

**RECORDING 2, SPANISH TRANSCRIPTION AND ENGLISH TRANSLATION**

**Meeting Date:** May 15, 2009

**Location:** Chambers of Judge Juan Nuñez, Lago Agrio, Ecuador

**Attendees:** Judge Juan Evangelista Núñez Sanabria (“Núñez”), Aulo Gelio Servio Túlio Ávila Cartagena (“Ávila”), Pablo Almeida (“Almeida”), Wayne Douglas Hansen (“Hansen” or Wayne Hansen), Diego Fernando Borja Sánchez (“Borja” or Diego Borja)

**Recorded By:** Diego Borja, Wayne Hansen

**Recording Devices:** “Sky Mall, Spyer Agent Watch” (Borja); “Sky Mall, Spy Pen” (Hansen)

|      | <b>Spanish</b>  | <b>English</b>   |
|------|---|--|
|      | <b>ÁVILA:</b> [Inaudible and/or unintelligible introduction.]   | [Inaudible and/or unintelligible introduction.]  |
| 65:0 | <b>NUÑEZ:</b> <i>Bueno—</i> [Unintelligible.]   | Well— [Unintelligible.]  |
| 90:1 | <b>NUÑEZ:</b> <i>—el juicio está avanzando. ¿Usted habla español—</i> [Unintelligible.]?  | —this trial is going forward. Do you speak Spanish— [Unintelligible.]?   |
|      | <b>HANSEN:</b> [Imperfect Spanish.] <i>Poco, sí, pero.</i><br>[Chair screeches drown out speech.] <i>Yo me acerco porque no escucho bien.</i> | [Imperfect Spanish.] A little, yes, but.<br>[Chair screeches drown out speech.] I am approaching because I can't hear you. |

**NUÑEZ:** *Le repito, señor, que nosotros estamos con esta causa penal, el juicio penal verbal sumario de daños y perjuicios en contra del Estado ecuatoriano y de la comunidad indígena. Es un juicio bastante largo que ha venido ya, cerca de quince años, diez años en Estados Unidos, cinco años acá en el Ecuador. El juicio está avanzando. Ojalá según los, el cronómetro de actividades que tenemos nosotros esto esté para, esté listo, para este año van listos, con la resolución judicial del caso.*  
*Obviamente, las partes tienen derecho a hacer todo tipo de acción, a efectos unos de que avance el proceso y otros a efectos de que no avance el proceso. La Red Amazónica quiere avanzar el proceso. La Chevron obviamente quiere que se mantenga en 'stand-by' el proceso. Eso ya es decisión del operador de justicia de que avance esto. En mi calidad de juez, de presidente de la corte, estamos haciendo lo que la ley dispone. La ley dispone que un juicio verbal sumario no debe demorar tanto, y eso nos hemos propuesto: cumplir con la ley. La resolución obviamente se ha dicho que pensamos para fines de los últimos meses de este año estará ya saliendo, y le hemos de notificar al estado. Eso es lo que yo les puedo informar al respecto. El proceso va avanzando y estamos en la recta final, ya. Entonces, no sé si tiene alguna inquietud, usted, señor.*

**BORJA:** *Yo tengo una carpeta de la compañía.*

**ÁVILA:** *La carpeta, ah, sí [Unintelligible.] tráela.*

I repeat, sir, that we're in this criminal case, the oral summary proceedings for damages against the Ecuadorian State and the indigenous people. It's a rather long trial that has already lasted close to fifteen years, ten years in the United States, five years in Ecuador. The trial is going forward. Hopefully according to the, the schedule of activities we have the ruling will be made about this year; because this [will be] ready with the judicial resolution of the case.

Obviously, the parties have the right to do any sort of action, some of which will serve to advance the proceedings and others which will serve to not advance the proceedings. The *Red Amazónica* wants to advance the proceedings. Chevron obviously wants the proceedings to stay on standby. It's up to the person in the court system whether that goes forward. In my capacity as judge, as presiding judge of the court, we are doing what the law requires. The law requires that a verbal summary judgment should not take too long, so we have proposed compliance with the law. The resolution, obviously, it's been said that we intend to have it come out already about the end of the last months of this year and we have to tell the state about it. That's what I can tell you in this regard. The proceedings are going forward and we're already in the final stretch. So I don't know whether you have any concerns, sir.

I have a folder from the company.

Oh, yes, the folder [Unintelligible.] turn it over to him.

- BORJA:** *Pero, tenemos una, una, resumen de la compañía de Wayne, aquí está, para que la vea.*
- ALMEIDA:** [Unintelligible.] *Como yo he conversado Juanito [Unintelligible.] —la biorremediación— [Unintelligible.]. Y quiero ponerle a su consideración— sabiendo que usa la biorremediación de allá de Estados. Entonces, quería hacerle conocer—*
- BORJA:** *Aquí está. Es un resumen, un resumen ejecutivo.*
- HANSEN:** *Lo siento, es en inglés. Yo no sabe como escribir bien en español. Pero nosotros tiene diferentes proyectos en diferentes partes del mundo. China, esa es un foto de China. Ellos tienen grandes problemas con hospitales, y también nosotros trabajar en—donde está agua sucia por la contamination de químicos de petróleo y de otras cosas. Porque yo soy aquí porque yo quiero una oportunidad por—limpio los problemas que ustedes tienen aquí.*
- NUÑEZ:** *Me imagino que ustedes, usted tiene equipo, debería de hacerlo, por medio del gobierno, ¿no es cierto?*
- ÁVILA:** *Claro, eso ya está perfectamente hablado.*
- ALMEIDA:** *Es para conocimiento suyo.*
- BORJA:** *Yo tengo una pregunta. Pero, se supone que es civil, o sea, ¿no se supone que el gobierno no interviene en esto?*
- But we have a, a, summary of Wayne's company, so that he can see it.
- [Unintelligible.] As I have told Juanito [Unintelligible.] —bioremediation— [Unintelligible.]. And I put it up for your consideration—knowing that it's bioremediation from there, from the States. So, I wanted to introduce you—
- There you have it. It's a summary, an executive summary.
- [Imperfect Spanish.] I'm sorry, it's in English. I don't know how to write well in Spanish. But we have different projects in different parts of the world. China, that is a photo of China. They have big problems in hospitals, and we also work where the dirty water due to contamination from petroleum chemicals and other things is. Because I am here because I want an opportunity to—clean the problems you have here.
- I imagine that you, you have a team, you should do it, through the government, right.
- Of course, that is totally settled.
- It's for your information.
- I have a question. But it's assumed that it's civil, in other words, it's assumed that the government is not involved in this, right?

