

Exhibit RWE-010

Witness Statement of Georgina Chaves

December 22, 2014

English Translation

**UNDER THE UNCITRAL ARBITRATION RULES AND SECTION B OF
THE UNITED STATES – CENTRAL AMERICA – DOMINICAN REPUBLIC FREE
TRADE AGREEMENT**

*Spence International Investments, LLC, Bob F. Spence,
Joseph M. Holsten, Brenda K. Copher,
Ronald E. Copher, Brett E. Berkowitz,
Trevor B. Berkowitz, Aaron C. Berkowitz and Glen Gremillion
(Claimants)*

vs.

*Republic of Costa Rica.
(Respondent)*

ICSID Case No. UNCT/13/2

**Statement of Georgina Chaves
Public Prosecutor**

December 22, 2014

I. INTRODUCTION

1. My name is Georgina Chaves. I have worked at the *Procuraduría General de la República* since the year 2001. I received a degree in law from the University of Costa Rica. I later graduated as a Specialist in Public Law from the University of Costa Rica. In 1993, I received a Masters Degree in Law from McGill University in Montreal, Canada. Afterwards, I completed several continuing education courses in law as well.

2. At the *Procuraduría*, I am in charge of representing the State in judicial proceedings. In this capacity, I have served as *Procuradora* in judicial proceedings pertaining to expropriations carried out for properties identified in this case as A40, B3, B5, B6, B7, B8. Additionally, I have reviewed the case files of properties B1, SPG1 and SPG2. I understand that these are all of the lots involved in judicial proceedings relevant to this case.

3. In this witness statement, I briefly summarize the status of the judicial expropriation proceedings for each of these properties at the time the files were reviewed. For the sake of clarity, the facts that I describe in this statement have been summarized in the annex.¹ Additionally, I explain the procedure to complete a payment of the amounts owed by the State to the property owners for the awarded fair market value.

II. CURRENT STATUS OF THE LEGAL PROCESSES OF EXPROPRIATION

4. The judicial phase of the expropriation process in Costa Rica is primarily governed by the Law on Expropriation, Law No. 7495.² The judicial phase of this process begins after the property owner has objected to the administrative appraisal and the Ministry of Environment and Energy (“MINAE”) has issued an Expropriation Decree.³ At that time, MINAE must deposit the amount of the administrative appraisal into the court’s account. Subsequently, the *Procuraduría* begins the judicial process of expropriation, and the property owner may request payment of the value of the administrative appraisal at any time.⁴ During the process, the Court may order that the property enter into the State’s possession if it has been more than two months since the deposit of the amount of the administrative appraisal.⁵ With the State taking possession of the property, the property owner loses possession of the property, but not the property itself

5. The Court must determine the fair value of the property based on the evidence submitted by the parties.⁶ First, in this regard, the Court shall appoint an expert to review the

¹ See Annex 1 of this Statement.

² See Expropriation Law, Law No. 7495, June 8, 1995 (“Expropriation Law”) [Exhibit C-1c].

³ See Expropriation Law, Arts. 28-30 [Exhibit C-1c].

⁴ See Expropriation Law, Arts. 31, 34 [Exhibit C-1c].

⁵ See Expropriation Law, Art. 33 [Exhibit C-1c].

⁶ See Expropriation Law, Art. 40 [Exhibit C-1c].

administrative appraisal and to issue any changes deemed necessary.⁷ The parties may request the appointment of a third-party expert in the event of a dispute, if they wish to do so.⁸ Second, the Parties are also entitled to submit all of the evidence which they deem necessary to inform the judge upon determination of the fair value. Third, for each proceeding the judge shall perform a physical inspection of the property under expropriation. Then, after having reviewed all of the evidence submitted to the court, the judge must issue a decision regarding the fair value. The amount determined by the judge cannot be less than what has been established through the administrative appraisal, nor can it be greater than the amount determined by the experts (if this amount is greater than the amount of the administrative appraisal).⁹ The judge's decision may be appealed by the parties.¹⁰

6. Below, I will explain in detail the status of each of the judicial proceedings in question.

A. LOT A40

7. For Lot A40, the judicial proceeding has been completed. The State has placed at the disposal of the property owner the amount of the administrative appraisal and the difference between the administrative appraisal and the amount awarded by the judge. The owner has received these amounts. Payment of the awarded interest is in progress.

8. The judicial expropriation proceeding was initiated on April 17, 2007.¹¹ The Court issued the first instance decision on December 24, 2010.¹² This decision was appealed on

⁷ See Expropriation Law, Art. 31 [Exhibit C-1c].

⁸ See Expropriation Law, Art. 38 [Exhibit C-1c].

