

Transcript of Richard Cross video

Well, good morning, and thanks for inviting me down here. Typically federal agents don't get to talk to anybody besides the law enforcement community, so this is kind of a pleasure to be able to speak to up and coming lawyers.

Initially I knew nothing about adoptions, unfortunately after three years I know too much about international adoptions. There is a seedier side and hopefully you're going to hear about the better side of international adoptions this afternoon with China, because unfortunately all I dealt with was Cambodia. In about March of 2002 I got a phone call when I was on vacation basically saying, were you willing to go to Cambodia for 90 days, we think there's some Americans involved in some pretty shaky (note: not 'shady') business over there. You're going to be assigned to a... with an investigator from the East Coast in case it goes to the eastern part of the United States instead of the western part of the United States. So I volunteered to go over to Cambodia for 90 days, after about 30 in country, myself and my partner realized that we had federal crimes that had been committed. We came back, met with a trial attorney from the main Justice Department and then started talking about where do we want to prosecute this case. And that's where I'll go ahead and start from.

First off, I hardly knew where Cambodia was when I started this case, and for other people in the audience who don't know where it is, it's in Southeast Asia, basically right next to Vietnam. It's a beautiful country. It's very exotic. It's definitely a third world and my partner and I kept saying, well it's pretty much a fourth world country. It's the most poverty stricken place I've ever been in my life. But before you can understand anything about Cambodia, you gotta understand what has happened in recent memory, cause everybody who's living now, of the age of myself, in their 30s lived through the Khmer Rouge time. They were either Khmer Rouge themselves or victims of the Khmer Rouge. And about 1.5 million Cambodians were killed by other Cambodians during this time. [shows a picture of stacked skulls] And then this is just a more graphic depiction of Cambodia, because it's a serious place and people forget that when they go over there to adopt.

Once myself and my partner were in country, the first time we had any days off we figured we'd go ahead and kind of get a better feel of the country. So we went out to one of the most famous places there, called the Killing Fields and also to a place called S-21. And this picture of this woman with the child stuck in their mind, just because people who survived the Khmer Rouge they're the ones who are having the babies now. So they were victimized before and now they're being victimized again. And another thing that stuck while we're taking a tour of the prison was this painting done by one of the few survivors of the Khmer Rouge and it shows a baby being taken away from a mother with the children in the background. So it kinda gives you more of a feel for Cambodia. I mean they, they've gone through a terrible time in their lifetime.

The other speakers today will talk more about why the moratorium happened. I wasn't on the start of that. The moratorium started basically, started rolling in the fall of 2001.

There were some indications that, from a human rights group, that babies were being bought and sold. There was an incident involving this baby in the center [of the powerpoint slide] and that's basically the straw that broke the camel's back that caused the United States government to cause a moratorium in December of 2001. The first two people at the top of the screen, [pointing to the picture in the upper left corner of the slide] this is [phonetically] Serey Puth. This is a person that Trish Mathews was very familiar with. And then the person on the other side [pointing to the picture in the upper right corner of the slide] is [phonetically] Sea Visoth. These were two Cambodian facilitators that were, people believed were involved in buying up [possibly 'of'] babies.

The reason that I was sent to Cambodia with my partner, Special Agent DC, was we wanted to find out if any Americans were also involved in this. So at the beginning of the case, [phonetically] Ms. Galindo on this side [points to the picture in the lower left corner of the slide], who's now a convicted felon, and her sister [points to the picture in the lower right corner of the slide] who's now a convicted felon had no part in this case. We were initially just sent to Cambodia to find out if any American were involved in this wrongdoing also, not knowing if they were, weren't, they just wanted to put two investigators on the ground to speak back to Washington.

Because at this time, while the moratorium was happening there was also another quote 'investigation' going on and that consisted of State Department employees, consular officers, and some immigration officers out of the Bangkok office who were trying to look into, see if there's anything wrong and trying to prove visa applications. They're not trained criminal investigators, that's why the criminal side of INS wanted to send two agents to Cambodia, to see if there was in fact any criminal involvement. So you'll hear kind of today, Trish will hit on it, that, you know, in a criminal case we put people in prison but on the other side of the case there was a huge number of adoptions approved, and they want to know how that happened, well it was two separate things going on, two separate investigations. And all I'm going to talk about today is the criminal side of the case.