- NUÑEZ:** *Perdón. Para el asunto, tenemos que hablar—lo siguiente: en los juicios de daños ambientales, de acuerdo con la ley de gestión ambiental, determina que éstos deben de hacer ciertos rubros en la sentencia. Un rubro es para efectos de las comunidades indígenas afectadas. Un rubro dice, señor, para aquellas personas que denunciaron y llevaron el juicio. Y un rubro para remediación ambiental, y esa remediación obviamente la hace a través del ministerio del medio-ambiente.*
- BORJA:** *Ah.*
- NUÑEZ:** *O a través de la autoridad que designe el estado ecuatoriano. Yo desconozco a quiénes designe.*
- BORJA:** *O, es el estado que va a designar.*
- NUÑEZ:** *Obviamente, es el estado ecuatoriano el que dice, bueno, tal instrucción. Pueda que diga, hágame, usted mismo, PetroComercial, o pueda que diga haga usted, Ministerio del Medio Ambiente. O pueda que diga, haga usted, Ministerio de Inclusión Social. Yo no sé a quién le vaya a ordenar que haga estas remediaciones. Y obviamente a esta institución tendrá que contratar los servicios, no sé de quién. A quien vaya a poner el gobierno, yo desconozco de eso. Mi obligación llega, señor, a dictar la sentencia, y esa sentencia, a disponer tanto es lo que deben de pagarle a — por este juicio, se acabó. Hasta ahí llego yo.*
- Excuse me. The issue that we need to discuss—the following: in the trials on environmental damage under the Environmental Management Act determines whether this ought to put certain items in the ruling. One item is for the effects on the affected indigenous communities. One item says, Sir, for those people who complained and pursued the trial. And one item for environmental remediation, and that's obviously done through the Ministry of the Environment.
- Ah.
- Or through the authority designated by the Ecuadorian State. I don't know whom they'll designate.
- In other words, it's the state that's going to designate it.
- Obviously it's the Ecuadorian State that says, okay, these are the instructions. Maybe they'll say, PetroComercial, do it yourself, or maybe they'll say, Ministry of the Environment, you have to do it. Or maybe, they'll say, Ministry of Social Inclusion, take it. I don't know whom they'll order to do these remediations. And obviously this institution will have to contract for the services, I don't know from whom. And whom the government will put in, I don't know anything about that. My obligation, sir, is just to issue the ruling and that ruling and that order that they need to pay him so much for this trial, that's it. That's my role.

**BORJA:** Ah. Ya, ya.

Oh, yeah, yeah.

**NUÑEZ:** *Nada tengo que ver, yo, señor. Yo soy presidente de la corte, juez, mi responsabilidad es dictar la sentencia, y decir: estos rubros deben de pagarse, punto, se acabó. Y nada, el resto, yo no tengo nada que ver.*

I don't have anything to do with it, Sir. I'm the presiding judge of the court, a judge, my responsibility is to issue the ruling, and to say they have to pay these items, period, that's it. And no more, the rest, I don't have anything to do with it.

**ALMEIDA:** *Juanito, perdón, pero la vez anterior que hablamos, había, hay unos porcentajes en la ley misma, ¿no?*

Juanito, excuse me, but the last time we talked, there were, there are some percentages in the law itself, right?

**NUÑEZ:** *Sí, señor.*

Yes sir.

**ALMEIDA:** *Por ejemplo, para la biorremediación, ¿no se sabe qué porcentaje va?*

For example, for bioremediation, don't you know what the percentage is?

**NUÑEZ:** *Repite, nunca podremos saber, no les puedo decir eso yo. La demanda, señor, es de, veintisiete mil millones de dólares. No sé si a lo mejor sea el mismo rubro, o baje, o suba*

I repeat, we will never be able to know, I can't tell you that. The claim, Sir, is for twenty-seven billion dollars! I don't know whether that will be the same item, or whether it will go down or up.

**BORJA:** *O sea no es fijo que todo eso deba pagar—*

In other words, what that party has to pay isn't set?

**NUÑEZ:** *Nada que ver. O sea, para mí, el informe del perito no es obligatorio.*

Nothing to do with it. For me, the expert's report is not obligatory.

**BORJA:** *Sí. Es recomendación.*

Yes. It's a recommendation.

