakh government, the desolate-looking hospital will be transformed into a state-of-the-art regional healthcare complex. “Since 1950, Armenian Medical Fund, USA has aided the Armenian people in the TB and thoracic diseases area and is once again contributing to the healthcare development of the Armenian people by

participating in this important project,” states Vahe Balouzian, chairman of AMF.

The projected cost of the new construction is \$1,200,000, with Armenia Fund and the AMF providing \$300,000 each and the government contributing \$600,000.

Equally important, however, the Karabakh government will oversee and fund all post-construction maintenance, thus ensuring the sustainability of this ambitious project. “The government of NKR is fully committed to building the new Martuni Hospital,” states Prime Minister Araik Harutiunyan, “not only because it would provide high-quality healthcare services to the local population, but also because of its importance to the stability of the community and the national security overall.”

On the drawing board: A full-service, regional hospital.

Plans for the new hospital involve the same multidisciplinary services as before, numbering specialties in pediatrics, surgery, and infectious diseases (including thoracic and pulmonary diseases), with therapeutic and auxiliary departments. The new facility will boast an on-site diagnostics unit complete with a laboratory and radiology screening room, featuring the latest

equipment. Two of the three existing ambulances will be replaced as well.

An essential component to this project is training the staff. To that end, the hospital staff will receive hands-on training for the new equipment, as well as learn how to manage the new facilities for maximum efficiency. They will be educated on western medical practices in diverse specialties.

The model for the staff training is based

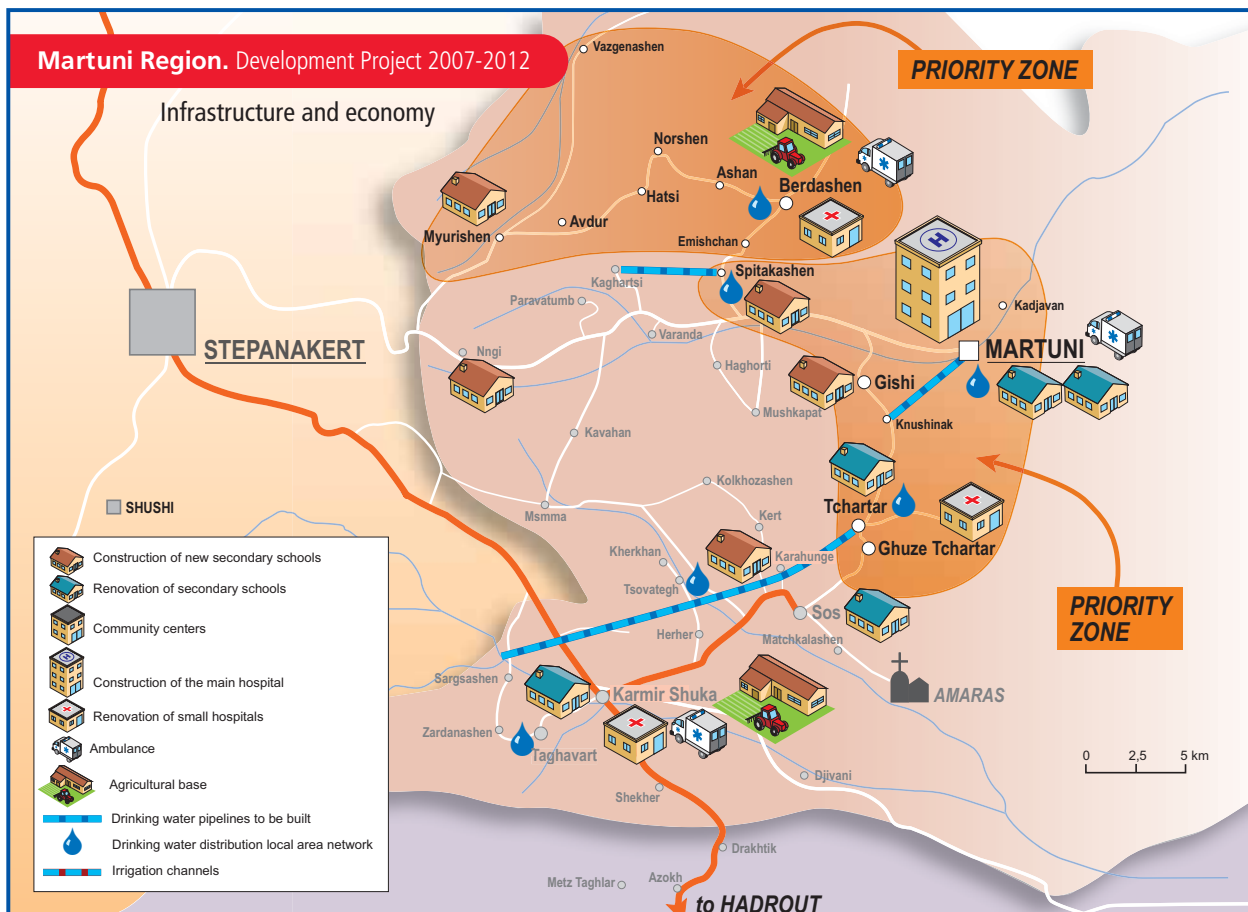


Old Martuni hospital: utility room.

on the program conducted for the Armine Pagoumian Polyclinic in Stepanakert, the first large-scale healthcare project taken

on by Armenia Fund back in 2005. At the time, Dr. Alina Dorian, a highly-respected California physician with vast experience in public health management, personally trained the staff in Karabakh. Those same professionals will pass on their education to the Martuni staff.

