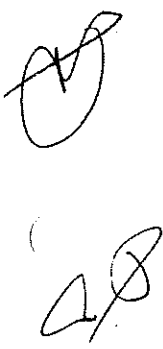


# MEMORANDUM OF UNDERSTANDING

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This Memorandum of Understanding (hereinafter, the "MOU") constitutes an agreement voluntarily entered between the Office of the Commissioner of Financial Institutions ("OCFI") of the Commonwealth of Puerto Rico and the Bureau of Immigration and Customs Enforcement (ICE) formally Customs Services Office of Investigations.

## Purpose & Mission



The purpose of this MOU is to establish a working arrangement for the ICE and the OCFI regarding referral and investigation of criminal matters of mutual interest with regard to money laundering and related financial crime investigations. This document will delineate the responsibilities of the participants, maximize inter-agency cooperation, and formalize relationships between the participating agencies for policy guidance, planning, training, public and media relations.

It is mutually agreed that a MOU be established to maximize the cooperation between the ICE and the OCFI to effectively combat money laundering and related financial crimes. It is further agreed that, to the extent that is legally possible, the participating agencies will coordinate their respective investigations and audits to assist each agency in fulfilling its mission and responsibilities by combining expertise and investigative resources to combat money laundering and related financial crimes in Puerto Rico. However, each agency will retain all rights and obligations under existing statutes and regulations and this agreement will not restrict the legal prerogatives of either agency.

## Administration & Procedure

In accordance with the terms of this MOU, the ICE will establish and develop a case referral program with the OCFI for the benefit of each agency. The establishment of program involvement, and direction will be the

responsibility of the ICE Special Agent in Charge (SAIC) and the Commissioner of Financial Institutions (CFI), respectively.

**A. Supervision**

Each participating agency will designate a coordinator who will act as a liaison and coordinate the investigative efforts and activities of their assigned personnel.

**B. Referrals**

It is agreed that, the OCFI will, within a reasonable number of days after detection, refer to the ICE all cases where a reasonable suspicion of a violation of federal law arises involving money laundering and related financial crimes. In addition, to the extent legally permitted, the OCFI will fully assist the ICE in any case referred.

**C. Investigative Exclusivity**

It is agreed that all matters of concurrent jurisdiction over which the ICE demands, by means of written notice to the CFI, to be afforded priority or exclusivity in the handling of the investigation and enforcement proceedings will be subject to case by case negotiations with the Department of Justice of the Commonwealth of Puerto Rico ("the Justice Department").

It is incumbent on each agency to make proper internal notification regarding the existence of referred matters and areas of concern. It is further agreed that there is to be no unilateral action taken on the part of the ICE or the OCFI relating to money laundering or related financial crimes or other areas of concern without previous reasonable notice to the other agency. All law enforcement actions will be coordinated and collaboratively carried out.

**D. Reports and Records**

It is agreed that all investigative records related to matters of federal jurisdiction over which the ICE demanded and obtained from the Justice Department priority or exclusivity in the handling of the investigation and enforcement proceedings (hereinafter, the "ICE cases") will be maintained at an approved ICE location.

It is further agreed that in the ICE cases, all joint interviews of subjects or witnesses will be reported in ICE format. Placement of all or part of said information into participating agency files rests with the discretion of supervisory personnel of the concerned agencies. In the ICE cases, classified

information and/or documents containing information that identifies or tends to identify ICE informant will not be placed in the files of participating agencies unless appropriate ICE policy has been satisfied.

### **E. Prosecutions**

All investigative procedures relating to the ICE cases are to conform to the requirements for federal prosecution. A determination will be made on a case-by-case basis whether the prosecution of referred cases will be at the commonwealth or federal level. This determination will be based on the evidence obtained and a consideration of which level of prosecution would be of the greatest benefit to the overall objectives of this MOU.