**NUÑEZ:** *Es una referencial. ¿Sí?, entonces, pueda ser que suba este monto. Como pueda ser que baje. O como pueda ser que se mantenga. No puedo decirle [Unintelligible.] porque, para llegar a determinar, señor [Airplane noise drowns out some of the speech.] la ley especial de gestión del daño ambiental, quién debe de pagar o quién no debe de pagar — esa es mi obligación como juez y eso, obviamente, cuándo tengo que decir es cuando ya vaya a dictar el fallo y tenga que revisar todo el proceso para dictar la resolución. Mientras tanto, decir a usted tanto va a ser para remediación, tanto para — ya no le puedo decir.*

**ALMEIDA:** *Pero, digamos, ¿no hay porcentajes, digamos—?*

**NUÑEZ:** *Los porcentajes, los que están en la ley, o sea—*

**ALMEIDA:** *Porcentajes tiene la ley—*

**NUÑEZ:** *La ley ambiental determina tanto por un lado tanto por otro, y eso es todo.*

**ALMEIDA:** *Claro.*

**NUÑEZ:** *¿Alguna pregunta más?*

**BORJA:** *No, ya está, yo creo que—*

It's a point of reference, okay? So then maybe this amount might go up. Just as it might go down. Or as it might stay the same. I can't tell you [Unintelligible.] because to come to a determination, Sir [Airplane noise drowns out some of the speech.] the Special Environmental Damage Management Act, who is to pay or who isn't to pay—that's my obligation as a judge and obviously when I have to say something is when I'm going to issue the ruling and I have to review the entire proceedings to issue the ruling. In the meantime, to tell you that so much is going to be for remediation, so much for—I can't tell you that.

But still, aren't there percentages, let's say—?

The percentages, the ones in the law, that is—

The law has percentages—

The environmental act indicates so much on one side, so much on another, and that's it.

Right.

Any more questions?

No, I don't think so. That's it.

- NUÑEZ: *¿Y usted, señor, alguna pregunta?*
- HANSEN: *¿Y cuál es el chance de mi compañía tiene de contrato por limpia de estas cosas, cual es el monto, no sé exacto—*
- NUÑEZ: *Eso, ya, desconozco yo, ya no tengo nada que ver.*
- 54:8 HANSEN: [In English.] Who puts the assignment, who is the one that chooses the company?
- BORJA: Ah, they say the one that chooses the company is the government.
- HANSEN: The government chooses that.
- NUÑEZ: *Eso tiene otro estamento. Nada tengo que ver yo, señor. Es decir, la corte no tiene nada que ver en cómo van a remediar y quién va a remediar.*
- BORJA: *Claro, la corte se encarga del caso en sí, o sea, de sacar—*
- 80:6 NUÑEZ: *De la corte sale la sentencia, que dice, tomen señores.*
- BORJA: *Oiga, y ya está para este año van a sacar, eso sí, ¿no?*
- And do you have any questions, sir?
- And what's the chance that my company has of contracting for cleanup of these things, what's the amount, I don't know exactly?
- That, uh, I don't know, uh, I have nothing to do with it.
- Who puts the assignment, who is the one that chooses the company?*
- Ah, they say the one that chooses the company is the government.*
- The government chooses that.*
- That's up to another level. I don't have anything to do with it, Sir. In other words, the court has nothing to do with how they're going to remediate and who's going to remediate.
- Right, then the court is in charge of the case itself, of issuing—
- From the court comes the ruling saying, gentlemen take this.
- Listen, and this year it will be issued, right?

- NUÑEZ:** *Sí.* Yes.
- BORJA:** *Yo estaba leyendo lo que le contaba que —dejaron, parece que faltaron unas inspecciones, ¿eso no se va a retomar para el próximo año?* And I was reading what I was telling you—they left out, it seems that some inspections were missing, isn't that going to be brought up again next year?
- NUÑEZ:** *Ya se hicieron las inspecciones, todo.* The inspections have already been made, all of it.
- ÁVILA:** *Ya está todo, ya está todo.* Everything's done, everything's done.
- BORJA:** *Ah, porque habían unas sesenta y algo que—* Oh, because there were some sixty-something that—
- NUÑEZ:** *Se acabaron, señor.* They're over, Sir.
- BORJA:** *Ah, ¿se acabaron?* Oh, they're over?
- NUÑEZ:** *Sí, señor.* Yes, Sir.
- BORJA:** *O sea, ¿esto ya se—pasa este año?* In other words, this is already—happening this year?
- NUÑEZ:** *Sí, señor.* Yes, Sir.
- BORJA:** *Eso es bueno saber, ¿no?* That's good to know, right?

- ALMEIDA** *Sí, porque Juanito, en las conversaciones que hemos tenido ya no va a presentar más incidentes— [Unintelligible.] —porque ha habido muchos incidentes que han demorado el juicio.*
- NUÑEZ:** *Bueno, las partes tiene derecho a hacer lo que quieran dentro del juicio— [Unintelligible.]*
- HANSEN:** [In English.] I want to clear up one thing. First of all, I thought it was a civil matter, now the government is involved. [Unintelligible.] —Chevron. Explain that to me.
- BORJA:** *Ah, lo que dice es que él pensaba que era un juicio civil, que eran, o sea, los indígenas contra Chevron, pero no sabía que el gobierno tenía participación en esto, pero—lo, [In English.] what he says—*
- Yes, because Juanito, in the conversations we've had, he will not present more incidents [Unintelligible.] —there have been many ancillary proceedings that have delayed the trial.
- Okay, the parties have the right to do what they want within the trial— [Unintelligible.]
- I want to clear up one thing. First of all, I thought it was a civil matter, now the government is involved. [Unintelligible.] —Chevron. Explain that to me.*
- Oh, what he says is that he thought it was a civil trial, that it was the indigenous people versus Chevron, but he didn't know that the government was participating in this, but—*what he says—*

