

**IN THE MATTER OF AN ARBITRATION
UNDER THE ARBITRATION RULES OF THE INTERNATIONAL CENTRE
FOR SETTLEMENT OF INVESTMENT DISPUTES**

OMEGA ENGINEERING, LLC AND
MR. OSCAR RIVERA
Claimants

v.

THE REPUBLIC OF PANAMA
Respondent

Case No. ARB/16/42

SECOND EXPERT REPORT OF ALISON K. JIMENEZ

January 17th, 2020

I. INTRODUCTION AND SCOPE

I have been engaged by Jones Day on behalf of its clients, Omega Engineering LLC & Mr. Oscar Rivera (“**Mr. Rivera**”) (together “**Claimants**”), to provide this Second Expert Report in connection to the dispute between Omega Engineering LLC and Mr. Oscar Rivera, on the one hand, and the Republic of Panama (“**Panama**”), which is the subject of this arbitration proceeding.

In this, my Second Expert Report, I have been asked to assess and to provide my independent and expert opinion in response to several specific issues raised by Panama in its Reply on Preliminary Objections and Rejoinder on the Merits dated 18 November 2019 (“**Reply**”) as well as its expert Mr. Ron Pollitt in his report (the “**Pollitt Report**”) dated 15 November 2019¹ relating to Panama’s allegations of money laundering and corruption against Mr. Rivera and Omega Engineering Inc. (“**Omega**”).² This includes documents, testimony and expert reports, including the Pollitt Report, which were prepared or collected after the completion of the Villalba and Aguirre Reports.

In contrast, my first expert report dated May 9, 2019 (“**First Expert Report**”) was limited to assessing and providing an opinion as to the Republic of Panama’s allegations of money laundering and corruption against Mr. Rivera and Omega as presented in the Reports prepared by (1) Mr. Jorge Villalba³ and (2) Mr. Julio C. Aguirre⁴ (together, the “**Reports**”). I was asked to review the Reports and the information available to the author(s) at the time they wrote the Reports to determine if (a) the Reports were methodologically sound and (b) whether the information and analysis cited in the Reports supported the conclusions.

In this Report I have focused my work on the main points. Where no comment is made on a particular matter, this should not be interpreted as agreement with the approach or opinion stated by Panama in its Reply or in the Pollitt Report.

A. Documents/Data Sources Reviewed

In preparing my analysis, I have relied upon the documents and data sources as listed in Annex B attached hereto. I also have sought to rely on the same documents that Panama and their experts had in forming their conclusions. However, it appears that Mr. Pollitt had access to witnesses that were not available to me in preparing the Pollitt Report.⁵ I have also reviewed documents produced by Respondent that were reviewed by Mr. Pollitt and have listed those in Annex B also.

¹ *Expert Report of Roy Pollitt*, dated 15 November 2019 (“**Pollitt Report**”).

² I understand that Panama’s allegations of corruption and money laundering relate not only to Mr. Rivera and Omega, but also to related officials and affiliates (e.g., PR Solutions, ██████████). My conclusions set forth in this report focus on Omega/Rivera as instructed by Counsel.

³ Jorge Enrique Villalba, *Preliminary Financial Analysis Report in Case No. 049-15 dated 5 Jun. 2015* (R-0062) (“**Villalba Report**” or “**R-0062**”).

⁴ Julio Aguirre’s Money Laundering Expert Report for the National Assembly dated 2 Mar. 2015 (R-0063) (“**Aguirre Report**” or “**R-0063**”).

⁵ See Pollitt Report at I. “I conducted interviews with key figures”. Mr. Pollitt does not report who these key figures are, when he interviewed them, or the content of these interviews.

II. EXECUTIVE SUMMARY

Based on my review of the documents listed in Annex B, and the analysis described herein, my opinion remains unchanged and is that Panama failed to show—and certainly could not have proved—that Omega and/or Mr. Rivera engaged in corrupt acts in relation to former Justice Moncada Luna. The conclusions reached by Panama and the Pollitt Report, like the Reports’ conclusions, were based on non-robust investigations and flawed bank transaction analyses.

It is also my opinion that Panama failed to show—and certainly could not have proved—that Omega and/or Mr. Rivera engaged in money laundering with respect to corruption allegations involving Moncada Luna. Panama relied exclusively on bank transaction analysis to link Mr. Rivera and Omega to Mr. Moncada Luna. However, Panama’s bank transaction analyses included mathematical errors, illogical assumptions, contradictory interpretations of the same set of transactions and missing days/weeks/months of transactions during which Panama has no idea what happened and cannot ascribe the transactions to anyone, let alone Omega or Mr. Rivera.

The flawed transaction analyses invalidates Panama’s corruption and money laundering allegations against Omega and Mr. Rivera and severs any claimed “link” between Omega and/or Mr. Rivera and Mr. Moncada Luna. Moreover, Panama was unable to produce any other evidence of supposed corruption or money laundering such as communications, witness testimony or computer records to support their conclusion. Finally, Panama failed to either investigate or failed to produce evidence of investigations into certain other individuals who may have been linked to the unjust enrichment of Mr. Moncada Luna.

This report is organized as follows. Section III discusses the methodology involved in corruption investigations. In Section IV, I opine on the corruption allegations against Omega and Mr. Rivera. Section V discusses methodology to investigate allegations of money laundering. In Section VI, I opine on the money laundering allegations against Omega and Mr. Rivera. My conclusions are found in Section VII.

III. METHODOLOGY IN CORRUPTION INVESTIGATIONS

The Organization for International Economic Co-Operation and Development (“OECD”) provides investigative methods for corruption cases including; interviews with witnesses, and interrogation of suspects, searches and collection of documents and information, and financial investigations.⁶ The OECD lists a variety of sources of information that may be gathered in a corruption investigation including public information, court records, corporate filings, private databases, property registers, information from tax authorities, and information from national Financial Intelligence Units.⁷

⁶ The OECD is a leading international organization that promotes integrity and transparency in the public sector, and provides corruption investigation training. OECD, *Anti-Corruption*, available at <https://www.oecd.org/g20/topics/anti-corruption/> (C-0885).

⁷ *Investigation and Prosecution of Corruption Offences: Materials for the Training Course*, OECD, 2012, available at <http://www.oecd.org/corruption/acn/lawenforcement/TrainingManualcorruptionoffences2012EN.pdf> (C-0886).

Corruption via bribery investigations entail several steps.

- **Determine who is the bribe recipient and who is the bribe giver.** The OECD states, “*it is necessary to identify the entities and individuals involved and make a preliminary assessment of the roles played by these individuals, such as decision makers, knowledgeable actors, unwitting participants and knowledgeable but uninvolved potential witnesses.*”⁸
- **Determine what is the “official act” that is before the bribe recipient that the bribe giver intends to influence.** Bribery requires proof of an actual or intended quid pro quo: one thing given in exchange for another in a bargained for exchange. The “official act” is one side of the exchange and is defined by the United States Department of Justice as:

*Any decision or action on any question, matter, cause, suit, proceeding or controversy, which may at any time be pending, or which may by law be brought before any public official, in such official's official capacity, or in such official's place of trust or profit.*⁹

- **Determine the “thing of value”/quid pro quo** that the bribe-giver provided to the bribe-recipient in return for the official act. The OECD states, “*corruption cases always involve personal gain and often bring benefits for both sides, it is important to follow the money or other forms of gain or benefits and to determine who profited from the corrupt act and how.*”¹⁰ The “thing of value” (ex. the dollar value of the bribe) is the other side of the exchange.

⁸ *Id.*

⁹ 2044. *Particular Elements*, United States Department of Justice, CRIMINAL RESOURCE MANUAL, available at <https://www.justice.gov/jm/criminal-resource-manual-2044-particular-elements> (last visited April 26, 2019) (C-0430).

¹⁰ *Id.* (emphasis added).

IV. OPINION: PANAMA FAILED TO PROVE THAT OMEGA AND/OR MR. RIVERA ENGAGED IN CORRUPT ACTS

1. Summary of my First and Second Expert Reports regarding Corruption

I concluded in my First Expert Report that Panama failed to prove that Omega and/or Mr. Rivera engaged in corrupt acts. I found that neither Report identified the alleged quid pro quo between Omega/Mr. Rivera and Mr. Moncada Luna, nor did they provide any evidence of coordination or negotiation between Omega/ Mr. Rivera and Mr. Moncada Luna, nor did the Reports provide evidence that the La Chorrera bid process was corruptly influenced. I opined that the financial analysis prepared by Villalba and Aguirre is flawed, and “links” observed between Omega and/or Mr. Rivera and Mr. Moncada Luna were unproven, undermining the conclusion of corruption. Finally, in regard to the Villalba Report, I noted that the corruption investigation into Mr. Moncada Luna was not robust and did not fully consider other relevant individuals or theories.

In my Second Expert Report I reviewed additional information that fell outside the scope of my First Expert Report, including testimony, documents and evidence collected after the completion dates of the Villalba Report or that were not available to Claimants even if the documents predated the Aguirre and the Villalba Reports. I also considered new evidence submitted by Respondent including the Pollitt Report and new evidence submitted by Claimants.¹¹

Having considered all of the information available to me, I opine that Panama failed to prove that Omega and Mr. Rivera engaged in corrupt acts. Moreover, the additional information I reviewed has affirmed my original opinion.

I conclude that Panama failed to prove that Omega and/or Mr. Rivera engaged in corrupt acts for the following reasons:

- Panama did not provide any evidence that the La Chorrera contract was corruptly awarded to Omega.
- Panama did not provide any evidence that other individuals who would have been co-conspirators in a corrupt awarding of the La Chorrera contract were investigated or charged including the bid’s vetting commission, Vielsa Rios, and the Comptroller General.
- Panama did not provide any evidence of communications, meetings, phone calls, meeting with intermediaries, witness testimony, alleged co-conspirator testimony or other documents evidencing either the bid scheme or quid pro quo.
- Panama relied on flawed financial analysis in the Aguirre and Villalba Reports as well as in Resolutions prepared by both the Organized Crime Prosecutor and Corruption Prosecutor. The flawed financial analysis was the key evidence provided and this evidence is inconclusive, meaning that the allegation that Omega and/or Mr. Rivera was the payor of a bribe to Mr. Moncada Luna is nothing more than a guess.

¹¹ See Annex B.

- Panama provided testimony transcripts and witness statements/declarations from a variety of people including Judicial Authority employees, employees of Omega and competitors of Omega, none of which implicate Omega or Mr. Rivera in any corrupt act.

2. Summary of Guilty Plea by Mr. Moncada Luna and Guilty Verdict

Mr. Moncada Luna pled guilty to Unjust Enrichment and Perjury in Public Documents.¹² In layman’s terms, Unjust Enrichment, is when a person’s legal income is less than his/her expenses and the person is unable to provide an explanation for how he/she was able to legally pay the excess expense. The illicit funds in an Unjust Enrichment case could be generated from any variety of means including dealing drugs, prostitution, extortion, bank robbery, or illegal gambling. In the case of Mr. Moncada Luna, Panama initially charged him with corruption as the means by which the excess expense was illegally subsidized. The guilty verdict states “*because he purchased properties which cannot be afforded on the salary he earned during his last five years in office and which he obtained while he held the position. Therefore, this represents an unjust enrichment.*”¹³

Mr. Moncada Luna was also charged by the National Assembly with money laundering, which is “disguising financial assets so they can be used without detection of the illegal activity that produced them,”¹⁴ which in his case was alleged corruption. Mr. Moncada Luna’s guilty plea did *not* include the corruption charge or the money laundering charge listed in his National Assembly indictment.

While Mr. Moncada Luna’s guilty plea and verdict resolved the Unjust Enrichment and Perjury charges, many questions were left unanswered.¹⁵ These questions include (1) **How** was Mr. Moncada Luna Unjustly Enriched?¹⁶ (2) If Mr. Moncada Luna was Unjustly Enriched by another Person, **Who** was this person?, and (3) **Why** did this person Unjustly Enrich Mr. Moncada Luna? Panama failed to explore all possibilities for the question of How, Panama offered no evidence, aside from the flawed financial analysis, that Omega or Mr. Rivera answer the question of Who, and Panama speculated but presented no evidence showing a corrupt awarding of the La Chorrera contract to Omega as to answer the Why question.

3. Review of Corruption Allegations against Omega and Mr. Rivera

i. Aguirre Report

¹² Plea Bargain of Justice Alejandro Moncada Luna dated 23 Feb. 2015 (R-0064). The Perjury in Public Documents plea related to failing to declare assets on his Financial Disclosure Affidavit for Public Officials.

¹³ National Assembly Guilty Verdict No. 1 dated 5 Mar. 2015 (R-0083).

¹⁴ *What is money laundering?* FINANCIAL CRIMES ENFORCEMENT NETWORK, available at <https://www.fincen.gov/what-money-laundering> (last visited April 26, 2019) (C-0432).

¹⁵ National Assembly Guilty Verdict No. 1 dated 5 Mar. 2015 (R-0083).

¹⁶ “How” Mr. Luna was Unjustly Enriched could potentially include benefiting from bribes paid to influence his wife who was also a high-ranking government official, or receiving bribes to provide a certain judicial verdict, etc.

Mr. Aguirre claimed that the scope of his report was “exclusively confined to the crime of Money Laundering” with respect to the charges against Mr. Moncada Luna.¹⁷ However, since money laundering requires a predicate crime, Mr. Aguirre implied that the funds he “linked” to Omega and Mr. Rivera were illicit in nature. Moreover, the Aguirre Report noted that a “direct relationship was observed between State money and the apartments described in this document, which relates the situation to types of corruption.”¹⁸ Despite Mr. Aguirre’s claim that his report focused exclusively on money laundering by Mr. Moncada Luna (this claim was echoed in the Pollitt Report at page 27), both his explicit statement quoted above and the requisite nature of a predicate crime in money laundering counter this claim, and in fact show that Mr. Aguirre *presumed* that Omega and Mr. Rivera engaged in corruption even though he never used the word “bribe” in his Report.

Mr. Aguirre failed to provide evidence (aside from his flawed transactions analysis) that Omega and/or Mr. Rivera engaged in corruption. Among the missing facts in the Aguirre Report are:

- (1) What the alleged agreement was between Omega and/or Mr. Rivera and Mr. Moncada Luna. Mr. Aguirre does not specify whether he is alleging that Omega and/or Mr. Rivera bribed Mr. Moncada Luna to win the La Chorrera Contract, to get paid for work completed, to overbill on the Contract, or to keep Moncada Luna happy via gratuity.
- (2) What the alleged specific dollar amount that Omega and/or Mr. Rivera agreed to provide. The dollar value of the alleged bribe is a key factor that should have been specified in the Report.
- (3) When and how was the agreement reached. The Aguirre Report lacked any evidence of communication between Omega/Mr. Rivera and Mr. Moncada Luna/ Moncada Luna representatives.
- (4) How Mr. Moncada Luna was able to purportedly influence the contract decision making process (or otherwise benefit Omega/Mr. Rivera).

Mr. Aguirre both explicitly stated and implied that the payments he “linked” to Omega and/or Mr. Rivera were corrupt, yet he failed to produce or cite *any evidence* to support this claim. For example, Mr. Aguirre would have had access to La Chorrera bid and contract information that demonstrate that Omega offered the lowest bid by over \$1,000,000 and received the highest score from the bid commission.¹⁹ Mr. Aguirre also failed to consider the reasonable explanation

¹⁷ Aguirre Report (R-0063), at 4.

¹⁸ *Id.* at 22.

¹⁹ Administrative Resolution No. 092/2012 for determination of the Abbreviated Bid for Best Value No. 2012-0-30-08-AV-004833 dated 17 Oct. 2012 (R-0006).

for the movement of funds from Omega to Reyna y Asociados for the purchase of real estate although he had access to testimony and documents that supported the explanation.

Finally, and in what I consider a serious flaw in his investigation, Mr. Aguirre failed to investigate potential alternative sources of the alleged bribe. For example, the Aguirre Report did not attribute the \$200,000 deposit by Alexandre Tchervonny into the Reyna y Asociados account as the source of funds later allegedly moved to benefit Mr. Moncada Luna. At the time of his Report, Mr. Aguirre had access to Ms. Reyna's interview with the National Assembly investigators on January 27, 2015. During this interview, Ms. Reyna at first denies knowing Alexandre Tchervonny, then repeatedly refuses to provide information about him citing attorney client privilege. Among the few pieces of information Ms. Reyna offers about Alexandre Tchervonny are that he's "*Russian*," and that "*Mr. Alexandre Tchervonny by chance hires someone, I don't know you're the one with the list of the contractors.*"²⁰ This in itself would have been a red flag to *any* investigator. Further, during the same interview, Ms. Reyna voluntarily provides quite a bit of information about other clients, including Jo Reynolds, yet refused to provide more information about Mr. Tchervonny. Mr. Aguirre simply ignored these facts and apparently remained convinced that Omega's payments for the land were the funds that ended up in Moncada Luna's accounts.

ii. Villalba Report

Mr. Villalba stated in his first witness statement in the arbitration that his first task upon returning to the Public Prosecutor's office after returning from his secondment to the National Assembly was "*to prepare a report detailing what was done in the National Assembly investigation*"²¹ via his Preliminary Financial Analysis Report in Case No. 049-15 to the Organized Crime Prosecutor. The Pollitt Report states that the Villalba Report "*was intended to provide a summary of the findings from the National Assembly investigation into Justice Moncada Luna*" and it was not "*intended to account for the involved parties in the Moncada Luna scheme.*"²²

Mirroring the issue I noted with the Aguirre Report, Villalba's "linking" of payments between Omega/Mr. Rivera and Mr. Moncada Luna implies that Omega/Mr. Rivera engaged in corrupt acts. Mr. Villalba cannot avoid providing proof of corruption by Omega/Mr. Rivera just because he fails to explicitly state the allegation in his report. The fact that Mr. Villalba used "linked" financial flows allegedly between Omega/Mr. Rivera and Mr. Moncada Luna to establish money laundering by Mr. Moncada Luna assumes that Omega was moving illicit funds and therefore "accounts" for the behavior of allegedly involved parties. Yet, Mr. Villalba failed to provide any evidence aside from the flawed financial transactions that Omega had intent or took any corrupt

²⁰ National Assembly Interview with Maria Gabriela Reyna López dated 27 Jan. 2015 (R-0139). Respondent provided no evidence that Alexandre Tchervonny was ever investigated or even contacted by Panamanian officials.

²¹ First Witness Statement of Jorge Enrique Villalba dated 7 Jan. 2019 ("**Villalba 1**"), at 12.

²² Pollitt Report, at 27.

action to influence the awarding of the La Chorrera contract (or receive any other illicit benefit from Mr. Moncada Luna).

