Paraguay: Understanding the Issue of Giving Land Away

After reading recent reports written by several church leaders and watching a video of In Jin Nim's Aug. 29th sermon in Paraguay, it is evident that she has either chosen to ignore the historical facts or been the victim of misinformation regarding the situation in South America, especially that of Paraguay. From some of her statements, it is sadly apparent that she has an inaccurate understanding of her brother Hyun Jin Nim's work in Paraguay, how many Paraguayan members perceive this work, and the nature of continental director Dongmo Shin's activities in the region.

The purpose of this paper is to shed light on several aspects of the situation in the country of Paraguay that perhaps have not been well reported to the movement at large. It is hoped that this report may reach In Jin Nim and those working with her in order for them to have a better understanding of the situation. Rev. Shin cannot claim that he was not informed of the facts, as he met with Victoria SA's representatives in August of 2009 when much of this content was reported to him.

Several written reports that serve as supportive documentation are attached.

Introduction

As strange and distressing as it may seem, since 2009, the sole focus of Rev. Shin, who is the continental director for 33 countries of Latin America and the Caribbean, has been to impede the work of various profit and non-profit organizations under Dr. Hyun Jin Moon in Brazil and Paraguay. By now, everyone knows of the charade he put on in Brazil when Hyun Jin Nim visited there at the end of May. Since then, responsibility for managing the extensive Jardim properties has been taken away from UCI and taken over by the Brazilian church, led by Rev. Kim Heung Tae, church president Simao Ferrabolli and Rev. Shin. Time will tell how well they do. However, early reports from Jardim indicate that things are not going well.

Regardless of the fact that Rev. Shin has spent little time in Paraguay, and his information sources are neither credible nor well-informed, he continues to pursue this precarious angle. His focus of attention in Paraguay has not been on how to revive the flailing church or how to boost witnessing results, but only in how to nullify a two-year-old transfer of land from the Association's name to a new corporate structure that cleans up the balance sheet and better protects the land from expropriations and illegal squatters, as well as to better position it to attract outside investment for development purposes. The new structure is based on the best advice of leading lawyers and accountants in Paraguay and elsewhere and was duly reported and approved at the time. The former continental director, Rev. Jung Soon Cho, was delighted with everything going on in Paraguay and reported positively about everything to True Parents. Yet, suddenly, as has happened with every leader who expressed a favorable opinion of Hyun Jin Nim in recent years, Rev. Cho was replaced by Rev. Shin, whose hostility and rudeness towards HJN quickly caused him

to lose credibility among many members around the world. Rev. Shin's actions during his visits to Paraguay in 2009 and 2010, and his association with a Costa Rican lawyer representing Kook Jin Nim and the Mission Foundation, have proven that his intention is to destroy what has been accomplished over the few years in Paraguay.

Most recently, Rev. Shin and the Costa Rican lawyer mentioned above have been doing everything possible to exacerbate the already difficult situation of Victoria S.A., which is the company that manages the land, by intentionally sowing seeds of confusion regarding the ownership of the land, by bringing back serious problems created by the previous administration of the company (before HJN's intervention at Father's urging), by spreading malicious rumors about the current management of Victoria S.A., and by siding with a group of people known by all to be thoroughly corrupt and whose sole interest is to take what is not theirs. Such actions are not only irresponsible but dangerous.

As if the problems and confusion caused by the Costa Rican lawyer in July of 2009 were not enough (refer to correspondence attached in endnotesⁱ), this same person, together with Rev. Shin, accompanied In Jin Nim during her trip to Paraguay. This fact alone shows that her intention in coming to Paraguay was not simply to share True Parents' message with members and public, but rather to discredit her brother. And as soon as In Jim Nim left, Mr. Saborio flew to Puerto Casado with two Koreans from the Mission Foundation and with a leader of the Pro-Tierra organization named Mr. Olmedo, without even informing the local church members in Asuncion. There, these so-called "church representatives" met with the rest of the Pro-Tierra leadership and promised to proceed with a donation of 30,000 hectares of church land, as well as to provide funds for big investments projects. Dealing in this way with these people who seek their own benefit at the expense of all others will only serve to encourage and empower them.