**NUÑEZ:** *A ver, aclaro. Este es un juicio eminentemente civil, civil, verbal sumario—ágil, rápido. Pero, obviamente, Chevron ha dado, ha puesto la pata en algunos: yo no quiero este perito; no, que quiero este otro perito; no, que este perito no vale. No, ustedes ven la propaganda que está en contra de este perito Cabrera, y le acaban a este señor. Obviamente, cada cual lleva el agua para donde quiere. Eminentemente el juicio es civil, no tiene nada que ver el gobierno. Lo que pasa que es que de acuerdo con la Constitución, es una obligación del estado ecuatoriano realizar las remediaciones ambientales. O sea, realizar las remediaciones sobre la tierra, el agua. ¿Por qué? Porque es una obligación y mandamiento del estado ecuatoriano que le da la Constitución a efectos de que entregue a las comunidades el sitio debidamente remediado. Porque es una de las obligaciones del estado cuidar—*

Let's see, I'll explain. This is an eminently civil trial, civil, oral, summary—speedy, fast. But obviously, Chevron has given, it's put its hand in some things: I don't want this expert; no, I want this other expert; no, this expert is no good. No, you see the propaganda against this expert Cabrera, and they fire this man. Obviously, everyone pursues his own agenda. The trial is eminently civil; the government has nothing to do with it. What is going on is that under the Constitution, it's an obligation of the Ecuadorian State to do the environmental remediation. In other words, to carry out the remediation of the land and water. Why? Because it's an obligation and a mandate of the Ecuadorian State given to it by the Constitution so that it can turn the site over to the communities duly remediated. Because that's one of the obligations that the state has to take care of—

**BORJA:** *¿Y quién audita esto, disculpe?*

Excuse me, and who audits this?

**NUÑEZ:** *Perdón?*

Pardon me?

**BORJA:** *¿Quién audita el trabajo que se da—la corte?*

Who audits the work given—the court?

**NUÑEZ:** *Ya está auditado a través de peritos por la corte.*

It's already audited by the court through experts.

**BORJA:** *Ah, pero yo digo, el trabajo que van a hacer, que van a remediar.*

Oh, but I mean the work they're going to do, that they're going to remediate.

|         |  |  |
|---------|--|--|
| NUÑEZ:  | <i>¿Quién audita? El gobierno.</i>   | Who does the auditing? The government.   |
| BORJA:  | <i>Ah, el gobierno.</i>  | Oh, the government.  |
| NUÑEZ:  | <i>O la institución que designe.</i>   | Or the institution it designates.  |
| BORJA:  | <i>Y la corte no revisa las personas—</i>  | And the court doesn't review the people—   |
| NUÑEZ:  | <i>No, señor. Nada. No tiene nada que ver en eso.</i>  | No, sir. Nothing. It doesn't have anything to do with that.  |
| ALMEIDA | <i>Juanito, escuché que va a hacer remediación, porque para que las cosas vuelvan a su estado natural —</i>  | Juanito, I heard that there's going to be remediation, because for things to return to their natural state—  |
| NUÑEZ:  | <i>Es imposible.</i>   | It's impossible.   |
| ALMEIDA | <i>Es posible. Es con la biorremediaciόn, Juanito.</i>   | It's possible. It's possible with bioremediation, Juanito.   |
| NUÑEZ:  | <i>Si, yo entiendo. Para que a lo mejor vuelva a tener la capa fértil, como que ya no—</i>   | Yes, I understand. Because probably it's going back to having fertile topsoil, since no longer—  |
| BORJA:  | <i>O sea, pasó el tiempo también, han pasado, ¿cuántos años?</i>   | In other words, spend time as well, it's been how many years?  |
| NUNEZ:  | <i>Aquí, según el juicio, señor, hay que remediar la tierra, hay que remediar un montón de cuestiones, el agua, los ríos que están bastante afectados—</i> | Here, according to the trial, Sir, the land has to be remediated, a boatload of issues has to be remediated, water, the rivers that are rather affected— |

**BORJA:** [Unintelligible.]

[Unintelligible.]

**HANSEN:** [In English.] I have one more question. He's the judge, right? When he hammers his thing, the gavel, down, how much time from that point to the giving up of the contract or starting the clean-up, or what?

*I have one more question. He's the judge, right? When he hammers his thing, the gavel down, how much time from that point to the giving up of the contract or starting the clean-up or what?*

**BORJA:** *Lo que pasa es que en los Estados Unidos es diferente. En los Estados Unidos, allí el juez coge un martillazo y él es el que asigna las cosas. De la sentencia, más o menos, hasta que se elaboren los primeros trabajos de remediación, ¿cuanto tiempo será, más o menos?*

What happens is that it's different in the United States. In the United States, there the judge grabs a gavel and he's the one that assigns things. From the ruling, more or less, until the first remediation work is done, how much time is that, more or less?

**NUÑEZ:** *Bien. La sentencia se dictará a fines de este mes, de este año.*

Okay. The ruling will be issued near the end of this month, this year.

**BORJA:** *Ah, ya.*

Oh, yeah.

**NUÑEZ:** *Cuando haga la remediación, ya es decisión del estado.*

When remediation is to be done, that's the state's decision.

**ÁVILA:** *Tiene que el gobierno marcar la [Unintelligible].*

The government has to set the [Unintelligible].

**BORJA:** *Los, los, los, ¿cómo se llaman? Los demandantes, ¿no presionan? O sea, dicen, no quiero que me demoren, quiero que me remedien rapidísimo.*

The, the, the, what do you call them? The plaintiffs, don't they apply pressure? In other words, they say, I don't want to be delayed, I want to be remediated really fast.

**Unknown speaker** [Inaudible.]

[Inaudible.]