Finally, the suggestion by Mr. Villalba and Mr. Pollitt that the Villalba Report was merely a “summary” of activity taken by National Assembly is incorrect. First, if the Villalba Report was a summary of all activity, then it would have included all witness testimony and exculpatory evidence.²³ The Villalba Report only provided evidence to *support* the Organized Crime Prosecutor’s theory of the case, but specifically ignored evidence that did not support it. Second, Villalba did not merely quote Mr. Aguirre’s earlier bank transaction analysis, he created *new* analysis and he came to several different conclusions than Mr. Aguirre regarding the flow of funds. The differences include (1) what the implied corruption scheme was, (2) who was involved in paying bribes, and (3) how much money was involved. These are significant changes and reflect *new analysis*, not a summarization contrary to Villalba’s and Pollitt’s claims.

iii. Determining the “Thing of Value” and the “Official Act” from Respondent’s Exhibits

I reviewed the following documents to identify the alleged elements of corruption: first, the “official act” that the bribe giver intended to influence on the part of the bribe taker; and then, the “thing of value” the bribe giver provided and what the bribe taker received:

1. Aguirre Report
2. Villalba Report
3. Organized Crime Prosecutor, Investigation Resolution No. 40-15, 15 June 2015
4. Summary by the Public Prosecutor First Anti-Corruption Division of the Attorney General, 17 November 2015
5. Villalba 1st Witness Statement
6. Villalba 2nd Witness Statement
7. Pollitt Report

None of the Panamanian-produced reports or witness statements (items 1-6 above) ever defined the “official act” that was supposedly influenced. It was not until almost *five years after* the theorized “linked” transactions that Mr. Pollitt stated what people actually involved in the investigations were unwilling to say; that in his “belief” Omega/Mr. Rivera paid a bribe to influence Moncada Luna to award them the La Chorrera contract. None of the multiple Panamanian investigations ever produced any sort of written allegation or opinion that stated that Panama believed that Omega/Mr. Rivera paid a bribe to Mr. Moncada Luna in order to influence him to award Omega the La Chorrera contract, nor did the investigations produce any evidence to support this claim. I will detail later in this report the implications of Pollitt’s bribery theory.

²³ For example, testimony and documents supporting the land purchase.

Section Vi.4.i of this report highlights the gross inconsistencies in Panama's alleged "thing of value" for the un-named "official act" that was allegedly influenced. The "thing of value" varied from Report to Report, from Witness to Witness, and even changed in different statements from the same witness.

iv. Corruption Prosecutor Investigation

A separate investigation into Omega and Mr. Rivera was launched by the Corruption Public Prosecutor by a referral from the National Assembly. The only two documents in the record supplied from the entire Corruption Prosecutor's "investigation" are the November 17, 2015 Summary²⁴ that relied upon financial analysis prepared by the Organized Crime Prosecutor and the order by the Corruption Prosecutor's office to raid the Omega offices.²⁵ As I understand it, these documents were submitted by Claimants and Respondent has not provided a single document evidencing the Corruption Prosecutor's investigation.

With respect to the financial analysis, the Corruption Prosecutor cited no new evidence or evidence not regurgitated from the Organized Crime Prosecutor in the document. Oddly, even though the Corruption Prosecutor had access to both the National Assembly and the Organized Crime Prosecutor's interviews with Ana Bouche, the Summary cited an eight-month old media quote from Ms. Bouche that alluded to corruption by Mr. Moncada Luna with no mention of Omega/Mr. Rivera as part of the basis to justify a search of Omega's office.²⁶ As I document in Section IV.3.v.2, Ms. Bouche was not an uninvolved party in the Moncada Luna bribery scheme.

Notably, the Corruption Prosecutor's proceeding failed to detail both what the alleged bribe dollar amount was from Omega/Mr. Rivera to Moncada Luna, i.e. the "thing of value," and also omitted what was the "official act" that was corruptly influenced.

The proceeding authorized the search of Omega's offices along with "any computer storage equipment"²⁷ which was to be analyzed by qualified personnel. Respondent has offered no documents, data, email records, or any evidence at all of bribery by Omega resulting from the search and seizure by the Corruption Prosecutor. In fact, the search of Omega's office resulted in a variety of documents substantiating the land purchase.²⁸ A sample of the documents is below:

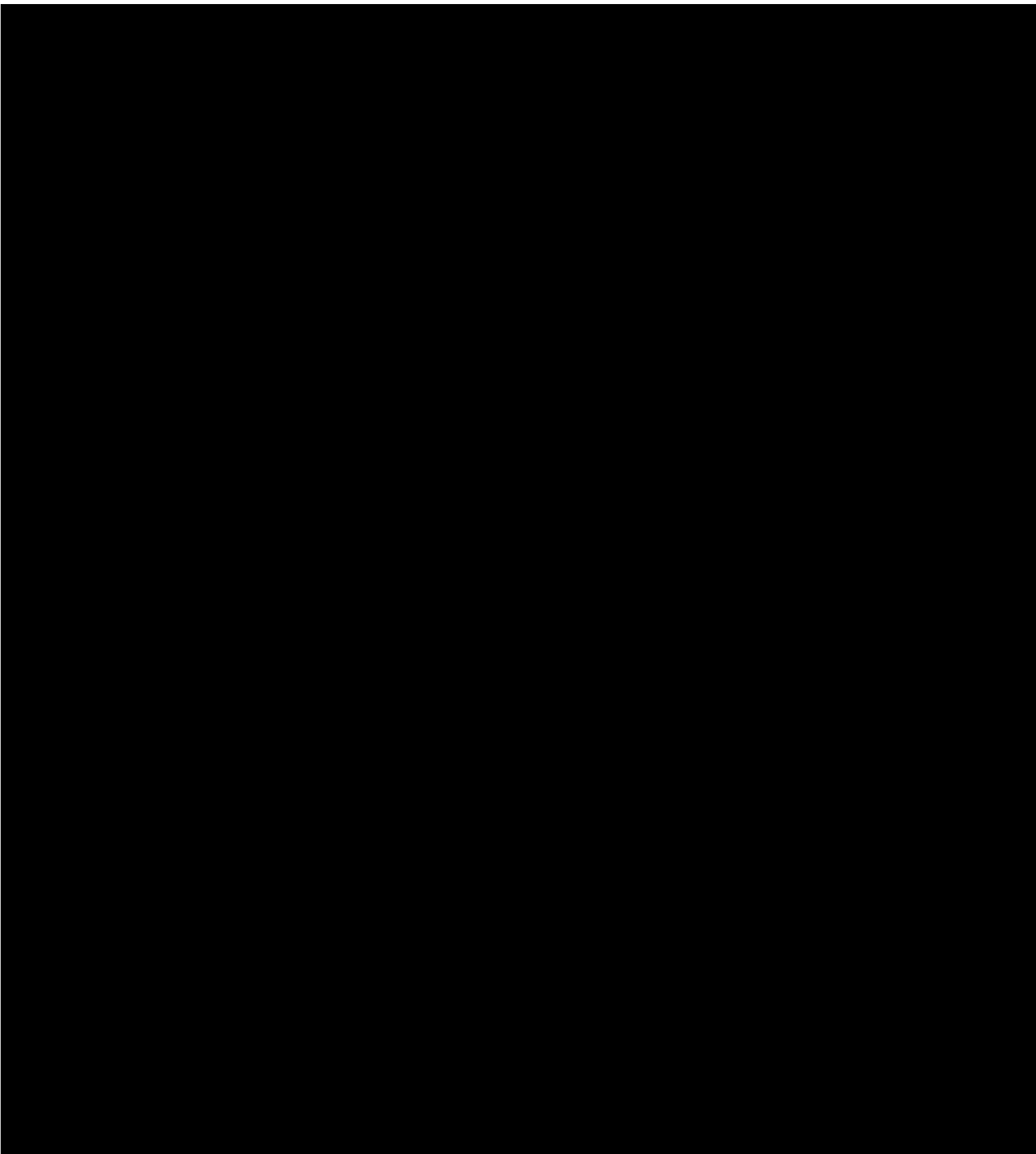
²⁴ Summary by the Public Prosecutor First Anti-Corruption Division of the Attorney General dated 17 Nov. 2015 (C-0086 resubmitted), at 2.

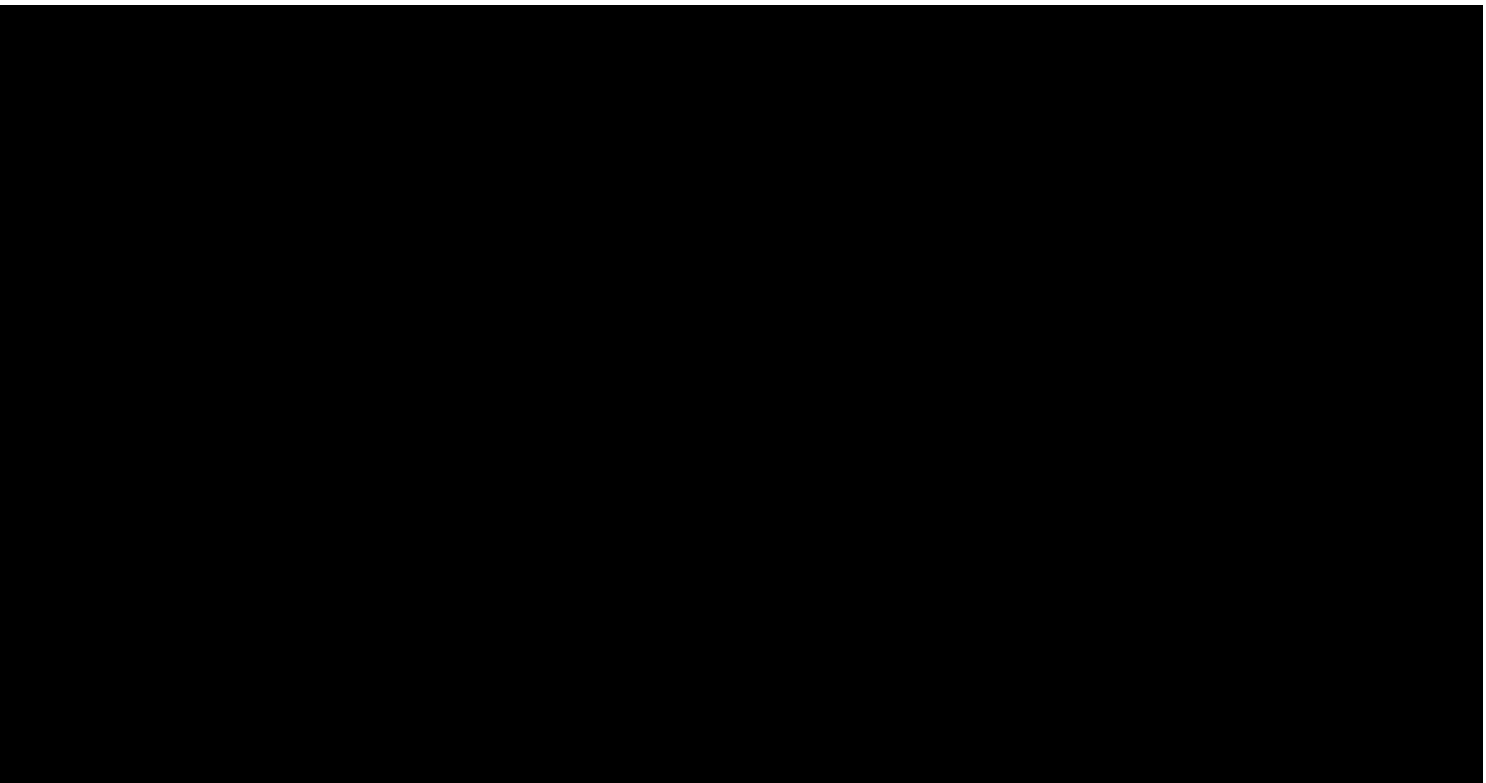
²⁵ Search and Seizure Order issued by the Anti-Corruption Prosecutor dated 17 Nov. 2015 (C-0095 resubmitted).

²⁶ *Id.*

²⁷ *Id.*, at 3.

²⁸ Results of the Search Warrant Issued for P.R. Solutions S.A.'s Books and Records dated 17 Nov. 2015 (C-0904); Results of the Search Warrant Served upon Omega Engineering Inc. dated 17 Nov. 2015 (C-0893).





The Corruption Prosecutor's investigation would have been open and ongoing for another ten months before the Court suspended the money laundering investigation²⁹ and, as Panama explains, the corruption investigation has been suspended as well. Yet, during the year and a half from the initial referral of the corruption investigation and ten months after the search warrant, the Corruption Prosecutor was unable to produce (or Respondent failed to turn over) any evidence of corruption by Omega or Mr. Rivera. Moreover, in 2018 the investigation into the alleged corruption by Omega/Mr. Rivera was dismissed by the court at the petition of the Prosecutor.³⁰

- v. The Pollitt Report's Corruption Allegations Against Omega and Mr. Rivera
 - 1. Mr. Pollitt focuses his opinion on the wrong Party, i.e., Mr. Moncada Luna and not Omega or Mr. Rivera

The Claimants in this proceeding are Omega and Mr. Rivera, yet a large portion of the Pollitt Report is spent recapping the allegations against and guilty plea by Mr. Moncada Luna. Yet Mr. Moncada Luna is not a party to this proceeding and his guilty plea to Unjust Enrichment and Perjury is not at question in this proceeding. Similarly, any companies owned or controlled by

²⁹ Judgment of Panama's Second Superior Tribunal for the First Judicial District dated 23 Sept. 2016 (C-0008 resubmitted).

³⁰ Provisional Dismissal No. 143 dated 26 Nov. 2018 (C-0908).

Mr. Moncada Luna (including Sarelan) are not at issue in this proceeding, yet the Pollitt Report goes to great lengths to outline Mr. Moncada Luna's involvement with several companies. Again, only Mr. Rivera and the companies Mr. Rivera owns (Omega and PR Solutions) are relevant in this matter. Thus, Mr. Pollitt's Report misses the mark and focuses on irrelevancies.

2. The Pollitt Report's Unproven Theory of a Bribery Scheme by Omega/Mr. Rivera

Neither the Aguirre Report, the Villalba Report, Villalba's 1st or 2nd Witness Statement, the Organized Crime Prosecutor Summary 40-15, or the Corruption Prosecutor's Summary/Search Warrant ever explicitly stated that Omega or Mr. Rivera engaged in a bribery scheme to influence Mr. Moncada Luna to award them the La Chorrera project.³¹ Mr. Pollitt, five years after the investigation began, was the first expert or investigator to explicitly link the alleged "thing of value"- bribes, to the "official act" by Mr. Moncada Luna- awarding the La Chorrera contract to Omega. Yet even Mr. Pollitt was unable to consistently state the dollar value of the alleged bribe and whether the alleged bribe was used to pay off two apartments, or more generally went to Mr. Moncada Luna's benefit. Mr. Pollitt states his conclusion as follows:

*"It is my belief that Omega Panama and Mr. Rivera engaged in a bribery and money laundering scheme designed to win the La Chorrera project and hide the true nature of their illicit payment."*³²

While Mr. Pollitt may believe this, he fails to provide evidence against Omega and/or Mr. Rivera, nor does he present evidence that others who must have been involved were investigated or indicted by Panamanian authorities. He also ignores evidence that demonstrates that Omega had the best (*i.e.*, winning) bid for the La Chorrera project. Finally, his theory has several illogical assumptions.

a. Unproven Conspiracy

If Mr. Pollitt's theory that Omega bribed Mr. Moncada Luna to *win* the La Chorrera contract is correct, then co-conspirators must have colluded with Mr. Moncada Luna to make it happen. Mr. Pollitt noted in his report that "*the bidding process and contract for that project were overseen by Justice Moncada Luna*"³³ however, several other people were involved. First, the bid's vetting commission who ranked Omega's bid as the top bid would have to have been influenced by Mr. Moncada Luna to skew the rankings in Omega's favor. Next, Vielsa Rios who supervised the bidding process in her role as Administrative Secretary for the Judiciary also would have to have been influenced by Mr. Moncada Luna. Also potentially implicated was the Comptroller General who endorsed the La Chorrera contract on behalf of the Comptroller General's office and released the advance payments that Mr. Pollitt described as "triggers" for the alleged bribes.³⁴ Either these other people were part of the conspiracy to fraudulently award the contract to Omega, or Omega rightfully won with the best bid – both cannot be true.

³¹ See *supra* at 9.

³² Pollitt Report, at 35.

³³ *Id.*, at 9.

³⁴ First Witness Statement of Vielsa Rios dated 7 Jan. 2019 ("**Vielsa Rios 1**"), at 1.

Respondent has not presented any evidence pointing to a conspiracy to award the La Chorrera contract to Omega. Respondent has not produced any interviews of vetting commission members, in particular Arelys Caballini, the head of the commission. Respondent has not produced any documentary evidence such as bank records or text messages between Mr. Moncada Luna and the vetting commission to demonstrate that they colluded to corruptly award the contract to Omega. Respondent has not produced any evidence that the Comptroller General was interviewed. And, as I explain below, Respondent has not provided any testimony or declaration from Ms. Rios stating that the La Chorrera contract was awarded to Omega because Omega paid a bribe to Mr. Moncada Luna. To the contrary, I have reviewed Ms. Rios' two witness statements and she says no such thing, as I discuss below.

b. Review of La Chorrera project bid evidence and testimony

Omega's bid for the La Chorrera project was the lowest of **four** competing firms by over **\$1,000,000**. The bid's vetting commission also ranked Omega's bid the highest score among the four bidding companies. The head of the bid's vetting commission, Arelys Caballini, was interviewed by the National Assembly but Respondents did not provide a copy of her testimony.³⁵

1. Testimony of Vielsa Rios

Vielsa Rios held the position as the Administrative Secretary of the Panamanian Supreme Court since 2007 and testified that she "supervised the administrative portions of the [La Chorrera] Project, including the bidding process."³⁶ Ms. Rios stated that Mr. Moncada Luna "issued an administrative resolution establishing a commission of three architects, all officials of the Judicial Authority, to review and evaluate the bids" and that "Omega received the **highest score** from the commission among the **four** bidders."³⁷ Ms. Rios testified that Mr. Moncada Luna on "taking into consideration the report from the evaluating commission designated to evaluate the companies that participated in the Public Act, selected Omega as the Contractor for the La Chorrera Project." Mr. Moncada Luna did not over-rule or disregard the bid's vetting commission.

Given this testimony and Mr. Pollitt's theory, either Ms. Rios was secretly a willing participant along with the vetting commission in Mr. Moncada Luna's scheme to fraudulently award the contract to Omega, or the bid process was fair and transparent, and Omega was simply the rightful winner of the tender. At no point in her testimony does Ms. Rios state that corruption or bribery in any way influenced the *bidding, evaluating or awarding* of the La Chorrera Project.

Moreover Ms. Rios attested that "the payment structure under the La Chorrera Contract was consistent with Panama's ordinary practices."³⁸ She stated that "the Comptroller General's office is responsible for providing oversight and final approval on all public works contracts and

³⁵ Assembly Investigation- Frankie Lopez Interview dated 29 Jan. 2015 (C-0888), at 11.

³⁶ Vielsa Rios 1, at 3.

³⁷ *Id.*, at 4.

³⁸ *Id.*, at 7.

invoices.”³⁹ Invoices would only be paid if approved by the Comptroller General after an earlier review by an inspector in the Judicial Authority’s General Services Department. In conclusion, at no point in Ms. Rios sworn testimony did she state that corruption or bribery influenced the *payment of invoices* (including advances) for the La Chorrera project. Nor does Ms. Rios ever state that the la Chorrera Contract was obtained through corruption.