The following is an explanation about who Rev. Shin and the Costa Rican lawyer hired by the Mission Foundation have allied themselves with in their futile determination to block Hyun Jin Nim's work for True Parents in Paraguay.

The "Pro-Tierra" Commission

Five years ago, the Paraguay government passed a law expropriating 52,000 hectares of land that had been bought by our movement in the name the Paraguay Family Federation Association. A year later, in order to void the expropriation, the Association agreed to donate 30,000 hectares to the townspeople of Puerto Casado. The donation was contingent on a number of conditions which have never been met due to the intransigence of a small group of corrupt opportunists in the town of Puerto Casado, called the "Pro-Tierra" ("Pro-Land") Commission.

Now, Rev. Shin and lawyer Saborio are currying favor with these very people, going as far as to offer them the promised 30,000 hectares of land to do with as they please. This was never the intention of the donation as originally conceived and will only encourage and

empower these people, who seek their own benefit at the expense of all others. Shin's plan is in need of serious reconsideration.

The Pro-Tierra group has historically been known to have a strong opposing stance to our Movement's presence and it has radical left wing tendencies. Ever since the purchase of the land in Paraguay, the Pro-Tierra group has been damaging our work in the form of illegal squatters, smear campaigns, and simply by stealing properties, facilities, and assets. Furthermore, the Pro-Tierra commission is known to have close ties with a notorious terrorist group known as the People's Revolutionary Army, or EPP, which established a communications center in Puerto Casado and a hidden camp inside one of the properties that the Pro-Tierra group has been illegally occupying (in other words, the Pro-Tierra group is hiding and harboring terrorists).

Ever since the land purchase, corrupt individuals living in the area have tried to have it expropriated by the state and handed over to them. In particular, the Pro-Tierra group illegally took possession of the house designated for our True Parents in Puerto Casado and "installed" themselves in the property's hotel, factory, forestation area, fish farm, and in other pieces of land. When the Pro-Tierra people took over these facilities, they were in good condition. And, as you can see in the following pictures, after they took over, the facilities were razed and became run down. They never did any maintenance nor did they create something constructive for the community. Their cries for land have shown to be only a scheme to gain quick money. If the Pro-Tierra had developed the land they illegally and forcefully took, or if they had done something to stop the widespread poverty in Casado, then they might have an argument and could be seen in a different light. However, this is clearly not the case.

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¹ "Critsobal Notraio is a town councilman and president of the radical Pro-Tierra Commission. He refuses to return the properties in the town, which are currently occupied by the Puerto Casado Poty cooperative, managed by Francisco Dick." Source: http://iabc.com.py/2009-04-16/articulos/513024/division-en-lacomision-pro-tierra

Before and After Pro-Tierra

Images of the factory in Puerto Casado (2005):



Images of the factory in Puerto Casado after Pro-Tierra illegally took over (current):



Wood storage before and after Pro-Tierra took over:





Before After

Administration offices before and after Pro-Tierra took over:





Before After

Hotel in Puerto Casado before and after Pro-Tierra:





Before After

Fish farms before and after Pro-Tierra:





Before





After

Internet lab before and after Pro-Tierra took over:





Before and after (Pro-Tierra took the computers. They use the place as their bar...)

Train in Puerto Casado before and after Pro-Tierra:





Before





After

Some in the Pro-Tierra group, including their president, Cristobal Notario, have been politically active in Puerto Casado. Among their main supporters is a radical priest (Father Martin) of the Catholic Church (liberation theology) who uses a pirate radio station (broadcasts without a legal permit) to influence public opinion against our movement. Other Pro-Tierra supporters are vocal pro-Chavez ministers in the Lugo government, including several who are professed communists. These people have been involved in sending poor, young kids to Bolivia for revolutionary military training.

Over the past 18 months, the Pro-Tierra leaders have lost much, if not most, of their support among the local townspeople who are overwhelmingly "Pro-Work" or "Pro-

Victoria". While they may have some sway over the population in Puerto Casado, their extreme leftist tendencies and visible corruption are the main causes for them losing popular support.² Although the main leaders of Pro-Tierra are enjoying the boons of capitalism and are known to have nice homes in parts of the country, they have no respect for private property and their rhetoric is one that resembles North Korean views of America. Their vocabulary often conjures an image of "imperialist pigs" exploiting the poor—even though Victoria has been providing employment to over 300 workers while the Pro-Tierra commission has done nothing to improve the people's situation.