It is agreed that in the event that an investigation is developed in a matter not within the jurisdiction of the ICE, the ICE agrees to provide all relevant information in its possession to commonwealth and/or local authorities. It is likewise agreed that in the event that an investigation is developed in a matter not within the jurisdiction of the Commonwealth of Puerto Rico, the OCFI will endeavor to cause the Justice Department to provide all relevant information to the ICE. Whether to continue and/or conduct additional investigation of the commonwealth or local crimes involved will be at the sole discretion and direction of the respective commonwealth and local authorities.

### **F. Investigative Methods/Evidence**

For cases assigned to an ICE Special Agent or in which ICE informants or cooperating witnesses are utilized, the parties agree to conform to federal standards concerning interview reporting, evidence collection, processing, storage, and electronic surveillance. The parties agree to utilize the legal standards applicable to each agency and federal standards pertaining to evidence handling and electronic surveillance activities to the greatest extent possible.

All evidence acquired during any joint investigation pertaining to ICE cases will be secured by the ICE in the evidence room at the San Juan ICE Field Office and, while under such custody, will be subject to federal rules and policies governing the submission, retrieval, and chain of custody of evidence. OCFI personnel will have access to the evidence in joint cases at the ICE office in accordance with federal rules and procedures.

## G. Dispute Resolution

In cases of overlapping jurisdiction, the participating agencies agree to work in concert to achieve the objectives herein. It is expected that operational disputes, controversies, or problems will be addressed and resolved through the cooperation of assigned personnel. The parties agree to attempt to resolve any disputes at the field level first before referring the matter to the supervisory personnel of each agency for resolution.

## H. Security of Investigations

It is recognized that investigations regarding money laundering and related financial crimes are inherently sensitive, inasmuch as they potentially involve the reputation and credibility of public and/or financial officials. Further, the security of such investigations is often vital to the case's success. For these reasons, the participating agencies agree that discussion of its cases must be restricted to a need-to-know basis.

## Equipment

To the extent that is legally permissible for either agency, property of the ICE and the OCIF may be provided on a case-by-case basis when needed to conduct joint investigations and operations.

## Liability

Each agency acknowledges that its liability, if any, for the negligent or wrongful acts or omissions committed by its employees is governed by applicable law. The parties agree that they will not be responsible or liable for acts performed by personnel or other member agencies during the duration of this MOU.

Each agency further acknowledges that the federal government does not contract or promise to consider indemnifying the individual member, substituting the United States as a party defendant in civil litigation, or providing representation to commonwealth and local law enforcement officers who cooperate with the ICE on an informal basis as part of their commonwealth or local duties.

Likewise, each agency acknowledges that in executing this MOU the government of the Commonwealth of Puerto Rico does not contract or

promise to consider the indemnification of any individual working for the federal government or federal enforcement agent or officer, or the ICE or any other federal agency involved with cases or matters handled pursuant to this MOU. The government of the Commonwealth of Puerto Rico will not provide legal representation to any individual working for the federal government or federal enforcement agent or ICE officer or related federal agencies.

Moreover, each agency acknowledges that pursuant to this MOU, the employees of the Commonwealth of Puerto Rico may only act in their official capacity and always within the scope of their official duties or functions. Each agency further acknowledges the legal limitations imposed by Puerto Rico Act No. 104 of June 29, 1955 as amended, generally known as the act governing suits or litigation's against the Commonwealth of Puerto Rico.

### **Media**

All media releases and statements will be mutually agreed upon and jointly handled according to ICE and participating agency guidelines. The parties agree that information will only be disseminated to the media in accordance with the terms of this MOU.

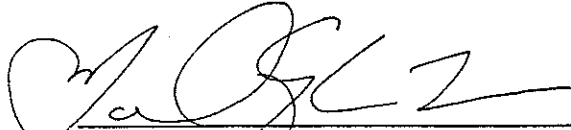
### **Duration & Terms of Agreement**

This MOU is executed for the sole purpose of documenting the understandings and agreements between and among the parties hereto in an effort to achieve a more effective and efficient cooperative inter-agency law enforcement body. Nothing in this MOU is intended to create, nor does it create, an enforceable legal right or private right of action.

