

Group Exercise in Asset Recovery

A Joint Task Force is created composed of members from Anti-Money Laundering Office, Anti-Corruption Office, Tax Administration, Customs Authority with assistance from Law Enforcement Authorities and other agencies like Immigration Bureau, FIUs etc. investigating top military officials after a whistle blower exposed the alleged corrupt activities in the military for overpriced purchases of military equipment, firearms and military supplies over the years including overpriced procurement of IT systems – both hardware and software.

Your Team is assigned to investigate Lt. Gen. Jose Salvador, who is about to retire in July 31, 2023. He was Deputy Chief Comptroller for 8 years before being promoted as Chief Comptroller and has held this position as Chief for more than 5 years. The Chief Comptroller allocates the funds and approves its release for major purchases of the whole military in your country.

The testimony of the whistle blower resulted to the issuance of preventive suspension orders and search warrants to identified top military officials, including Lt. Gen. Salvador.

Records of the tax office show that Mrs. Salvador, the general's wife, is a housewife with no source of income. She has never filed any income tax returns. Lt. Gen. Salvador's only source of income is his salary as a military official.

Initial results of investigation show the following:

- Mrs. Salvador's frequent trips to USA several times a year and vacations to Europe and Asia. In one of her trips going out of your country, she was caught with \$250,000 cash. However, she was allowed to fly out of the country because the General called and the cash was left in Customs for "safekeeping";
- Jewelry worth \$1Million in the possession of Mrs. Salvador was found on a random check by Customs Authority on her way back to your country;
- Cash in various bank accounts worth \$2.5Million in your local currency and cash in 2 banks in USA – Wells Fargo and Bank of America with \$500,000 and \$750,000 respectively;
- A house in Rosemead, California USA with a value of \$280,000;
- A posh penthouse condominium unit in New York worth \$5Million with mortgage of \$1.5Million;

- Various commercial properties in your country owned by spouses Salvador Lt. Gen. and Mrs. Salvador worth \$10.2Million with annual rental income of \$1,182,000;
- Family home of Lt. Gen. and Mrs. Salvador (spouses Salvador) in your country and vacation houses in different parts of your country;
- Cash (local and foreign currencies), bearer stocks and bonds inside the vaults of Lt. Gen. and Mrs. Salvador (spouses Salvador) – *cash still to be counted and inventory of bearer stocks and bonds* (vaults were found in one of their vacation houses);
- Private yacht named “*Salvador’s Haven*” docked in Navy Club, a vault was discovered inside this yacht;
- Social media account of their 16-yr old only son, Miguel, showing off by driving the latest Lamborghini and Ferrari;
- Stock investments in Salvador Realty Inc, the company owned by the brother of Gen Salvador;
- Mrs. Salvador is a collector of designer bags, and her collections include the following: Hermes Kelly Rose Gold worth \$2Million, Hermes Birkin Bag by Ginza Tanaka worth \$1.4 Million, Hermes Chaine’d Ancre Bag worth \$1.4Million, Lana Marks Cleopatra Clutch worth \$400,000 and Niloticus Crocodile Himalaya Birkin worth \$379,000.

In your working groups, choose a country that your Team will represent and be guided by the following:

- A. Task Force Members and Roles – In your working group, identify the members of your Task Force and their roles in the successful asset recovery actions. Choose a Team Leader who will be the spokesperson for the Group.*
- B. Crimes – Discuss the possible crimes committed by spouses Salvador.*
- C. Assets Tracing and Links to Crimes - Considering the quantum of proof in your country (please select country/countries) when it comes to asset recovery and the laws on recovering the proceeds of crime, how will your Team trace and link the assets to the identified crimes of spouses Salvador?*
- D. Investigative Techniques/Tools and Strategies –*
 - 1. What investigative techniques/tools will your Task Force use?*
 - 2. What are your Team’s strategies on successful asset recovery actions?*
 - 3. How will your Team proceed with your investigation?*
- E. Challenges - What are the challenges that your Team will face?*

Enjoy and have fun in your asset recovery actions! 😊