⁹ See Expropriation Law, Arts. 30, 40 [Exhibit C-1c].

¹⁰ See Expropriation Law, Art. 41 [Exhibit C-1c].

¹¹ See Lot A40 Initiation of Judicial Proceedings, April 17, 2007 [Exhibit C-16f].

¹² See Lot A40 Judgment, December 24, 2010 [Exhibit C-16g].

January 20, 2011.¹³ The judge of second instance issued a final decision on the valuation on July 21, 2011.¹⁴ This decision has been made final.

9. The State deposited the amount of the administrative appraisal into the account of the Court of Administrative and Civil Financial Disputes on December 15, 2006.¹⁵ The owner requested payment of this amount on January 16, 2012.¹⁶ This was followed by the draft approval process, and the amount of the administrative appraisal was drawn on December 13, 2012.¹⁷

10. The State has placed at the disposal of the property owner the amount of the difference between the administrative appraisal and the fair value awarded on December 14, 2011.¹⁸ The owner requested payment of this amount on October 26, 2011.¹⁹ Lot A40 has received a final ruling regarding the fair price to be paid for its expropriation. This was followed by the draft approval process, and the amount of the difference was drawn on February 15, 2012.²⁰

11. The owner submitted the calculation for interest payment in June 2012.²¹ The court issued a decision on the payment of interest on January 17, 2013.²² The interest payment is

¹³ See Lot A40 110217 Appeal Submission, February 17, 2011 [Exhibit C-16h1]; *see also* Lot A40 Appeal Request, January 20, 2011 [Exhibit R-078].

¹⁴ See Lot A40 Appeal Judgment, July 21, 2011 [Exhibit C-16h].

¹⁵ See Lot A40: Receipt for Payment of the Administrative Appraisal, Receipt No. 0682198, December 15, 2006 [Exhibit R-102].

¹⁶ See Lot A40: Request for Payment of Administrative Appraisal, January 16, 2012 [Exhibit R-143]. The owner had submitted the requests on previous dates but all were stopped by the owner himself.

¹⁷ See Lot A40 Resolutions ordering payment, 2012 [Exhibit C-16i].

¹⁸ See Lot A40 Resolutions ordering payment, 2012 [Exhibit C-16i].

¹⁹ See Lot A40: Request for Payment of Principal, October 26, 2011 [Exhibit R-113].

²⁰ See Lot A40 Resolutions ordering payment, 2012 [Exhibit C-16i].

²¹ See Lot A40: Calculation of Payment of Interest, June 7, 2012 [Exhibit R-114].

²² See Lot A40: Decision of First Instance on Calculation of Interest, January 17, 2013 [Exhibit R- 117].

being processed. As we have been informed, the deposit of the interest will be made soon, at which time the owner may request receipt thereof.

B. LOT SPG1

12. For Lot SPG1, the judicial proceeding has been suspended at the request of the owner. The State has placed at the disposal of the owner the amount of the administrative appraisal. The owner has received this amount.

13. The judicial expropriation proceeding was initiated on April 11, 2008.²³ The court issued a first instance decision on the fair value on February 26, 2013.²⁴ This decision was appealed on March 6, 2013.²⁵ The appeal process has been suspended since July 29, 2013 by virtue of this arbitration process, at the request of the property owner.²⁶

14. The State deposited the amount of the administrative appraisal into the account of the Court of Administrative and Civil Financial Disputes on March 19, 2008.²⁷ The owner requested payment of this amount on January 27, 2012.²⁸ After completion of the process to approve the payment, the amount of the administrative valuation was transferred to the owner on February 14, 2013.²⁹

C. LOT SPG2

15. For Lot SPG2, the judicial proceeding has been completed. The State has placed at the disposal of the property owner the amount of the administrative valuation, the difference

²³ See Lot SPG1 Initiation of Judicial Proceedings, April 11, 2008 [Exhibit C-20f].

²⁴ See Lot SPG1 Judgment of First Instance, February 26, 2013 [Exhibit C-20g1].

²⁵ See Lot SPG1 Appeal Request, March 5, 2013 [Exhibit R-079].

²⁶ See Lot SPG1: Suspension of Judicial Proceedings, July 31, 2013 [Exhibit R-038].

²⁷ See Lot SPG1: Receipt for Payment of the Administrative Appraisal, Receipt No. 0673430, March 19, 2008 [Exhibit R-122].

²⁸ See Lot SPG1: Request for Payment of Administrative Appraisal, January 27, 2012 [Exhibit R-145].