Ara Vardanyan, executive director of the Hayastan All Armenian Fund in Yerevan, believes that “when completed, the new Martuni hospital will open its doors to a new era in healthcare delivery, reassuring families throughout the region that their loved ones are receiving high-quality medical treatment in a safe environment.”



ARMENIA FUND USA HELPS OLDER ORPHANS TRANSITION TO AN INDEPENDENT LIFE

When Zatik Orphanage opened its doors to hundreds of orphans in 1993, it was in response to a series of crises. The 1988 earthquake, the collapse of the Soviet economy, and the Armenian-Azerbaijani war all converged to unleash an alarming rise in abandoned children throughout Armenia and Karabakh.

Under the dedicated direction of its founder Ashot Mnatsakanian, the orphanage made a commitment to see these homeless children through thick and thin, creating a warm and nurturing environment and attending to serious medical needs. By all accounts, Zatik has managed to live up to that vision, overcoming many challenges to provide the children with quality education and access to healthcare, instilling good values, and encouraging them to partake in team sports and music.

The Zatikavan Farm: A place for Zatik graduates to be and to become.

The Zatik of today is home to 140 children. This places significant financial demands on the institution. Even with some support from the government, its annual budget cannot sustain orphans past the age of 18. Facing the same rite of passage as their peers in mainstream society, these young adults are especially vulnerable. To help ensure that they do not wind up out in the cold without a safety net, Zatik came up with a plan: the Zatikavan Farm.

Thanks to the Armenian Bareshavigh, a charitable organization headed by Zatik Director Ashot Mnatsakanian, the Zatikavan Farm is the first step to independent living. Located just 10 kilometers from Yerevan, it is now home to 15 orphan graduates. It can accommodate as many as 60 residents.

“These graduates have never lived anywhere but the orphanage,” explains Ashot Mnatsakanian. “They need to make the transition to the outside world with some social and economic assets.” He adds, “The communal life is something with which our graduates are familiar. Many have grown up together. Zatikavan gives them a sense of belonging.”

Improving conditions to help the Zatikavan community thrive.

Recognizing the struggle to make ends meet for the orphanage as well as the farm, Armenia Fund USA has decided to help ease the burden. It has taken on Zatikavan as a special project designed to help the farm succeed as a business enterprise, so that the residents can enjoy a secure livelihood.

50 animals currently live on the development, including 28 cows. Unfortunately, these heifers only produce approximately 10 liters (less than four gallons) of milk per day. To turn Zatikavan into a sustainable, high-functioning entity, Armenia Fund USA is ready to provide additional high-quality, milk-producing cows that can produce up to

20 liters per day.

It is also prepared to help purchase feed for the increased animal population until the farm is able to grow grains on the 11 hectares of land available for such crops. It is providing residents with agricultural expertise on setting up production of alfalfa and barley. The farm then can produce its own animal feed, thereby reducing operating costs. Additionally, the construction of a silo is necessary for grain storage.

Since Zatikavan is located in a very windy corridor, it has the capacity to generate its own wind energy to supply affordable electricity. Recently, two modern windmills were installed to help reduce expenses for power.

The total cost of these improvements is \$30,000. Armenia Fund USA is appealing to its donor base to help support this effort in whole or in part, empowering these young individuals who have already surpassed all expectation in the face of such formidable adversity. “These grown orphans have had to overcome many challenges in the first 18 years of life,” remarks Irina Lazarian, executive director of Armenia Fund USA. “We want to make the next stage of life one in which they can master their own destinies as self-sufficient, productive members of society, continuing to care for one another as the tight-knit family that they have become.”

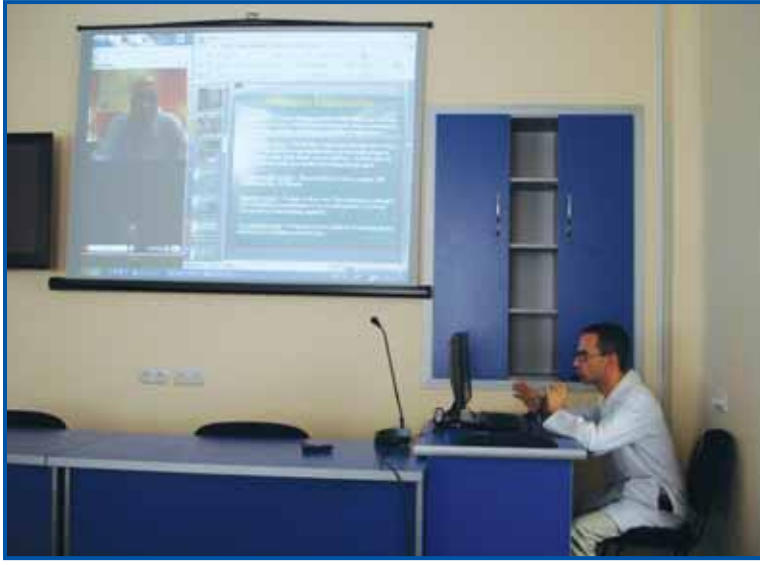


Zatikavan Farm gives orphans a sense of belonging.