Respondent has implied that the bid evaluating commission was not independent because members were appointed by Mr. Moncada Luna. Respondent has not offered any evidence, whether documents or testimony by any witnesses, including the three members of the bid’s vetting commission, stating that they were influenced, pressured or even bribed by Mr. Moncada Luna to rank Omega’s bid the best. In fact, Respondent has not provided evidence that Panamanian investigators (whether from the National Assembly, the Organized Crime Prosecutor or the Corruption Prosecutor) ever interviewed all the members of the bid’s vetting commission.⁴⁰ If Mr. Pollitt’s theory is correct and the Panamanian authorities also held the same theory, then the vetting commission must have been interviewed because of their key role, and Respondent is simply refusing to turn over evidence.

In her Second Witness statement, Ms. Rios repeats her statement that Mr. Moncada Luna appointed the three members of the evaluation commission; Arelys Caballini, Raul de Obaldia and Farah Urena. Ms. Rios states that Arelys Caballini was the Director of General Services [for the Judiciary] and led the commission.⁴¹ While Ms. Rios testifies that Mr. Moncada Luna informed her that “*he operated differently and that from now on he would make all the decisions*” even on items as small as pencils,⁴² she made no statements that she herself was influenced nor anyone else was influenced by Mr. Moncada Luna into awarding the La Chorrera contract to Omega. While, Ms. Rios mentioned in her Second Witness Statement that there was the potential for Inter-American Development Bank (IADB) financing for the La Chorrera project, she did not allege that avoiding oversight was why Mr. Moncada Luna did not use IADB funds.

In her testimony to the National Assembly Prosecutor, Ms. Rios made vague statements that “*the same people who asked, they themselves asked about the Maritime Court, and they themselves asked about Chorerra, and they themselves asked about Veraguas.*” Ms. Rios does not name this alleged same person asking about the various contracts. Ms. Rios does not repeat this claim in either of her Witness statements. Later in her National Assembly testimony, Ms. Rios confuses the La Chorrera project with another project in Veraguas.⁴³

In conclusion, Ms. Rios’ testimony in no way implicates Omega and/or Mr. Rivera in a corruption scheme. Her testimony also does not describe a corruption conspiracy, which would have been necessary for Mr. Moncada Luna to corruptly award the La Chorrera contract to Omega.

³⁹ *Id.*

⁴⁰ Commission head, Arelys Caballini was interviewed however Respondent did not provide a transcript of her testimony.

⁴¹ Second Witness Statement of Vielsa Rios (“**Vielsa Rios 2**”), at 2.

⁴² National Assembly Interview of Vielsa Rios dated 2 Dec. 2014 (R-0127).

⁴³ *Id.*, at 5.

2. Testimony of Ana Bouche

Ana Bouche, a lawyer, was the Administrator for the Office of the Presidency of the Supreme Court for Mr. Moncada Luna. Ms. Bouche provided testimony before the National Assembly Prosecutor on November 28, 2014. Ms. Bouche also provided a sworn witness statement before the Organized Crime Prosecutor on July 28, 2015.⁴⁴ Ms. Bouche is also the sister of Arelys Caballini who served as the head of the bid's evaluating commission.⁴⁵

Ms. Bouche testified that she participated in the incorporation of Corporation Celestial, Corporation Alpil, Corporacion Luxol, and Sarelan at Mr. Moncada Luna's direction.⁴⁶ In the case of Sarelan, Ms. Bouche appointed her aunt to serve as an officer and completed paperwork to open a bank account.⁴⁷ Ms. Bouche also testified "*I went to the offices of Ricardo Calvo to pick up a check made out to the National Bank to pay the amount of the mortgage of the Moncada Luna Ocean Sky apartment.*"⁴⁸

Ms. Bouche testified before the National Assembly prosecutor:

January 2013, I was still working with Mr. Moncada and despite knowing that he was acquiring the apartment in the Santorini Building, I never knew about the alleged loan document.

During this exchange, Ms. Bouche failed to mention that on January 14, 2013 she purchased a money order worth \$5,000.00 from **her personal bank account** made payable to Desarrollo Coco Del Mar, the developer of the Santorini apartment.

In fact, the Villalba Report directly linked two money orders totaling \$15,000 purchased in Ms. Bouche's **personal bank** account made payable to the apartment developers for which Mr. Moncada Luna was convicted of Unjust Enrichment. The first money order purchased by Ms. Bouche occurred in October 2010 and the second was in January 2013.⁴⁹ The Villalba Report did not attempt to determine what was the source of the funds in Ms. Bouche's accounts that she used to fund the money orders.⁵⁰ For instance, whether she received a bribe that was intended for Mr. Moncada Luna and served as a conduit, or whether Mr. Moncada Luna was extorting the money from Ms. Bouche.

⁴⁴ Interview with A. Bouche, Public Prosecutor's Office dated 28 July 2015 (RP-0010). On page 2, Ms. Bouche alludes to a notarized sworn statement along with supporting documents that she submitted to the National Bar Association so that they would bring a complaint against Mr. Moncada Luna. Respondents have not provided a copy of this notarized statement or supporting documents.

⁴⁵ National Assembly Interview of Vielsa Rios dated 2 Dec. 2014 (R-0127), at 2.

⁴⁶ National Assembly Testimony of Ana Bouche dated 28 Nov. 2014 (RP-0002 / R-0128), at 2.

⁴⁷ *Id.*, at 9.

⁴⁸ Interview with A. Bouche, Public Prosecutor's Office dated 28 July 2015 (RP-0010), at 10.

⁴⁹ Villalba Report, at 12, 14 (showing a money order for \$5,000.00 from Ana Bouche to Hebe Corporation on 1 Oct. 2010), 25 (showing a money order for \$10,000 from Ana Bouche to Desarrollo Coco de Mar on 14 Jan. 2013).

⁵⁰ Respondent did not turn over any bank statements for Ana Bouche.

Despite the direct links between Ms. Bouche, payments towards the apartments, the corporate entities, the bank accounts controlled by the corporate entities and at least two other family members also being involved in the alleged scheme,⁵¹ Respondent has not provided any evidence that Ms. Bouche was named as a co-conspirator or named in any of the investigations. In fact, per news reports she went on to hold a position in the Varela government.⁵²

Ms. Bouche did not discuss any particular corruption scheme during her National Assembly testimony. She did not discuss the La Chorrera contract, Omega or Mr. Rivera. Her testimony to the National Assembly in no way implicated Omega or Mr. Rivera.

Eight months later during her testimony before the Organized Crime Prosecutor, Ms. Bouche mentioned Omega and/or Mr. Rivera at three points. Ms. Bouche stated that she knew Omega “because it had a contract with the Supreme Court for the construction in the Chorrera Judicial city” however “with regard to Oscar Rivera, Francisco Feliu, and Alberto Ortega, I do not know any of them.”⁵³ Her only other mention of Omega during her testimony related to an individual working as a sub-contractor/consultant on multiple Judicial Administration contracts. Ms. Bouche stated:

*The General Services Director [Ana Bouche’s sister, Arelys Caballini] commented to us that Engineer Roberto Samaniego was functioning as technical-administrative liaison on both projects [the Maritime Court building and the La Chorrera project], which created **confusion** because she was aware that he also worked for the Corcione group.⁵⁴*

As Ms. Bouche explained, this created **confusion**, not suspicion. The Respondent has offered no evidence that any of the investigations (National Assembly, Organized Crime or Corruption Prosecutor) ever interviewed Roberto Samaniego or considered him to be part of a corruption scheme.

In her testimony to the Organized Crime Prosecutor, Ms. Bouche directly implicated Ricardo Calvo in a bribery scheme for the benefit of Mr. Moncada Luna when she testified that she personally picked up a check from him to pay down the Ocean Sky apartment.⁵⁵ She also witnessed and even attended meetings between Mr. Moncada Luna’s various contractors and testified that another contractor went to the General Service Office.⁵⁶ Yet, she did not know Oscar Rivera.

⁵¹ Ana Bouche was an officer for Alpil while her aunt was an officer for Sarelan and Alpil. Her sister, Arelys Caballini, was on the bid’s vetting commission. Ms. Bouche did not disclose that her sister was on the bid vetting commission in either of her statements, even though she alludes to the “General Services Administrator” who was her sister.

⁵² *Gobierno nombra a testigo*, Panamá América, dated 16 Nov. 2015 available at <https://www.panamaamerica.com.pa/gobierno-nombra-testigo-1000474> (C-0889).

⁵³ Interview with A. Bouche, Public Prosecutor’s Office dated 28 July 2015 (RP-0010), at 9, 12.

⁵⁴ As I will discuss later, the evidence suggests that Mr. Samaniego did not, in fact, have any role in the La Chorrera project.

⁵⁵ Interview with A. Bouche, Public Prosecutor’s Office dated 28 July 2015 (RP-0010), at 10.

⁵⁶ Interview with A. Bouche, Public Prosecutor’s Office dated 28 July 2015 (RP-0010), at 11-12.

In summary, Ms. Bouche’s testimony in no way implicated Omega or Mr. Rivera in a corruption scheme.

c. The Pollitt Report’s False Equivalency with an Un-named Scheme

Mr. Pollitt states that the Omega contract “mirrored” an unnamed corruption scheme involving Mr. Moncada Luna. Although Mr. Pollitt fails to name the companies involved or cite any documentation to support this “mirror” theory, I deduce that he is suggesting that the Maritime Judicial Building contract won by Conceptos y Espacios is the purported similar scheme because Mr. Pollitt cited testimony by Jorge Espino, the president of Conceptos y Espacios and testimony from Maria Reyna, who discussed meeting with Mr. Espino.⁵⁷

In my opinion, Mr. Pollitt’s “mirror” theory is incorrect for the following reasons:

1. Contract/Bidding

The Maritime Judicial Building **only had one bidding firm**, Conceptos y Espacios.⁵⁸ The La Chorrera project had **four** bidding firms. Omega had the lowest bid by over one million dollars and was ranked the highest by the independent evaluating committee.

2. Middleman and Moncada Luna “Introductions”

Mr. Jorge Espino, president of Conceptos y Espacios, testified that Mr. Corcione reached out directly to him to suggest that a payment could secure the contract for Conceptos y Espacios. Julian Paris, who is a partner of Mr. Espino, was under the belief that the \$600,000 payment requested by Mr. Corcione was “*for us not to have problems with payments because that is the main problem that contractors have with the State.*”⁵⁹

Mr. Pollitt stated in relation to the Conceptos y Espacios alleged scheme that “*this developer [Corcione Group] was also instrumental in directing the construction firm that ‘won’ the bid to use Maria Reyna to help ‘justify’ the bribe payment.*”⁶⁰ The Respondent has offered no evidence or testimony that Mr. Corcione played any role in the alleged Omega bribery scheme.

As noted earlier, Ana Bouche testified that she saw Mr. Corcione meeting with Mr. Moncada Luna, and heard that Mr. Espino visited the General Services Office, yet she had never met Mr. Rivera. Additionally, Vielsa Rios testified that Mr. Moncada Luna personally introduced her to individuals associated with the Corcione Group and that Mr. Moncada Luna “called the architect

⁵⁷ Pollitt Report, at 24. However, some of the details included in the Pollitt Report do not match the Conceptos y Espacios contract. For instance, Mr. Pollitt states that “*the only other bidder on this court contract also bid on the La Chorrera contract and was the developer behind the two apartments*” however Conceptos y Espacios was the sole bidder for the contract. Mr. Pollitt states that the contract was worth “\$10 million” but the Conceptos y Espacios contract was worth \$8.9 million. Mr. Pollitt could have named the alleged similar scheme to avoid the resulting confusion, but he chose not to.

⁵⁸ Report from the Vetting Commission No. 2013-0-30-0-08-AV-005500 dated 9 Apr. 2013 (C-0890).

⁵⁹ Declaration from Julian Paris dated 3 July 2015 (C-0891); Declaration from Jorge Espino dated 16 July 2015 (C-0892).

⁶⁰ Pollitt Report, at 25.

Arelys Bouche Cavallini” to introduce the Group Robles construction company.⁶¹ Respondent has offered no evidence that Mr. Moncada Luna engaged in an “introductory” (or any other kind of) meeting on behalf of Omega.

3. Timing of Maria Reyna’s Involvement

Mr. Paris and Mr. Espino both testified that they first became involved with Maria Reyna *after* the Moncada Luna allegations appeared in the media, in the fall of 2014.⁶² Mr. Espino testified that he met with Ms. Reyna three or four times in the fall of 2014 after the news broke of the Moncada Luna allegations. Whereas Omega (through PR Solutions) interacted with Maria Reyna in early 2013 as evidenced by the Purchase and Sale Promise Agreement⁶³ and the checks written to Reyna y Asociados in April and July 2013. Additionally, Ms. Reyna, Mr. Lopez and Mr. Rivera have all testified that Mr. Rivera and Ms. Reyna have never met.

4. Financial Analysis of Conceptos y Espacios Alleged Bribe

The Villalba Report linked \$400,000 in money from Conceptos y Espacios to the paydown of apartments owned by Mr. Moncada Luna’s wife.⁶⁴ The \$400,000 was transferred from Conceptos y Espacios to a company named Cubemu and ultimately to companies that the Villalba Report found were owned or controlled by Mr. Moncada Luna. The full \$400,000 was accounted for as benefiting Mr. Moncada Luna, there was no “cut” or “commission” taken by a middleman.

The Villalba Report did not address the separate \$200,000 check in the name of “Cobros GC, S.A” (Cobros) that Mr. Espino testified that he delivered to Mr. Corcione’s office *days* after the \$400,000 check to Cubemu. Respondent has not produced any analysis that explains what happened to these funds.

The Conceptos y Espacios financial pattern is markedly different from the scenario that the Aguirre, Villalba and Pollitt Reports suggest happened with Omega. Recall, the Pollitt Report never explicitly states that the alleged similar scheme was Conceptos y Espacios.

- First, while the Reports differ as to the dollar value of the bribe allegedly paid by Omega and/or Mr. Rivera, the Aguirre Report differs from Villalba’s analysis by not including the Conceptos y Espacios alleged bribery scheme *at all*. The Villalba Report did not address the \$200,000 Cobros check.
- Secondly, in the Conceptos y Espacios case the full \$400,000 amount of the first alleged bribe payment was traced from Conceptos y Espacios to Mr. Moncada

⁶¹ National Assembly Interview of Vielsa Rios dated 2 Dec. 2014 (R-0127), at 1. Ms. Rios stated that Grupo Robles was owned by Mauricio Ortiz Quesada. The Villalba Report linked payments from Mr. Ortiz to Mr. Moncada Luna.

⁶² Declaration from Julian Paris dated 3 Jul. 2015 (C-0891), at 3.

⁶³ Sale and Purchase Agreement between JR Bocas Investments, Inc. and Punela Development Corp. dated Apr. 2013 (C-0078 resubmitted).

⁶⁴ The Aguirre Report did not identify Conceptos y Espacios at all in the Report.

Luna. In the case of Omega, the Reports are unable to account for a large portion of the \$500,000 transferred from PR Solutions to Reyna y Asociados.

- Third, the \$400,000 Conceptos y Espacios transfer does not include a “cut” for middlemen whereas Mr. Pollitt suggests that the missing hundreds of thousands of dollars from the two payments made by Omega could be a fee going to a money laundering middleman.
- Fourth, Mr. Espino testified that he wrote a \$20,000 check to Reyna y Asociados which was apparently deposited in her Banco General account on October 29, 2014, which was more than a year after Conceptos y Espacios paid the alleged bribe. No such payment was ever made by Omega or Mr. Rivera.
- Fifth, the alleged bribe amount in relation to the contract face value is markedly different for the two alleged schemes. In the Conceptos y Espacios case, the contract value was \$8,995,505.11 with an alleged bribe of \$600,000, therefore the bribe as a percentage of the contract value was **6.7%**. Whereas, the La Chorrera contract value was \$16,495,000.00 and the highest estimated alleged bribe amount was \$275,000, which would therefore be a bribe worth **1.7%**.
- Sixth, the percentage of the alleged bribe relative to the middleman’s “cut” was completely different in the two alleged schemes. Mr. Espino testified that he paid Maria Reyna \$20,000 to “justify” the \$600,000 bribe, which would be a “commission” to Reyna of **3.3%** of the gross bribe. Mr. Pollitt stated that middlemen (assumedly Ms. Reyna since she would be the only “middleman” involved) may have gotten a “cut” which would account for a portion of the missing \$225,000. Therefore Ms. Reyna’s “cut” of the alleged \$275,000 bribe by Omega to Mr. Moncada Luna would have been **81%** of the alleged bribe.⁶⁵

		Alleged Scheme	
		Conceptos y Espacios	Omega
A	Contract Dollar Value	\$8,995,505.11	\$16,495,000.00
B	Alleged Bribe Amount	\$600,000.00	\$275,000.00
C	Alleged Commission to Middleman	\$20,000.00	\$225,000.00
D	Alleged Bribe plus Commission= B+C	\$620,000.00	\$500,000.00
E	Alleged Bribe as % of Contract = B/A	6.7%	1.7%
F	Alleged Middleman Commission as % of Bribe= C/B	3.3%	81.8%

- *Finally*, Conceptos y Espacios did not have sufficient funds “on hand” in bank account #1163 to pay the \$400,000 bribe prior to receiving the Judiciary’s advance. However, Omega and/or Mr. Rivera had more than enough money to pay the alleged bribe at any point from December 2012 through April 3, 2013

⁶⁵ The Pollitt Report suggested that there were multiple middlemen involved in the alleged Omega scheme, yet also argues that Mr. Moncada Luna controlled Sarelan. Under Respondent’s theory, therefore, the only remaining “middleman” would be Reyna y Asociados, as it would be illogical for either PR Solutions or Sarelan to take a “cut” of the alleged bribe since these entities were controlled by the alleged bribe payor and bribe recipient.

(from awarding of the contract to prior to the first advance) and would not have been reliant on Judicial advances, unlike Conceptos y Espacios.⁶⁶

5. Mr. Pollitt Took “Mirror” Quote out of Context

In his Report, and citing Ana Bouche’s testimony with the Organized Public Prosecutor of July 28, 2015, Mr. Pollitt stated that:

*Moncada Luna’s personal secretary [Ana Bouche] herself states that the two contracts (and sub-sequent payment schemes) “mirrored” each other.*⁶⁷

Mr. Pollitt takes Ms. Bouche’s testimony out of context. Ms. Bouche was solely discussing the fact that an engineering consultant, Roberto Samaniego, worked on multiple contracts for Judicial Buildings. She was not referencing the “two contracts” as a whole but merely a common sub-contractor/consultant. Ms. Bouche certainly did not discuss the “sub-sequent payment schemes” that Mr. Pollitt suggests.

Her testimony reads as follows:

Later, the public act for remodeling the Maritime Court building arose, and as stated previously, it was awarded to Concepto y Espacios corporation. As it turned out, when the project was initiated and being carried out, Engineer Roberto Samaniego appeared again. He was the one who coordinated with General Services and Court Administration on technical and administrative progress for the construction.

