

Janet Lim Napoles / Arthur Pingoy, and many others / Philippines Development Assistance Fund (PDAF) Case

Case ID:

ARW-246

Jurisdiction of Origin of Public Official or Entity Allegedly Involved:

Philippines

Position of Public Official(s) (yrs in office):

Napoles (Businesswoman); Congressman (Pingoy)

Jurisdiction of Asset Recovery:

United States

Jurisdiction of Asset Recovery ? Description:

Undertaking Recovery Effort, Location of Recovery Effort, Asset Location / Alleged Asset Location

Asset Recovery Start:

2015

Asset Recovery End:

Ongoing

UNCAC Offenses Implicated:

Art.15

Art.17

Art.23

Legal Basis for Asset Recovery:

Non-Conviction Based Confiscation

Contributing Factors in Asset Recovery:

Ongoing case

Status of Asset Recovery :

Ongoing

Stage in Asset Recovery Chain:

Before Court of First Instance

Case Summary:

According to the US Department of Justice, from 2004-2012 Philippines businesswoman Janet Lim-Napoles paid tens of million dollars in bribes and kickbacks to Philippines politicians and other government officials, in exchange for over \$200 million in purported development and disaster relief. In July 2015, the DOJ Kleptocracy Asset Recovery Initiative filed a civil asset forfeiture complaint to recover approximately \$12.5 million in assets (mainly real properties in Los Angeles and Orange counties) allegedly derived from the kickback scheme which were funnelled through her non-governmental organizations. According to the DOJ Press Release, "The complaint alleges that Napoles transferred over \$12 million in Philippine government awarded funds to bank accounts in the United States in the names of, or controlled by, her family members. According the complaint, Napoles used the money to purchase numerous assets, including a condominium at the Ritz-Carlton in Los Angeles for her 21 year-old daughter. The complaint seeks to forfeit the proceeds from the sale of the Los Angeles condominium, along with several other assets, including a motel near Disneyland in Anaheim, California? properties in Covina and Irvine, California? a 19 percent stake in a

California-based consulting company? and a Porsche Boxster that was purchased for another daughter." (Source: US DOJ Press Release, "U.S. Seeks to Recover \$12.5 Million Obtained from High Level Corruption in the Philippines," July 14, 2015; See also US v. Proceeds from the sale of a condominium located at Ritz-Carlton in Los Angeles, et al, Case No. 8:15-cv-1110 (CDCA), First Amended Verified Complaint of Forfeiture filed March 21, 2016). As of June 21, 2016, a settlement conference was scheduled for December 14, 2016.

Disposition of Criminal Case(s):

According to the US Department of Justice, Janet Lim Napoles is serving a sentence of life imprisonment in the Philippines for her role in the kidnapping and detention of her cousin, Benhur Luy, "who served as Napoles's finance officer and tracked her schemes." (Source: DOJ Press Release, "U.S. Seeks to Recover \$12.5 Million Obtained from High Level Corruption in the Philippines," July 14, 2015.) According to the Philippines Office of the Ombudsman, on May 6, 2016, "Ombudsman Conchita Carpio Morales has affirmed the indictment of ex-Representative Arthur Pingoy of the second district of South Cotabato for Malversation of Public Funds, violation of Section 3(e) of the Anti-Graft and Corrupt Practices Act (RA 3019) and Direct Bribery for the misappropriation of his 2007-2008 Priority Development Assistance Fund (PDAF) totaling P20.91M. In a 36-page Order, Ombudsman Morales directed the filing of Informations against Pingoy with the Sandiganbayan for 2 counts of Direct Bribery and 4 counts each of Malversation and violation of the anti-graft law. Charged alongside Pingoy are Technology Resource Center (TRC) officials Antonio Ortiz, Dennis Cunanan, Francisco Figura and Marivic Jover, Department of Budget and Management officials Mario Relampagos, Rosario Nuñez, Marilou Bare and Lalaine Paule, National Agribusiness Corporation (NABCOR) officials Alan Javellana, Rhodora Mendoza, Maria Ninez Guanizo and Victor Cacal, Philippine Social Development Foundation, Inc. (PSDFI) employees Evelyn de Leon, Noel Macha, John Raymund De Asis and John Bernardo, together with Janet Lim Napoles and former Energy Regulatory Commission Chairperson Zenaida Ducut." (Source: Office of the Ombudsman Press Release, "Ombudsman charges ex-Rep. Pingoy, Napoles for PDAF scam," May 6, 2016.)

Jurisdiction of Origin: Investigative Agency:

Office of the Ombudsman

Jurisdiction of Origin: Prosecuting Authority/Civil Attorney(s):

Office of the Ombudsman

Jurisdiction of Origin: Courts Involved:

Sandiganbayan

Jurisdiction of Asset Recovery: Investigative Agency:

FBI, Los Angeles Field Office; US Marshalls Service; Department of Justice Office of International Affairs




Jurisdiction of Asset Recovery: Prosecuting Authority/Civil Attorney(s):

Department of Justice, Kleptocracy Asset Recovery Initiative; US Attorney's Office - Central District of Los Angeles

Jurisdiction of Asset Recovery: Courts Involved:

District Court for the Central District of California

Documents:

Attachment	Size
 Napoles_CDCA_First Amended Complaint_Mar2016.pdf	569.05 KB
 Napoles_Philippines_Ombudsman_Charges against five Lawmakers_Jul2015.pdf	298.77 KB
 Napoles_Philippines_Ombudsman_Charges Filed PEPs_May2016.pdf	158.4 KB

Attachment**Size** NapolesCDCA_DOJ PR_Complaint_Jul2015.pdf

152.56 KB

Other Sources:

Office of the Ombudsman (Philippines) Press Release, "Ombudsman charges ex.Rep Pingoy, Napoles for PDAF scam," May 6, 2016, at

<http://www.ombudsman.gov.ph/index.php?home=1&pressId=ODQ3>; "5 more Congressman et.al. indicted for PDAF Scam," July 1, 2015, at

<http://www.ombudsman.gov.ph/index.php?home=1&pressId=Njc4>;

US v. Proceeds from the sale of a condominium located at the Ritz-Carlton in Los Angeles, Case No. 15-cv-1110 (CDCA), First Amended Verified Complaint for Forfeiture In Rem, filed March 21, 2016 and Court Docket Report as of June 21, 2016; US Department of Justice Press Release, "U.S. Seeks to Recover \$12.5 Million Obtained from HighLevel Corruption in the Philippines," July 14, 2015.