- ÁVILA:** *Ellos tienen que, con la plata, también, el gobierno.*
- BORJA:** *O sea, pero, la corte también dice, por ejemplo, bueno, tiene que pagar tanto, digamos, ¿no es cierto?, se asigna la cantidad y esa cantidad la pagará, eh, Chevron directamente a las compañías que van a remediar o le pagará al gobierno o a los demandantes—*
- NUÑEZ:** *Esos dineros tienen que pagar a la corte.*
- BORJA:** *Ah, la corte designa.*
- NUÑEZ:** *La corte les entrega a los, a las partes, de acuerdo con el proceso.*
- BORJA:** *Ya entiendo, ya entiendo.* [In English.] See, the thing is that when the court assigns the money, right, the court says who is going to be responsible for the money. So, the court says, this amount for this, this amount for that. And they have to, they have to do that—
- NUÑEZ:** *Ahora, obviamente, usted dice a lo mejor el gobierno tiene incidencia en este juicio: ¡no!*
- BORJA:** *Claro, no.*
- They have to, with the money, also, the government.
- In other words, but, the court also says, for example, okay, you have to pay so much, let's say, right, the amount is assigned and, uh, Chevron will pay that amount directly to the companies that are going to remediate or it will pay the government or the plaintiffs—
- They have to pay those funds to the court.
- Oh, the court designates.
- The court delivers it to the, to the parties, in accordance with the proceedings.
- I understand, I understand. *See, the thing is that when the court assigns the money, right, the court says who is going to be responsible for the money. So, the court says, this amount for this, this amount for that. And they have to, they have to do that—*
- Now obviously, you say that probably the government has an impact on this trial: no.
- Of course not.

- NUÑEZ:** *El gobierno no tiene nada que ver. Esto es asunto de dos personas que pelean. Lo que pasa es que la bio-diversidad, la remediación se tiene que hacer en el suelo, en el territorio nacional, ¿y quién tiene que ver en esto? El estado ecuatoriano. El estado ecuatoriano tendrá que decir, porque es que en la ley de gestión ambiental en su artículo 43 dice que, del porcentaje de esto será el veinte por ciento, esto por otro lado. Esos valores tienen que hacerse para remediación ambiental. Bien, ¿y quién administra eso? El estado, a través de sus, del ministerio que designe, yo no sé cuál.*
- BORJA:** *Claro, pero usted lo que hace es definir para dónde se va—la corte, digamos, es la que recibe, no es cierto, y dice esto es para—*
- NUÑEZ:** *La corte es la que dice, tanto tiene que pagar, señor.*
- BORJA:** *Perfecto.*
- NUÑEZ:** *Yo no voy a decir, tome esto, para que la compañía tal haga—*
- Multiple speakers** [Unintelligible.] [Unintelligible.]
- NUÑEZ:** *Otras tendrán que ver en eso, no yo.*
- BORJA:** *¿Quién escoge realmente que compañía es buena o mala para remediar?*
- The government has nothing to do with it. It's a matter of two people fighting. What's going on is that biodiversity, remediation has to be done on the soil, domestically, and who has something to do with that? The Ecuadorian State. The Ecuadorian State will have to say, because Article 43 of the Environmental Management Act says so, that the percentage of this will be twenty percent. On the other hand, those funds will have to be made available for environmental remediation. Okay, and who administers that? The state through its, the ministry it designates, I don't know which one.
- Right, but what you're doing is defining where it's going—the court, let's say, is the one that receives it, right, and it says this is for—
- The court is the one that says you have to pay so much, sir.
- Perfect.
- I'm not going to say take this so that such and such a company does—
- Other people will have something to do with this, not me.
- Who really chooses which company is good or bad to remediate?

- NUÑEZ:** *¿Quién escoge? La institución a la que designe el estado.*
- BORJA:** *Ah, ¿y hay algunos parámetros que deben tener las compañías para poder participar?*
- NUÑEZ:** *Todas aquellas personas, señor, que intervienen para la remediación tienen parámetros, bajo los cuales trabajan. Así como para designar un perito, para que haga las evaluaciones de los daños que dice que ha hecho Chevron, también se han designado peritos, peritos que están calificados en la fiscalía general del estado.*
- BORJA:** *Claro. [Unintelligible.]*
- ÁVILA:** *Además, cuando mañana hablamos con el presidente de esta cuestión — [Unintelligible]*
- BORJA:** *¿Hoy día?*
- ÁVILA:** *Hoy día.*
- ALMEIDA** 100  
*Ahora mismo van' ir. Nos tenemos que ir a Ambato a hablar con el presi ahora, y con los asesores, porque ahora tiene—*
- BORJA:** *La noche cultural.*
- Who chooses? The institution designated by the state.
- Oh, and are there some parameters that the companies have to have to be able to participate?
- Anyone, Sir, who gets involved in remediation has parameters and works under those parameters. Just as to designate an expert to do the evaluation of the damage that he says Chevron did. Experts have also been designated, experts that have been qualified by the state's Office of the Prosecutor.
- Right. [Unintelligible.]
- In addition, when, we talk tomorrow with the president on this issue—  
[Unintelligible.]
- Today?
- Today.
- They're going to go right now. We have to go to Ambato to talk to the president now and the advisors, because now he has—
- Cultural night.