The Pro-Tierra group has not been shy to resort to violence. A few weeks ago in August of 2010, three Victoria SA representatives, including two church members, were ambushed by a group of Pro-Tierra supporters while driving through our own property. The Pro-Tierra people surrounded their truck and held the workers captive for several hours. They smashed the truck and threatened to kill the Victoria's representatives. Fortunately, nobody was injured and rhe employees were released after higher-level officials came to the rescue. Several of the Pro-Tierra members involved in this ambush are now facing serious criminal charges in the city of Concepcion.

Pictures of the damage done to Victoria's vehicle by Pro-Tierra:



² "Results of the recent primary elections of the Colorado Party have been a complete failure for the Pro-Tierra group... Cristobal Notario lost the election. The Colorado Party in Puerto Casado refused to accept any radical postures. In Casado, the uninterrupted presence of the revolutionary EPP is no secret..." Source: http://www.abc.com.py/nota/161620-Dirigentes-radicales-de-Casado-perdieron-las-internas-coloradas/

Faces of Pro-Tierra: Who are they?

The following are the main individuals of Pro-Tierra: Francisco Dick, Cristobal Notario, Raul Lagraña, Hilario Adorno, Ariel Guzzione, Alfonso Olmedo, Priest Martin Rodríguez. More and more, the townspeople themselves are rejecting the radical tactics of Pro-Tierra. More than land, these people want jobs, which Victoria S.A. is providing. If the 30,000 hectares of land is given to Pro-Tierra, the most likely scenario would be that they cut down all the trees, raze the land, take anything else left of valuable and sell it. The only beneficiaries would be very few individuals at the top. It is not a sustainable approach. Already Francisco Dick and priest Martin Rodriguez are known for promoting violence in the town of Puerto Casado.³ In July 2009, during Hyun Jin Nim's visit to Paraguay, lawyer Francisco Saborio, who was sent by the Mission Foundation and assisted by Rev. Shin, flew to Puerto Casado to meet with the Pro-Tierra people and revealed to them about the internal struggles taking place within the True Family. He claimed that he would bring a solution to the people's problems within 3 months. It is shocking that he revealed such sensitive information even before many of our own members were aware of the internal situation (there are testimonies and transcriptions of press releases of this fact). Rev. Shin claims it was Victoria's misreading of the situation that led to the violence even though major newspapers and witnesses claim the contrary. Victoria S.A. has all the necessary legal judgments and decisions and all the reason to enter into its own properties.4 Witnesses testify (there are written testimonies and articles) that it was the lawyer's intervention that emboldened the Pro-Tierra group which led to situations of violence.

Day of violence by Pro-Tierra (July of 2009):



Pro-Work supporters are peacefully demonstrating (sign reads "Security and work for all"). Police line up to protect our properties as issued by a judicial court order.

³ Ibid.

⁴ <u>Judicial decree</u>: Judge Hugo Becker, by judicial decree no. 701, solicited the commander of the National Police "the assistance of sufficient police force, to the effect of guaranteeing the necessary actions to secure the assets and real estate" of Atenil SA and the Moon sect. Especially the "Directory (TP's house), factory, hotel, guest house, and fish farms," which are located in Puerto Casado. Thereby "avoiding, or even repelling, the invasion or entry of strange people into the mentioned properties." Source: http://www.vivaparaguay.com/new/index.php?option=com_content&view=article&id=8476:conflicto-portierra-en-casado-deja-a-10-pobladores-heridos&catid=4:nacionales&Itemid=7



Pro-Work supporters are lined up urging for the "Respect of private property" and "Return what does not belong to you," among other things (left). While Pro-Tierra supporters come marching in (right).





Pro-Tierra supporters begin stirring up violence.

In the aftermath of the violence that ensued, many Pro-Work people were injured. All Victoria S.A. workers were given strict orders not to resort to any violence.