²⁹ See Lot SPG1 130114 Order payment to Keeping Track, January 14, 2013 [Exhibit C-20i].

between the administrative valuation and the amount awarded by the judge, and the interest awarded. The owner has received all of these amounts and, as such, has been deemed fully compensated for the expropriation of the property.

16. The judicial expropriation proceeding was initiated on April 11, 2008.³⁰ The court issued a first instance decision on the fair value on February 29, 2012.³¹ This decision was appealed on April 17, 2012.³² The judge of second instance issued the valuation decision on December 14, 2012.³³ This decision has been made final.

17. The State deposited the amount of the administrative valuation into the account of the Court of Administrative and Civil Financial Disputes on March 19, 2008.³⁴ The owner requested payment of this amount on December 17, 2013.³⁵ After completion of the process to approve the payment, the amount of the administrative valuation was transferred to the owner on July 11, 2014.³⁶

18. The State placed at the disposal of the property owner the amount of the difference between the administrative valuation and the fair value awarded on March 28, 2014.³⁷ The owner requested payment of this amount on December 17, 2013.³⁸ Lot SPG2 has received a final decision regarding the fair price to be paid for its expropriation. After completion of the

³⁰ See Lot SPG2 Initiation of Judicial Proceedings, April 11, 2008 [Exhibit C-21f].

³¹ See Lot SPG2 Judgment, February 29, 2012 [Exhibit C-21g].

³² See Lot SPG2 Appeal Request, April 16, 2012 [Exhibit R-080].

³³ See Lot SPG2 Appeal Judgment, December 14, 2012 [Exhibit C-21h].

³⁴ See Lot SPG2: Receipt for Payment of Administrative Appraisal, Receipt No. 0673431, March 19, 2008 [Exhibit R-106].

³⁵ See Lot SPG2: Request for Payment of Administrative Appraisal, December 17, 2013 [Exhibit R-111].

³⁶ See Lot SPG2 Resolution regarding payment, June 10, 2014 [Exhibit C-21i].

³⁷ See Lot SPG2 Payment of Principal, May 14, 2014 [Exhibit R-043].

³⁸ See Lot SPG2: Request for Payment of Administrative Appraisal, December 17, 2013 [Exhibit R-111].

process to approve the payment, the amount of said difference was transferred to the owner on July 11, 2014.³⁹

19. The owner submitted the calculation for interest payment on December 17, 2013.⁴⁰ The Court issued a ruling on the payment of interest on August 13, 2014.⁴¹ The owner requested payment of this amount on September 10, 2014.⁴² After completion of the process to approve the payment, the amount of the interest was transferred to the owner on December 2, 2014.⁴³

D. LOT B1

20. For Lot B1, the owner requested the suspension of the proceedings. The State has deposited the amount of the administrative valuation into the court's account. The owner has not requested the deposit of this amount.

21. The judicial proceeding was initiated on December 1, 2006.⁴⁴ The property owner requested the suspension of the expropriation process on July 13, 2013 by virtue of this arbitration process.⁴⁵

22. The State deposited the amount of the administrative valuation into the court's account on May 11, 2006.⁴⁶ Given that the administrative valuation on which this deposit was

³⁹ See Lot SPG2 Resolution regarding payment, June 10, 2014 [Exhibit C-21i].

⁴⁰ See Lot SPG2: Calculation of Interest, December 17, 2013 [Exhibit R-146].

⁴¹ See Lot SPG2: Decision of First Instance on Calculation of Interest, August 13, 2014 [Exhibit R-123].

⁴² See Lot SPG2: Request for Payment of Interest, September 10, 2014 [Exhibit R-124].

⁴³ See Lot SPG2: Payment of Interest, December 2, 2014 [Exhibit R-116].

⁴⁴ See Lot B1 Initiation Judicial Proceedings, December 1, 2006 [Exhibit C-23f].

⁴⁵ See Lot B1 Request for the Suspension of Judicial Proceedings, July 31, 2013 [Exhibit R-036].

⁴⁶ See Lots B1, B3, B5, B6, B7 and B8: Receipt of Payment of Administrative Appraisals, Receipt Nos. 341295 and 341296, May 11, 2006 [Exhibit R-103].

based was updated on September 22, 2006,⁴⁷ on November 16, 2006 a second deposit was made reflecting the increase that was granted.⁴⁸ The owner has not requested the payment of this amount, which is why it has not been deposited.⁴⁹

E. LOT B3

23. For Lot B3, the judicial proceeding has been completed. The State has placed at the disposal of the property owner the amount of the administrative valuation and the difference between the administrative valuation and the amount awarded by the judge. The owner has received these amounts. The interest payment process is currently underway.