|     |                |   |  |
|-----|----------------|---|--|
|     | <b>ALMEIDA</b> | <i>Un ministerio itinerante allá y mañana tiene informe de la radio, informe presidencial. Entonces, le va a mostrar—</i>   | An itinerant ministry there and it will have a radio report tomorrow, a presidential report. So he's going to show him—  |
|     | <b>NUÑEZ:</b>  | <i>¿Qué preguntas más tiene el gringuito?</i>   | What other questions does our gringo friend have?  |
| 107 | <b>HANSEN:</b> | <i>Yo ningún, no. Yo entiendo más o menos, eh, es una tiempo por usted, [In English.] he puts his word down—</i>  | None for me, no. I understand more or less, uh, it's a period for you, <i>he puts his word down</i> —  |
|     | <b>BORJA:</b>  | <i>No, yo creo que está claro, ¿no? O sea la sentencia. [Simultaneous with previous speech.]</i>  | No, I think it's clear, right? In other words, the ruling. [Simultaneous with previous speech.]  |
|     | <b>ALMEIDA</b> | <i>Va a ser rápido.</i>   | It's going to be fast.   |
|     | <b>HANSEN:</b> | <i>Y después—</i>   | And then—  |
|     | <b>BORJA:</b>  | <i>Y ahora, pero, la sentencia pueden ellos alargarla, ¿no es cierto?</i>   | And now, but the ruling, they can extend it, right?  |
|     | <b>NUÑEZ:</b>  | <i>Una sentencia, usted sabe, pueden apelar.</i>  | A ruling, as you know, can be appealed.  |
|     | <b>BORJA:</b>  | <i>O sea, pueden apelar. Ah, esa era otra pregunta que tenía. O sea, el, el, ¿una vez que usted dicte sentencia, ellos no pueden apelar en cortes internacionales, o sí pueden, o ya es final la que usted esta dando aquí?</i> | In other words, they can appeal. Oh, that was another question I had. In other words, the, the, once you issue a ruling, they can't appeal in international courts, or if they can, or is what you're giving here final? |

1  
16:21

**NUÑEZ:** *Bien, esta sentencia, ahora tiene dos perspectivas. Es apelable la sentencia ante la sala de la corte y es ejecutable también por resolución de la corte federal de los Estados Unidos, ante los Estados Unidos.*

**BORJA:** *¡Ah!, ¿sí? O sea que, lo que usted diga, ¿tiene que ser respetado allá también?*

**NUÑEZ:** *Tiene que ser respetado allá, y allá se ejecuta para todos los valores, si es que no quieren pagar.*

**BORJA:** *O sea, allá les pondrían una, cómo se llama—los medios, las plantas—*

**NUÑEZ:** *—medidas cautelares reales.*

Okay, this ruling, has two perspectives. The ruling is appealable before the court and it is also executable by resolution of the United States federal court for the United States.

Oh yes, in other words, what you say has to be respected there as well?

It has to be respected there, and it's executed there for all the funds if it turns out that they don't want to pay.

In other words, they'll put up a, what do you call it—the means, the plants—

—financial precautionary measures.

**ÁVILA:** *Claro, aquí está todo el mundo, all the world says no. [Parts of the last three speeches overlap and it's hard to get everything everyone is saying.]*

**HANSEN:** [In English.] Yeah. Chevron is being naughty.

Right, here's everyone, *all the world says no*. [Parts of the last three speeches overlap and it's hard to get everything everyone is saying.]

*Yeah. Chevron is being naughty.*

**BORJA:** *O sea, claro lo que usted toma la decisión aquí, ya ellos no pueden decir, voy a llevarle a corte internacional y alargarle otros diez años más.*

**ÁVILA:** *No, no, no, ya no. [Cutting in.]*

In other words, it's clear that you're making the decision here, they can't say, I'm going to take it to international courts and extend it for ten more years.

No, no, no, no more. [Cutting in.]

- NUÑEZ:** *Ya la corte de los Estados Unidos mandó un dictamen y aquí se radicó la competencia, que debe resolver la corte de acá, y lo que tiene que esperar la corte allá es la resolución para ejecutar.*
- BORJA:** *Yo pensé que — ¿Y no tiene que ir a Quito a la superior, ni nada de eso?*
- NUÑEZ:** *No. Este tipo de juicio verbal sumario termina aquí.*
- BORJA:** *Yo pensé que sí podían—como andan diciendo por todos lados, sí podemos, vamos a apelar.*
- NUÑEZ:** *No, este es un juicio verbal sumario. Los juicios que van a nivel de la corte constitucional son aquellos juicios que se tramitan por otras vías. Pero allá no va este tipo de juicio, este juicio es civil. A lo mejor por violación a las normas del debido proceso, puede impugnarse allá.*
- BORJA:** *¿Pero por eso lo ha manejado correctamente, no? [Unintelligible chatter and laughter overlap.] O sea, digo eso porque, yo me imagino que éstos van a dictar sentencia, ellos van a pelear y van a buscar de dónde—y está en su derecho. [Some unintelligible, overlapping comments.]*
- NUÑEZ:** *Claro. La ley le permite, señor, la ley le permite.*
- BORJA:** *Ah, claro. Y qué tal, ¿usted se queda todavía de largo acá, o sea, no—*
- The court in the United States already sent an opinion and the competent forum is now here, that the court here should resolve it, and what the court there has to wait for is the decision to be executed.
- I thought that— And it doesn't have to go to Quito to the higher court, none of that?
- No. This type of verbal summary trial ends here.
- I thought they could—like they're saying everywhere, if we can, we're going to appeal.
- No, this is a verbal summary trial. The trials that go to the constitutional court level are the ones going through other channels. But this type of trial doesn't go there; this is a civil trial. At best it could be challenged there for violation of provisions about due process.
- But that's why you've handled it correctly, right? [Unintelligible chatter and laughter overlap.] In other words, I'm saying that because I imagine that the decision will be issued, they're going to fight and they're going to figure out how and they have the right to do that. [Some unintelligible overlapping comments.]
- Right. The law permits them, Sir, the law permits them.
- Oh, right. So, are you staying here for a longer time, or are you not—