Many Pro-Tierra individuals have charges pending for robbery and vandalism and for instigating violence. Without even being there or having any reliable sources, Rev. Shin states that it was Victoria S.A.'s side which has been provoking the discord and that it was due to us that the confrontation and violence ensued. However, official reports from the police and other authorities speak otherwise⁵. Due to their direct involvement in the violence last year, 16 Pro-Tierra representatives are facing charges and are likely to go to jail. Giving valuable land away to these people is certainly not the way to resolve the problems of Puerto Casado.

⁵ http://www.ultimahora.com/notas/295642-16-dirigentes--de-Casado,-con-medidas-alternativas

The following is a list of charges brought against them (these are from 2009⁶): (In most of the felonies below, whether with more or less responsibilities, the following individuals are charged, starting with those with a higher level of responsibility: Francisco Dick, Cristobal Notario, Raul Lagraña, Hilario Adorno, Ariel Guzzione, Alfonso Olmedo, Father Martin Rodríguez.)

Damage (Article 157 of the Paraguayan Criminal Code): The felony exists when <u>things</u> <u>belonging to other people are destroyed or damaged</u>. The one who commits this felony shall be punished by imprisonment for up to 2 years, or by a fine.

Damage to built works or technical means of work (Article 159 of the Paraguayan Criminal Code): The felony exists when any of the following things are totally or partially destroyed: 1. someone else's railway track; 2) a technical means having considerable value, which belongs to someone else and which is essential a) for the construction of facilities o social-oriented companies; or b) at a facility that is used for the operation of such facility or company... The one who commits this felony shall be punished by imprisonment of up to 5 years, or by a fine.

Misappropriation (Article 160 of the Paraguayan Criminal Code): The felony exists when an individual takes possession of chattels belonging to other people, thus, preventing the owner from exercising its rights over the above mentioned chattels. By doing this, the perpetrator of the felony is aimed at replacing the owner by himself/herself or by a third party. The one who commits this felony shall be punished by imprisonment of up to 5 years, or by a fine.

Breach of confidence (Article 192 of the Paraguayan Criminal Code): The felony exists when an individual, based on a law, administrative resolution or contract, has assumed the responsibility of protecting an economic interest which is relevant to a third party, and in such position has caused or has not prevented, within the scope of protection that was vested in him, an economic damage. The one who commits this felony shall be punished by imprisonment of up to 5 years, or by a fine. Imprisonment of up to 10 years is set forth for significantly severe cases.

Conversion (Article 195 of the Paraguayan Criminal Code): The felony exists when an individual with the aim at obtaining an unlawful economic benefit, takes possession of a thing that was obtained by illegal means affecting someone else's patrimony, and subsequently gives such thing to a third party, conveys it from one individual to a third party or helps in doing so. The one who commits this felony shall be punished by imprisonment of up to 5 years, or by a fine. When the perpetrator of this felony acts on a profit-oriented basis, he/she shall be punished by imprisonment of up to 10 years.

⁶ http://www.ultimahora.com/notas/295642-16-dirigentes--de-Casado,-con-medidas-alternativas

Violation of the responsibility as a depositary (Article 298 of the Paraguayan Criminal Code): The felony exists when an individual destroys, damages, renders useless or otherwise steals, either totally or partially, documents from official disposition and other chattels which... have been entrusted to him/her or a third party. The one who commits this felony shall be punished by imprisonment of up to 5 years, or by a fine.



Other cases pending against them include defamation, slander, damages against morals, racketeering, instigation to commit crimes and fraud. The group that Mr. Shin and the Mission Foundation's lawyers and accountant have joined forces with is not even legally constituted. The government's agency, Incoop, states in Resolution No. 4837/09: "Whereby the authorization to operate is dismissed and the legal status of

'Puerto Casado Poty' Ltd. is canceled." In other words, Pro-Tierra loses its legal status (see image).

Last year they had their legal status revoked for an array of irregularities, and only later were given a temporary grace period to put their house in order.