*The General Services Director commented to us that Engineer Roberto Samaniego was functioning as technical-administrative liaison on both projects [the Maritime Court building and the La Chorrera project], which created **confusion** because she was aware that he also worked for the Corcione group.*⁶⁸

Per her testimony she had *heard* second hand about the common consultant, allegedly an engineer named Roberto Samaniego. Vielsa Rios had testified to the National Assembly about a common un-named person asking about multiple contracts. Ms. Rios did not name Roberto Samaniego, nor did she repeat this claim in either her First or Second Witness Statement.

When the National Assembly Prosecutor asked Frankie Lopez why Arelys Bouche Caballini and Vielsa Rios suggested that Mr. Samaniego was involved in Omega’s La Chorrera project, Mr. Lopez replied, “it’s the first time I can hear it.”⁶⁹ Likewise, Mr. Rivera has testified that he does not recall that Mr. Roberto Samaniego was ever involved in any way with the La Chorrera

⁶⁶ Documents Related to Account N. [REDACTED] for Omega Engineering, various dates (C-0909) at 99-168; 1G 08428 GL – October 2012 to July 2013, UBS Account Statements for Omega (C-0936) at 481-517; and 1G 12025 GL - October 2012 to July 2013, UBS Account Statements for Omega (C-0937) at 191 – 231.

⁶⁷ Pollitt Report, at 25.

⁶⁸ Interview with A. Bouche, Public Prosecutor’s Office dated 28 July 2015 (RP-0010), at 11-12.

⁶⁹ Assembly Investigation- Frankie Lopez Interview dated 29 Jan. 2015 (C-0888), at 11.

Project.⁷⁰ Finally, Respondent has not produced any evidence that Panamanian investigators ever interviewed Roberto Samaniego or that Omega ever paid Roberto Samaniego.

Ana Bouche in no way references “sub-subsequent payment schemes” in her statement. Mr. Pollitt does not describe or document how the two schemes allegedly mirror each other in payment methods. In summary, Mr. Pollitt mischaracterizes a quote and is unable to substantiate his interpretation with evidence, which therefore undercuts his “mirror” theory.

6. No Testimony Implicates Omega or Mr. Rivera

Mr. Pollitt noted that parties involved in the unnamed scheme admitted to their roles (which is correct to the extent he is referring to the Conceptos y Espacios scheme). Mr. Espino admitted to paying money to secure the Maritime contract and implicated Mr. Corcione for his role as a middleman, and Ms. Reyna for her alleged role after the fact to “justify” the payment. Ms. Reyna testified multiple times to various investigators. Her testimony changed and conflicted with prior testimony during the course of the Investigations. However, in her testimony dated July 14, 2014 with the Organized Crime Prosecutor, Ms. Reyna admitted to creating paperwork to justify the Conceptos y Espacios payment. As noted above, Ms. Reyna implicated at a minimum herself, Mr. Espino and Mr. Corcione during her interviews with Prosecutors.

In contrast, Ms. Reyna repeatedly stated and remained steadfast that the Omega payments were for the Tonosi land purchase from JR Bocas (whom Ms. Reyna had represented since at least 2008).⁷¹ When Mr. Corcione was interviewed by the National Assembly, he did not discuss Omega or Mr. Rivera at all.⁷² Finally, Omega’s employees Frankie Lopez and Francisco Feliu testified that the transfers from Omega to PR Solutions to Reyna Y Associates was for the JR Bocas land purchase.⁷³ Respondent offered no witness testimony to the contrary.

4. Panama Failed to Investigate Potential Sources of Unjust Enrichment

Panama quickly settled on its theory that Mr. Moncada Luna was unjustly enriched by contractors who bribed him. Mr. Villalba offered no evidence or even a description for how he ruled out that Mr. Moncada Luna had received bribes in return for judicial decisions. There is also no evidence that Panama even considered that Mrs. Maria Moncada Luna, who herself was a high-ranking government official as the Director of Planning and Finances in the Ministry of the Presidency and also in the Office of the First Lady,⁷⁴ was the intended recipient of the bribe.

⁷⁰ Third Witness Statement of Oscar Rivera dated 20 Jan. 2020 (“Oscar 3”) ¶ 25.

⁷¹ Declaration from Maria Gabriela Reyna dated 23 June 2015 (C-0894); Declaration from Maria Gabriela Reyna dated 14 July 2015 (C-0895); National Assembly Interview with Maria Gabriela Reyna López dated 27 Jan. 2015 (R-0139); Public Registry of JR Bocas Investment Inc., undated (C-0896).

⁷² Assembly Investigation- Nicolas Corcione Interview dated 15 Oct. 2014 (C-0897).

⁷³ Assembly Investigation - Frankie Lopez Interview dated 12 Feb. 2015 (C-0898); Assembly Investigation Interview- Francisco Feliu dated 12 Feb. 2015 (C-0899).

⁷⁴ Criminal Complaint against Moncada Luna dated 10 July 2014 (C-0373), at 6.

Messrs. Villalba, Aguirre and Pollitt all note that Mrs. Maria Moncada Luna was the owner of the apartments, not her husband.

As I described earlier, other individuals who must have been involved if Mr. Pollitt's theory of a corrupt award of the La Chorrera contract is true, were either never interviewed or never indicted. Even Ana Bouche, who was implicated by her own testimony and purchased money orders from her personal bank account to pay down the apartments, was never indicted.

Finally, Panama failed to investigate the involvement of Alexandre Tchervonny. The Villalba Report, the Organized Crime Prosecutor, and the Pollitt Report all found that Alexandre Tchervonny was the source of \$125,000 moved from the Reyna y Asociados account to the benefit of Mr. Moncada Luna in the Sarelan account. None of the Reports identified how Alexandre Tchervonny was involved with Mr. Moncada Luna or what he intended to influence. For example, Panama did not identify if Mr. Tchervonny was seeking to influence a contract or a judicial decision.⁷⁵

This failure to investigate and follow potential leads is troublesome, because it is possible that Panamanian investigators cherry-picked evidence to fit their theory instead of investigating all leads. As this report details, missing evidence was either ignored or declared "irrelevant," relevant evidence was dismissed outright, and illogical assumptions were relied on to fit a narrative.

5. Extradition Request Does Not Include Corruption Charge

The Embassy of Panama requested that the United States arrest Mr. Rivera for the purpose of extradition on December 21, 2015 to "stand trial in Panama for the crime of **money laundering**" without any mention of corruption charges against Mr. Rivera.⁷⁶ The United States denied the request because "it does not contain sufficient factual support linking Rivera Rivera to the money laundering charge."⁷⁷ The denial letter goes on to list missing evidence of money laundering that relied on the unnamed predicate crime of corruption:

*bank records which show the movement of money by Rivera Rivera and reflect that he knew the money was obtained through illegal means, a summary of testimony given by a co-conspirator, or any other evidence which clearly indicates that Rivera Rivera knowingly participated in the money laundering operation.*⁷⁸

The United States' response highlights the deficiencies in Panama's case against Omega and Mr. Rivera in that Panama relied on flawed analysis of bank records alone to support their allegations against Omega and Mr. Rivera. Panama failed to show that the money moved was obtained through illegal means (corruption), which Panama needed to evidence via witness testimony,

⁷⁵ Respondent did not provide *any* evidence of an investigation into Mr. Tchervonny by Panamanian officials.

⁷⁶ Letter from Panama's Foreign Affairs Ministry to Panama's Office of the Attorney General attaching the U.S. State Department's Denial of Panama's Request of a Provisional Arrest for the Purpose of Extraditing Mr. Rivera, 29 Feb. 2016 (C-0900), at 2.

⁷⁷ *Id.*

⁷⁸ *Id.*

documents or other evidence that Omega and/or Mr. Rivera **knowingly** laundered funds and **intended** to influence Mr. Moncada Luna through bribes.

6. Opinion: Panama Did Not Present Circumstantial Evidence of Corruption by Omega and/or Mr. Rivera, and certainly could not Prove Omega and/or Mr. Rivera Engaged in Corrupt Acts

Panama had three criminal investigations that named or involved Omega and/or Mr. Rivera (the National Assembly, the Organized Crime Prosecutor and the Corruption Prosecutor). Panama also had three expert reports written (by Mr. Aguirre, Mr. Villalba and Mr. Pollitt) that either explicitly stated or implied that Omega and/or Mr. Rivera engaged in corruption. None of the Reports and investigations, which included searches of Omega's offices and computers, was able to find any of the following oft-used relevant circumstantial evidence:

- Emails
- Text messages
- Calendar appoints
- Notes
- Documents
- Eye-witness testimony
- Middleman testimony
- Involved party testimony
- Phone records
- Bid or contract irregularities
- Irregular communication between the evaluating committee members or between the members and Mr. Moncada Luna

Nor did Panama's Reports and investigations uncover any other type of circumstantial evidence that implicates Omega and/or Mr. Rivera in a bribery scheme to win the La Chorrera contract. Panama's corruption allegation against Omega and/or Mr. Rivera rests chiefly on its flawed transaction analysis, which even its own experts cannot agree on. Therefore, I believe that Panama is unable to prove either from direct evidence or circumstantial evidence that Omega and Mr. Rivera engaged in corruption.

V. METHODOLOGY IN MONEY LAUNDERING INVESTIGATIONS

On March 20, 2015, Panama's Attorney General referred to the Office of the Superior Prosecutor Specializing in Fighting Organized Crime ("**Organized Crime Prosecutor**") a complaint "*filed by a group of jurists against Felipe Virzi, Maria del Pilar Fernandez de Moncada, and **any other person** who was linked to the crimes.*"⁷⁹ The Organized Crime Prosecutor Resolution 40-15

⁷⁹ Organized Crime Prosecutor, Investigation Resolution No. 40-15 dated 15 June 2015 (R-0086). The resolution by the Attorney General that is cited in 40-15 has not been produced by Respondents. It is unknown who aside from the two people mentioned in the quote were listed in this Resolution.

which is a summary of the investigation for the alleged commission of the crime of money laundering, explains why the referral was made:

*“The purpose of this being to **carry out the steps** that would be useful to determine whether the **alleged facts** constitute a **crime** and, if so, the **perpetrators shall proceed to be identified.**”⁸⁰*

In other words, the referral was made so that the Organized Crime Prosecutor could conduct an investigation into (1) whether the *alleged* facts were correct, (2) determine if those facts constitute a crime, and (3) identify other people and entities that committed crimes. However, the only alleged infractions investigated by the Organized Crime Prosecutor relate to money laundering, not the predicate crime of corruption.

Money Laundering investigations entail several steps, not necessarily in this order:

- **(a) Red Flag(s) would trigger an investigation.** Red Flags of potential money laundering may be noticed by a bank employee, an automated bank transaction monitoring system, negative media reports, a related criminal investigation or any of a variety of means. The identification of Red Flags is merely the starting point of an investigation and is not in and of itself an investigation, nor can red flags alone give rise to a conclusion that money laundering has occurred. In fact, over 90% of all Red Flags alerted by bank transaction anti-money laundering monitoring systems are “false positives” and are dismissed after investigation.⁸¹
- **(b) The financial transactions at issue would need to be traced and documented.** Documents and evidence that should be collected during this step include bank statements, loans, checks, wire slips, ATM records, and bank account opening documentation. A flow of funds diagram may be helpful in identifying investigative leads. However, a flow of funds that does not show that the *actual source of funds was illicit* is not evidence of a crime. This is because money laundering requires that the funds “laundered” come from illicit transactions.
- **(c) The identity of people and/or the ownership of entities involved in the financial transactions would need to be determined.** Open-source records such as incorporation records are often used to identify corporate owners however in some cases, interviews with corporate officers may be necessary to identify corporate ownership. The tracing of funds and the identification beneficial owners are often under-taken within a bank’s Anti-

⁸⁰ *Id.*

⁸¹ See McKinsey & Company, *The New Frontier in Anti-Money Laundering*, undated, available at <https://www.mckinsey.com/business-functions/risk/our-insights/the-new-frontier-in-anti-money-laundering> (C-0901) and Reuters, *Anti-money laundering controls failing to detect terrorists, cartels, and sanctioned states* dated 14 Mar. 2018, available at <https://www.reuters.com/article/bc-finreg-laundering-detecting/anti-money-laundering-controls-failing-to-detect-terrorists-cartels-and-sanctioned-states-idUSKCN1GP2NV> (C-0902).

Money Laundering department when the bank identifies Red Flags of potentially suspicious activity by a customer.

- **(d) The predicate crime which generated the illicit funds (drug dealing, human trafficking, corruption, etc.) would need to be proven.** Internal bank Anti-Money Laundering departments hand off their money laundering investigations to law enforcement at this point. Law enforcement alone has the tools and authority to collect the needed evidence to prove the predicate crime. Money laundering charges are dependent on a predicate crime; *without the establishment of an illicit source of funds there by definition cannot be money laundering.*⁸² It is in this step that law enforcement would seek other types of evidence including, for example, computer records, telephone records, witness testimony, video surveillance, text messages, email, etc. that would not be available to internal bank personnel.

For example, the National Assembly’s money laundering investigation of Mr. Moncada Luna began with a Step (a)- Red Flag trigger filed by a complaint by the Bar Association against Mr. Moncada Luna. The National Assembly next moved on to Step (c) to identify the corporations that owned the two apartments and then worked their way to Step (b) -who paid off the apartments- and then finally “linked” the financial transactions to Judicial contractors in Step (d) to make corruption allegations against Mr. Moncada Luna. However, recall that Mr. Moncada Luna was only found guilty of Unjust Enrichment and Perjury. Panama’s flawed financial analysis and non-existent circumstantial evidence against Omega/Mr. Rivera may explain why Mr. Moncada Luna was not convicted on the original charges of Money Laundering and Corruption charges.

The US Department of Justice provides a Criminal Resource Manual with a Money Laundering Overview (“**Money Laundering Overview**”).⁸³ The Money Laundering Overview lists facts that a prosecutor must prove for violation of money laundering laws.

- “the prosecutor must **prove** the actual source of the funds must be one of the specified forms of criminal activity identified by the statute”
- “the prosecutor must prove, either by direct or circumstantial evidence, that the defendant knew that the property involved was the proceeds of any felony”

⁸² With the exception of certain types of tax evasion or “structuring” transactions below reporting thresholds, neither of which is at issue in this matter.

⁸³ US Department of Justice, 2101. *Money Laundering Overview*, CRIMINAL RESOURCE MANUAL, available at <https://www.justice.gov/jm/criminal-resource-manual-2101-money-laundering-overview> (C-0903).

- “the prosecutor must also prove that the defendant initiated or conducted, or participated in initiating or concluding, a financial transaction”
- “In conducting the financial transaction, the defendant must have acted with one of the following four specific intents: ... intent to promote the carrying on of specified unlawful activity....”

VI. OPINIONS: PANAMA FAILED TO PROVE THAT OMEGA AND/OR MR. RIVERA ENGAGED IN MONEY LAUNDERING.

1. Summary of My Expert Reports

I concluded in my First Expert Report that neither the Villalba nor the Aguirre Report determined whether the Omega/Mr. Rivera transactions had a reasonable business purpose. I opined that the financial analysis prepared by Villalba and Aguirre was flawed, and “links” observed between Omega and/or Mr. Rivera and Mr. Moncada Luna unproven. I noted that the missing Reyna bank account statements sever any alleged link between Omega/Mr. Rivera and Mr. Moncada Luna. Finally, I found that Omega and Mr. Rivera only had transactions with non-shell companies.

In this, my Second Expert Report, having considered all of the information I reviewed, I opine that Panama failed to prove that Omega and/or Mr. Rivera engaged in money laundering. Moreover, the additional information has affirmed my original opinion.

2. **Opinion: Failure by Panama to prove corruption by Omega/Rivera removes the predicate crime necessary to the allegation of money laundering against Omega/Rivera.**

As I mentioned before, corruption is the implied predicate crime of the alleged money laundering claim against Omega and Mr. Rivera. And thus, without a finding of corruption by Omega and/or Mr. Rivera, there can be no money laundering by Omega and/or Mr. Rivera. Panama failed to prove corruption by Omega/Rivera which invalidates the allegation of money laundering which is predicated on illicit funds.

Law enforcement, prosecutors and experts can create impressive looking spreadsheets, flowcharts and graphics that trace the flow of *perfectly legal money*. Even if the Aguirre and Villalba Reports’ financial analysis were not riddled with mathematical and logical errors, the analyses would be insufficient to prove money laundering because they failed to prove that the “actual sources of the funds was illicit.”⁸⁴ The United States denied a request by Panama to

⁸⁴ *Id.*

extradite Mr. Rivera for this very reason⁸⁵ and Panama's own courts have temporarily dismissed the corruption investigation.⁸⁶

3. Flow of Funds Tracing is a Step, not the End Point of a Money Laundering Investigation

Tracing the flow of funds is just one step in proving a money laundering case. Often, this step is completed internally at a bank by on staff anti-money laundering professionals with the results passed on to law enforcement. The flow of funds analysis is a data point in an investigation, not the end point. Tracing the funds does not prove that the source was illicit, nor does it determine what the illicit activity was, nor does it prove that an individual knew the money was illegally obtained. Instead, a flow of funds analysis helps inform law enforcement about which people to interview, corporate records to pull, and what documents or communications to collect, in order to determine why the money was moved.

The United States' extradition denial letter provides that bank records alone are not sufficient evidence of money laundering, but it required proof that Mr. Rivera "**knew** that the money was obtained through illegal means" such as "witness statements that show that Rivera Rivera knew that the money that was laundered was obtained through illegal means."⁸⁷

4. Panama's Flow of Funds was anything but "clear"

i. Conflicting and Changing Flow of Funds

Despite Respondent's many claims that the flow of funds is "clear" and that "incontrovertible bank records" prove money laundering, Panama's own experts and investigators cannot agree (even with themselves) on the Flow of Funds.

⁸⁵ Letter from Panama's Foreign Affairs Ministry to Panama's Office of the Attorney General attaching the U.S. State Department's Denial of Panama's Request of a Provisional Arrest for the Purpose of Extraditing Mr. Rivera dated 29 Feb. 2016 (C-0900), at 2.

⁸⁶ Provisional Dismissal No. 143 dated 26 Nov. 2018 (C-0908).

⁸⁷ Letter from Panama's Foreign Affairs Ministry to Panama's Office of the Attorney General attaching the U.S. State Department's Denial of Panama's Request of a Provisional Arrest for the Purpose of Extraditing Mr. Rivera, date 29 Feb. 2016 (C-0900).