- NUÑEZ:** *No sé, señor, hasta cuando esté, usted sabe que como burócratas está con un pie afuera y un pie adentro. Nunca hay que estar seguros.*
- ALMEIDA** *Pero con el respaldo ya está dado con este gobierno. Si con este gobierno está totalmente respaldado.*
- ÁVILA:** *Además otra cosa que la gestión de Juanito va ser muy importante, porque inclusive va con toda la confianza, doctor Juanito, no tengas ningún recelo. [Speaks very softly, hard to hear.] Y agradecerle por la acción que nos ha hecho. [Some unintelligible discussion.]*
- NUÑEZ:** *Estoy para servirles, señores.*
- HANSEN:** *[In English.] I have one more question. How does the appeal process work, in this country? Chevron will say, no, rawr, rawr, appeal it, appeal it, forever.*
- BORJA:** *[In English.] No, that's what he said. Sí, ¿habla inglés, usted, doctor?*
- NUÑEZ:** *[In French.] Comme ci, comme ça. [Laughter.]*
- HANSEN:** *¿Cómo se llama la palabra appeal?*
- BORJA:** *Apelar.*
- I don't know, Sir, how long I'll be here. You know how bureaucrats are, one foot out and one foot in. You can never be sure.
- But with the support, it's already provided with this government. Yes, with this government it's totally backed up.
- One more thing, Juanito's management is going to be very important, because it even goes with all the confidence, doctor Juanito, don't have any distrust. [Speaks very softly, hard to hear.] And to thank you for the action that you did for us. [Some unintelligible discussion.]
- I am at your service, gentlemen.
- I have one more question. How does the appeal process work, in this country? Chevron will say, no, rawr, rawr, appeal it, appeal it, forever.*
- No, that's what he said. Yes, do you speak English, doctor?*
- [In French.] Comme ci, comme ça. [Laughter.]*
- How do you say the word *appeal*?
- Apelar.

- HANSEN:** *Apelar. Que ellos tienen, ¿por cuántos años?*
- NUÑEZ:** *No son cuántos años, señor. Un juicio verbal sumario apela ante la sala de la corte. La sala de la corte es aquí mismo. Y en la sala de la corte resolvemos, máximo, en sesenta días.*
- HANSEN:** [In English.] Oh, really? Wow. *En Estados Unidos es muy chueco: once años.*
- BORJA:** *Pero es que ya van en este juicio, quince.* [Some comments overlap.]
- NUÑEZ:** *Aquí ya vamos cinco años de juicio.*
- HANSEN:** *Este el último riel, no más, no más.*
- NUÑEZ:** *Diez años estuvo en Estados Unidos.*
- BORJA:** *Pero, ¿no comenzó nuevamente en el dos mil dos, recién?*
- HANSEN:** *Apelar. That they have, for how many years?*
- It's not how many years, Sir. A verbal summary trial is appealed to the court chamber. The court chamber is right here. And in the court chamber, we resolve it in a maximum of sixty days.
- Oh, really? Wow.* In the United States, it's very screwy: eleven years.
- But in this case it's already been fifteen. [Some comments overlap.]
- Here we've already spent five years in trial.
- This is the end of the line, no more, no more.
- It was in the United States for ten years.
- But didn't it start again just in two thousand two?

- NUÑEZ:** *No. Este juicio se inició en los Estados Unidos, y en el dos mil tres vino acá por disposición de la corte federal de Estados Unidos. [Some overlapping comments.] Vino acá y aquí se radicó la competencia. Allá estuvo diez años. Es decir, la corte dijo no, vaya nomás a [Unintelligible.] —al Ecuador, que se ejecute, determine allí el daño que existe, los montos de los daños para nosotros ejecutar. Se acabó. Porque realmente la empresa está radicada allá. Y eso le suma peso.*
- BORJA:** *Claro. Pero que no tiene también una base—*
- NUÑEZ:** *Aquí tiene un grupo de abogados.*
- BORJA:** *Ah, pero no era un grupo de abogados de allá, que estaban defendiendo, o sea—*
- NUÑEZ:** *Igualmente tiene un grupo de abogados acá, y acá son treinta abogados más.*
- BORJA:** *Chuta*
- HANSEN:** *Entonces usted dice, ¿setenta días, máximo?*
- NUÑEZ:** *Sesenta.*
- No. This trial started in the United States, and in two thousand three it came here by order of the United States federal court. [Some overlapping comments.] It came here, and here's where jurisdiction was set. It was there for ten years. In other words, the court said no, you may go to [Unintelligible.] —to Ecuador, have it executed, determine there the damage that exists and the amount of damages for us to execute. It's over. Because really the firm is rooted there. And that adds weight to it.
- Right. But they don't also have a base—
- Here it has a group of attorneys.
- Oh, but wasn't it a group of attorneys from there that were defending, in other words—
- They also have a group of attorneys here, and there are thirty more attorneys here.
- Wow.
- So you say seventy days max?
- Sixty.

HANSEN: *Sesenta. Sixty days. And we have, cuántos días más for the, forty-five more days and the trial's over? So, más o menos noventa días, decisión es final. ¿Más o menos, eh?*

BORJA: [In English.] That would be the amount of time we have in order to make the company, get the payment done, all that

HANSEN: [In English.] OK, I got it.

Sixty. Sixty days. And we have, how many more days for the, forty-five more days and the trial's over? So, more or less ninety days the decision is final. More or less, eh?