24. The judicial expropriation proceeding was initiated on December 1, 2006.⁵⁰ The court issued a first instance decision on the fair value on February 7, 2013.⁵¹ This decision was appealed on February 19, 2013, but the appeal was withdrawn so the first instance judgment remains final.⁵²

25. The State deposited the amount of the administrative valuation on May 11, 2006.⁵³ Given that the administrative valuation on which this deposit was based was updated on September 22, 2006,⁵⁴ on November 16, 2006 a second deposit was made reflecting the increase

⁴⁷ For this lot the State performed two administrative appraisals: March 2005 and September 2006. The administrative appraisal of September 22, 2006 is the final and definitive one.

⁴⁸ See Lots B1, B3, B5, B6, B7 and B8: Receipt of Payment of Updated Administrative Appraisals, Receipt No. 0674192, November 16, 2006 [Exhibit R-105].

⁴⁹ Although the property owner presented a request for payment of the administrative appraisal, this was later stopped by the same party.

⁵⁰ See Lot B3 Initiation of Judicial Proceedings, December 1, 2006 [Exhibit C-24f].

⁵¹ See Lot B3 Judgment, February 7, 2013 [Exhibit C-24g1].

⁵² See Lot B3 Appeal Request, February 19, 2013 [Exhibit R-081]; Lot B3 Withdrawal of Appeal Request, March 5, 2013 [Exhibit R-083].

⁵³ See Lots B1, B3, B5, B6, B7 and B8: Receipt of Payment of Administrative Appraisals, Receipt Nos. 341295 and 341296, May 11, 2006 [Exhibit R-103].

⁵⁴ For this lot the State performed two administrative appraisals: March 2005 and September 2006. The administrative appraisal of September 22, 2006 is the final and definitive one.

that had been granted.⁵⁵ The owner requested payment of the administrative amount on November 25, 2013.⁵⁶ The court ordered the transfer of the administrative valuation in a resolution on November 18, 2014.⁵⁷ This amount was transferred to the owner on December 16, 2014.⁵⁸

26. The State has placed at the disposal of the property owner the amount of the difference between the administrative valuation and the fair value awarded on September 11, 2013.⁵⁹ The owner requested payment of this amount on November 25, 2013.⁶⁰ Lot B3 has received a final ruling regarding the fair price to be paid for its expropriation. After completion of the process to approve the payment, the amount of said difference was transferred to the owner on August 14, 2014.⁶¹

27. The owner submitted the calculation of interest payment on August 28, 2014.⁶² The process for the judge to rule on the amount of interest to be paid to the owner is currently underway.

F. LOT B5

28. For Lot B5, the process is underway. The State has placed at the disposal of the owner the amount of the administrative valuation. The owner has not requested the deposit of this amount.

⁵⁵ See Lots B1, B3, B5, B6, B7 and B8: Receipt of Payment of Updated Administrative Appraisals, Receipt No. 0674192, November 16, 2006 [Exhibit R-105].

⁵⁶ See Lot B3: Request for Payment of Administrative Appraisal and Principal, November 25, 2013 [Exhibit R-108].

⁵⁷ See Lot B3: Order of Payment of Administrative Appraisal to Property Owner, November 18, 2014 [Exhibit R-144].

⁵⁸ See Lot B3: Payment of Administrative Appraisal to Property Owner, December 16, 2014 [Exhibit R-154].

⁵⁹ See Lot B3 Payment of Principal, September 19, 2013 [Exhibit R-041].

⁶⁰ See Lot B3: Request for Payment of Administrative Appraisal and Principal, November 25, 2013 [Exhibit R-108].

⁶¹ See Lot B3 Resolutions regarding Payment and Bank Receipts, 2014 [Exhibit C-24i-1].

⁶² See Lot B3 Documents regarding interests, August 28, 2014 [Exhibit C-24j].

29. The judicial expropriation proceeding was initiated on December 1, 2006.⁶³ This process is currently underway and is ready for judgment. The process has been delayed, *inter alia*, because the court has had to resolve parallel requests submitted by the owner, such as the suspension of the entry of the property into the possession of the State, which was denied by the court and by virtue of which the owner has brought an appeal . These appeals were rejected. Likewise, the owner filed a motion for the nullification of the expert opinion. This incident also was rejected by the court. Nevertheless, the owner filed an appeal, which was ultimately denied by both the court as well as the Court of Administrative Disputes.