Conflicting Alleged Flow of Funds

Key Transactions in Reyna & Asociados Bank Account #1017-66336

Unique Identifier #	Amount	Date (MM/DD/YY)	From	To	Check #
R.200.A	\$200,000	06/06/13	Alexandre Tchervonny	Reyna	
R.125.B	\$125,000	06/12/13	Reyna	Sarelan	#367951
R.75.B	\$75,000	07/18/13	Reyna	Sarelan	#375666

Unique Identifier #	Aguirre Report		Villalba Report		Pollitt Report	
	Alleged Prior Source	Alleged Next Destination	Alleged Prior Source	Alleged Next Destination	Alleged Prior Source	Alleged Next Destination
R.200.A	<i>Not mentioned in report</i>	<i>Not mentioned in report</i>	<i>Not Specified</i>	Sarelan 12-Jun-13	<i>Not Specified</i>	Sarelan 12-Jun-13
R.125.B	<i>Not mentioned in report</i>	<i>Not mentioned in report</i>	Alex Tchervonny	Summer Ventures 18-Jul-13	Alex Tchervonny	Summer Ventures 18-Jul-13
R.75.B	PR Solutions	Summer Ventures 18-Jul-13	<i>Not Specified</i>	Summer Ventures 11-Oct-13 . Then to Corporation Luxol, then used to purchase fixed income product.	PR Solutions	Summer Ventures 18-Jul-13

Mr. Villalba reaches new conclusions as to how money allegedly flowed from Omega to Mr. Moncada Luna in his First and Second Witness Statements in 2019 versus the Villalba Report he prepared in 2015. In his First Witness Statement Mr. Villalba said:

“On July 10, 2013, Omega Engineering received a [REDACTED] payment from the Judiciary for work on the La Chorrera project. We were able to trace US\$130,000 of that money to an account that was used to make payments on the PH Santorini apartment.”⁸⁸

Mr. Villalba stated in his Second Witness Statement:

“We were able to trace US\$150,000 to Sarelan of which US\$130,000 was then used to make payments on PH Santorini.”

And

⁸⁸ Villalba 1, at 9.

“On July 17, 2013 and July 18, 2013, Reyna issued **two** cashier checks, each for US\$75,000 to Sarelan...the funds were then used as payment on the apartment.”⁸⁹

However, in the Villalba Report, he attributed an unspecified portion to the deposit by Alexandre Tchervonny in the Sarelan account to the \$130,000 payment to Summer Ventures (*i.e.* he did not attribute all \$130,000 to Omega.)⁹⁰

Table A 3 - Account Statement No. 101766336
REYNA Y ASOCIADOS

Date	Description	Debit (outflows)	Credit (deposits)	Balances
6/6/2013	Account balance			4,101.43
6/6/2013	International Transf. - Account No. 272013681 in the name of ALEXANDRE TCHERVONNYI "or" SERAFINA BASS of FROSTBANK		200,000.00	204,101.43
6/12/2013	Money Order No. 359259 in favor of SARELAN CORPORATION, S.A.	125,000.00		85,080.08
4/9/2013	Account balance			37,420.72
7/16/2013	Deposit - Check No. 200338 from Account [REDACTED] in the name of PR SOLUTIONS, S.A. of BAC PANAMA		250,000.00	287,420.72
7/17/2013	Money Order No. 375662 in favor of SARELAN CORPORATION, S.A.	75,000.00		

Source: Account statement No. 101766336 REYNA ASOCIADOS – BANISTMO (Volume 6, Pages 2548 - 2549; 2560 – 2561; 2577, 2588)

Source: Villalba Report, pg. 33.

Moreover, Mr. Villalba only listed **one** \$75,000 cashier check, #375662, as in any way attributable to the \$130,000 payment to Summer Ventures, not **two** cashier checks as stated in his Second Witness Statement. Mr. Villalba’s Witness Statements conflict with his Report in that the Statements attribute all \$130,000 transferred to Summer Ventures on 18-Jul-13 to Omega while his Report attributed a maximum \$75,000.⁹¹

⁸⁹ Second Witness Statement of Jorge Enrique Villalba dated 14 Nov. 2019 (“Villalba 2”), at 7.

⁹⁰ Villalba Report, at 33.

⁹¹ Villalba Report, at 33.

**Table A2 - Account Statement No. 2005-0302-0010-1093
SARELAN CORPORATION, S.A.**

Date	Description	Debit (outflows)	Credit (deposits)	Balances
5/30/2013	Current account balance			29,221,431
6/12/2013	Deposit - HSBC - Money Order No. 367951 debited from Acct. 101766336 REYNA Y ASOCIADOS		125,000.00	154,221.43
7/18/2013	Deposit - HSBC - Money Order No. 375662 debited from Acct. 101766336 REYNA Y ASOCIADOS		75,000.00	228,290.31
7/18/2013	Transf. 2006030100003984 - SUMMER VENTURE INC. - Banco Un versa	130,000.00		98,290.31

Source: Account statement No. 2005 0302 0010 1093 SARELAN CORPORATION, S.A. Banco Un versa (Volume 8, Page 3963; Volume 7, Page 3132; Volume 6, Page 2560, 2561)

Source: Villalba Report, pg. 33.

Mr. Pollitt states that the **two** \$75,000 cashier checks once received into Sarelan “were subsequently used to pay off the part of the balance due on the PH Santorini apartment” and later in his report notes that Sarelan received the second \$75,000 cashier check “one day after the above-mentioned \$130,000 payment.”⁹² This is key because Mr. Pollitt attributed funds deposited into an account *after* a transaction occurred. This attribution of funds deposited *after* the transaction conflicts with his belief that the missing Reyna bank transactions are irrelevant, because this exact situation (of deposits occurring after a transaction) is possible in the Reyna y Asociados account where half of the statements are missing.

ii. Incompetence to Fail to Notice the Missing Bank Transactions

Panama had many chances to notice that they did not receive all of the Reyna y Asociados bank statements and had plenty of opportunity to rectify the situation. National Assembly Prosecutor arranged for a visual inspection of the Reyna y Asociados and JR Bocas bank documents from Banistmo on December 17, 2014 and appointed Ms. Ruth Magaly A. de Carrillo to oversee the bank document proceeding.⁹³ Mr. Villalba accompanied Ms. Magaly de Carrillo to the bank offices to collect the information on December 17, 2014. The bank was able to provide some “duly authenticated” documents that day for the Reyna account including (1) opening request for the account, (2) copy of signature card, and (3) “duly authenticated copy of the account transactions from its opening to dated.” The bank was also able to provide the signature card and “duly authenticated copy of account transactions, from opening to date” for the JR Bocas account. The bank informed Mr. Villalba and Ms. Magaly de Carrillo that “*checks and the copies of transfers sent and received, from and to said account had to be requested to the corresponding area through a document.*”⁹⁴ Similarly, Mr. Villalba and Ms. Magaly de Carrillo “*were informed that the approval request for cashier’s checks and sent and received transfers*

⁹² Pollitt Report, at 16, 18.

⁹³ JR Bocas Investment Bank Transaction History dated 17 Dec. 2014 (C-0725), at 1. The requested documents included bank statements, copies of checks, transfers sent and received and other information.

⁹⁴ *Id.*, at 3. It is not clear whether the bank would submit the “document” or if the National Assembly would submit another document to request the checks and funds transfers. Claimants have not received a copy of this document.

should be requested from the corresponding areas, and that, once approved, the documents would be sent to the Prosecutor's Office."⁹⁵

The bank transaction list Mr. Villalba received from the bank clearly was missing pages.

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Banistmo

HISTÓRICO DE CUENTA

Nombre: REYNA Y ASOCIADOS

Cuenta N° 101766336

Desde: 4 May 2009 Hasta: 30 Nov 2014

Cajero Cobainero
00779

Fecha	N° Cheque	Débito	Crédito	Saldo	Descripción
04-May-2009	0	0.00	15,874.75	15,874.75	DEPOSITO CAMBIO DE SISTEMA HBP
08-May-2009	0	5,000.00	0.00	10,874.75	RETIRO EFECTIVO CON FIC MULTIPLEIDCP
11-May-2009	0	300.00	0.00	10,574.75	RETIRO EFECTIVO CON FIC MULTIPLEIDCP
12-May-2009	0	5,000.00	0.00	5,574.75	RETIRO EFECTIVO CON FIC MULTIPLEIDCP
14-May-2009	0	1,000.00	0.00	4,574.75	RETIRO EFECTIVO CON FIC MULTIPLEIDCP
19-May-2009	0	0.00	1,029.00	5,603.75	139413121 SAMWHA U S INC
19-May-2009	0	25.00	0.00	5,578.75	COMISION T. RECIBIDA 139413121
25-May-2009	0	0.00	1,000.00	6,578.75	ABONO TRANSF. DESDE - 0101016320
28-May-2009	0	1,000.00	0.00	5,578.75	EXPED. CHEQUE DE GERENCIA
28-May-2009	0	10.00	0.00	5,568.75	COMISION ALTA SOLICITUD CG
29-May-2009	0	0.00	2,022.00	7,590.75	0029700148FS C THEODOSIOU ENTER
29-May-2009	0	25.00	0.00	7,565.75	COMISION T. RECIBIDA 0029700148FS
29-May-2009	0	0.00	7.39	7,573.14	PAGO DE INTERES NOMINAL
01-Jun-2009	0	1,250.00	0.00	6,323.14	RETIRO EFECTIVO CON FICH MULTIPLEIDPA
02-Jun-2009	0	0.00	1,350.00	7,673.14	ABONO TRANSF. DESDE - 0101016320
03-Jun-2009	0	0.00	1,876.47	9,549.61	S0691490A4E701 SENIOR DRILLING SU
03-Jun-2009	0	25.00	0.00	9,524.61	COMISION T. RECIBIDA S0691490A4E701
03-Jun-2009	0	2,575.00	0.00	6,949.61	RETIRO EFECTIVO CON FICH MULTIPLEIDCP
04-Jun-2009	0	3,000.00	0.00	3,949.61	RETIRO EFECTIVO CON FICH MULTIPLEIDCP
05-Jun-2009	0	0.00	4,343.75	8,293.36	DEPOSITO CHEQUE HSBC
5-Jun-2009	0	4,343.75	0.00	3,949.61	RETIRO EFECTIVO CON FICH MULTIPLEIDCP
11-Jun-2009	0	2,000.00	0.00	1,949.61	RETIRO EFECTIVO CON FICH MULTIPLEIDPA
15-Jun-2009	0	400.00	0.00	1,549.61	RETIRO EFECTIVO CON FICH MULTIPLEIDCP
17-Jun-2009	0	0.00	472.50	2,022.11	168426250 SAMWHAU S A INC
17-Jun-2009	0	25.00	0.00	1,997.11	COMISION T. RECIBIDA 168426250 DE PANAMA
19-Jun-2009	0	0.00	1,100.24	3,097.35	S0691490A4E701 SENIOR DRILLING SU
19-Jun-2009	0	25.00	0.00	3,072.35	COMISION T. RECIBIDA S0691490A4E701
22-Jun-2009	0	500.00	0.00	2,572.35	RETIRO EFECTIVO CON FIC MULTIPLEIDCP
23-Jun-2009	0	0.00	600.00	3,172.35	DEPOSITO EN EFECTIVO

12/17/2014

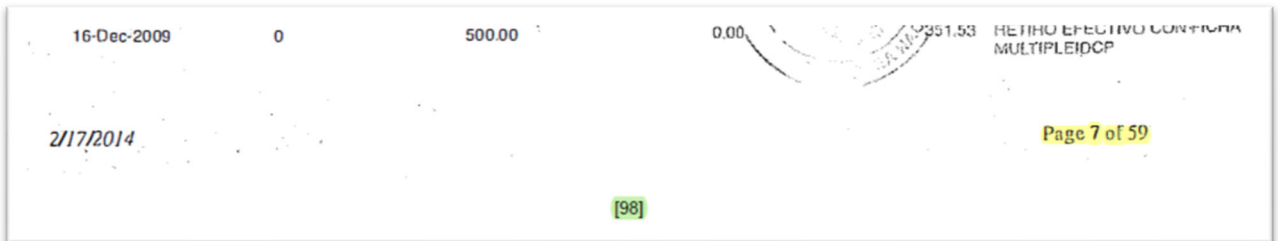
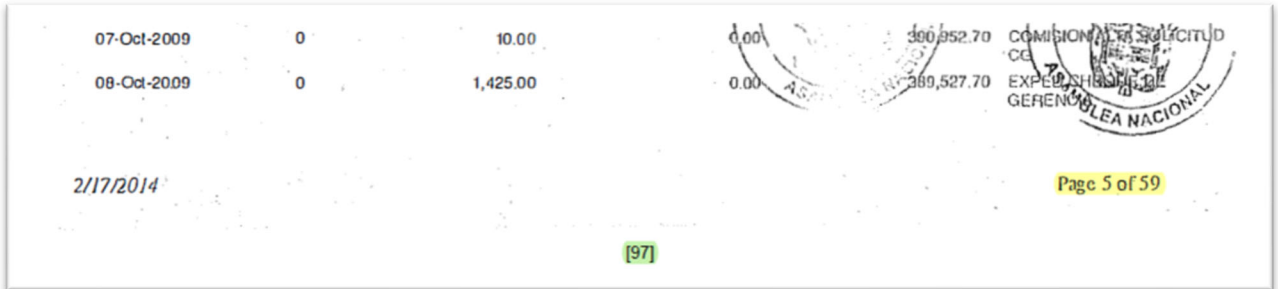
Page 1 of 59

[94]

Figure 1

⁹⁵ Id.

Figure 1 above was produced to Mr. Villalba by the bank on 12/17/2014 (highlighted in yellow). The bank included the page count on the lower right corner of the page “Page 1 of 59” which is also highlighted in yellow. There are only 30 pages included in the exhibit, not 59 as reported by the bank.⁹⁶ As you can see from the examples below, the bank’s page count (highlighted in yellow) was skipping pages.⁹⁷



The *first* opportunity for Respondent, and Mr. Villalba specifically, to notice the missing bank transaction records was the day he received the documents on December 17, 2014. A simple review of the document would have uncovered the fact that pages were missing.

The *second* opportunity for Respondent to realize that pages were missing was when Respondent requested or/and received additional bank documents such as checks, deposits and fund transfer documents.

⁹⁶ JR Bocas Investment Bank Transaction History dated 17 Dec. 2014 (C-0725). The bank transaction list format changed in 2009, with the later portion headed with the bank name “Banistmo.”

⁹⁷ The JR Bocas transaction list that Claimants had access to prior to receiving documents on 12/20/2019 from Respondents was missing pages with only 7 of 12 pages from May 2009 through 2012. The JR Bocas transaction list turned over by Respondent on December 20, 2019 included all 12 pages of JR Bocas transactions.

The *third* opportunity was on January 27, 2015 when Ms. Reyna was interviewed by the National Assembly Prosecutor. The Prosecutor had her Banistmo bank transaction list with him and referenced it multiple times during the interview.⁹⁸

The *fourth* opportunity to notice the missing Reyna bank transactions was when Mr. Aguirre completed his financial analysis included in his report on money laundering dated March 2, 2015.

The *fifth* opportunity was when Mr. Villalba completed his own financial analysis dated June 5, 2015.

The *sixth* opportunity to notice the missing pages of statements was when the Organized Crime Prosecutor issued his 40-15 Resolution on June 15, 2015.

The *seventh* opportunity came on August 25, 2015 when the Organized Crime Prosecutor issued a Resolution for the detention of Mr. Rivera.

The *eighth* opportunity was on November 15, 2015 when the Corruption Prosecutor issued a search warrant for Omega's offices.

Respondent's failure to notice that half of the bank transactions were missing for the key person that purportedly "linked" Omega/Mr. Rivera to Mr. Moncada Luna demonstrates either a concerning inattention to detail or outright incompetence. Either way, the result is that the investigation is fundamentally flawed.

iii. Flaw: Failure to Consider what happened during missing transaction periods.

Mr. Pollitt and the Respondent's Reply attempt to dismiss the importance of the missing Reyna bank transactions.⁹⁹ The Reply states "some of the pages from the Reyna y Asociados bank statements are missing. That is regrettable but irrelevant." Mr. Pollitt also conceded that "multiple pages from the Reyna bank accounts are missing."¹⁰⁰ However he incorrectly asserts:

"bank statements in the record contain the full account of the key time periods in question, including transactions from April 4 to May 3, 2013 and July 16 to July 18, 2013, the relevant periods for both of the \$250,000 payments from Omega Panama/PR Solutions to Reyna y Asociados and then Sarelan."

⁹⁸ National Assembly Interview with Maria Gabriela Reyna López dated 27 Jan. 2015 (RP-0022), at 14-15. The Prosecutor also refers to transactions in another Reyna y Asociados account held at Banco General. Respondents only provide Banco General account transactions for October 2014 – December 2014.

⁹⁹ Panama's Reply in Support of the Republic of Panama's Objections to the Tribunal's Jurisdiction and Rejoinder on the Merits dated 18 Nov. 2019 ("Resp's Reply"), at 33.

¹⁰⁰ *Id.* In fact, 29 of the 59 pages from May 4, 2009 through 2014 are missing. The only Banco General transactions available are from October – December 2014. The Banco General transaction file is named "2013 – 2014 Bank Statement for Reyna y Asociados," however the transactions listed from March 2013 – August 2013 are for "Cobros GC, A.G." which was apparently owned by Mr. Corcione.

The Reyna y Asociados bank transaction record produced by Banistmo on 12/17/14 reflects the \$250,000 check from PR Solutions to Reyna y Asociados as posted to the account on 25-Apr-2013. The bank numbered this page as "41 of 59" and the first date on the page is 03-Apr-2013 and the last date on this page is 03-May-2013. There were at least five transactions posted on 03-May-2013 on page 41 of 59 (highlighted in yellow). However, it is possible that there were other transactions on 03-May-2013 that would have continued onto the next page. The next page which would be "42 of 59" is missing from the record.

Banistmo		HISTÓRICO DE CUENTA		Cuenta N° 101766336		Desde: 4 May 2009 Hasta: 30 Nov 2014	
Fecha	N° Cheque	Débito	Crédito	Saldo	007	Descripción	
03-Apr-2013	0	4,500.00	0.00	16,163.59		RETIRO EFECTIVO CON FICH. MULTIPLEIDCP	
03-Apr-2013	0	15,500.00	0.00	663.59		EXPED.CHEQUE DE GERENCIA	
03-Apr-2013	0	350.00	0.00	313.59		EXPED.CHEQUE DE GERENCIA	
03-Apr-2013	0	10.00	0.00	303.59		COMISION ALTA SOLICITUD CG	
03-Apr-2013	0	0.70	0.00	302.89		ITBMS	
03-Apr-2013	0	10.00	0.00	292.89		COMISION ALTA SOLICITUD CG	
03-Apr-2013	0	0.70	0.00	292.19		ITBMS	
05-Apr-2013	0	0.00	1,400.00	1,692.19		DEPOSITO EN EFECTIVO	
05-Apr-2013	0	1,500.00	0.00	192.19		CARGO EXP. TI HSBC (ALA PAR)	
05-Apr-2013	0	70.00	0.00	122.19		COM POR EXPED. Y GTOS DE ORDEN DE PAGO	
05-Apr-2013	0	4.90	0.00	117.29		ITBMS	
22-Apr-2013	0	0.00	1,500.00	1,617.29		DEPOSITO EN EFECTIVO	
23-Apr-2013	0	0.00	9,973.00	11,590.29		FTS1304221511900 STEWART KEVINSMIT	
23-Apr-2013	0	35.00	0.00	11,555.29		COMISION T. RECIBIDA FTS1304221511900	
23-Apr-2013	0	2.45	0.00	11,552.84		ITBMS	
23-Apr-2013	0	9,700.00	0.00	1,852.84		RETIRO EFECTIVO CON FICHA MULTIPLEIDCP	
25-Apr-2013	0	0.00	250,000.00	251,852.84		DEP. CHQ BANCOS LOCALES 1 T3	
26-Apr-2013	0	1,500.00	0.00	250,352.84		CARGO EXP. TI HSBC (ALA PAR)	
26-Apr-2013	0	70.00	0.00	250,282.84		COM POR EXPED. Y GTOS DE ORDEN DE PAGO	
26-Apr-2013	0	4.90	0.00	250,277.94		ITBMS	
30-Apr-2013	0	0.00	0.50	250,278.52		PAGO DE INTERES NOMINAL	
01-May-2013	0	0.00	400.00	250,678.52		DEPOSITO EN EFECTIVO	
01-May-2013	0	350.00	0.00	250,328.52		EXPED.CHEQUE DE GERENCIA	
01-May-2013	0	10.00	0.00	250,318.52		COMISION ALTA SOLICITUD CG	
01-May-2013	0	0.70	0.00	250,317.82		ITBMS	
01-May-2013	0	10,000.00	0.00	240,317.82		RETIRO EFECTIVO CON FICHA MULTIPLEIDCP	
03-May-2013	0	125,000.00	0.00	115,317.82		EXPED.CHEQUE DE GERENCIA	
03-May-2013	0	44,000.00	0.00	71,317.82		CARGO EXP. TI HSBC (ALA PAR)	
03-May-2013	0	10.00	0.00	71,307.82		COMISION ALTA SOLICITUD CG	
03-May-2013	0	0.70	0.00	71,307.12		ITBMS	
03-May-2013	0	70.00	0.00	71,237.12		COM POR EXPED. Y GTOS DE ORDEN DE PAGO	



There could have been five, ten, or thirty more transactions on 03-May-2013. Mr. Pollitt is *guessing* when he said that the bank records “contain the full account of key time periods including transactions from April 4 to **May 3, 2013.**” He, and Respondent, are merely *assuming* that there were no other transactions on 03-May-2013.

