

1 A (b)(7)(C) don't recall who, if it was at the time
 2 (b)(7)(C) when I joined the company, or when I arrived in
 3 Colombia.
 4 Q What did you understand that to mean, approved by
 5 the corporation?
 6 A My understanding that the approval meant that these
 7 payments were not illegal, and that they were not to be
 8 reported, or did not fall under the purview of the FCPA.
 9 That was my understanding.
 10 Q Did you have an understanding of a level of
 11 approval? When someone says to you, you know, that this has
 12 been approved by the corporation, did you understand that it
 13 was (b)(7)(C)
 14 A I don't recall.
 15 Q You discussed -- and I just don't want this to get
 16 lost in your answer, what I suspect may be the case -- is you
 17 discussed your procedure for doing this check with security
 18 today, with the head of security today, where you sit down
 19 and you, you know, you look at certain items. My
 20 understanding is you've been doing this for almost three
 21 years now.
 22 Has that procedure evolved over the time, because
 23 you know, for whatever reason, maybe you've gained more
 24 information, or you've gained a greater facility with the
 25 specifics of payments that are made in these accounts. Is

1 involved with the entire process, from the signing of the
 2 1016 to the disbursement of the funds.
 3 Q Did you ask him, you know, to -- did he explain to
 4 you -- he, being (b)(7)(C) -- what exactly was
 5 going on with these payments and these accounts?
 6 A He explained to me the mechanics of how, first of
 7 all, the code names that were used for certain types of
 8 payments. He explained the method of payment, and he
 9 explained who received the payment.
 10 Q And did he explain that to you with reference to
 11 some document that -- some company record that provided this
 12 information?
 13 A I don't recall.
 14 Q At this point in time, when you first got this
 15 assignment, and you're getting involved in the detail of how
 16 these payments are made and these accounts, did you have any
 17 concerns about the control over these funds?
 18 A (b)(7)(C) I felt comfortable with the controls that
 19 were in place to record and identify these types of payments.
 20 But taking into account my background, what I didn't feel
 21 comfortable with, and I felt that that's something -- that
 22 that procedure in place was the funds, you know, we never --
 23 or I never feel like until a -- as an auditor, I don't --
 24 unless I know who is actually receiving the monies, you know,
 25 there's never no check to see if that money was received by a

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1 that the case?
 2 A It's -- when you say evolved, that it's changed
 3 since that -- since --
 4 Q You talked about, or you mentioned that you don't
 5 review every payment, every -- you know the specifics of
 6 every payment that comes out of -- you know, that is on your
 7 green list of transactions in the security account.
 8 When you were first charged with this duty in early
 9 1997, (b)(7)(C) you know, "I need you to do this.
 10 I want you to do this. This is going to be part of your
 11 job." Right then, the first time you did it, what did you
 12 do?
 13 A The best of my recollection is that I sat down with
 14 (b)(7)(C) and basically did what I'm doing, you
 15 know today, in that I went through in -- at that point,
 16 reviewing all payments that were recorded in the securities
 17 account. Again, in the logistics and the operations.
 18 Q And what was your state of knowledge at that point
 19 in time regarding guerrilla payments and the types of payments
 20 that were being made through these accounts?
 21 A I didn't know the process in its entirety, in terms
 22 of how payments were actually made, who received the money,
 23 how it was received. So I was strictly just know where they
 24 were recorded.
 25 After that was given to me, I obviously became more

1 third party, and I'm talking specifically about the guerrilla
 2 payments.
 3 Q Take a very specific question. How did you know at
 4 that time that (b)(7)(C) wasn't pocketing cash?
 5 A That's a very valid question, and that's been my
 6 concern (b)(7) since day one, because the only person that
 7 requests funds and payments for guerrillas is the head of
 8 security. No one ever knows who -- or negotiates with these
 9 groups, except for himself. And that's been my, if you will,
 10 my concern since day one.
 11 But as it was explained to me, that it's the
 12 procedure in place, and that the only way that we can assure
 13 that these monies have been delivered to these groups, is
 14 that if we don't give them the money, they burn down our
 15 farms, or they damage -- or they may harm our personnel.
 16 Q A great deal of trust is placed in the integrity of
 17 (b)(7)(C)
 18 A That's correct.
 19 Q I want to get a better understanding of the codes
 20 that you talked about that (b)(7)(C) uses in the
 21 documentation for these sensitive payments, guerrilla
 22 payments. Why is he using codes?
 23 A As it was explained to me, all payments to these
 24 groups are paid in cash. So the normal process is to use a
 25 third party, and that's why that -- I think in various



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