Armenia Fund is ensuring that Zatikavan develops into a sustainable, high-functioning entity.

ARMENIA FUND USA FORGES STRATEGIC HEALTHCARE PARTNERSHIPS



By means of remote vascular surgery consultations, two teams of doctors provide top-notch expertise to a fellow Armenian.

Our promise of revolutionizing healthcare delivery in Armenia and Karabakh.

Armenia Fund USA has taken critical steps to enhance and modernize healthcare and medical education in Armenia and Karabakh with the establishment of its newly branded HyeBridge Telehealth™ program.

This initiative, worth hundreds of thousands of dollars, dates back to 2004, when the Fund pioneered a pilot project in telemedicine. Since then, Karabakh Telecom has been generously providing free, high-speed Internet access to the newly built Polyclinic in Stepanakert, connecting the biggest healthcare hub in Karabakh to the international medical community.

How is this possible?

Though telemedicine, as a field, is relatively new to healthcare, the tool has been widely utilized to overcome challenges of time and distance when it comes to prompt and precise medical diagnosis and information exchange. Through high-speed Internet access and a centrally controlled electronic communications database, medical and healthcare professionals are able to diagnose and treat critical conditions that sometimes require highly specialized experiential knowledge or expertise that is otherwise unavailable at a given place and point in time.

The idea of being able to diagnose and exchange information to improve the way healthcare is delivered to a distant region fascinated Armenia Fund. So it asked: why not Armenia? And why not Karabakh?

Having already invested in Karabakh's healthcare system, Armenia Fund came up with the ambitious plan of making the Armine Pagoumian Polyclinic part of what is to become a nationwide network of electronic diagnosis and an information-sharing platform. An initial HyeBridge Telehealth center was established in Karabakh in 2005.

In 2009, Armenia Fund USA arranged for computers and additional equipment installation that would allow, via electronic telecommunications, the exchange of medical information between

Armenia's Yerevan State Medical University (YSMU) and medical professionals practicing in remote regions of Armenia and Karabakh. This past summer, Vanadzor Hospital #2 joined the HyeBridge Telehealth international community, becoming the fourth project site.

This year alone, 22 computers, 2 Polycom videoconferencing units, and other critical surgical supplies (a total value of \$45,500) have been airlifted to HyeBridge sites, courtesy of United Armenian Fund, an indispensable player in bringing valuable specialty equipment and technology directly to the designated recipients.

From promising experiment to productive enterprise.

The undeniable success of the pilot session has convinced us that "telemedicine is an effective and cost-efficient driver of improved medical outcomes in Armenia," as Irina Lazarian, Armenia Fund USA Executive Director, describes it.

Telemedicine includes such applications as videoconferencing, transmission of still images, remote monitoring of vital signs, continuing medical education, and even nurse-advisory call centers. "For Armenia and Karabakh, this technology is the next best thing to in-person consultations and on-premise clinical and classroom training," Ms. Lazarian goes on to say.

This summer, videoconferencing equipment was installed at the Armenia Fund USA headquarters in lower Manhattan in preparation for a series of live consultations to be transmitted in real time. Doctors Tsovine Kojaoglanian and Vicken Pamoukian spearheaded the telemedicine sessions with Armenia this summer.

"A number of Armenian-American medical specialists from the tri-state area have expressed interest in consulting on difficult-to-diagnose cases from remote areas of Armenia and Karabakh," explains Gevorg Yaghjian, Vice Dean of Postgraduate Education and CME of Heratsi Yerevan State Medical University. "We are happy to orchestrate this groundbreaking exchange between Armenian specialists here and abroad. It sets a good example of how professional counterparts from different perspectives can successfully collaborate."

Reiterates Dr. Kojaoglanian, a Pediatric Infectious Diseases specialist at the Children's Hospital at Montefiore in New York, and a member of the Armenian American Health Professionals Organization (AAHPO), "At the live session in July, I was able to see one-year-old A.B. and his pediatricians in Yerevan who were working on diagnosing a rare metabolic disorder that made A.B. very sick. Together, we reviewed his history and work-up and decided upon the final few laboratory tests, establishing a future plan of action. Such is a superb example of what is vital to medicine both within the US and abroad — experts coming together to diagnose and treat a difficult condition, sharing their experiences and ideas for a comprehensive plan of management."



World-renowned pioneer in interventional radiology, Dr. Jiri Vitek, presents at YSMU.