*That would be the amount of time we have in order to make the company, get the payment done, all that.*

*OK, I got it.*

NUÑEZ: *Tome en cuenta que una sentencia, puede pedirse que le amplíen, que le aclaren. Y luego puede pedir que la apelan. Y eso va corriendo, no puedo decirle cabalmente sesenta días, pun. No. A lo mejor, claro, obviamente, la empresa va a pedir que se alargue más.*

BORJA: *Ah, pero no pueden apelar en contra de las pruebas, ¿no es cierto? O sea, porque según ellos, estaba leyendo—*

NUÑEZ: *Un juicio puede apelarse cuando la ley permite, en todo caso.*

BORJA: *Y en este caso, ¿ya no?*

Keep in mind that in a ruling he can ask for supplementation, for clarification. And then he can ask for it to be appealed, and that goes on, I can't tell you reliably sixty days, period. No. Probably, of course, obviously, the company is going to ask for it to be extended some more.

Oh, but they can't appeal against the evidence, right? In other words, because they say, I was reading—

A trial can be appealed when the law permits in any event.

And in this case, no more?

NUÑEZ: —*puede apelar.*

—they can appeal.

BORJA: *Ah, o sea, pueden apelar diciendo que, por ejemplo, yo tengo una muestra y esta muestra dice que está bien, y otro dice que está mal.*

Oh, in other words, they can appeal saying, for example, I have a sample and this sample says it's good and the other one says it's bad.

12:47

13:16

13:40

- NUÑEZ:** *No, señor, eso ya no está permitido dentro del juicio. Ya no puede regresarse a eso por un principio que se llama principio de preclusión.*
- BORJA:** *Ah.*
- NUÑEZ:** *Ya pasó esa etapa.*
- BORJA:** *Claro.*
- HANSEN:** *Chevron tiene, how do you say assets, eh, ellos tienen edificios, ellos tienen cosas aquí en Ecuador que usted, ah, sequester?*
- BORJA:** *La corte puede ordenar.*
- ALMEIDA** *Allá mismo en Estados Unidos, sí.*
- BORJA:** [In English.] When he rules, even, it works in the United States.
- HANSEN:** [In English.] Oh, really?
- BORJA:** Sí. [In English.] When he rules, they can sequester assets for Chevron.
- Unknown speaker** *Así es.*
- No, sir, that is no longer permitted within the trial. You can't go back to that because of a principle called the principle of preclusion.
- Ah.
- That stage is past.
- Right.
- Chevron has, *how do you say assets*, eh, they have buildings, they have things here in Ecuador for you, uh, *sequester*?
- The court can order.
- That's even the case in the United States.
- When he rules, even, it works in the United States.*
- Oh, really?*
- Yes. *When he rules, they can sequester assets for Chevron.*
- That's right.

|        |   |   |
|--------|---|---|
|        | <b>NUÑEZ:</b> <i>Esta sentencia se ejecuta en Estados Unidos para el aspecto dineros.</i> | This ruling is executed in the United States in the funds aspect. |
|        | <b>HANSEN:</b> [In English.] OK. I understand.  | <i>OK. I understand.</i>  |
|        | <b>BORJA:</b> <i>Bueno, le agradezco mucho.</i>   | Okay, thank you very much.  |
|        | <b>HANSEN:</b> <i>Señor juez, el juez. ¿Cómo se llama usted?</i>                          | Your Honor, Judge. What's your name?                              |
|        | <b>NUÑEZ:</b> <i>Yo no me equivoco, ni me molesto.</i>                                    | I'm not wrong or worried.   |
|        | [Some unintelligible chatter.]  | [Some unintelligible chatter.]                                    |
| SUAREZ | <b>NUÑEZ:</b> <i>Que le vaya muy bien. Doctor, que le vaya muy bien.</i>                  | Hope it goes very well. Hope it goes very well, Doctor.           |
|        | [Some unintelligible chatter.]  | [Some unintelligible chatter.]                                    |
|        | <b>BORJA:</b> <i>Él canceló las inspecciones, ¿no es cierto?</i>                          | He cancelled the inspections, didn't he?                          |
|        | <b>ALMEIDA</b> <i>Claro, allí. No más, dijo.</i>  | Right, he did. No more, he said.                                  |
|        | <b>BORJA:</b> <i>Ya no más, van.</i>  | No more, get out of here.   |

[Some unintelligible chatter.]

[Some unintelligible chatter.]

HANSEN: *Ya son las once y veinte.*

It's eleven twenty, already.

BORJA: *Ya es hora de ir a comer.*

It's time to go to eat.

[Some unintelligible chatter.]

[Some unintelligible chatter.]

25. **BORJA:** *Bueno pero, ¿y cómo quedó lo de la  
pla—? ¿Cómo quedó lo de la plata?  
De eso no hemos hablado, no dijó nada.  
¿Cómo quedó? [Some comments  
overlap.]*

[Ends with unintelligible chatter.]

Okay, but how did it turn out about the  
mo—? How did it turn out about the  
money? We haven't talked about that, he  
didn't say anything. How did it turn out?  
[Some comments overlap.]

[Ends with unintelligible chatter.]

## CERTIFICATE OF ACCURACY

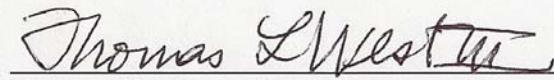
STATE OF GEORGIA

SS:

COUNTY OF COBB

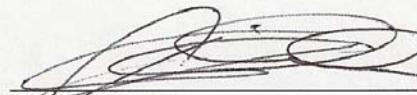
Thomas L. West III, being duly sworn, deposes and says:

That the translation into Spanish of the attached document in the English language is a true and complete translation to the best of my knowledge, ability and belief.



Thomas L. West III  
INTERMARK LANGUAGE  
SERVICES CORPORATION

Subscribed and sworn to before me this day, Saturday, August 29, 2009.

  
\_\_\_\_\_  
Notary Public