30. The State deposited the amount of the administrative valuation on May 11, 2006.⁶⁴ Given that the administrative valuation on which this deposit was based was updated on September 22, 2006,⁶⁵ on November 16, 2006 a second deposit was made reflecting the increase that had been granted.⁶⁶ The owner has not requested the payment of this amount, which is why it has not been issued.⁶⁷

G. LOT B6

31. For Lot B6, the judicial proceeding has been completed. The State has placed at the disposal of the owner the amount of the administrative valuation. The owner has recently requested the deposit of this amount, which is currently underway. In this case, the deposit of the difference between the administrative valuation and the fair price determined is not applicable

⁶³ See Lot B5 Initiation of Judicial Proceedings, December 1, 2006 [Exhibit C-25f].

⁶⁴ See Lots B1, B3, B5, B6, B7 and B8: Receipt of Payment of Administrative Appraisals, Receipt Nos. 341295 and 341296, May 11, 2006 [Exhibit R-103].

⁶⁵ For this lot the State performed two administrative appraisals: March 2005 and September 2006. The administrative appraisal of September 22, 2006 is the final and definitive one.

⁶⁶ See Lots B1, B3, B5, B6, B7 and B8: Receipt of Payment of Updated Administrative Appraisals, Receipt No. 0674192, November 16, 2006 [Exhibit R-105].

⁶⁷ Although the property owner presented a request for payment of the administrative appraisal, this was later stopped by the same party.

because the court decided that the fair price is equal to the administrative valuation. The owner has not submitted a request for the payment of interest. Likewise, the payment of legal interest is also not applicable because the decision confirmed the administrative valuation.

32. The judicial expropriation proceeding was initiated on December 1, 2006.⁶⁸ The Court issued a first instance decision on the fair value on July 30, 2014.⁶⁹ This decision was not appealed and is final.

33. The State deposited the amount of the administrative valuation on May 11, 2006.⁷⁰ Given that the administrative valuation on which this deposit was based was updated on September 22, 2006,⁷¹ on November 16, 2006 a second deposit was made reflecting the increase that had been granted.⁷² The owner requested payment of this amount on November 6, 2014.⁷³ The payment is being processed.

34. The judge decided that the fair price is equal to the amount of the administrative valuation, so there is no difference whatsoever between the administrative valuation and the fair price offered.

35. The decision confirmed the administrative value, thus payment of legal interest is not applicable. The owner is entitled to request the payment of interest generated by the deposit of the administrative valuation during the time it was located in the court's account.

⁶⁸ See Lot B6 Initiation of Judicial Proceedings, November 30, 2006 [Exhibit C-26f].

⁶⁹ See Lot B6 Judgment, July 30, 2014 [Exhibit C-26g].

⁷⁰ See Lots B1, B3, B5, B6, B7 and B8: Receipt of Payment of Administrative Appraisals, Receipt Nos. 341295 and 341296, May 11, 2006 [Exhibit R-103].

⁷¹ For this lot the State performed two administrative appraisals March 2005 and September 2006. The administrative appraisal of September 22, 2006 is the final and definitive one.

⁷² See Lots B1, B3, B5, B6, B7 and B8: Receipt of Payment of Updated Administrative Appraisals, Receipt No. 0674192, November 16, 2006 [Exhibit R-105].

⁷³ See Lot B6: Request for Payment of Administrative Appraisal, November 6, 2014 [Exhibit R-109].

H. LOT B7

36. For Lot B7, the process is underway. The State has placed at the disposal of the owner the amount of the administrative valuation. The owner has not requested the deposit of this amount.

37. The judicial expropriation proceeding was initiated on November 30, 2006.⁷⁴ This process is currently underway and is ready for a decision. The process has been delayed, *inter alia*, because the Court had to resolve parallel requests submitted by the owner, such as two motions for the dismissal of certain proceedings. Nevertheless, both motions were rejected by the court. The owner filed an appeal and a supplementary appeal against the ruling. However, despite the foregoing, the Administrative Court of Disputes confirmed the contested decisions and as such rejected the motions filed by the owner.

38. The State deposited the amount of the administrative valuation on May 11, 2006.⁷⁵ Given that the administrative valuation on which this deposit was based was updated on September 22, 2006,⁷⁶ on November 16, 2006, a second deposit was made reflecting the increase that has been granted.⁷⁷ The owner has not requested the payment of this amount, which is why it has not been deposited.

I. LOT B8

39. For Lot B8, the judicial proceeding has been completed. The State has placed at the disposal of the property owner the amount of the administrative valuation and of the

⁷⁴ See Lot B7 Initiation of Judicial Proceedings, November 30, 2006 [Exhibit C-27f].

⁷⁵ See Lots B1, B3, B5, B6, B7 and B8: Receipt of Payment of Administrative Appraisals, Receipt Nos. 341295 and 341296, May 11, 2006 [Exhibit R-103].