First off, this little baby is really the face of the moratorium. What had happened is this child had been sold. A baby buyer bought this child, the mother wanted the child back, the mother didn't get the child back. She was told that it would be going to an orphanage and that the child, she could have him back at any time, and he'd have a better life. Well, after there was a raid on two stash houses, the mother approached a human rights group and she said, hey I lost my child, can you find it? And the human rights group went looking for this child, and unfortunately they couldn't find it, so they passed the picture, which we have right here, around to all the Western embassies in Phnom Penh to find out if in fact anybody had this child. And unfortunately the United States embassy had a visa application for this child, totally separate identity and background, what we call baby laundering. So once the director of INS, Mr. Zeigler found out about this, he said enough is enough, no more kids are coming out of Cambodia, we're not going to put up with this.

I keep getting asked whenever I talk about the cases, why didn't you charge her with human trafficking. She couldn't be charged with human trafficking, human trafficking

only deals with sex or forced labor. You can get away with buying babies around the world as a United States citizen, it's not a crime, and most people don't understand that, and Ms. Galindo didn't even understand that during her 20/20 interview, when she said I wasn't charged with baby buying. Well, if the law had existed, we would have charged her with baby buying. So we had to be more, you know, creative, go after her in different ways on how we were going to charge her. And these were [points to a power point slide listing the charges] a variety of charges that we decided we were going to focus on. And I used all of them in my initial search warrant so that, I did about six months after I came back from Cambodia, all except for the RICO conspiracy.

That was the hammer that actually helped cause the pleas in the end, because we gave 'em a dog and pony show to each one of their lawyers when they came in and said, this is what we have on you and this is what's going to happen and we're going to charge you with a RICO, and with a RICO charge, you're looking at 5-7 years, and if you don't have the money, we're going to take money from everybody else who's involved in this conspiracy. So they saw the light and we started plea negotiations, because at that time they would've been looking at over a hundred false adoptions. By taking the plea, they were able to plead to just to under 24 adoptions, and because of that, they were only looking at about 18 months sentence, 18-24 months sentence.

Ms. Devin [?], the lady on the bottom [points to a power point slide], she realized real quickly that she didn't want to be a part of this, so she decided, I will be a government witness, and she actually got a reduction in her sentence because she turned coat on her sister and became a government witness, filled us in on exactly what was going on in the conspiracy, and if it had gone to trial, sister against sister would have testified. So that was kind of a plus, we hadn't, you don't usually see that on the federal side of a family member willing to testify in such a serious case about another family member. In the end, we did just charge them with conspiracy, and the conspiracy dealt with money laundering and visa fraud.

Before I can even talk about Cambodia, I gotta give you a baseline of what a real orphanage looks like. And thankfully when we were in Cambodia we actually found one real orphanage, just like out of Kansas or somewhere else in the United States. Problem is, no kids were adopted from here. There's only three babies and about a hundred children in there, up into their teenage years. And the missionary who runs this place wants nothing to do with adoptions because of the child buying there. But we actually got to find a real place, and I just want to show you what a real orphanage looks like in Cambodia and it costs very, very little to run. So things could've been very nice, I mean this is a beautiful place here. This is nice clean rooms for the older kids.

One of the first red flags that my partner and I hit on when we were in Cambodia, cause we started reading everything we could about the various facilitators and how they operated in Cambodia. Well, Ms. Galindo came to the top because on her pamphlets it was talking about parents had to carry \$3,500 in crisp, hundred dollar bills into the country. As a federal agent, I don't even want to carry \$50 in that country, it's a crazy place to be with robbers and just the amount of crime, but she was telling these

Americans you have to bring in this type of money, and she was giving them receipts so they could file their tax returns and get a write off on their taxes, she was very good about that. But they were also calling it a required voluntary donation, that's a misnomer right there. So that was kind of a red flag.

And again this, you know we think, or when I first came into this investigation, you think of orphans you think oh god this is great, so much humanitarian work involved. It's a business and people forget it. It is a major business with a lot of money to be made. Initially in the case, we only thought Ms. Galindo did 700 adoptions but at [garbled] it seems she actually said oh well I did 800, so that's \$9 million gross that came in. And what we concentrated on, myself and my partner, was that money that was hand carried into Cambodia for the betterment of the children that was, as you saw in the last thing [slide], orphanage donations, so she had over \$2 and a half million dollars in cash, supposedly for the betterment of the children.