Mr. Pollitt concluded “the original account balance of \$1,852.54 plus the small volume of intermediate transactions was wholly insufficient to fund the outbound Sarelan transfer [on May 3, 2013].”¹⁰¹ He reached his conclusion without considering whether there had been additional transactions on May 3rd that would have been listed on the missing page. He also did not consider that bank accounts can be overdrawn, which happened in several of the other bank accounts in the Villalba Report.¹⁰² Nor did he consider that additional funds were deposited to the Reyna account *after* May 3rd on the missing page that were the true source of funds. Recall that in his own financial analysis, Mr. Pollitt attributed a check written to Summer Ventures for \$130,000 as funded by the two \$75,000 cashier’s checks, even though one of them did not post to the Sarelan account until *after* the check to Summer Ventures cleared.¹⁰³

To underscore the speculative nature of Pollitt’s financial analysis with regard to the missing bank transaction pages, consider how he partially accounted for the \$200,000 deposit by Alexandre Tchervonny. The Pollitt Report states:

“I determined that the source of the funds for the June 12, 2013 \$125,000 transfer was Alexandre Tchervonn from a \$200,000 deposit he had made to Reyna y Asociados on June 6, 2013.”

¹⁰¹ Pollitt Report, at 14.

¹⁰² For instance the Fundacion Ricala and the Conceptos y Espacios accounts were overdrawn by hundreds of thousands of dollars.

¹⁰³ Pollitt Report, at 18, 47.

06-Jun-2013	0	2.45	0.00	4,101.43	ITBMS
06-Jun-2013	0	0.00	200,000.00	204,101.43	157452813 ALEXANDRE TCHERVON
06-Jun-2013	0	35.00	0.00	204,066.43	COMISION T. RECIBIDA 157452813
06-Jun-2013	0	2.45	0.00	204,063.98	ITBMS
07-Jun-2013	0	500.00	0.00	203,563.98	RETIRO EFECTIVO CON FICHA MULTIPLEIDCP
07-Jun-2013	0	0.00	10,000.00	213,563.98	TRANSFERENCIA BPI DESDE LA CUENTA 6852
07-Jun-2013	0	0.00	10,000.00	223,563.98	TRANSFERENCIA BPI DESDE LA CUENTA 6852
07-Jun-2013	0	2,500.00	0.00	221,063.98	RETIRO EFECTIVO CON FICHA MULTIPLEIDCP
10-Jun-2013	0	5,925.00	0.00	215,138.98	EXPED.CHEQUE DE GERENCIA
10-Jun-2013	0	5,037.50	0.00	210,101.48	EXPED.CHEQUE DE GERENCIA
10-Jun-2013	0	10.00	0.00	210,091.48	COMISION ALTA SOLICITUD CG
10-Jun-2013	0	0.70	0.00	210,090.78	ITBMS
10-Jun-2013	0	10.00	0.00	210,080.78	COMISION ALTA SOLICITUD CG
10-Jun-2013	0	0.70	0.00	210,080.08	ITBMS
12-Jun-2013	0	125,000.00	0.00	85,080.08	EXPED.CHEQUE DE GERENCIA
12-Jun-2013	0	10.00	0.00	85,070.08	COMISION ALTA SOLICITUD CG
12-Jun-2013	0	0.70	0.00	85,069.38	ITBMS
13-Jun-2013	0	4,157.00	0.00	80,912.38	RETIRO EFECTIVO CON FICHA MULTIPLEIDCP
13-Jun-2013	0	700.00	0.00	80,212.38	RETIRO EFECTIVO CON FICHA MULTIPLEIDCP

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As of the last transaction listed on “Page 43 of 59” there was a balance of \$80,212.38 in the Reyna account. The next page, “Page 44 of 59” is missing and when page 45 resumes the transaction list, it records a starting balance of \$51,613.48.

Fecha	Nº Cheque	Débito	Crédito	Saldo	Descripción
28-Jun-2013	0	696.00	0.00	51,613.48	RETIRO EFECTIVO CON FICHA MULTIPLEIDCP
28-Jun-2013	0	0.00	10.00	51,623.48	REV COMISION ALTA SOLICITUD CG

Mr. Pollitt does not attribute the starting balance of \$51,613.48 to Alexandre Tchervonny or anyone else. The failure by Pollitt to attribute the starting balance to Alexandre Tchervonny could be due to the fact that the prior page was missing, and it would be pure speculation to attribute the funds to him. However, Respondent is quick to attribute funds to Omega and Mr. Rivera when pages are missing.

Although Alexandre Tchervonny deposited \$200,000 and there were withdrawals equaling \$200,000 (\$125,000 on 12-June-2013 and \$75,000 on 17-Jul-2013) that would fully account for the Tchervonny money, none of the Panamanian investigators or experts suggested this as a possibility to explain the flow of funds.¹⁰⁴

None considered that Ms. Reyna, whom Mr. Pollitt described as a professional money launderer, would comingle funds from legitimate customers and crooks. None considered that Ms. Reyna would “rob Peter to pay Paul”¹⁰⁵ or that she would divert client funds from their intended purpose while withdrawing thousands of dollars in cash in a month. None considered the possibility that Ms. Reyna was short on funds and used the next client’s deposit to complete the prior client’s transactions. None considered the possibility that Alexandre Tchervonny intended to bribe Moncada Luna a total of \$200,000 and that Maria Reyna broke up the total bribe into two payments (\$125,000 and \$75,000 on 17-Jul-13). Or that, Ms. Reyna had withdrawn so much cash that she could not fund the \$75,000 until she got new money into her account,¹⁰⁶ which in this case was the \$250,000 check from PR Solutions.

Instead of trying to determine the source of the remaining \$37,420.72 that was in the Reyna account before the first \$75,000 cashier’s check was posted on July 17, 2013, Mr. Pollitt allocates the full \$75,000 to Omega with no explanation or justification: “*These funds were directly attributable to Omega Panama.*”¹⁰⁷

The second \$75,000 cashier’s check from Reyna y Asociados made payable to Sarelan posted to the Reyna bank transaction list on 18-Jul-2013 on “Page 45 of 59.” There are at least seven transactions posted on 18-Jul-2013 on “Page 45 of 59.” However, it is unknown if there were more transaction on 18-Jul-2013 that continued onto “Page 46 of 59” because page 46 is missing. Again, it is pure speculation on the part of Respondent to attribute the second \$75,000 to Omega, since it is unknown if there were other deposits into the Reyna account on 18-Jul-2013 or even days later since Ms. Reyna may have been robbing Peter to pay Paul, (*i.e.*, using Omega’s legitimate real estate money to pay off other unrelated debts of her own).

The missing Reyna y Asociados bank transactions are not irrelevant or tangential, instead they are a key issue and a fatal flaw with Respondent’s financial analysis. The missing bank transactions form the faulty foundation upon which Respondent’s entire allegations against Omega and Mr. Rivera are based and which I demonstrated above are nothing more than flat out guesses. This type of faulty evidence is not sufficient to prove money laundering.

5. Pollitt Report regarding Money Laundering

¹⁰⁴ Respondent did not provide any evidence that Panama ever investigated Mr. Tchervonny, including by interviewing Mr. Tchervonny, or by requesting bank records or other evidence of an alleged bribe.

¹⁰⁵ The expression “rob Peter to pay Paul” means taking the money one would pay off one debt, to pay off another debt. It is a situation where there is not enough money to go around and one must choose which debt is more urgently in need of payment.

¹⁰⁶ JR Bocas Investment Bank Transaction History dated 17 Dec. 2014 (C-0725), at 45-46. Ms. Reyna withdrew at least \$21,098.12 in cash from the account between when Alexandre Tchervonny’s check was deposited on 6-Jun-13 and 17-Jul-13.

¹⁰⁷ Pollitt Report, at 16.

i. Flawed Transaction Analysis

Mr. Pollitt engaged in guess work when he attempted to link funds from Omega/Mr. Rivera to Sarelan. The missing statements are a fatal flaw in his analysis and cannot be dismissed. The Pollitt Report repeatedly describes the financial flows as “directly attributable”¹⁰⁸ to Omega/Mr. Rivera while the issue of attribution is at the heart of this case. In fact, the flow of funds is muddled especially within the Reyna account since key transaction pages are missing.

1. Appendix C – Exhibit 1 & 2. Flow of Funds are Irrelevant

In Appendix C, Mr. Pollitt includes images of bank documents to show a Flow of Funds from **Sarelan** to pay off PH Ocean Sky and PH Santorini. Tellingly, he does not include images of bank transactions to track the Flow of Funds from Omega to Sarelan because the documents do not support his theory. If he had included the bank documents, it would be clear that key periods of the Reyna y Asociados bank account were missing and that Mr. Pollitt was merely guessing at the flow of funds. Also, had he included bank statement images for Omega, the documents would have shown that Omega had received an [REDACTED] payment for an unrelated project that alternatively could have been the source funds for the second transfer of \$250,000 to PR Solutions.

Mr. Pollitt avoided the missing transactions and the alternative source of funds issues in his Flow of Funds exhibits by beginning his analysis at Sarelan. The Claimants in this case are Omega and Mr. Rivera. Sarelan’s actions are not at issue in this case and are not under the control of Omega or Mr. Rivera. However, Mr. Pollitt must link Omega/Mr. Rivera to Sarelan to substantiate his theory of corruption and money laundering by Omega/Mr. Rivera. But since Mr. Pollitt cannot document a financial link between Omega and Sarelan, he skips this important step. Instead, on page 12 of his report, Mr. Pollitt created a graphic devoid of any supporting bank documents to show an alleged flow of funds from Omega/Mr. Rivera to Sarelan.

2. Maria Reyna Controlled the Activity in the Reyna y Asociados bank accounts and Intermingled Funds

Ms. Reyna testified that she intermingled client money in the Reyna y Asociados Banistmo account. This can also be observed from reviewing the bank transactions that are available. Ms. Reyna did as she pleased with the money that was in *her* bank account. In fact in her National Assembly testimony, Ms. Reyna discussed how she intermingled funds in her account. Ms. Reyna stated “*without money, I had JR’s money, I had to pay things, I had to pay ALPHA.*”¹⁰⁹ Ms. Reyna testified on June 23, 2015 that the Banistmo account was used to receive payments for JR Bocas Investments and “*from third parties too, for many years I have been receiving money from third parties for real estate transactions*” and that the Banistmo account received money “*of all the other clients, as can be seen in the account movement.*”¹¹⁰ Ms. Reyna also routinely withdrew thousands of dollars each month in **cash** from the account.

¹⁰⁸ *Id.*, at 16-17.

¹⁰⁹ National Assembly Interview with Maria Gabriela Reyna López dated 27 Jan. 2015 (RP-0022), at 12.

¹¹⁰ Declaration from Maria Gabriela Reyna dated 23 June 2015 (C-0894), at 8, 12.

Reyna y Asociados also had a bank account at Banco General,¹¹¹ where Ms. Reyna again intermingled client funds, third party funds and/or real estate deposits. Given that Ms. Reyna consistently intermingled the funds in her bank accounts, Mr. Pollitt's assessment that transactions undertaken by Ms. Reyna in her own account after the PR Solutions check was deposited was orchestrated by Omega is merely a guess based on chronology and nothing more. This analysis is flawed.

3. Inconsistent Treatment of Accounting of Funds

Respondent repeatedly states that the financial analysis is "clear" yet in some instances he provides multiple ways to account for a given flow of funds. For instance, on page 15, Mr. Pollitt describes a "conservative" approach of first using funds available in the Sarelan account before assigning fund movement to PR Solutions.¹¹² Mr. Pollitt offers no such "conservative" approach for the July 17, 2013 cashier check for \$75,000 issued from the Reyna y Asociados account. Prior to the deposit from PR Solutions, the Reyna account had a balance of \$37,420.72. Yet Mr. Pollitt states that all \$75,000 "*were directly attributable to Omega Panama.*"¹¹³ If he had used a conservative approach, then he would have netted out the \$37,420.72 balance before attributing the \$75,000 to Omega. The "conservative" alleged bribe amount would instead have been \$37,579.28. Similarly, Mr. Pollitt concedes that a "conservative" approach would reduce the source of funds "attributable" to Omega/Mr. Rivera if funds from Alex Tchervonny were first applied.¹¹⁴

Mr. Pollitt does not consistently commit to whether the alleged bribe was to generally "benefit Moncada Luna" or more specifically pay off the two apartments. Recall that Mr. Moncada Luna was convicted of Unjust Enrichment in *relation to the two apartments*, which were seized by Panama. The Aguirre and Villalba Reports allegedly "linked" funds from Omega *to the apartments* as opposed to generally benefitting Mr. Moncada Luna. This difference also goes to the heart of the alleged corruption scheme, in that Mr. Pollitt cannot state or commit to what the alleged "thing of value" was that Omega supposedly provided to Mr. Moncada Luna.

4. Mr. Pollitt's "Trigger" Theory and Timing Analysis is Flawed

Mr. Pollitt states that advance payments to Omega for the La Chorrera project "**immediately** triggered payments to its affiliate PR Solutions."¹¹⁵ Mr. Pollitt may have based his "trigger" theory from the disproved "mirror" scheme discussed in Section IV.3.v.2.c.

Omega received the first advance payment for the La Chorrera contract on April 4, 2013. On April 25th, Omega transferred \$250,000 to PR Solutions. In the intervening twenty-one days, there were over 130 transactions in the Omega account. If the advance payment was in fact a

¹¹¹ Bank Statements for Reyna y Asociados dated 2013-2014 (C-0905). The only Reyna y Asociados transactions listed in this file are from October – December 2014. The rest of the transactions are for "Cobros GC, S.A.".

¹¹² *Id.*, at 15.

¹¹³ Pollitt Report, at 16.

¹¹⁴ *Id.*, at 32.

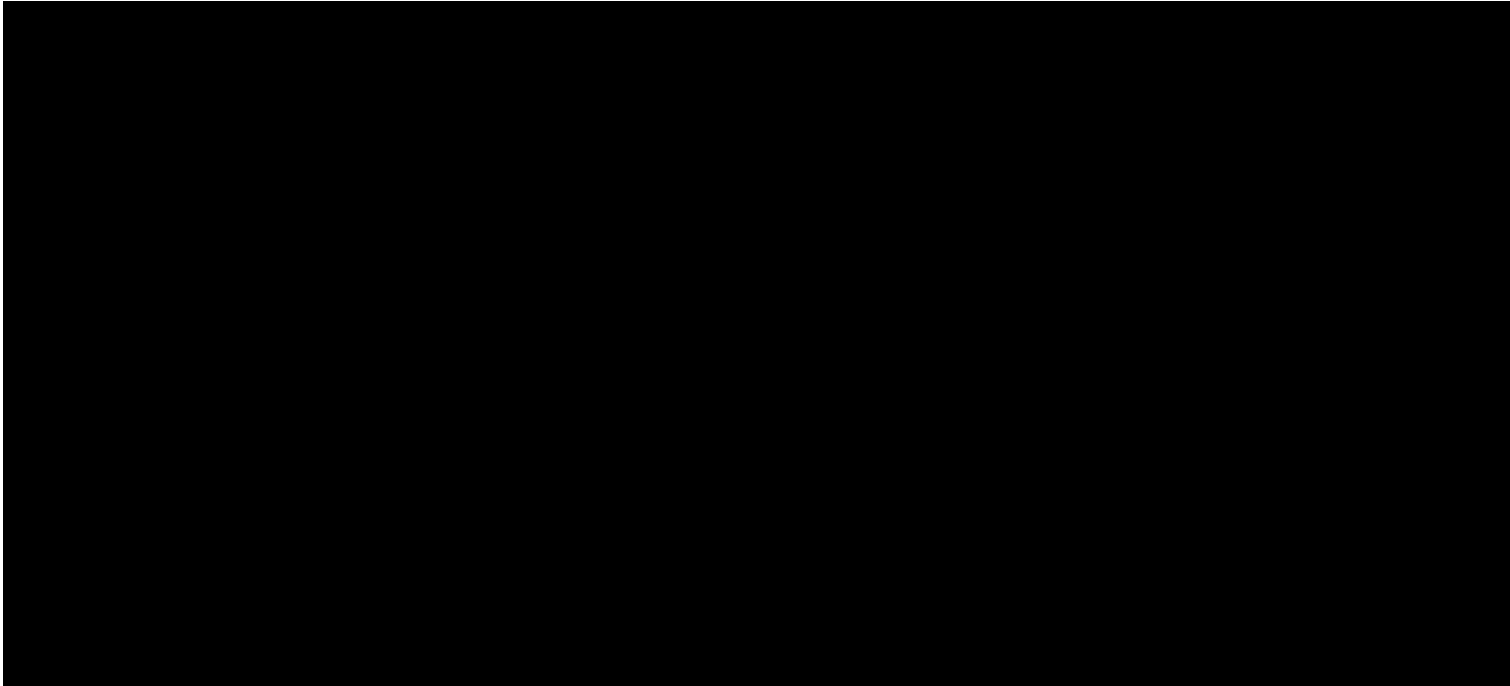
¹¹⁵ *Id.*, at 28.

“trigger” for bribe payments, it was not a very fast one or the most important transaction to undertake upon receiving the advance.