⁷⁶ For this lot the State performed two administrative appraisals: March 2005 and September 2006. The administrative appraisal of September 22, 2006 is the final and definitive one.

⁷⁷ See Lots B1, B3, B5, B6, B7 and B8: Receipt of Payment of Updated Administrative Appraisals, Receipt No. 0674192, November 16, 2006 [Exhibit R-105].

difference between said administrative valuation and the amount awarded by the judge. The owner has not requested the payment of these amounts, which is why they have not been received. On November 6, 2014, the owner requested payment of the interest on the legal deposits made by the State that had not been withdrawn. This request is currently being processed by the Court.

40. The initiation of the judicial expropriation proceeding was carried out on December 1, 2006.⁷⁸ The Court issued a first instance decision on the fair value on May 31, 2012.⁷⁹ This ruling was appealed on October 17, 2012.⁸⁰ The judge of second instance issued a decision on July 30, 2013.⁸¹ This decision is final.

41. The State deposited the amount of the administrative valuation on May 11, 2006.⁸² Given that the administrative valuation on which this deposit was based was updated on September 22, 2006,⁸³ on November 16, 2006, a second deposit was made reflecting the increase that has been granted.⁸⁴ The owner has not requested the payment of this amount, which is why it has not been deposited.

⁷⁸ See Lot B8 Initiation of the Judicial Proceedings, December 1, 2006 [Exhibit C-28f].

⁷⁹ See Lot B8 Judgment, May 31, 2012 [Exhibit C-28g1].

⁸⁰ See Lot B8 Appeal Requests, 2012 [Exhibit R-082].

⁸¹ See Lot B8 Appeal Documents, 2013 [Exhibit C-28h].

⁸² See Lots B1, B3, B5, B6, B7 and B8: Receipt of Payment of Administrative Appraisals, Receipt Nos. 341295 and 341296, May 11, 2006 [Exhibit R-103].

⁸³ For this lot the State performed two administrative appraisals: March 2005 and September 2006. The administrative appraisal of September 22, 2006 is the final and definitive one.

⁸⁴ See Lots B1, B3, B5, B6, B7 and B8: Receipt of Payment of Updated Administrative Appraisals, Receipt No. 0674192, November 16, 2006 [Exhibit R-105].

42. The State has placed at the disposal of the property owner the amount of the difference between the administrative valuation and the fair value awarded on March 28, 2014.⁸⁵ The owner has not requested the payment of this amount, which is why it has not been deposited.

43. The judge determined the legal interest in the resolution of July 30, 2014.⁸⁶ The *Procuraduría* challenged this resolution on August 7, 2014.⁸⁷ The appeal is being processed by the Administrative Court.

44. On November 6, 2014, the owner requested the calculation and payment of interest that has been generated on the deposits made by the State (of the administrative valuation and of the difference between the administrative valuation and the fair price).⁸⁸ This request is currently being processed.

J. SUMMARY OF THE STATUS OF THE PAYMENTS

45. In sum:

- *Payment status of the administrative valuations:* The State has made available to the owners the amounts of the administrative valuations for all of the nine lots in the judicial phase: A40, SPG1, SPG2, B1, B3, B5, B6, B7, and B8. Of these, the State has paid this amount to the owner for Lots A40, SPG1, SPG2, and B3. Payment of Lot B6 is underway. The owner has not requested the payment of this amount for Lots B1, B5, B7, and B8.
- *Status of principal payments:* The State has placed at the disposal of the owners the amounts of the difference between the administrative valuations and the fair price offered for Lots A40, SPG2, B3, and B8. Of these, the State has paid this amount to the owner for Lots A40, SPG2, and B3. Payment for Lot B8 has not been made because it has not been requested by the owner.
- *Status of interest payment:* There is a final decision on the payment of interest for Lots A40 and SPG2. The State has paid the interest granted for Lot SPG2. Payment for Lot A40 is underway.

⁸⁵ See Lot B8 Payment of Principal, March 28, 2014 [Exhibit R-042].

⁸⁶ See Lot B8 Liquidation of Costs, July 30, 2014 [Exhibit C-28i].

⁸⁷ See Lot B8: Appeal of Calculation of Interest, August 7, 2014 [Exhibit R-127].

⁸⁸ See Lot B8: Request for Payment of Interest, November 6, 2014 [Exhibit R-115].

III. PROCESS FOR THE PAYMENT OF AMOUNTS DUE

46. Claimants have alleged that the process for payment of the amounts due with respect to the administrative valuation and of the principal has been excessively long.⁸⁹ But, they have not explained the required steps in the process. The process takes a certain amount of time because of the steps that need to be completed in accordance with the applicable law. The process is not excessively long if these steps are taken into consideration. The time taken by the State for payment of the amounts due to Claimants in this case is the normal amount of time taken for all cases in Costa Rica.