So basically what happened with it? Ms. Devin would talk to various people and say how great it was, well she only went to Cambodia maybe about three times, so she was basically out of the loop. But you know she would tell stories to the other adoptive parents who were, who wanted to adopt, oh how great it was in Cambodia and how much we've done to improve the country. Still to this day there's so many adoptive parents in the Cambodian community who think that nothing was wrong, it's like they haven't woken up and smelled the coffee yet, that a serious crime occurred. One of the individuals that I interviewed early on in the case, when I came back to the United States, she described one of the orphanages as a chicken coop and I think that's probably a better description of it.

Well, the conspiracy we charged went from 1997, January 1997 to December 2001 when the moratorium happened. So this [a picture of a Cambodian orphanage] was over a year into the conspiracy, they have, there's been plenty of money that's come in yet this place doesn't look anything like that other orphanage, and this is 1998. Well, we'll give 'em time, cause hopefully they'll improve it by the end of the conspiracy.

When I first arrived in Cambodia we, myself, my partner just made unannounced visits out at some of these Cambodian sites. They don't know about federal law enforcement, we don't need search warrants to go in there, they'd allow us to go into these places and allow us to take photos at some of them. Well I was surprised when I came in because it only costs \$15 a month for a nanny, yet this little child [in a power point slide] is laying in a pool of urine on the floor and nobody's around. Yet there is so much money coming in to this orphanage, how come they didn't hire people to look after the kids?

In the investigation, like I said we initially went to Cambodia for 90 days, we came back after 30 and talked with the US Attorney. By that fall we had enough for search warrants so we did simultaneous search warrants in Hawaii and in Seattle, and then the following spring we went back to Cambodia for over a month because we wanted to go back and see how things had changed and also to interview some of the people that we had developed as suspects and evidence we had obtained from the search warrants. So this is

my second trip to the exact same orphanage where the little baby that I had found in the puddle of urine, and you can see they haven't done anything in a year [shows picture of ripped wire screens]. And they are, they know they are under investigation by us, and it probably only costs them \$150-\$200 dollars to screen that entire place, you know, one, a small portion of a \$3,500 donation.

We also went to a government orphanage that was used by Ms. Galindo . This place is called [phonetically] Kompong-spu, it's about an hour outside of Phnom Penh. This here again, I was very surprised, we met with the government officials that day, this was one of the first times that we actually went out with the State Department people to interview the Cambodians at the same time. Their meeting didn't go well so myself and my partner got up and left the meeting and just walked around the orphanage and I was surprised when I went into this area where they had the babies, because they knew the Americans were coming that day, and I found these babies in this, these hammocks are soaked in urine and you can see that there's feces dried on these hammocks. It was very, very nasty, especially after the places that I had been before where that money could've been used to help, for the betterment of the children.

Reached minute 14:12 of 48:38

Beginning (Jonah) 14:12 –

And, you know, I still, Mrs. Galindo is a very interesting or charismatic person. She was able to do this con. She was able to con so many people, but she was also able to con the Cambodian government. And after the investigation had started, this picture was taken in [shows picture], I believe, 2002 or 2003, she got them to give her a humanitarian award for all the stuff she had done for the orphans in Cambodia, but as you see from before, she really didn't. And, I like it, I underline 'try' [try is underlined on PowerPoint] 'cause she didn't use the money for the orphans of Cambodia. The money was used elsewhere.

[Question by audience member]: Who gave her that award?

Cross: The Cambodia government [interrupted by inaudible question] and you'll see that later on in here. It went to the top of the Cambodian government. [picture of 'stash house'] This really disturbed us, too. Myself and my partner had talked to the human rights group and were told that Ms. Galindo operated a stash house very similar to the one that had been raided in the fall of 2001 by the Cambodian police that actually started the moratorium rolling. Myself and my partner went 3 hours outside Phnom Penh to the middle of nowhere, and we found this house, and it truly was a stash house. As a Special Agent, all I deal with is alien smuggling so I come in contact with a variety of stash houses in the United States and see how bad the living conditions are. This was bad. This was worse than stuff that I'd seen in the United States. There were 16 babies in this place, many of 'em were naked. It was filthy. They were covered in filth, covered in feces. It was, it was a terrible place to be. If it had been dogs in the United States in a place like this, the humane society would have been called and people would have been charged

with cruelty to animals, but since it was Cambodia it wasn't, and these children were just products.