Ties with terrorist rebel group in Paraguay

Inadvertently, or perhaps purposefully, the Costa Rican lawyer's interference in Paraguay could harm the image of the entire movement. By dealing directly with the people of Pro-Tierra, many of them known to have a strong pro-Chavez stance and known to have ties with extremist rebel groups (especially since links have been established with the Colombian FARC^{8 9 10 11}), the Church runs the risk of putting itself in dangerous position. Known as the "Ejercito del Pueblo Paraguayo" (EPP), the EPP is a self-proclaimed guerrilla organization with a Marxist-Leninist and nationalist ideology that operates in Paraguay. It has been active in the northeastern region of the country for the last 2-3 years. It's been involved in a number of brutal murders, a bombing attempt, confrontations with police

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⁷ Through a resolution signed by Antonio Ortiz Guanes, president of the National Institute of Cooperativism (Incoop), the cooperative Puerto Casado Poty Lmtd. (Pro-Tierra) became unauthorized to operate and its legal status was canceled. The Incoop determined that ... it found irregularities attributed to the cooperative (Pro-Tierra). Incoop understood that the [Pro-Tierra] directors responded that they were not in any condition to fulfill the requirements, given to a conflict that is not being defined." Source:

http://www.ultimahora.com/notas/261455-El-Gobierno-propondria-nueva-expropiacion-en--Puerto-Casado http://www.abc.com.py/nota/35620-las-conexiones-del-epp-con-las-farc/

⁹ http://www.abc.com.py/nota/156421-epp-fue-formado-en-campamento-de-las-farc-en-venezuela-afirman/

¹⁰ http://www.abc.com.py/2009/08/08/nota/11507-Fiscal-general-vincula-a-FARC-con-caso-Lindstron/

¹¹ http://www.abc.com.py/nota/122995-Conexi%C3%B3n-entre-EPP-y-FARC/

and army forces, and several high profile kidnappings, including the recent kidnapping of rancher Fidel Zavala. They are notorious for bringing instability to the region of Paraguay. One can easily find more information about this group on the Internet. Paraguayan society is aware that the Pro-Tierra Group has ties with the rebel group EPP. These individuals are helping the kidnappers by providing them with food and places to hide, among other things. The Pro-Tierra Commission is illegally occupying Cerro Galvan, a portion of True Parents land, where members of the rebel group EPP were hiding.

Lawyer Francisco Saborio and Pro-Tierra representatives visit Leda

After negotiating with the leadership of Pro-Tierra in Puerto Casado, Francisco Saborio flew with the two Koreans from the Mission Foundation and the Korea Foundation and Mr. Olmedo to Leda, where the Japanese National Messiahs have been working for more than 10 years. They asked the missionaries for any documentation related to the land that they could find and told them to immediately stop the work being done by employees of Victoria S.A. to build internal roads and put up more than 45 kilometers of fencing in order to help protect the property from illegal squatters. To say that the missionaries were concerned and disturbed about this visit from "church" lawyers together with one of the Pro-Tierra leaders is an understatement. They were shocked, not only because of their known ties to radical groups but because this could be a precedent for the Pro-Tierra group to set its sights on sending squatters to and stealing from the Leda property as well.

Conclusion

As mentioned in this report, the repercussions of Rev. Dongmo Shin's actions could have serious consequences for our work in Paraguay, and it could have an undesired spillover effect in terms of the international image of our larger Unification Movement. We hope he reconsiders his intentions to deal with such people and reports accordingly to those above him.

[Note: ABC Color is the most influential newspaper in Paraguay and can be regarded as the "New York Times" of the country. One can find many articles regarding our situation by searching there.]

¹² http://www.abc.com.py/nota/142793-epp-monitoreaba-paso-a-paso-a-fidel-zavala/

¹³ http://es.wikipedia.org/wiki/Ej%C3%A9rcito_del_Pueblo_Paraguayo

¹⁴ http://www.abc.com.py/nota/161620-Dirigentes-radicales-de-Casado-perdieron-las-internas-coloradas/

¹⁵ http://www.abc.com.py/2010/04/06/nota/98588-Puerto-Casado-se-convirti%C3%B3-en-el-escondite-perfecto-del-EPP/

¹⁶ "It is not possible to enter Mount Galvan without the permission of Francisco Dick or Crsitobal Notario. The land is property of Victoria SA, but the property finds itself invaded by the Pro-Tierra Commission and they intend to keep the land by force." Source: http://www.abc.com.py/nota/161620-Dirigentes-radicales-de-Casado-perdieron-las-internas-coloradas/

May God and True Parents' blessings be upon all of you,

Lorenzo Pessoa Representative Victoria S.A. Paraguay

¹ The following is a letter by lawyer Francisco Saborio sent by Kook Jin Nim from the Mission Foundation making his statements. His letter does not state the truth. The parts in red are a response of Thomas Field, president of Victoria, regarding what really took place.