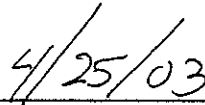
This MOU constitutes the agreement between and among the participants hereto and will remain in effect for as long as the participants determine that the investigative needs exist. The duration of this Agreement begins April 25<sup>th</sup>, 2003 and is indefinite, depending on the continued desire of each agency to participate. This Agreement may be modified at any time by written consent of each participating agency; however, modifications will have no force and effect unless reduced to writing and signed by an authorized representative of each of the participating agencies. A participating agency may terminate its involvement at any time by providing a written notice to that effect to the other participating agency with at least thirty (30) days prior notice.

## Signatories

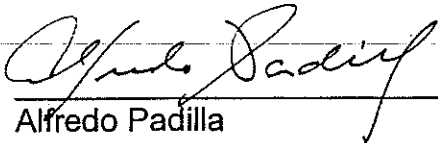
The undersigned parties represent that they have authority to execute this Agreement on behalf of their respective agencies. By subscription of signatures below, the parties herewith acknowledge that they have read, understand, concur with, and will abide by the foregoing.



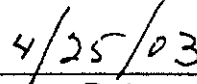
Manuel Oyola-Torres  
Special Agent in Charge, San Juan  
Bureau of Immigration and Customs  
Enforcement



Date



Alfredo Padilla  
Commissioner  
Office of the Commissioner  
of Financial Institutions



Date

## Plan contra los delitos financieros

Por Carmen T. Casellas

End.casellas@elnuevodia.com

LA OFICINA del Comisionado de Instituciones Financieras (OCIF) tomó ayer dos pasos importantes en sus es-

fuerzos de prevención y detección de crímenes financieros.

Por un lado, la agencia firmó un convenio interagencial con el Negociado Federal de Inmigración y Aduana (antes el Servicio de Aduanas) dirigido a coordinar los esfuerzos de ambas entidades en la investigación de blanqueo de fondos dinero y otros delitos que involucren dinero.

ADemás, EMITIO una carta circular a los dueños de franquicias de casinos exigiéndoles que certifiquen que están en cumplimiento con regulaciones y requisitos federales y de la Oficina de Instituciones Financieras, dirigi-

das a prevenir el lavado de dinero.

"Estamos tomando un rol proactivo, tratando de prevenir lo (que) pueda suceder en el futuro y ganando herramientas para supe-  
rarnos mejor", dijo el comisionado, Alfredo Padilla.

Mediante el acuerdo de la Oficina con Aduanas, las dos entidades podrán colaborar muy de cerca cuando, por ejemplo, la OCIF encuentre en el curso de un examen y corrobore vía su investigación que ha habido transacciones tras las cuales hay blanqueo de dinero. Aduanas es la entidad federal que está to-

mando el liderazgo en la investigación de este tipo de crimen.

Padilla explicó que Aduanas traerá sus recursos a las investigaciones de la OCIF y ayudará a adiestrar su personal.

MANUEL OYOLA, a cargo de la Oficina de San Juan de Aduanas, dijo que "el convenio se firmó con el propósito exclusivo de documentar los acuerdos entre las dos agencias".

Por otro lado, la Oficina del Comisionado también tiene un acuerdo similar con el Servicio de Correos, la Oficina de Investigaciones Federales y el Departamento de la Vivienda.

A la vez, la carta circular a los casinos involucra reglamentos ya en vigor que forman parte de la llamada Ley Patriótica de 2001. El objetivo es informar a los casinos de estas obligaciones y requerirles que certifiquen que están en cumplimiento, dijo Padilla.

Dicha certificación deberá hacerse en o antes del 31 de mayo del 2003. También se exige que los casinos establezcan programas para prevenir y combatir el lavado de fondos, tengan controles internos, lleven a cabo auditorías y adiestren a sus empleados al respecto.