47. The payment process must be started and processed by the interested party.⁹⁰ Once the court issues the final decision on the fair price, the judge requests that the State transfer funds to the court's account. However, the interested party must request the court to pay the aforementioned funds. Until that request is received, the court will not initiate the payment process. The court reviews the request and issues a payment order. This payment order, being a court decision, is subject to appeal. The State or the owner may make such an appeal to correct possible errors in the ordered amounts. Once the payment order is final, and the transfer has been authorized,⁹¹ the owner may withdraw the funds.⁹²

48. In the case of the payment of legal interest, the owner must submit the calculation of interest and must request the court to issue a ruling on the amount of interest to be paid.⁹³ The court reviews the request, gives an opportunity to the State to object, and then issues a decision.

⁸⁹ See Claimants' Response regarding the Fund and Counter-Memorial on Jurisdiction, October 2, 2014, para. 138.

⁹⁰ See Expropriation Law, Law No. 7495, Arts. 34 and 48 [Exhibit C-1c].

⁹¹ See Regulation of Automated Judicial Deposits and Payments, Circular No. 89-08, May 15, 2008, Art. 66 [Exhibit R-125].

⁹² See Regulation of Automated Judicial Deposits and Payments, Circular No. 89-08, May 15, 2008, Art. 67 [Exhibit R-125].

⁹³ See Civil Code of Costa Rica, Law No. 63, September 28, 1887, Arts. 693 and 706 [Exhibit R-167].

This decision may be appealed by the Parties. If appealed, the Parties are given due opportunity to present their arguments.

49. In cases of expropriation, Costa Rican Law provides for the payment of legal interest⁹⁴ on the difference between the amount of the administrative valuation and the fair price granted.⁹⁵ Interest is recognized from the time of the entry of the property into the possession of the State until the time of actual payment.⁹⁶ Additionally, when the amounts are deposited into the accounts of the courts, these shall accrue interest.⁹⁷

50. Finally, if the interested party considers that the court is taking too long to process the payment requests, the party may review the case files and submit written requests to expedite the process. Moreover, the interested party may submit an action for *amparo* against the State if there is a breach of the payment arrangements.⁹⁸ In this case, as far as I understand, none of the Claimants has filed for an *amparo* on these grounds.

51. In conclusion, the payment process is designed to respect the rights of the Parties to due process. Each of the established steps is implemented so that the Parties may submit any claims they deem necessary.

⁹⁴ See Civil Code of Costa Rica, Law No. 63, September 28, 1887, Art. 1163 [Exhibit R-167].

⁹⁵ See Expropriation Law, Art. 11 [Exhibit C-1c].

⁹⁶ See Expropriation Law, Art. 11 [Exhibit C-1c].

⁹⁷ Procedure for the Calculation and Payment of Interest on Judicial Deposits, Circular No. 12-02, August 12, 2002 [Exhibit R-126].

⁹⁸ See Law on Constitutional Jurisdiction, Law No. 7135, October 11, 1989, Art. 32 [Exhibit R-006]; see also Political Constitution of the Republic of Costa Rica, November 8, 1949, Art. 48 [Exhibit R-018].

The facts contained in this statement are true to the best of my knowledge and belief.

[signature]

Georgina Chaves

Date: December 22, 2014

Annex A

SUMMARY OF THE STATUS OF JUDICIAL EXPROPRIATION PROCEEDINGS

Lot	Initiation of the Judicial Proceeding ¹	First Instance Decision ²	Request for Appeal ³	Appeal Decision ⁴	Deposit Amount Admin. Appr. ⁵	Payment Request for Admin. Appr. ⁶	Payment of Admin. Appr. ⁷	Deposit Principal ⁸	Payment Request for Principal ⁹	Payment of Principal ¹⁰	Calculati on of Interest ¹¹	Decision on Calculation of Interest ¹²	Payment of Interest ¹³
A40	4/17/2017	12/24/2010	1/20/2011	7/21/2011	12/15/2006	1/16/2012	12/13/2012	12/14/2011	10/26/2011	2/15/2012	6/7/2012	1/17/2013	In progress
SPG1	04/11/2008	2/26/2013	3/6/2013	Suspended	3/19/2008	1/27/2012	2/14/2013	N/A	N/A	N/A	N/A	N/A	N/A
SPG2	4/11/2008	2/29/2012	4/17/2012	12/14/2012	3/19/2008	12/17/2011	7/11/2014	3/28/2014	12/17/2011	7/11/2014	12/17/2011	8/13/2014	12/2/2014
B1	12/1/2006	Request Suspension	N/A	N/A	5/11/2006-11/16/2006	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
B3	12/1/2006	2/7/2013	2/19/2013	N/A	5/11/2006-11/16/2006	11/25/2011	12/16/2011	9/11/2013	11/25/2011	8/14/2014	8/28/2014	In progress	N/A
B5	12/1/2006	N/A	N/A	N/A	5/11/2006-11/16/2006	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
B6	12/1/2006	7/30/2014	N/A	N/A	5/11/2006-11/16/2006	11/6/2014	In progress	N/A	N/A	N/A	N/A	N/A	N/A
B7	11/30/2006	In progress	N/A	N/A	5/11/2006-11/16/2006	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
B8	12/1/2006	5/31/2012	10/17/2012	7/30/2013	5/11/2006-11/16/2006	N/A	N/A	3/28/2014	N/A	N/A	N/A	7/30/2014	N/A