So there again, what happened to all the money? And that's kind of where we ran with the case when we came back to the United States. There again, it's classic money laundering what they did. This statue on the other side [slide with picture of statue], we found this on our second trip over and one of our Cambodian guides said this is 'Lakshmi' and we took a picture of it because Lakshmi was the name of Mrs. Galindo's shell corporations that she founded. Lakshmi is the Hindu goddess of wealth and greed, and would have loved to have taken that to a jury that she named her shell company after that.

There again, with money laundering it's great to have overseas bank accounts because U.S. subpoenas don't work on overseas bank accounts. So one of the first places they set up was at Cambodian Commercial Bank in January of 2001 or, [pauses and corrects himself] January of 1997. This post-it note receipt was found during the search warrant of Mrs. Devin's residence. And in there you see \$80,000 as gifts. Well, what Mrs. Galindo was doing was she would give \$10,000 to each one of her nieces and nephews, which were four people, or her four sons and daughters from Mrs. Devin. She gave \$2,000, I mean \$10,000 to Mrs. Devin and her husband and \$10,000 to the mother and the father so it's \$80,000. So she did that in 1997 and 1998, and then she still didn't have enough money for her dream house in Hawaii so she gave an extra \$100,000 as gifts until her tax preparer for Mrs. Devin's saw the \$100,000 and said 'Woah, woah. We can't give over \$10,000 a piece to a person within one year.' At the bottom you see \$17,000 carried by L and A. in March. Well, L is Lynn and A is the first letter of Mrs. Devin's husband. Coincidentally, five orphanage donations is \$17,500. Well, when she came back through U.S. Customs, at that time, she declared \$17,540. Later when we interviewed her she admitted that it was all in crisp \$100 bills. So she's basically hand carrying cash out of the country that's supposedly for the orphans, which is eventually going to be for Mrs. Galindo's dream house.

So as typical criminals, 'cause as I say my partner and I are criminal investigators who come from a background dealing with drug dealers and other criminals, you always use money laundering. You set up false companies 'cause you want to hide your ill-gotten gains. What they did is when it came time to buy the house, the real estate agent said 'Okay, you want to put it in K-4. Show me that K-4 even exists.'" So they had a mad rush. They had to get a corporate attorney to make up this company very quickly so that they could send this information back to the real estate company in Hawaii. And it turned out that they claimed that all the money was, came from her 4 sons and daughters. That they contributed the capital and that it was for real estate, but in fact it's for Mrs. Galindo. She doesn't want anything in her name. [Picture of her house] And then this is where she lives, or lived. And thank you that all of us now, we own this house as U.S. taxpayers. United States government, we put a lien on it early in the case, and then we took it as forfeiture. It's worth about \$1.4 million. Huge, 'bout 100 yards away from north shore of Kauai, and she's right near this valley in Kauai, just absolutely beautiful there.

And it's sickening 'cause after seeing where the children were from in Cambodia to coming back and seeing where she lived. It was a wake up call.

During the search warrant we took a variety of things. We took her bank books and other items, but one of things we were surprised about is, first off, we can't account for a huge amount of her money. I can't trace back over \$1 million dollars, probably close to \$2-\$3 million of her money, but we were able to figure out through the case what she did with at least \$125,000 of this. And what she did, she did bulk cash smuggling. And there again, I'm scared to carry \$50 as an investigator in Cambodia, and yet this frail woman, very cunning, put over \$125,000 in cash into a brief case and carried it out of Cambodia into Singapore and opened two separate bank accounts. [Slide of one bank account] And this is just the Visa stamp on her passport when we seized it. We could find that she was in there at the time, and then were able to eventually find these bank accounts that she opened.

There again, this is, that last slide was July of 1998, and this is now August of 1998 where she gives her sister signature authority to the two accounts. This is in the same time frame; this is a little over a week later 'cause part of the case we charged her with 'structuring' and structuring is a very common thing with drug cases. Drug dealers don't want the U.S. government to know that they have a lot of cash so they structure funds, put in money under \$10,000 into a bank account at a time, and there's no currency transaction report filed. Well, Ms. Galindo did this also. So this is after she came back to Hawaii from Indonesia, and she started putting money into her bank on the 6th and the 7th, but these deposits on the 7th were at 3 separate banks, and they were done by different people. She didn't do all of the deposits herself. That same day, or when she was actually bringing the money into the bank, she told the teller, 'cause the teller was surprised, 'Oh, I'm a teacher in Cambodia. It's not unusual for people to carry hundreds of dollars in cash in brief cases.'" So even the teller was surprised by this woman.