"Dear Mr. OOO:

Hereby I acknowledge your mail to which I will give my immediate reply.

You have absolute reason to believe that my work and labor in Paraguay was not only misinterpreted, but [they] also tried to take advantage of my visit to Puerto Casado to familiarize myself with the events that took place in the weekend; events which I immensely regret.

Nevertheless, I must inform you that the confrontations that took place were caused and sought for by people that seem to be united with Victoria S.A., close to 300 demonstrators entered into some property where certain buildings exist, with the only intention of taking possession of these; knowing that these facilities are under the possession of a cooperative and representative of the Committee or Commission Pro Tierra.

The former was confirmed by diverse means of the press in Paraguay, which I will send to you to assure you of my words.

Moreover, I wish to inform you that some days ago, representatives that seem to be from Victoria S.A., made the police authorities believe that they were following an order of evacuation issued by a judge. Through this they led the Police in error, which given past experiences saw it necessary to solicit the support of anti-riot special forces to calm down the protest that could possibly take place. With the occasion of close to 300 people attacking, a very lamentable confrontation took place.

Answer: The occupation of our properties by the Pro-Tierra people is illegal. As their support has declined drastically over the past months, we were recently able to recover two important areas – the reforestation project and the fish farm – with little resistance. We did this with the full knowledge and approval of the top circle of advisors around President Lugo (Lopez Perito, Emilio

Camacho and Jorge Ritter) whom he assigned to deal with the situation of Puerto Casado, and with whom we have been meeting and negotiating quietly to find a real solution, including a complete re-consideration of the donation of the 30,000 hectares of land, which as everyone knows, will never resolve the problems in Puerto Casado but will only benefit the corrupt people at the top. In place of the donation, we have been working on a new proposal to make a private colonization, where the land remains under our control, but we fully support those occupants who genuinely qualify with investment, training, etc. Lugo's people are still pursuing this possibility with us, and we are even contemplating asking the Congress to consider a new law, nullifying the donation and accepting this new proposal. We have also been discussing this with our many friends in the Senate and Congress, and we believe this solution is totally feasible.

It goes almost without saying that just about everyone knows that the Pro-Tierra leadership is corrupt to the bone, which is a big reason why so many honorable people, including many government ministers, senators, congressmen, union leaders and journalists, etc. support us. And in the town itself, our supporters outnumber our detractors by at least ten to one. That the Costa Rican lawyer, Francisco Saborio, with the full support of Mr. Richard Bach, would deliberately meet with these people, who are in many ways the enemies of True Parents, and encourage them while conspiring against us is beyond belief.

A day before the violence in Puerto Casado, the only Pro-Tierra person occupying the directory (TP house) left voluntarily when he learned that our workers were planning to enter the property, as they had done shortly before with the reforested areas and the fish farm. Prior to this, we received assurances from many sources (in Puerto Casado and Asuncion) that there would be no resistance to us finally taking back what is legally and rightfully ours. In fact, we were so confident of this that up to the last minute we were planning a triumphant visit to the town by Dr. Hyun Jin Moon, together with Vice President Franco and a group of parliamentarians

Therefore, it was to our surprise that the Pro-Tierra leadership was able to mount any resistance at all. We believe that the reason they succeeded was largely due to the renewed confidence they felt because of their meeting with Francisco Saborio a few days before (in the very same property), in which he told them that Victoria S.A. does not represent the real owners and that he would bring a solution to their demands within 3 months. It should be noted that immediately after that meeting, the Pro-Tierra people began attacking us on the local radio station, accusing Victoria S.A. of deceiving the people, and insisting that the Costa Rican lawyer represented the true owner and that he was on their side. Worse, they said that there is a serious conflict at the very top of the "Moon sect" and that two sons of Rev. Moon are fighting. Where would they have ever heard something like this, if not from the lawyer?