Pollitt repeatedly emphasizes the timing of transfers between accounts. He notes:

*On July 10, 2013, Omega Panama received a second deposit for the Judicial Authority, in the amount of [REDACTED] which was deposited into Omega Panama’s account on July 11. On July 12, 2013, Omega Panama transferred an additional \$250,000 to PR Solutions. Between the deposit from the Judicial Authority, and the outbound transfers to PR Solutions, **there were no other deposits into the Omega Panama bank account.***¹¹⁶

This is woefully misleading and incorrect. Mr. Pollitt failed to notice an [REDACTED] transfer into the Omega Panama bank account on the *exact same day* as the advance. Mr. Pollitt did not consider the [REDACTED] as the potential source of the funds and the “trigger” for the two transfers to PR Solutions. Mr. Pollitt did not consider that the [REDACTED] deposit funded the \$110,000 transfer to PR Solutions on **July 11**, 2013. However, without any justification, Mr. Pollitt assumed that all \$250,000 that was moved from Omega to PR Solutions on July **12th** was from the Judicial Authority advance yet he does not make the same assumption for the \$110,000 that was transferred from Omega to PR Solutions on July 11th.¹¹⁷



Turning our attention to the second transfer from PR Solutions to Reyna y Asociados, the check payable to Reyna y Asociados was dated July 12, 2013 and posted to the Reyna account on July 15, 2013.¹¹⁸ Mr. Pollitt does not address any of the other **ten** advances Omega received for the La Chorrera project and that the other advances did not “trigger” an alleged bribe payment.

¹¹⁶ *Id.*, at 15.

¹¹⁷ *Id.*, at 14, n. 47.

¹¹⁸ *Criminal File- Omega Engineering Transfers* dated 2013 (C-0423).

Mr. Pollitt also omits from his report that Omega regularly transferred funds to PR Solutions both before and after the two transfers he cherry-picked.

ii. Red Flags of Money Laundering

Mr. Pollitt identified several money laundering Red Flags by various people and entities in his Report. Mr. Pollitt states that “it is clear that the transactional behavior **by Omega Panama** exhibits indicia of illicit payments and money laundering.”¹¹⁹ Pollitt noted the following transactional Red Flags:

- “large, round dollar fund transfers”¹²⁰
- “a pattern of rapid and deliberate transfers”
- “use of shell companies”

The Federal Financial Institutions Exam Council Manual¹²¹ provides a comprehensive list of money laundering Red Flags *which serves as a starting point in a money laundering investigation, not the ending point*. Red Flags in and of themselves are not proof of money laundering, but they are events that should be investigated and explained.

¹¹⁹ Pollitt Report, at 5.

¹²⁰ *Id.*, at 12.

¹²¹ *Appendix F: Money Laundering and Terrorist Financing “Red Flags”*, Federal Financial Institutions Examination Council, BANK SECRECY ACT ANTI-MONEY LAUNDERING EXAMINATION MANUAL, *available at* <https://bsaaml.ffiec.gov/manual/Appendices/06> (C-0433).

In this case, none of the red flags identified by Mr. Pollitt withstand scrutiny. *First*, the large round dollar transfers from Omega to Reyna was documented and testified to as partial payment for land.

Second, the “pattern of rapid and deliberate transfers” identified by Mr. Pollitt was undertaken by others, not Omega or Mr. Rivera. PR Solutions wrote two checks over a month apart to Reyna y Asociados. These checks were written more than five months after Omega had been awarded the La Chorrera contract, hardly rapid.

Third, there were no shell companies involved in the Omega transaction for the purchase of the land. The Pollitt Report twice referred to PR Solutions as a “non-operating” business but did not provide a definition or explanation of what he meant by “non-operating.” On page 19 of his report, Pollitt includes PR Solutions on a list of supposed “shell companies” despite the fact that PR Solutions bid on, won, and completed a contract on the Tocumen airport.¹²² In fact, the PR Solutions incorporation documents that state that the company plans to engage in civil engineering projects.¹²³ Mr. Pollitt cited testimony from two company directors yet he did not cite the registered president of the company, Benjamin Villareal, which Respondent had access to. Moreover, the PR Solutions bank statements and accounting ledgers seized during a search of Omega’s office, and testimony by the accountant, Mr. Del Toro, all further establish that PR Solutions was a functioning company.¹²⁴

Mr. Pollitt’s money laundering Red Flags do not hold up under scrutiny and therefore are no longer red flags.

iii. Flaw: Mr. Pollitt Wrongly Dismissed the Importance of Determining What Happened to All of Omega’s Money

1. Purported Middlemen Cut

The Pollitt Report made several unproven guesses at what happened to the entire \$500,000 transferred from Omega to PR Solutions to Reyna y Asociados. The Pollitt Report non-committedly states that “of the \$500,000 in transfers that Omega Panama made to middlemen, a *material portion* of these funds was funneled to Justice Moncada Luna.”¹²⁵ Pollitt suggests in a footnote that middlemen would have taken a “cut” as compensation:

The illicit payments made by Omega do not match dollar-for-dollar the value of the payments received by Justice Moncada Luna and the entities he controlled, given that the funds passed through middlemen and shell companies, all of who

¹²² Contract No. 017/10 dated 14 Dec. 2010 (C-0005 resubmitted).

¹²³ Public Registry of PR Solutions, S.A. dated 11 June 2010 (C-0021 resubmitted).

¹²⁴ Declaration from Salvador del Toro dated 17 Nov. 2015 (C-0887); Results of the Search Warrant Served upon Omega Engineering Inc. dated 17 Nov. 2015 (C-0893); Results of the Search Warrant Issued for P.R. Solutions S.A.’s Books and Records dated 17 Nov. 2015 (C-0904).

¹²⁵ Pollitt Report, at 6.

*typically take a portions of the funds as payment, resulting in a reduced value for the ultimate recipient (in this case, Justice Moncada Luna.)*¹²⁶

In fact, at most Pollitt attributes \$275,000 of Omega’s funds as going to the ultimate recipient, Mr. Moncada Luna. In a dollar-for-dollar comparison, this leaves \$225,000 unaccounted. The only explanation Mr. Pollitt offers for the missing money is that it was compensation for individuals “helping to launder proceeds of a crime.” A \$225,000 commission paid on a \$275,000 bribe would amount to a “cut” for the middlemen that is **81%** of the value of the alleged bribe.

The National Money Laundering Strategy found commission rates “average between **four and eight percent** with a high of 12 percent of the principal involved.”¹²⁷ The 81% “cut” suggested by Mr. Pollitt is **675% higher** than the highest commission found by the US Treasury Department. Given that the suggested commission earned in Pollitt’s middlemen theory is so outside of norm, in my opinion his theory is implausible.

Secondly, the Pollitt Report laid out that Mr. Moncada Luna was the true owner and beneficiary of Sarelan. Since Mr. Pollitt states that Sarelan belongs to Mr. Moncada Luna, it is strange that Mr. Pollitt suggests that a shell company (Sarelan) owned by Mr. Moncada Luna would “take a portion of the funds as payment” from essentially himself. It is also strange that Mr. Pollitt referred to the plural form “middlemen” since according to his theory, Maria Reyna was the *only* “**middleman**” because Sarelan was the de facto ultimate recipient and PR Solutions is owned by Mr. Rivera. If Mr. Pollitt has evidence of the involvement of any other “middlemen” he has not shared it with Claimants.

2. Lack of Evidence that JR Bocas was Paid Underscores the Importance of the Missing Bank Transactions

The Reyna y Asociados bank transactions are entirely missing for 2013 and most of 2014 for the Banco General account, and large portions are missing for the Banistmo account, which underscores the irony of Mr. Pollitt’s statement that “*there is no evidence that the intended seller of the land, Jo Reynolds, and the intended destination of the payment, JR Bocas, ever received the funds.*”¹²⁸ This is the very reason why the missing transactions are so important. It is very convenient to say “there is no evidence” when the Respondent **failed to collect the evidence.**

Mr. Pollitt implies that the lack of evidence of JR Bocas being paid for the land somehow supports his theory that Omega/Mr. Rivera paid a bribe. However, the lack of evidence of a payment to JR Bocas could alternatively suggest that Ms. Reyna either:

- Held off paying JR Bocas because the real estate transaction was not yet completed.

¹²⁶ *Id.*, at 4.

¹²⁷ *National Money Laundering Strategy*, US Treasury, 2002, available at <https://www.treasury.gov/press-center/press-releases/Documents/monlaund.pdf> (C-0906).

¹²⁸ Pollitt Report, at 23. The only transactions available for the Reyna y Asociados Banco General account are from October – December 2014.

- Pocketed her 20% cut of any transaction for JR Bocas as she testified to in her National Assembly interview.¹²⁹ A 20% cut of a \$1,000,000 real estate transaction would be \$200,000. If the \$75,000 mortgage paid for the Canas property is netted out against the \$1,000,000 land deal, a 20% cut would be \$185,000.¹³⁰
- Embezzled or stole funds from a customer (Jo Reynolds).
- Engaged in real estate fraud against Mr. Rivera in that she never intended to complete the transaction.

3. Omega's Funds did not go to Moncada Luna Linked Accounts

The National Assembly investigation collected bank records for a variety of Moncada Luna related corporations and for accounts allegedly used to move money for him. Even though almost half of the Reyna y Asociados bank statements were missing, if Maria Reyna had written checks or transferred funds to any of these other accounts, even during the missing period, the investigators would have seen the funds appear on the other side of the transaction and linked it back to Omega. That did not happen. Even Mr. Pollitt conceded that the alleged payments "*do not match dollar-for-dollar the value of the payments received by Justice Moncada Luna and the entities he controlled.*"¹³¹

iv. Pollitt Report Fails to Provide Any Non-Transactional Evidence

Financial transaction are one, albeit a key, piece of evidence for a money laundering allegation.¹³² As I identified from the OECD guide, many other types of evidence such as emails, phone logs, text messages, eye witness accounts, etc. should be used to establish the intent to pay a bribe and/or launder money, which is a key element in proving that the alleged crime was in fact committed. The Pollitt Report offers no such evidence in regards to Omega and/or Mr. Rivera and seeks to confuse the issue by referring to an un-named and unrelated scheme, and rehashing the charges against Mr. Moncada Luna (and failing to engage in the analysis of the reasons of why the Moncada Luna plea agreement would not have included the crimes of corruption and money laundering). Finally, the United States letter denying Panama's extradition request explicitly states that this type of evidence is required.

v. Pollitt Wrongly Dismissed or Did Not Consider Evidence of the Real Estate Transaction

The Pollitt Report either did not fully consider or wrongly dismissed evidence that Omega and Mr. Rivera transferred the \$500,000 to Reyna y Asociados to purchase land. Ms. Reyna acted as the agent to buy the Tonosi land for Jo Reynolds in 2008.¹³³ Ms. Reyna had been the agent to the

¹²⁹ National Assembly Interview with Maria Gabriela Reyna López dated 27 Jan. 2015 (R-0139), at 2.

¹³⁰ Email from Ricardo Ceballos to Ana Graciela Medina dated 7 July 2015 (C-0203), at 1.

¹³¹ Pollitt Report, at 4.

¹³² Letter from Panama's Foreign Affairs Ministry to Panama's Office of the Attorney General attaching the U.S. State Department's Denial of Panama's Request of a Provisional Arrest for the Purpose of Extraditing Mr. Rivera, 29 Feb. 2016 (C-0900), at 2.

¹³³ Public Deed number 338 of 15 February 2008 issued by the Notarial Circuit of Herrera, whereby Diogenes Nunez sells lot number 35659 to JR Bocas Investments, Inc. dated 15 Feb. 2008 (AA-0006).

land since 2005.¹³⁴ Punela, which was intended to be the holding corporation for the residential real estate project, was incorporated in January 2013.¹³⁵ An email conversation from April 22 to April 25, 2013 between Mr. Rivera and his attorneys at IGRA discuss the land purchase,¹³⁶ indicating that Mr. Rivera secured counsel to complete the transaction and that counsel was advising regarding the contract. IGRA billed Omega for creating a purchase contract for a “finca” on May 1, 2013 and for the creation of Punela on May 13, 2013.¹³⁷ Testimony from Frankie Lopez, Francisco Feliu and Maria Reyna all describe the real estate transaction.¹³⁸

Panama executed a search of Omega’s offices and collected a variety of documents (see Section IV.3.iii) that establish that the fund transfers from Omega to PR Solutions were to purchase land for development. Further, Claimants’ civil law expert has confirmed that the Promise of Purchase and Sale Contract between Punela and JR Bocas is a valid and legitimate contract under Panamanian law.¹³⁹

The Pollitt Report suggests that all of the evidence above documenting the real estate transaction (including documents discovered during a search) should be disregarded, and his bribery theory – which is unsupported by either documentary evidence or testimony – should instead be believed. I disagree with Mr. Pollitt’s conclusion that the land purchase was not legitimate.

vi. Other Unexplained Issues with Mr. Pollitt’s Theories

Mr. Pollitt opined that the payments he linked from Omega/Mr. Rivera to Mr. Moncada Luna “served no legitimate purpose other than to influence Justice Moncada Luna to award the La Chorrera project to Omega Panama.”¹⁴⁰ Mr. Pollitt offered no explanation on the following:

- When was the bribe demand from Mr. Moncada Luna communicated to Omega/Mr. Rivera?
- Who communicated the bribe demand from Mr. Moncada Luna to Omega/Mr. Rivera?
- How was the bribe demand communicated from Mr. Moncada Luna to Omega/Mr. Rivera?
- What was the dollar value of the bribe Mr. Moncada Luna demanded from Omega/Mr. Rivera?
- How did Mr. Moncada Luna improperly influence the awarding of the La Chorrera contract when Omega had the lowest bid and the highest score?

¹³⁴ Public Registry of JR Bocas Investment Inc., undated (C-0896).

¹³⁵ Public Registry of Punela Development Corp. dated 2 Jan. 2013 (C-0077 resubmitted).

¹³⁶ Email chain between Frankie Lopez, Oscar Rivera, and Ana Graciela Medina dated 25 Apr. 2013 (C-0557).

¹³⁷ Invoice from IGRA for Preparation of the Purchase of Finca, Contract No. 35659 dated 1 May 2013 (C-0558) and Invoice from IGRA in relation to Punela Development Corp. dated 13 May 2015 (C-0559).

¹³⁸ Assembly Investigation- Francisco Feliu Interview, dated 12 Feb. 2015 (C-0899); Assembly Investigation- Frankie Lopez Interview, 12 Feb. 2015 dated 12 Feb. 2015 (C-0898); Assembly Investigation- Frankie Lopez Interview dated 29 Jan. 2015 (C-0888); Supplemental Declaration of Maria Gabriela Reyna Lopez dated 14 Jul. 2015 (C-0089 resubmitted); National Assembly Interview with Maria Gabriela Reyna López dated 27 Jan. 2015 (R-0139); Declaration from Maria Gabriela Reyna dated 23 June 2015 (C-0894).

¹³⁹ Expert Report of José A. Troyano § C.

¹⁴⁰ Pollitt Report, at 12.

- Why would Mr. Moncada Luna choose to wait more than five months to be paid the first portion of the alleged bribe for awarding the La Chorrera contract to Omega (the contract was signed November 22, 2012 and the first “linked” payment received by Sarelan was received on May 4, 2013)?
- Why would Mr. Moncada Luna chose to wait seven months to be paid a the second portion of the alleged bribe for awarding the La Chorrera contract to Omega (the contract was signed November 22, 2012 and the second “linked” payment received by Sarelan was received on July 18, 2013)?
- Why would Mr. Moncada Luna chose to wait *at all* for his alleged bribe when Omega/Mr. Rivera had more than enough money to pay the full alleged amount at any time in 2012 or 2013?
- Why would Mr. Moncada Luna break-up his alleged bribe from Omega/Mr. Rivera into two portions paid out months apart instead of getting all the money up-front?
- If the alleged bribes from Omega/Mr. Rivera were used to pay of Mr. Moncada Luna’s apartments, why wasn’t the Omega bribe demand amount sufficient to pay off all the debt, *i.e.*, why did Mr. Moncada Luna seek bribes from multiple parties to pay off the apartments?
- Why would Mr. Moncada Luna demand a much lower bribe as a percentage of the contract from Omega/Mr. Rivera than from Conceptos y Espacios?
- Why would Mr. Moncada Luna risk not receiving his alleged bribe by linking the payments to “triggers” of advance payments, which were reviewed by both an internal Judicial agency investigator and the external (to the Judiciary) Comptroller General?
- Why did Mr. Moncada Luna only demand the alleged bribe payments on the first two payments Omega received for the La Chorerra contract when Omega received a total of twelve (12) payments worth [REDACTED]?¹⁴¹
- Why would Mr. Moncada Luna change the method that he allegedly received his bribes from payments through Reyna y Asociados to a check written to Corporation Cubemu in the case of Conceptos y Espacios?
- Why were other people who must have been influenced by Mr. Moncada Luna to allegedly award the contract to Omega not investigated and/or not shown to have also accepted bribes?

vii. Opinion: Flawed transaction analysis led to the incorrect conclusion by Pollitt

Mr. Pollitt states that he conducted a flow of funds analysis¹⁴² which led him to conclude that Omega/Mr. Rivera engaged in money laundering, however his flow of funds analysis was fatally flawed. First, Mr. Pollitt ignored the millions of dollars Omega had in its accounts as the source of funds moved to PR Solutions. Secondly, in the Reyna y Asociados accounts, Mr. Pollitt excluded from consideration funds received from others and the possibility that Ms. Reyna intermingled funds. Finally, Mr. Pollitt merely guessed that there were no other transactions that could have been the source of funds that went to Sarelan on the missing bank transaction pages

¹⁴¹ Payment Applications for Contract No. 150-12 dated 19 Dec. 2014 (C-0344). The Judicial Authority paid Omega [REDACTED] for advances #3 through #12.

¹⁴² Pollitt Report, at 3.

for Reyna y Asociados. The culmination of these financial flow flaws resulted in Mr. Pollitt being unable to “*prove the actual source of the funds*”¹⁴³ was from alleged bribery by Omega/Mr. Rivera, therefore, Mr. Pollitt incorrectly concluded that Omega engaged in money laundering.

viii. Opinion: Flawed and inadequate money laundering investigation led to the incorrect conclusion by Pollitt.

Aside from the flawed financial analysis, Mr. Pollitt also presents a flawed and inadequate money laundering investigation. Mr. Pollitt does not provide any testimony or other evidence showing the Omega and/or Mr. Rivera had an *intent* to launder funds. The money laundering Red Flags in his report do not hold up to scrutiny upon closer inspection. Mr. Pollitt is unable to say what happened to all of Omega’s funds and instead suggests that middlemen earned a commission of 81% and that illogically the alleged bribe giver or briber recipient took a commission on the bribe. Finally, Mr. Pollitt ignores testimony from multiple witnesses and documentary evidence (some of which was acquired from a search warrant) and incorrectly concludes that the real estate transaction was inauthentic. The absence of circumstantial evidence, the unjustified discounting of relevant evidence, and the reliance on illogical assumptions has led Mr. Pollitt to incorrectly conclude that Omega engaged in money laundering.

VII. CONCLUSION

Having considered all the evidence contained in the documents and data sources I have reviewed, and the analyses that have been prepared, it is my opinion that:

- Respondent failed to provide evidence of the required elements of corruption;
- The Villalba, Aguirre and Pollitt Reports constructed flawed and incomplete bank transaction analyses that cherry-picked transactions that supported their hypothesis while ignoring transactions that countered the narratives. These flawed financial flows were relied upon to construe that Omega and/or Mr. Rivera engaged in corruption;
- The same flawed bank transaction analyses also led Panama to incorrectly conclude that Omega and/or Mr. Rivera engaged in money laundering;
- Respondent either failed to find or relied on flawed “circumstantial evidence” analysis to incorrectly conclude that Omega and/or Mr. Rivera engaged in money laundering and failed to give due consideration to the documented real estate transaction explanation.