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"It is an exciting opportunity for both teams of surgeons to be part of the vascular surgery consultations across the continents to provide top-notch expertise to a fellow Armenian," comments Dr. Pamoukian, M.D., a cardiovascular surgeon at Lenox Hill Hospital, upon diagnosing V.A., a 48-year-old male patient, with the rare pathology Superior Vena Cava Syndrome. "I am happy I was able to collaborate with Dr. Harutun Minasyan of YSMU in this fashion."

"Fortunately, many of today's younger physicians in Armenia speak English and many of our local participants speak enough Armenian to make the video consultation a fluid and productive discussion," Ms. Lazarian adds.

HyeBridge Telehealth attracts principal partnerships.

Under the HyeBridge Telehealth banner, a demonstration was presented in July 2009 at the 10th Annual Armenian Medical World Congress in New York City. Professional attendees gathered for a real-time telemedicine session in which four difficult patient cases were consulted with the use of the electronic technology, over 400 doctors and nurses from YSMU participating in the conference remotely.

The response was so enthusiastic that AAHPO announced at the Congress banquet its decision to join HyeBridge Telehealth as a principal partner. The collaboration between the Armenia Fund USA Eastern Region affiliate with YSMU and AAHPO doctors, dentists, nurses, and pharmacists practicing in NY, NJ, and CT, combines the world-class expertise of medical specialists in the U.S. with the vast field experience that Armenia Fund USA possesses in program implementation for Armenia and Karabakh.

At the same time, YSMU manages scheduling of video seminars and video consultation in Armenia and provides guidance and advice on telemedicine content design, based on the subject areas of greatest interest and most urgent need among professional counterparts in Armenia and Karabakh.

Aside from video consultations, the telemedicine partners have taken the next logical step: arranging for recognized specialists, such as Dr. Jiri Vitek, to visit Armenia.

Over the last 10 years, Dr. Vitek narrowed his interventional neuroradiological practice to carotid artery stenting and carotid atheromatous disease. He agreed to make a presentation on his specialty and was gratified by the response. "I enjoyed being in YSMU hospital and was surprised by the number of physicians interested in carotid stenting. It was a pleasure meeting the chief of radiology and all young physicians," Dr. Vitek remarked.

Vicken Pamoukian also expressed his satisfaction that "colleagues in Armenia could meet Dr. Vitek in person. He is one of the world-renowned pioneers in interventional radiology."

Armenia Fund young benefactors support HyeBridge Telehealth™.

On a summer evening in Manhattan in mid-June, Armenia Fund USA's "Sunsets on the Hudson" event drew more than 150 young professionals and community leaders to raise awareness and funds for HyeBridge Telehealth's new telemedicine hubs in Armenia and Karabakh. Margot Takian, Armenia Fund USA Board member and a steadfast supporter of young peoples' involvement in the Fund's mission, chaired the event committee. She and her husband Randolph Takian matched the night's donations to arrive at the total and generous contribution of \$5,000.

Detroit Armenia Fest benefits HyeBridge Telehealth yet again.

The entire Detroit community stood behind HyeBridge Telehealth during this summer's Detroit Armenia Fest. Exactly one month after June's HyeBridge-centered event, July 17th marked the third annual Armenia Fest in Detroit, co-chaired by Corrine Khederian and Edgar Hagopian of the Armenia Fest committee, with additional support from the charitable Armenian service organization, the Knights of Vartan. The committee partnered with Armenia Fund USA to benefit the Fund's HyeBridge Telehealth program. Such a commitment to this particular project is not unique to this current year; by means of a 2009 Detroit event in Mr. Hagopian's honor, \$10,000 was raised and applied towards the same long-term effort.

A strategic membership with global implications.



In October 2009, HyeBridge Telehealth applied for and was granted membership in the American Telemedicine Association (ATA), which extends member rights to all HyeBridge Telehealth partners — Armenia Fund USA, AAHPO, and YSMU — an affiliation that promises to significantly expand global healthcare networking opportunities while providing access to resources

designed to advance telemedicine in developing nations.

As a new institutional member, HyeBridge Telehealth was invited to participate at the ATA Annual Conference in May 2010 in San Antonio, Texas. In addition, the head of ATA has agreed to participate, via videoconference, in selected telemedicine sessions that the YSMU has organized around its 90th Anniversary events as well as in professional conferences this October 6-11 in Armenia.

"By forging strategic partnerships between medical professionals in the diaspora and Armenia, supported by technologies that facilitate the instant exchange of up-to-date information, Armenia Fund USA has solidified its role in helping to bring Armenian medical practices up to world-class standards," stated Raffi Festekjian, chairman of Armenia Fund USA.

Any individuals, professional groups, or institutions interested in participating in HyeBridge Telehealth are invited to contact Irina Lazarian at **212-689-5307**.



President of American Telemedicine Association Dale Alverson, MD (right).

About HyeBridge Partners

The Yerevan State Medical University (YSMU) is the oldest institution of higher education in Armenia, and is ranked among leading higher medical institutions, taking its honorable place in the World Directory of Medical Schools. The University was founded in 1920 and has since trained more than 30,000 physicians and pharmacists, among them 2,000 international graduates. It is the only institution in Armenia that provides medical education at undergraduate, graduate, and postgraduate levels, as well as Continuous Professional Development (CPD) for health professionals. To learn more about YSMU, visit the website at www.ysmu.am.