That same day, she wanted to make, take out cash in cashier's checks. And she asked how can I do it without a currency transaction report being filed. The lady, the teller her, "Well, you have to do it under \$10,000." So she did. She took out \$25,000 from one bank and went to another bank and got another currency, [corrects himself] I mean got another cashier's check for \$5,000. Why not get one cashier's check for \$30,000? Then it turns out in the end she wanted to use this money for a pearl investment in Indonesia 'cause after leaving Singapore she went, I mean after leaving Singapore she went to Indonesia and thought it'd be a good investment in pearls.

[Slide of Hindu goddess along with Galindo and possibly Devin] And here again this is Lakshmi, the Hindu goddess of wealth. This is the actual, they use the company out of Singapore that all they do is create these bogus companies, and they manage these bogus companies for you. She decided that she wanted to get incorporated instead of Delaware like people do here in the United States when they have a U.S. company that they don't want much track on. She did it in Samoa, not American Samoa but Samoa. That way, American government wouldn't be able to get any banking information.

There again, you can see their names at the bottom of the page. And this was done about a month after the craziness with the structuring and the buying of the pearls and the taking of the money out of Cambodia. So these were smart women. They knew exactly what they were doing.

There again, this is one of the cash [shows slide]. When the adoptive parents would come into Cambodia, a lot of times there'd be 10 to 20 of them at a time; they'd call it a 'travel group.' Well, on this day, Ms. Galindo walked into the bank with over \$75,000 in cash, and that was moved immediately to Lakshmi.

And where do you come up with \$75,000 in cash if you're in Cambodia? Well, I don't know if it's orphanage donations but that seems to me to be the place where it came from.

She, she had a nice car. She bought, or she didn't buy a car; Lakshmi bought a car for \$76,000 paid for in cash or with a wire transfer. But there again, I said this is classic money laundering because what she was doing, she was actually making car payments back to Lakshmi, or she was making lease payments back. Well, that's another way that she can get dirty money and turn it into clean money when in fact it's going back to herself because she is Lakshmi.

She did the same thing with the house that she lived in. She paid rental payments back to her nieces and nephews, even though technically it was really her house. It was just in these four children under the age of 18 at the time.

And you can see one of the rental payments was paid for with \$3,500 in cash. And it's like, "God, it's coincidental that these keep coming up as orphanage donations or the same amount of orphanage donations."

And then the kicker was when we did the search warrant, I came across, later on we were looking though what we had taken with the search warrant, and this is her social security statement. My God, she makes more money than \$20,000 in 5 minutes in Cambodia with adoptive parents, yet she only reported to the government between 1969 and 1998, 20,000 [dollars].

Reached minute 25:19 of 48:38

Beginning (Rachel) – 25:19

So, immediately, once we found out about this we said hey, lets get an IRS special agent on the case and we'll let them deal with the tax problem of the case. So the IRS dealt with that, and they're still dealing with that, but we said this is a great tax case if somebody wants to work it, we're not going to work it since we're not tax agents.

[Puts up new slide] I'll just let you read this. This is how the government viewed Mrs. Galindo, and this was part of the sentencing document that was given to the federal judge in December of last year. [Pauses for the audience to read the document] And if you can't

read it in the back, it's Galindo was motivated primary [sic] by greed, not altruism as she claims. And if you watch the 20/20 show she, she still appears as if she was just into it for humanitarian reasons.

And to answer the question from the gentleman up front about political corruption, this is another thing that really kicked us, myself and my partner, in this case, once we started seeing what was going on. The Cambodian government says there are no fees for adoption, yet the adoption agencies that were using Cambodia were claiming that there were government fees and they were actually advertising it in their brochures. So that was one of the reasons that we were attempting, or that we were possibly going to use wire fraud or mail fraud charges, because they were using the U.S. mail in furtherance of their criminal activity or using telephones or fax machines to let this fraud scheme occur. But their [phonetically] sarkang that's basically saying, no fees.

