FYI FEATURE

Faial is the most visited Azorean island

Shaped like an irregular pentagon, with an area of 67 square miles, the Island of Faial is one of the most charming islands of the Azores and most visited by tourists, especially yachtsmen.

With a population of approximately 15,000 people, Faial is a watercolor painting featuring beautiful landscape and characteristic villages.

The island was discovered during the first half of the 15th century, although it appeared on early maps and charts with the name "Insule of Venture."

It was settled around 1460. A few years later a group of Flemish, led by nobleman named Josse Van Huerter, settled on island. Its main town, the City of Horta, is probably the Portuguese translation of this Flemish settler's name.

Even though the number of Portuguese settlers was greater, the Flemish community numbered about 1,500 by 1490

The Spanish also occupied the island in 1583, despite strong resistance by the island defenders who were reinforced by French troops.

Faial also took an active part in the internal struggles between the liberals and absolutists movements in the 19th century.

Until about 1860, Faial's position in the Atlantic and the existence of its sheltered port attracted cargo boats (engaged in the orange trade) and American whalers, which stopped there for supplies.

The city of Horta was an important center for underwater cable links between North America and Europe during the first half of the 20th century.

The city also took part in the pioneer period of aviation, serving as one stop for the first transatlantic flight in 1919, as well as a landing site for Pan American dirigibles from 1939 to 1945. A naval base during both world wars, Horta was also one of the ports used by

the Allied fleet at the time of invasion of Normandy in 1944.

Today, Faial is a developing island with an economy based on agriculture, the dairy industry, fishing, trade and tourism. The construction of a marina inside the port of Horta, with capacity for more than 120 yachts, has contributed to the island's development as well.

The City of Horta, one of the centers of the Regional Government's administration and the seat of the Azorean Parliament, is also the head of the district, which includes all of the island's 13 parishes.

The city, considered the yachtsman's paradise, celebrates its anniversary every year on July 4 with a fire works display.

Faial has a beautiful landscape. Caldeira, the volcanic cone that dominates the island, features a wide, deep crater and a small pond surrounded by blue hydrangeas and luxuriant vegetation.

Cabeço Gordo, the island's highest point with an altitude of approximately 3,280 feet, offers a magnificent view of Faial, Pico, São Jorge and sometimes Graciosa.

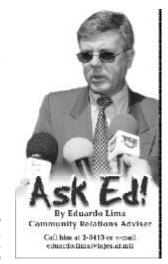
One of the most prominent tourist attractions on the islands is Ponta dos Capelinhos, the site of a volcanic eruption, which occurred in 1957 and completely destroyed the nearby village leaving hundreds homeless. The lighthouse of Capelinhos still stands amidst the volcanic ash that covers what used to be fields and homes.

In addition to the sites I just mentioned, there are other villages around the island that rate a visit.

They are Praia do Almoxarife, Pedro Miguel, Salão, Cedros, Praia do Norte, Capelo; Varadouro, Castelo Branco and Feteira. Sadly, some of these villages, especially on the northeast side of the island, were partially destroyed by an earthquake July 9, 1998, and are still undergoing recovery efforts.

The largest tourist event of Faial is undoubtedly the "Sea Week Festival," which is held in Horta during the first week of August.

The festival originated with the Portsmouth, England - Horta regatta in 1975. It features sailing, fishing and swimming competitions, as well as concerts by bands of



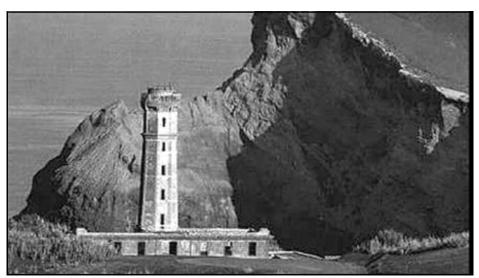
different musical styles.

Just like the other islands, Faial is also served by daily flights originating from from Terceira and São Miguel.

Round trip airfare between Terceira and Faial costs approximately 180 euros.

Large seagoing ferry boats connect this island with the other islands of the central group almost on a daily basis between M ay and September.

There are also small ferryboats that travel daily between the Port of Horta and the port of M adalena on the Island of Pico several times a day.



This lighthouse is the only thing left after a volcanic eruption in 1957 completely destroyed the nearby village, Ponta dos Capelinhos, leaving hundreds homeless. (Courtesy photo)