Returning to the day in question, the Pro-Tierra people managed to mobilize around 100 people from the town and another 200 indigenous people from as far as 40 kilometers away. We know for a fact that most of these people received money or a bit of food or alcohol in order to participate. Hearing what was going on, we were able to get a court order signed by a judge -- not ordering the police to remove the squatters, but rather to protect our property from last-minute vandalism and to protect our workers from any possible violence. I should also note that it was us who ordered our workers and supporters not to resort to any violence whatsoever, and these orders were obeyed. In

other words, the violence was exclusively between the Pro-Tierra supporters and the police, who were trying to defend themselves and our people from the violent attacks coming from the other side. One proof of this is that afterwards the police issued summons only to Pro-Tierra people and exclusively blamed them in their reports. Also we have photos showing our people on one side (outside the directory building) and the Pro-Tierra people on the other side (in the street) with a line of policemen separating the two sides. No one was killed in the violence, but one Pro-Tierra person was shot with rubber bullets and about 15 people had to be treated at the local medical clinic because of their injuries. The most serious injury was suffered by a policeman, who almost lost an eye.

That Francisco Saborio says the police were led by us "in error" is an insult to the police, who certainly understood what their orders were. Besides, the anti-riot police were ordered to go to Puerto Casado by the highest level officials in Asuncion (including Vice President Franco and the National Chief of Police, Viviano Machado) who had received a copy of the court order and were fully aware of and supported our intentions.

I want you to know that while I was in Paraguay, I tried to contact the representatives of Victoria S.A. I even tried to contact the lawyer, who in another occasion assisted them in a constitutional complaint. I left him several messages and he never returned my calls asking him for a way to contact with Mr. Thomas Field or Jacob Thiessen to interview them. At this moment I also have no way to contact them. At the same time, while I was in Brazil I contacted several representatives in that country to see in which ways I could cooperate in solving the problems that are similar to those that exist in Brazil.

Answer: This is a complete lie. First of all, we have no record or knowledge of any attempt by the lawyer to communicate with us. Besides, if he really wanted to meet us, he could have simply asked Richard Bach (who hired him) for my phone number and email address. (Richard called me several times in March and sent me two emails.) Also he could have gotten my contact information from the church president in Brazil when he met with him, or he could have easily gone to the church headquarters in Asuncion and asked for my phone number. Also, he could have asked almost any of the people he contacted while here, and they could have given him the office number or even my own number... it's certainly not hard to find, especially for a supposedly top-quality, investigative lawyer like Francisco Saborio! It should also be noted that he came to Paraguay not just one time, but twice -- in May and in July. One of the journalists he met with in May, Alfredo Cantero, told us that he offered to put him in contact with us, but that the lawyer showed no interest. Finally, we have a recorded interview with Mr. Olmedo during a Pro-Tierra press conference in Asuncion, in which he states publically that the lawyer told them that he came here to investigate us (Victoria S.A.) as we do not represent the real owners, and that he even asked the attorney general of the country to investigate this matter. This is extremely malicious, since it only fuels confusion, worry and suspicion among our many high-level friends and contacts.

Incidentally, the Paraguayan lawyer he mentions (who assisted us in a constitutional complaint) is a corrupt lawyer hired by Mr. Hong and Lorenzo Myung long before I came to Paraguay, and who

later sued us for US\$4 million as his supposed regulation of legal fees related to the case. Even though he had offered huge bribes to the various judges, we were able to win the case in the Supreme Court. In the end, this lawyer was awarded just US\$ 10,000, thus saving us \$3,990,000 dollars. Since then we have had no further dealings with him.

Regarding the question of my purpose to visit and investigate the case, I respond indicating that I was contracted to study the case of Paraguay, starting from the purchase of the properties all the way up to the most recent events. In relation to these investigations, I contacted judges, journalists, and administrative workers to ask for all the information and documentation I can gather. Once the preliminary investigations were done I was presented to the president of INDERT, Mr. Alfonzo Olmedo, who met me very mistrustfully in two occasions to explain the claim that was being proposed. I learned about the passing of Law 2730 which expropriated more than 52,000 hectares, a law which later was repealed, and with the occasion of reaching an even-handed solution, there was an offer to donate 30,000 hectares. Initially, this offer was not accepted, but later it was and it motivated the passing of laws no. 3294, currently enforced, through which the donation was accepted.