Armenian American Health Professional Organization (AAHPO), representing health professions in the New York, New Jersey and Connecticut tri-state area, provides medical expertise and US site support to the live consultation sessions. The group is dedicated to improving healthcare awareness, increasing disease prevention and early detection, and providing medical support and education to the local community as well as the brethren in Armenia. To learn more about AAHPO, visit the website at www.aahpo.org.

The United Armenian Fund (UAF) is the collective effort of the Armenian Catholic Eparchy, Armenian General Benevolent Union, Armenian Missionary Association of America, Armenian Relief Society, Diocese of the Armenian Church of America, Prelacy of the Armenian Apostolic Church of America, and The Lincy Foundation. Since its inception in 1989, the UAF has sent \$595 million of humanitarian assistance to Armenia on board 156 airlifts and 1,801 sea containers.

COMPLETED PROJECTS MARK NEW BEGINNINGS FOR ARMENIA AND KARABAKH

This year, the conclusion of another round of Armenia Fund projects throughout Armenia and Karabakh signifies a fresh start for thousands of Armenian residents in rural and urban communities. Thanks to the generosity of Armenia Fund donors and their sponsoring affiliates around the world, the next decade promises to be more hopeful than the last for individuals, families, schools, businesses, and even local governments. From larger infrastructure projects to smaller initiatives that make a big difference, here is a summary of our collective 2010 accomplishments, one project at a time.

New school construction completed in Spitakashen, Martuni Region, Karabakh.



Grateful Spitakashen school students thank Armenia Fund.

Spitakashen has a new, two-story school that replaces the old campus built in 1935, which had fallen into disrepair and was no longer meeting the needs of the community. The hope is that the school's modern amenities, including brand new furniture, a computer room, and an auditorium, will enhance the learning process. It also will expand the capacity for the growing school to accommodate 130 students. The project was co-financed by the Armenia Fund Canada affiliate and the government of Karabakh.

Classrooms get a makeover with new school furniture throughout Karabakh.



As many as 85 schools across Karabakh have received new furniture.

Thanks to the second major school furniture project of its kind, as many as 85 beneficiary schools across Karabakh, including those in the cities of Stepanakert and Shushi as well as the regions of

Askeran, Martakert, Martuni, Hadrut, Shahumyan, and Kashatagh, are enjoying brand-new furnishings that are important to teachers and students alike. The donated furniture, including 1,000 chairs for teachers and 1,300 supply cabinets, was manufactured by the HATM company located in Gyumri—thereby providing a comfortable environment for the learning process while supporting local business. The project was funded by the Armenia Fund U.S. Western Region affiliate.

Drinking water pipeline installed in Sos Village, Martuni Region, Karabakh.

The newly built water-delivery system in the village of Sos includes a new, 7.6-kilometer internal potable water network as well as a reservoir. This system represents a historic sea change for Sos villagers who, throughout the town's 300-year history, have obtained drinking water from a remote spring, hauling buckets of water to their homes



Inhabitants of the 300-year-old village of Sos celebrate having water right at their doorsteps.

and boiling it for purification. Now, with around-the-clock access to drinking water right at their doorstep, the potential for dramatic and rapid improvements in the health and well-being of the community has been raised significantly. The project was co-sponsored by the Armenia Fund France affiliate and the government of Karabakh.

Potable water pipeline reaches three villages in Hadrut Region, Karabakh.

For Mets Taghlar, Azokh, and Drakhtik villages, with a combined population of nearly 2,750 residents, the newly installed water delivery system is a significant turning point. The new system, which is sourced from the Ishkhanaget River, comprises a water-collection station, a water purifier, and sizeable reservoirs. The 24/7 access to drinking water will fundamentally improve the lives of residents who, for over a century, endured longstanding potable water shortages and made do by collecting and drinking rainwater. This project was co-financed by the Armenia Fund France affiliate and the government of Karabakh.

Home heat and hot water now on tap in Aknaghbyur, Tavush Region, Armenia.

The longstanding issue of home heating finally has been resolved for the 551 villagers of this ancient village of Aknaghbyur, established in 451 A.D. in honor of Vardan Mamikonian. Thanks to this groundbreaking gasification project, natural gas is now available to every household in the community, providing a reliable source of heat and hot water. No longer will residents resort to cutting down precious trees to use for fuel or boil water on electric plates and other makeshift means of heat production. This project was funded by the Armenia Fund USA Eastern Region affiliate.

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Natural gas is finally available to every household in Aknaghbyur.

A chronic water problem solved in Aknaghbyur, Tavush Region, Armenia.

Working on a parallel track with the gasification project in Aknaghbyur, a new irrigation pipeline has been completed. This is a major step toward easing the daily struggles of farmers who, with a reliable supply of water, can boost their crop production as well as increase the land available for cultivation. The new irrigation network will help revive the lagging economy in this ancient town, for which agriculture has always been its primary source of income. This project was funded by the Armenia Fund USA Eastern Region affiliate.



