

**Please direct all
communications to:**

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October 7, 2020

Dear friends and trusted servants,

I am writing to inform you that the General Service Board has authorized a drawdown of \$1.5 million from the Reserve Fund by A.A. World Services, Inc. to cover cash flow requirements in the 4th quarter of 2020.

Note: This will put the Reserve Fund balance at approximately \$13.1 million, which reflects a level of approximately 7.8 months of office operating expenses. (The Reserve Fund calculation is based on recent actual operating expenses.)

Evaluating the finances and cash flow, even with the continued increase in Seventh Tradition contributions, we still expect a decrease in income from last year of more than \$2 million, which creates this immediate cash flow pressure.

Previously, in May, A.A.W.S. drew down \$3 million to address the sudden emergency situation related to the severe drop in revenue we saw in March and April. Also, over the summer we refunded nearly \$4 million for 2020 International Convention registrations.

Note: We received \$972,000 as an advance against our International Convention insurance claim to recover lost income, and we expect the balance of the claim to be paid out very soon.

Since May—through September—the groups have responded with breathtaking generosity in their Seventh Tradition contributions, which have ensured continuation of services to the Fellowship. For six months (March through August), our publishing revenue was well below budgeted levels, but September saw a positive uptick in literature sales. Not a trend yet, but very encouraging. We have cut expenses in as many key areas as possible, without affecting quality of literature production or delivery of services.

The office presented a reforecast 2020 budget to the Board in August, and we are constantly updating and reporting financial results to the trusted servants with fiduciary responsibility for the operating corporation. We have begun work on the 2021 operating budget, with three quarters of 2020 actual results now available.

And, at the direction of the Board, we wanted to share this latest information with you.

Sincerely yours, in service to A.A.,



G. Gregory Tobin
General Manager