Answer: Again, I must reiterate that this lawyer caused tremendous confusion among our friends and foes alike by telling them that the directors of Victoria S.A. are not legitimate. The day after the violence in Puerto Casado, the four ministers (Minister of Interior, Minister of Agriculture, Special Judicial Advisor to the President, and Attorney General) went there mainly with the idea of supporting Victoria S.A. In fact, the Minister of Agriculture is a long-time Peace Ambassador and even participated in a blessing ceremony with his wife, and the Minister of Interior has met with us on several occasions and verbally promised to intercede on our behalf. However, in order to give the appearance of impartiality, they agreed to meet privately with the leadership of Pro-Tierra, at which time they were informed of the visit of the Costa Rican lawyer and his claims that we do not represent the real owners. This meeting caused the Attorney General to doubt us. When my closest staff and I were called to meet with the ministers right afterwards, the first thing the Attorney General asked us was from where our authority came from to represent the landowners (Atenil and the Association). This question was very strange, especially considering the fact that so many influential people know and respect us, and we have been working for the past two years to clean up the problems caused by the past administration, not to mention that we have paid hundreds of thousands of dollars in taxes on the land, and millions more on legal matters and building up the business side of Victoria S.A., as well as giving jobs to over 300 people.

Finally, the ministers called on both sides to join a round of negotiations to be conducted by the Minister of Agriculture. Since this request came from the Executive branch, we could not easily decline. And so now, all of the issues which we had been negotiating and working out "quietly" have been thrown back into the public arena, putting at risk our efforts to avoid the senseless donation of valuable land to the corrupt leadership of Pro-Tierra, a small group that in no way truly represents the everyday people of Puerto Casado. In the end, we are still confident of overcoming all of the difficulties, but without doubt, the actions of the Costa Rican lawyer in Paraguay did substantial harm.

As way of proof of all of the above, we have the following documents in our possession:

- 1. Resolution of Incoop, which is a government entity that regulates cooperatives, that the Pro-Tierra cooperative has many serious faults and is about to lose its legal status because rampant corruption.
- 2. Legal antecedents and records certifying the corrupt character of each member of the Pro-Tierra leadership: Francisco Dick, Cristobal Notario, Raul Lagrana, Padre Martin Rodriquez, Alfonso Olmedo [Director of the Corporation for Development (CODES), a leftist organization, and strong Pro-Tierra supporter] and others. (Note: More than a year ago, an associate of Mr. Olmedo approached us with an offer to resolve the Puerto Casado matter for a large sum of money.)
- 3. Legal cases prepared by top attorneys in the country against each of the top leaders of Pro-Tierra for serious theft and other crimes. These cases will begin soon.
- 4. Copy of the court order to protect our property and workers, signed by the judge.
- 5. Newspaper articles about all of the above.
- 6. Emails between Richard Bach and myself.
- 7. A letter from Richard Bach to Mr. Olmedo giving his full authorization and support to the Costa Rican lawyer.
- 8. Signed statement by a Puerto Casado councilman who attended the meeting with the Costa Rican lawyer and Pro-Tierra.
- 9. Signed statement by the chief of police of Puerto Casado.
- 10. Recorded conversation between a supporter of ours and Raul Lagrana (mayor of Puerto Casado and Pro-Tierra leader).
- 11. Recorded interview by a journalist with Alfonso Omedo.
- 12. Press release by Pro-Tierra and CODES clearly stating that the Costa Rican lawyer came here to resolve the problems of Puerto Casado, and that there is serious conflict between our movement's companies in Korea and Paraguay.
- 13. Photos and video of the violence that took place in Puerto Casado.
- 14. Photos of our many meetings with President Lugo's inner circle who were assigned to resolve the situation in Puerto Casado.
- 15. Membership list of Pro-Trabajo (Pro-Work), and organization started by other representatives of Puerto Casado who want work over land and support Victoria S.A. signed by more than 600 citizens of Puerto Casado.

Today I wish to help in solving the issue I explained.

I hope I answered your questions and once again I put myself at your service in whatever matters I might be of help.

Francisco Saborio"