

March 11, 2006 –

**PLAINTIFF'S  
EXHIBIT  
179**  
11 Civ. 0691 (LAK)

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**Meet with judge day before SC inspection.** The day before (Tuesday), met judge in this office – he said inspection would happen “vida o muerte”. Had concern about provision of code about peritos dirimentes, that the whole thing could be declared a nullity by a higher court – the same issue that Alberto had called an “estupidez” in an email some weeks back when Pablo first raised the issue after overhearing Guerra express concern about it. These judges are really not very bright – it is like a vocational job to them, they deal with resolving disputes at a very basic level, there is little or no intellectual component to the law. He cited a code out of the civil code for his concern. Cite code and explain better. I took advantage of the situation to explain our theory of the case. After, Julio simply did not understand the issue of joint and several liability – how Texaco could possibly be responsible for the pollution caused by PE with its old equipment. The concepts of tort law and joint and several liability are acceptable in Ecuador, but nobody uses them, so judges have no exposure to them. That part of our case is a real uphill battle. But I keep thinking of what Mateo told me – the only way we will win this case is if the judge thinks he will be doused with gasoline and burned if he rules against us. Given the morality or immorality of Ecuador’s justice system, that type of comment did not even shock me. It is part of the rules of the game here. I like the judge – in February, I was sure we had lost the court with the perito demento report. But due to some good strateging and some counter-pressure, the court is now in play, up for grabs, and accessible.

**Lunch meeting with judge.** This was second meeting with judge – had lunch with him the previous Friday in the Cangrejo Rojo. I love it – this lobbying. I am good at it. But I hate it, hate that it is necessary, hate that it is part of the legal culture, APV hates it – I think it runs counter to any good person. The judge brought a young chick in her mid 20s and thought nothing of it. Pablo later suggested she might have been a T spy. She did not say anything the entire lunch. Luis and APV were there. I gave the judge a one-page memo on the law, and showed him the graphs from SA-53, the site where the peritos had derimido supposedly.

Tuesday meeting with judge, Pablo, and lunch.

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