In conclusion, my opinion is that Panama failed to show—and certainly could not have proved—that Omega Engineering and/or Mr. Oscar Rivera engaged in corruption in relation to former Justice Moncada Luna. It is also my opinion that Panama failed to show—and certainly could not

¹⁴³ US Department of Justice, *2101. Money Laundering Overview*, CRIMINAL RESOURCE MANUAL, available at <https://www.justice.gov/jm/criminal-resource-manual-2101-money-laundering-overview> (C-0903).

have proved—that Omega Engineering and/or Mr. Oscar Rivera engaged in money laundering with respect to corruption allegations involving former Justice Moncada Luna.

VIII. SUBMISSION

I reserve the right to change or amend this report on the basis of new evidence or information received, and to supplement my opinions based upon such additional evidence or information. Respectfully submitted on the date above.

A handwritten signature in black ink that reads "Alison Jimenez". The signature is written in a cursive style with a long, sweeping flourish extending to the right.

Alison K. Jimenez
Expert Affiliate
Bates Group LLC
Lake Oswego, OR 97035

Annex B – Documents Reviewed and Cited by the Expert

#	Exhibit No.	Description
DOCUMENTS PREVIOUSLY EXHIBITED AND REVIEWED BY THE EXPERT		
1	--	Claimants’ Memorial ¶¶ 88-106
2	--	Respondent’s Counter-Memorial ¶¶ 19-27, 156-167, 190-196
3	--	Claimants’ Reply ¶¶ 235-263
4	--	Respondent’s Rejoinder ¶¶ 11-12, 17-33, 55-61
5	--	Expert Report of Roy Pollitt
6	--	First Witness Statement of Vielsa Rios
7	--	Second Witness Statement of Vielsa Rios
8	--	First Witness Statement of Jorge Enrique Villalba
9	--	Second Witness Statement of Jorge Enrique Villalba
10	--	First Witness Statement of Frankie López ¶¶ 86-94
11	--	First Witness Statement of Oscar Rivera ¶¶ 80-117
12	--	Second Witness Statement of Oscar Rivera ¶¶ 10-13
13	C-0005-SPA resubmitted	Contract No. 017/10
14	C-0008-SPA resubmitted	Judgment of Panama’s Second Superior Tribunal for the First Judicial District
15	C-0021-SPA resubmitted	Public Registry of PR Solutions, S.A.
16	C-0046-SPA	Minutes of the Opening of Proposal Envelopes for La Chorrera
17	C-0048-SPA resubmitted	Contract No. 150/2012
18	C-0077-SPA resubmitted	Public Registry of Punela Development Corp.
19	C-0078-SPA resubmitted	Sale and Purchase Agreement between JR Bocas Investments, Inc. and Punela Development Corp.
20	C-0079-SPA resubmitted	Check from PR Solutions, S.A. to Reyna y Asociados
21	C-0080-SPA resubmitted	Check from PR Solutions, S.A. to Reyna y Asociados
22	C-0081-SPA resubmitted	Report of the Preliminary Financial Analysis of Case No. 049-15 by the Public Prosecutor for Organized Crime
23	C-0082-SPA resubmitted	Resolution No. 40-15 of the Second Prosecutor
24	C-0083-SPA resubmitted	Report from the Vetting Commission
25	C-0084-SPA resubmitted	Administrative Resolution No. 082/2012
26	C-0085-SPA	Sentencing Hearing of Mr. Moncada Luma (video)
27	C-0086-SPA resubmitted	Summary by the Public Prosecutor First Anti-Corruption Division of the Attorney-General
28	C-0089-SPA	Supplemental Declaration of Maria Gabriela Reyna

#	Exhibit No.	Description
	resubmitted	Lopez
29	C-0090-SPA resubmitted	Witness Confrontation Procedure between Maria Gabriela Reyna Lopez and Jorge Enrique Espino Mendez
30	C-0093-SPA resubmitted	Resolution of Detention No. 052-15
31	C-0095-SPA resubmitted	Search and Seizure Order issued by the Anticorruption Prosecutor
32	C-0188-SPA	Email correspondence between Frankie Lopez and others
33	C-0192-SPA	<i>Accounts allegedly belonging to Moncada Luna are currently seized,</i> NOTICIAS 24 PANAMA
34	C-0196-SPA	Email from the State Attorney Assembly to Oscar Rivera
35	C-0197-SPA	Email from Oscar Rivera to the State Attorney Assembly
36	C-0199-ENG	Drawing of Verdanza Residences
37	C-0200-ENG	Conceptual Layouts of Verdanza Residences
38	C-0201-ENG	Verdanza Residences Preliminary Financing Executive Summary with diagrams & charts
39	C-0202-SPA	Tonosí Land Registration Information
40	C-0203-SPA	Email from Ricardo Ceballos to Ana Graciela Medina
41	C-0205-SPA	Settlement Agreement between Moncada Luna and the Republic of Panama
42	C-0209-SPA	Letter from Manuel Cedeño Miranda to Special Prosecutor of Organized Crime
43	C-0216-SPA	Omega's Evidence Submission to the Prosecutor against Organized Crime
44	C-0218-SPA	Decision by Panama's 16th Circuit Court of the First Judicial Circuit
45	C-0344-SPA	Payment Applications for Contract No. 150-12, 19 Dec. 2014
46	C-0373-SPA	Criminal Complaint against Moncada Luna
47	C-0374-SPA	Extension to the Purchase-Sale Agreement for Tonosi Land
48	C-0423-SPA	<i>Criminal File- Omega Engineering Transfers 2013</i>
49	C-0430-ENG	<i>2044. Particular Elements</i> , United States Department of Justice, CRIMINAL RESOURCE MANUAL, <i>available at</i> https://www.justice.gov/jm/criminal-resource-manual-2044-particular-elements
50	C-0432-ENG	<i>What is money laundering?</i> FINANCIAL CRIMES ENFORCEMENT NETWORK, <i>available at</i> https://www.fincen.gov/what-money-laundering
51	C-0433-ENG	<i>Appendix F: Money Laundering and Terrorist Financing "Red Flags"</i> , Federal Financial Institutions Examination Council, BANK SECRECY ACT ANTI-MONEY LAUNDERING EXAMINATION MANUAL, <i>available at</i> https://www.ffiec.gov/bsa_aml_infobase/pages_manual/OLM_106.htm
52	C-0557-SPA	Email chain between Frankie Lopez, Oscar Rivera, and Ana Graciela Medina

#	Exhibit No.	Description
53	C-0558-SPA	Invoice from IGRA for Preparation of the Purchase of Finca, Contract No. 35659
54	C-0559-SPA	Invoice from IGRA in relation to Punela Development Corp.
55	C-0725-SPA	JR Bocas Investment Bank Transaction History
56	AA-0006	Public Deed number 338 of 15 February 2008 issued by the Notarial Circuit of Herrera, whereby Diogenes Nunez sells lot number 35659 to JR Bocas Investments, Inc.
57	R-0006	Administrative Resolution No. 092/2012 for determination of the Abbreviated Bid for Best Value No. 2012-0-30-08-AV-004833
58	R-0062	Jorge Enrique Villalba, <i>Preliminary Financial Analysis Report</i> in Case No. 049-15
59	R-0063	Julio Aguirre's Money Laundering Expert Report for the National Assembly
60	R-0064	Plea Bargain of Justice Alejandro Moncada Luna
61	R-0083	National Assembly Guilty Verdict No. 1
62	R-0086	Inquiry Resolution No. 4015
63	R-0087	Letter from Franklin Amaya Jovane to the Prosecutor Against Organized Crime regarding the addition of written evidence
64	R-0088	Alexis Rodriguez, Legal Secretary of the Special Prosecutor's Office Against Organized Crime, Diligence Report
65	R-0089	Alexis Rodriguez, Legal Secretary of the Special Prosecutor's Office Against Organized Crime, Diligence Report
66	R-0090	Esperanza L. Montenegro, General Secretary of the Special Prosecutor's Office Against Organized Crime, Diligence Transcript of Inspection
67	R-0127	National Assembly Interview of Vielsa Rios
68	R-0139	National Assembly Interview with Maria Gabriela Reyna López
69	RP-0001	<i>Juez otorga libertad vigilada a Alejandro Moncado Luna</i> , LA PRENSA
70	RP-0002	National Assembly Testimony of Ana Bouche
71	RP-0003	4015 Panama Office of the Attorney General District Attorney's Office Specializing in Organized Crime
72	RP-0004	Requests for Info Verdanza Residences, República de Panamá, Ministerio Público, Fiscalía Superior Especializada Contra la Delicuencia Organized
73	RP-0005	<i>Tribunal salva al 'circulo cero' de Ricardo Martinelli</i> , LA PRENSA
74	RP-0006	Bribery of Public Officials and Witnesses, 18 U.S.C. § 201 - U.S. Code - Unannotated Title 18. Crimes and Criminal Procedure § 201
75	RP-0007	Penal Code and Process, Jose Martín Moreno Pujol, Article 343
76	RP-0008	<i>History of Anti-Money Laundering Laws</i> , FINANCIAL CRIMES ENFORCEMENT NETWORK
77	RP-0009	<i>Appendix F: Money Laundering and Terrorist Financing "Red Flags"</i> , Bank Secrecy Act/Anti-Money Laundering Examination Manual, FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL

#	Exhibit No.	Description
78	RP-0010	Interview with A. Bouche, Public Prosecutor's Office
79	RP-0011	<i>Glossary of Foreign Direct Investment Terms and Definitions</i> , ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT
80	RP-0012	<i>Potential Money Laundering Risks Related to Shell Companies</i> , FINANCIAL CRIMES ENFORCEMENT NETWORK
81	RP-0013	<i>Narrative Report on Panama</i> , TAX JUSTICE NETWORK
82	RP-0014	<i>Panamá, un pionero en los negocios alrededor de aeropuertos</i> , PANAMÁ AMÉRICA
83	RP-0015	Interview with Kattyana Ines Esquivel Vasquez, National Assembly
84	RP-0016	Abstracts of Panama corporate records for P.R. Solutions, S.A., OPENCORPORATES
85	RP-0017	Interview with Cesar Iván Morales Ibarra, National Assembly
86	RP-0018	Abstracts of Panama corporate records for Sarelan Corporation, S.A., OPENCORPORATES
87	RP-0019	Interview with Humberto Elías Juárez Barahona, National Assembly
88	RP-0020	Ausencia de Avisos de Operaciones de Sarelan Corporation S.A., Corporacion Alpil S.A., Corporacion Celestial S.A., Summer Venture Inc.
89	RP-0021	Public Registry Documents related to Celestial S.A., Reina, Alpil, Omega, Ricala, PR Solutions
90	RP-0022	National Assembly Interview with Maria Gabriela Reyna López
91	RP-0023	Fraud and Money Laundering: What's the Connection?, ACAMS TODAY
92	RP-0024	<i>Money Laundering & Terrorist Financing Through the Real Estate Sector</i> , Financial Action Task Force ("FATF")
93	RP-0025	Addendum to Inquiry Statement of Jorge Enrique Espino Mendez
94	RP-0026	Addendum to Inquiry Statement of Jorge Enrique Espino Mendez
NEW DOCUMENTS CITED IN THE REPORT		
95	--	Expert Report of Jose A. Troyano
96	--	Third Witness Statement of Oscar Rivera
97	C-0885-ENG	OECD, <i>Anti-Corruption</i> , https://www.oecd.org/g20/topics/anti-corruption/
98	C-0886-ENG	<i>Investigation and Prosecution of Corruption Offences: Materials for the Training Course</i> , OECD, 2012, available at http://www.oecd.org/corruption/acn/lawenforcement/TrainingManualcorruptionoffences2012EN.pdf
99	C-0887-SPA	Declaration from Salvador del Toro, 17 Nov. 2015
100	C-0888-SPA	Assembly Investigation- Frankie Lopez Interview, 29 Jan. 2015
101	C-0889-SPA	<i>Gobierno nombra a testigo</i> , Panamá América, https://www.panamaamerica.com.pa/gobierno-nombra-testigo-1000474
102	C-0890-SPA	Report from the Vetting Commission No. 2013-0-30-0-08-AV-005500
103	C-0891-SPA	Declaration from Julian Paris, 3 July 2015

#	Exhibit No.	Description
104	C-0892-SPA	Declaration from Jorge Espino, 16 July 2015
105	C-0893-SPA	Results of the Search Warrant Served upon Omega Engineering Inc.
106	C-0894-SPA	Declaration from Maria Gabriela Reyna, 23 June 2015
107	C-0895-SPA	Declaration from Maria Gabriela Reyna, 14 July 2015
108	C-0896-SPA	Public Registry of JR Bocas Investment Inc., undated
109	C-0897-SPA	Assembly Investigation- Nicolas Corcione Interview, 15 Oct. 2014
110	C-0898-SPA	Assembly Investigation- Frankie Lopez Interview, 12 Feb. 2015
111	C-0899-SPA	Assembly Investigation- Francisco Feliu Interview, 5 Feb. 2015
112	C-0900-SPA	Letter from Panama's Foreign Affairs Ministry to Panama's Office of the Attorney General attaching the U.S. State Department's Denial of Panama's Request of a Provisional Arrest for the Purpose of Extraditing Mr. Rivera, 29 Feb. 2016
113	C-0901-ENG	McKinsey & Company, <i>The New Frontier in Anti-Money Laundering</i> https://www.mckinsey.com/business-functions/risk/our-insights/the-new-frontier-in-anti-money-laundering
114	C-0902-ENG	Reuters, <i>Anti-money laundering controls failing to detect terrorists, cartels, and sanctioned states</i> https://www.reuters.com/article/bc-finreg-laundering-detecting/anti-money-laundering-controls-failing-to-detect-terrorists-cartels-and-sanctioned-states-idUSKCN1GP2NV
115	C-0903-ENG	US Department of Justice, <i>2101. Money Laundering Overview</i> , CRIMINAL RESOURCE MANUAL, https://www.justice.gov/jm/criminal-resource-manual-2101-money-laundering-overview
116	C-0904-SPA	Results of the Search Warrant Issued for P.R. Solutions S.A.'s Books and Records
117	C-0905-SPA	2013 – 2014 Bank Statements for Reyna y Asociados
118	C-0906-ENG	<i>National Money Laundering Strategy</i> , US Treasury, 2002, available at https://www.treasury.gov/press-center/press-releases/Documents/monlaund.pdf
119	C-0908-SPA	Provisional Dismissal No. 143, 26 Nov. 2018
120	C-0909-SPA	Documents Related to Account N. [REDACTED] for Omega Engineering
121	C-0936-ENG	1G 08428 GL – October 2012 to July 2013, UBS Account Statements for Omega
122	C-0937-ENG	1G 12025 GL – October 2012 to July 2013, UBS Account Statements for Omega
DOCUMENTS REVIEWED BUT NOT EXHIBITED BY THE EXPERT		
123	Resp.'s Production	2011 P.R. Solution General Ledger
124	Resp.'s Production	2011.02.14 - 2014.05.31 Bank of Panama Account Statements for Omega
125	Resp.'s Production	2013 PR Solution General Ledger
126	Resp.'s Production	2015.10.29 On-Site Investigation Diligence

#	Exhibit No.	Description
127	Resp.'s Production	2015.10.29 Transcription of On-Site Investigation Diligence
128	Resp.'s Production	Documents Related to Account N. 018-20-010946756-001 from PR Solutions, S.A. en bac
129	Resp.'s Production	Documents Related to Purchase of Apartment 26B P.H. Ocean Sky
130	Resp.'s Production	Estado de Cuenta JR Boca pag 3 y 5
131	Resp.'s Production	2014.12.05 Felipe Virzi Interview, National Assembly Investigation
132	Resp.'s Production	Oriental-BBVA 1070025431 - Jan 2010 to Mar 2013 (also produced by Claimants)
133	Resp.'s Production	Oriental-BBVA 7812787881 - Feb 2012 to May 2013 (also produced by Claimants)
134	Resp.'s Production	Photocopies of Tru-Balance Double Entry Ledger
135	Resp.'s Production	Red Notification Form for Oscar Ivan Rivera
136	Resp.'s Production	2014.12.10 Ricardo Calvo Latorraca, Assembly Investigation
137	Resp.'s Production	2015.02.03 Sentencing Agreement signed by Alejandro Moncada Luna Carvajal
138	Resp.'s Production	2014.10.15 Assembly Investigation – Carlos Guillermo Fernandez Cooke interview (Transcripts of Interviews by Nat. Assembly)
139	Resp.'s Production	2014.10.15 Assembly Investigation – Jose Alejandro Rojas Pardini (Transcripts of Interviews by Nat. Assembly)
140	Resp.'s Production	2015.02.05 Assembly Investigation – Salvador del Toro Interview (Transcripts of Interviews by Nat. Assembly)
141	Resp.'s Production	2015.02.05 Assembly Investigation – Benjamin Villareal interview (Transcripts of Interviews by Nat. Assembly)
142	Resp.'s Production	Treasury Receipts re Omega Engineering
143	Resp.'s Production	2015.02.19 Interview Jorge Enrique Espino Mendez (1- Jorge E. Espino)
144	Resp.'s Production	2014.12.10 – Julian Paris (Interview)
145	Resp.'s Production	2014.12.10 2- Julian Paris (Interview)
146	Resp.'s Production	2014.12.10 1-Ricardo Calvo Latorraca (Interview)
147	Resp.'s Production	1-Vielza Rios (Interview, 2 Dec. 2014)
148	Resp.'s Production	2014.12.05 3- Felipe Alejandro Virzi

#	Exhibit No.	Description
149	Resp.'s Production	2010.06.11 Creation of PR Solutions SA
150	Resp.'s Production	2010.06.11 PR Solutions SA Constitution Document
151	Resp.'s Production	2011.12.07 Email from Interpol Washington to NCB Panama
152	Resp.'s Production	2012.04.01 - 2014.05.31 Bank Statements (BAC Bank Statements for PR Solutions from Jan 2012 through May 2014)
153	Resp.'s Production	2013.09.07 Payment Management and Receipt
154	Resp.'s Production	2016.03.04 Letter from D. Atencio Bonilla to H. Tinoco
155	Resp.'s Production	2008.02.15 Mortgage Deed (31958-2013)
156	Resp.'s Production	Documents Related to Account N. 0101766336 for Reyna & Associates
157	Resp.'s Production	Documents Related to Account N. 2005030200101093 for Sarelan Corporation
158	Resp.'s Production	Electronic Transfer Documents from Omega Engineering to PR Solutions, S.A., and Checks from PR Solution to Reyna
159	Resp.'s Production	2015.06.26 Indagatoria Jorge Enrique Espino (First 13 Pages Of Document)
160	Resp.'s Production	Indagatorias y Juradas MP 2015
161	Resp.'s Production	Confidential Interviews Document
162	Resp.'s Production	JR Bocas Bank Statement (12 of 12)