Aknaghbyur farmers can boost their crop production, thanks to the new irrigation pipeline.

Multiplex community center opens in Aknaghbyur, Tavush Region, Armenia.

A vivid example of how comprehensive infrastructure and community development projects can be integrated for mutual benefit is the newly constructed Aknaghbyur community center. The structure houses a new mayor's office, a public library, an events hall that can accommodate up to 50 people, and a medical



Aknaghbyur's community center houses the mayor's office and a library, events hall, and health clinic.

clinic with a separate entrance. This project is the newest in a string of critical infrastructure initiatives that have been taken up by Armenia Fund on behalf of Aknaghbyur village over the last three years. The project was funded by the Armenia Fund France affiliate through the financial support of French-Armenian benefactor George Tavitian.

24/7 drinking water now serving Aknaghbyur, Tavush Region, Armenia.

With the introduction of a new drinking water pipeline in Aknaghbyur, the residents can now count on the accessible, clean water that is so important to baking, cooking, and supporting life's essentials in a safe and hygienic way. The project was sponsored by the Armenia Fund U.S. Western Region affiliate with financing from the ARF Central Committee of Canada.

Irrigation pipeline fully operational in three villages in Tavush Region, Armenia.

This 15-kilometer irrigation pipeline, appropriately named the Armenian-French Friendship Canal, replaces the old and dilapidated

Khashtrarak-Lusahovit-Ditavan water system and extends it by 500 meters. This enables the system to provide ample irrigation for 600 hectares of land across all three communities. The project is of vital importance to the agricultural productivity of these farm towns that stand to increase



The 15-kilometer Armenian-French Friendship Canal provides irrigation for 600 hectares of Tavush land.

their crop yields and sell more produce not only locally but also at markets in Yerevan. This project was funded by the Armenia Fund France affiliate and spearheaded by Patrick Devedjian, president of the General Council of Hauts-de-Seine (a district bordering Paris), and also the Minister of France's Economic Recovery Plan.

Milk collection center open for business in Azatamut, Tavush Region, Armenia.

Residents of the village of Azatamut as well as neighboring villages will now be able to efficiently sell their milk at market, thanks to the creation of a state-of-the-art milk collection center. The facility is also supported with two new trucks, which will make rounds throughout the surrounding 12 communities, collecting milk and delivering it to the collection center for shipping to a major milk-processing company. Between six and 14 farmers stand to enjoy a dependable and steady income, while their beneficiary communities also co-manage the facility. The project was sponsored by the Armenia Fund U.S. Western Region affiliate with financing from the San Francisco Armenian community.

Maternity ward refurbished at medical center in Yerevan, Armenia.

Located in the densely populated southwestern district of Yerevan, this extensively reconstructed maternity unit includes the complete renovation of some 1,300 square meters on the second and third floors of the St. Astvatsamayr Medical Center. The project also boasts a new birthing center and operating room along with electrical and air-conditioning upgrades, installation of new water pipes, private lavatories in all patient rooms, and other structural enhancements. These far-reaching improvements have resulted in a thoroughly modern, fully equipped facility, one capable of providing optimal care to mothers and newborns alike in a comfortable and nurturing environment. A considerable rise in the number of deliveries at the new facility—as

continued on page 10

Completed Projects *from page 9*

many as six at one time—is anticipated. The project was funded by the Armenia Fund Great Britain affiliate.

Infectious Disease Hospital renovated in Nork district, Yerevan, Armenia.



Yerevan's Nork Infectious Disease Hospital is up to 21st-century standards.

The second and third floors of the B section of the Nork Infectious Disease Hospital have been entirely renovated, the latest in a string of projects implemented over the past four years to bring this vital health center up to 21st-century standards. Patients no longer have to fear unsanitary conditions that may compromise their health and treatment. These projects are funded by the Armenia Fund Brazil affiliate.

Lavatories reconstructed at Nork Nursing Home, Yerevan, Armenia.

Built in the late 1980s, the Nork Nursing Home had never undergone comprehensive renovation. Though there are many areas for improvement throughout the facility, a key priority for the safety and well-being of the 224 current residents is the renovation of the lavatories. Ten lavatories were reconstructed in the A section of the home and new tiles added to the walls and floors. False ceilings, ventilation, and lighting systems also were installed. The old doors and windows were replaced and two toilets, a sink, a bathtub, and a water heater were installed in each of the renovated units. This project was funded by the Armenia Fund France affiliate.

Gymnasium erected at the Spitak No. 2 School, Lori Region, Armenia.

Just in time for the school year, the Daniel Sahakyan No. 2 School opened its vibrant new gymnasium, to be eagerly inaugurated by the school's 300 students. This project comes a decade after the 2000 initiative sponsored by the Armenia Fund France affiliate in which the No. 2 School's new wing was built and furnished. At 288 square meters, the gym features modern amenities commonplace by American standards but infrequently found in the still-developing Lori Region, including locker rooms, shower stalls, and a coach's office, in addition to the gym's ample recreational space. The project was funded by the Spitak municipality and the France-based Hope for Armenia organization by means of the Armenia Fund France affiliate.