¹ See above Lot A40: para. 8; Lot SPG1: para. 13; Lot SPG2: para. 16; Lot B1: para. 20; Lot B3: para. 24; Lot B5: para. 29; Lot B6: para. 32; Lot B7: para. 37; Lot B8: para. 40.

² See above Lot A40: para. 8; Lot SPG1: para. 13; Lot SPG2: para. 16; Lot B1: para. 20; Lot B3: para. 24; Lot B5: para. 29; Lot B6: para. 32; Lot B7: para. 37; Lot B8: para. 40.

³ See above Lot A40: para. 8; Lot SPG1: para. 13; Lot SPG2: para. 16; Lot B1: para. 20; Lot B3: para. 24; Lot B5: para. 29; Lot B6: para. 32; Lot B7: para. 37; Lot B8: para. 40.

⁴ See above Lot A40: para. 8; Lot SPG1: para. 13; Lot SPG2: para. 16; Lot B1: para. 20; Lot B3: para. 23; Lot B5: para. 29; Lot B6: para. 32; Lot B7: para. 37; Lot B8: para. 40.

⁵ See above Lot A40: para. 9; Lot SPG1: para. 14; Lot SPG2: para. 17; Lot B1: para. 22; Lot B3: para. 25; Lot B5: para. 30; Lot B6: para. 33; Lot B7: para. 38; Lot B8: para. 41.

⁶ See above Lot A40: para. 9; Lot SPG1: para. 14; Lot SPG2: para. 17; Lot B1: para. 20; Lot B3: para. 25; Lot B5: para. 29; Lot B6: para. 33; Lot B7: para. 37; Lot B8: para. 41.

⁷ See above Lot A40: para. 9; Lot SPG1: para. 14; Lot SPG2: para. 17; Lot B1: para. 20; Lot B3: para. 25; Lot B5: para. 29; Lot B6: para. 34; Lot B7: para. 37; Lot B8: para. 41.

⁸ See above Lot A40: para. 10; Lot SPG1: para. 12; Lot SPG2: para. 18; Lot B1: para. 20; Lot B3: para. 26; Lot B5: para. 29; Lot B6: para. 34; Lot B7: para. 37; Lot B8: para. 41.

⁹ See above Lot A40: para. 10; Lot SPG1: para. 12; Lot SPG2: para. 18; Lot B1: para. 20; Lot B3: para. 26; Lot B5: para. 29; Lot B6: para. 34; Lot B7: para. 37; Lot B8: para. 41.

¹⁰ See above Lot A40: para. 10; Lot SPG1: para. 12; Lot SPG2: para. 18; Lot B1: para. 20; Lot B3: para. 26; Lot B5: para. 29; Lot B6: para. 34; Lot B7: para. 37; Lot B8: para. 41.

¹¹ See above Lot A40: para. 11; Lot SPG1: para. 12; Lot SPG2: para. 19; Lot B1: para. 20; Lot B3: para. 27; Lot B5: para. 29; Lot B6: para. 35; Lot B7: para. 37; Lot B8: para. 43.

¹² See above Lot A40: para. 11; Lot SPG1: para. 12; Lot SPG2: para. 19; Lot B1: para. 20; Lot B3: para. 27; Lot B5: para. 29; Lot B6: para. 35; Lot B7: para. 37; Lot B8: para. 43.

¹³ See above Lot A40: para. 11; Lot SPG1: para. 12; Lot SPG2: para. 19; Lot B1: para. 20; Lot B3: para. 27; Lot B5: para. 29; Lot B6: para. 35; Lot B7: para. 37; Lot B8: para. 43.