The Spitak No. 2 School celebrates its vibrant gymnasium, designed to accommodate its 300 students.

CASH COW PROJECT INSPIRES ARMENIAN- AMERICAN YOUTH

Last April, students of the Kirikian Armenian Saturday School of the St. Thomas Armenian Church of Tenafly, N.J. started a fundraising campaign to support Armenia Fund USA's highly popular Cash Cow initiative. According to Jacklyn Baltaian, Arts and Crafts and Special Projects teacher, this project fit right into the students' Earth Day activities.

A natural tie-in between Earth Day and Armenia's future.

After three years of organizing Earth Day activities for the school, Ms. Baltaian decided to make the mission also relevant to Armenia and its need for a cleaner and healthier environment. She explained, "I wanted the students to experience the value of giving to others while also embracing the idea of consuming less, sharing more, and living a simpler life. The Cash Cow project served as a good example in many ways."



Kirikian Armenian School supports the Cash Cow project for Earth Day.

The universal appeal of the family cow concept.

The Cash Cow project is not only compelling to young children but also to adults who recognize the immediate benefits of a cow for struggling families of economically depressed rural villages.

By providing the heifer, the milk production equipment, and basic training, Armenia Fund is helping families put milk and cheese on the table and even sell excess produce in local markets or to milk production factories in the region. "It is the simplest, most straightforward way to keep families stabilized, so they can remain in their ancestral homes and earn enough money to look forward to better days ahead," states Irina Lazarian, executive director of Armenia Fund USA. Ms. Lazarian directly oversees the Cash Cow program, an effort that continues to expand due to the special appeal it holds for donors and its tangible success over the past three years.

Creativity and generosity meet.

The student campaign raised \$350 toward the purchase of one family cow (\$1,000 buys one cow for one family) but went an important step further: a talented seven-year-old created a mascot for the campaign in the form of a happy cow. The oversized drawing was signed by the students and faculty to express their support for the program.

In turn, Armenia Fund USA decided to adopt the drawing as its own banner of hope in Armenia and Karabakh. "Such a heartfelt effort by these Armenian-American students goes a long way to encourage their counterparts living in dire circumstances," says Ms. Lazarian. "Children in these remote and poor areas need a sense of connection with the larger world. Knowing they have faraway young friends who care about them is probably more important than the cash gift alone. We are truly grateful for what these Armenian Saturday school children have done to give hope to families every day of the week."

THREE INSPIRED WAYS TO RAISE FUNDS FOR YOUR FAVORITE CAUSES

“In-lieu-of” donations with a twist: tying the knot.



Newlyweds Ani and Vicken Khatchadourian’s creative in-lieu-of gift helps support Shushi.

When Ani and Vicken Khatchadourian were planning the budget for their recent wedding, they were struck with inspiration. Rather than spend money on those typical novelty-item favors that most guests never use, they decided to announce that, in lieu of wedding favors, a donation was being made to a worthy cause in the name of each guest.

The bride had visited Karabakh and understood the dire need of the people in Shushi, so she suggested the elementary school as the recipient. “We wanted to donate to a

specific project,” explains Ani, “so the guests would know exactly where the money was going and would be confident the funds would get into the right hands. Armenia Fund USA provided the best opportunity to do just that.”

The idea was a big hit with the guests and could set a new trend: double the joy of happy occasions such as weddings and milestone anniversaries with the satisfaction that comes from giving to those in need.

Challenging oneself for charity.

Linking personal performance goals, such as sports or other competitive activities, to fundraising goals has proven to be an effective way to motivate the fundraiser and inspire the giver. A good example of this approach can be found in the story of Arianna Minassian of Basking Ridge, N.J.

Last May, Arianna decided to take part in her elementary school’s annual Charity Walk-A-Thon, in which participants may raise money for the charity of their choice. “Sponsors would pledge a certain amount of money for each lap that I would complete around the Walk-A-Thon track,” explained Arianna. “I selected Armenia Fund USA as my charity because I am Armenian and I want to help Armenian children with their education.”

Obtaining pledges from seven family members, Arianna’s performance in the school walkathon raised \$350. She requested that the funds be used to purchase school supplies and school furniture for Armenia’s schoolchildren. “I just want the children in Armenia to feel as lucky and happy as I do about going to school,” says Arianna.



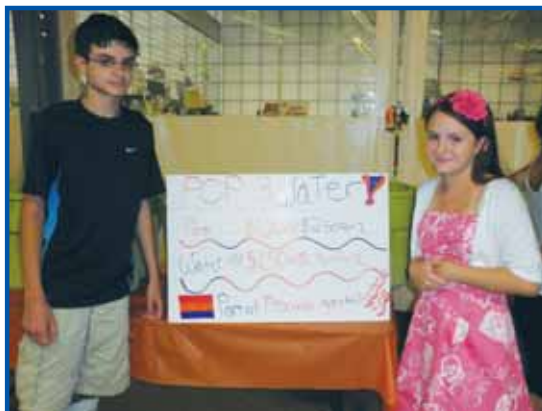
Arianna Minassian helps Armenia’s children enjoy school.

Organizing a community event that raises awareness and funding.

Established in 2007, the Greater Detroit community Armenia Fest has quickly become an excellent vehicle by which Armenian-Americans can celebrate and share with local residents Armenian heritage and culture. It also has served as an ideal venue to generate funds for worthy causes in support of Armenia and Karabakh. For

the past three summers, the festival committee has partnered with Armenia Fund USA in support of its projects. This year, festival proceeds were designated to benefit the Fund’s HyeBridge Telehealth program. This mission of stewardship is

espoused even by the youngest performers, participants, and volunteers, starting with Co-Chair Corrine Khederian’s children, Henry and Victoria, who found their own way to express the sense of altruism surrounding the day’s festivities by selling cold beverages at the festival.



Henry and Victoria Khederian raised funds for Armenia Fund USA’s HyeBridge Telehealth.

Channels for Giving

Donate Online: If you prefer the convenience the Internet affords, you can donate to Armenia Fund USA through our secure online server at www.armeniamfundusa.org.

Corporate Matching Gifts: Would you like to see your donation doubled or even tripled? Over 9,000 companies and their subsidiaries have “Matching Gift Programs.” Before you plan your next gift, check to see if your employer can help to increase the power of your donation.

Installment Gifts: Armenia Fund USA is making it easy for you to make your gift in periodic credit card installments that are manageable for you. You can support the projects that are dear to you without feeling the strain of large, up-front donations.

Planned Giving: Consider a planned gift and its many financial benefits. Planned gifts can be in the form of a willed estate or asset, a bequest or the beneficiary status of a pension plan or insurance policy. Speak with your financial planner to learn more or contact us directly.

Pay Tribute to a Loved One: Remember your loved ones with a “Memorial Gift” or consider a gesture such as “In-Lieu-of Flowers” to help others commemorate a passing.

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WE WELCOME OUR NEW BOARD MEMBER

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Irina Lazarian
Executive Director

Armenia Fund USA works closely with its board members to ensure the transparency and accountability of all projects. We are happy to announce the addition of our new board member—Aram Pehlivanian. His professional talent and commitment to helping Armenia and Karabakh will greatly contribute to Armenia Fund USA's mission.



"I love Armenia and believe in Armenia Fund USA's mission to improve the infrastructure, healthcare, and overall economic conditions in Armenian and Karabakh. On a personal note, I visited Armenia on two occasions with my family. Working as a volunteer in health clinics, I was deeply moved both by the inherent beauty of the Armenian people and the challenging limitations of our country. These experiences have helped define me as an individual and I look forward to continuing my involvement for the benefit of our homeland."

Mr. Pehlivanian is a partner at the commercial mortgage banking firm Estreich & Company. He is responsible for business origination, institutional banking relationships,

and the arranging of debt and equity for clients. Throughout his career, Mr. Pehlivanian has arranged financings in excess of one billion dollars.

Mr. Pehlivanian holds an MS in Real Estate Finance from New York University, a JD/MBA in Finance from The University of Akron, and a BS in Construction Management from Purdue University. He also is a frequent guest lecturer on real estate finance at New York University and is a licensed broker in the state of New York as well as a member of the New York and New Jersey State Bars.

In addition to his membership in the Armenian Bar Association, the Real Estate Board of New York, and ICSC, Mr. Pehlivanian is Treasurer of the Pehlivanian Family Foundation. He formerly served as a board member to the Kate Shea Foundation and as an Advisory Board Member to Interchange Bank.

NEUROSCIENCE FELLOWSHIPS FOR ARMENIAN DOCTORS

In 2001, Dr. Arthur Grigorian, an Associate Professor of Surgery at Mercer University School of Medicine in Macon, Georgia, observed the alarmingly high rate of stroke cases in his native country of Armenia. He decided to do something about it and has never looked back.

First, he enlisted the cooperation of the National Institute of Health of the Republic of Armenia, the Medical Center of Central Georgia (MCCG), and Yerevan State Medical University (YSMU) to establish a sleep laboratory in Yerevan, the first of its kind in the region.

Also the result of Dr. Grigorian's relentless efforts are the observational fellowships that allow outstanding candidates to study at the Georgia-based MCCG and the Georgia Neurosurgical Institute (GNI). To date, over 25 specialists have taken advantage of the U.S. training. Armenia Fund USA helps generate funds to sponsor these prized fellowships.

This year, trained interns were able to assume their responsibilities at the new YSMU Levon and Claudia Nazarian Radiology



Intern Ararat Minasyan observes an operation performed by Dr. Grigorian.

Center. The center was generously funded by Nazar and Artemis Nazarian through the Armenian General Benevolent Union (AGBU) and inaugurated in March of 2010.

This past June, Dr. Grigorian and fellow neurosurgeon Dr. Arthur Ulm of GNI visited the Yerevan center and performed nine complex vascular surgeries as well as consulted on various stroke and aneurism cases. They will return to Armenia in early October for another two-week period, setting the precedent for quarterly visits.