Galindo, on the other hand, she was interviewed many times by different newspapers around the world, and in this article... this article came out after the criminal case had started and she knew that we were looking at her, she admits in it that [at some point begins quoting Galindo's words off the slide] it's okay to give these guys tips, it's fine because these guys can't live with their salaries, I'm really happy to share the wealth. [stops quoting Galindo] Well, thank you Ms. Galindo for telling us that you pay bribes. Well, it's okay, and I'll talk more about the Foreign Corrupt Practices Act, it is okay to pay small scale bribes to people, the United States government allows you to do that. It's called grease payments. You can't pay payments though for a person to misuse their position of trust, and that's what we're going after. That's why the Foreign Corrupt Practices Act makes it illegal.

[Shows another slide] There again, this is a small time person who she is sharing tips with. But she says I'm really happy to share the wealth. Well, this gentleman right here is the president of the Communist Party in Cambodia, [phonetically] Mr. Cheeah Sim, and I don't think that what she's handing to him right now is a prom invitation, it appears to me to be a thick envelope. So, like your question before, sir, it went to the top of the government. He, that gentleman before, was a president of a Cambodian senate also, in addition to being president of the Cambodian Communist Party.

[Shows slide of "Mr. Lucky"] This was the person who we focused on early on in the case, after we did the search warrant and we found out about "Mr. Lucky." And that's what they call him, his true name is [phonetically] Veesna. Veesna was on Mrs. Galindo's organization payroll since 1996, because in 1996 Mrs. Galindo was declared, branded a child trafficker by the Cambodian government. That's what she told people later, I was branded as a child trafficker. Well, Veesna being a good person, a good Cambodian public servant, he immediately notified Mrs. Galindo that she had been branded a child trafficker, and he in fact sent a fax from the Cambodian Secretary of State's office to Mrs. Galindo's operation in Cambodia, at the time said, guess what, you've just been branded a trafficker, and then at the bottom of the page he wrote, please don't send anything back to this fax number, I'm still at the Cambodian Secretary of State's office. So, you know, he had to have been being paid good to take a risk like that.

When we did the search warrant we found all sorts of post-it notes and evidence that, concerning the bribes. And to this day, as a criminal investigator, I want to tell criminals, buy shredders, shred your incriminating evidence, don't be stupid and keep this stuff. [Turns to slide] But this is received \$2,650 for [phonetically] Rath, and Rath is the name for a child, all children in Cambodia their last name is Rath, it means ward of the state. And with this [slide] for privacy I've taken out the names of the children, and when it happened. But Veetsna got \$2,600 for processing her, this child's adoption. [Goes to next slide] This is another receipt from Veetsna. But by doing with these receipts that means, that meant that cash was being transferred by hand. And they, they learned soon on, let's not do it by hand, there's an easier way to do it. [Shows next slide] So Mrs. Galindo, this is another post-it note we took from her place, she gave Veetsna \$100 so that he could open up a bank account at the Cambodian Commercial Bank, so that they could just transfer money within the bank, and not have to walk around downtown Phnom Penh with a whole bunch of cash in their pocket. Made life a lot easier.

[Shows next slide] Here again, this is pocket trash that she didn't destroy from her house. And early on we thought, okay maybe the payments going to Veetsna are really going to the Cambodian government, and it, everything's okay. Wrong. This is on her pocket trash and it lists that this account is Mr. Veetsna and his wife's account, so it's not going into the government treasury; it's going into their pocket for personal gain.

Seattle International Adoptions and others, we actually charged Seattle International Adoptions as a corporation in this case, and we dropped the indictment later once Mrs. Galindo and Mrs. Devin plead guilty. But we actually, we went out after the adoption agency itself, and we'd do that in the future. But in this case, [shows slide] they were actually advertising, this was sent through the mail and also via fax machines, that there are various government fees due to process your dossier, I mean your dossier. And I'll show you in bigger what it shows, it basically says, hey send your money to me [muffled] Galindo, and you need to send it to Hang Veetsna. I mean, just telling these American parents who all they want is an ethical adoption to bribe these foreign officials and they don't even realize that they're bribing the foreign officials. It's out and out. They didn't do this for too long because people started asking questions, but this was done early in the conspiracy.

[Shows next slide] This is just one page that we took from an expense account book that we found in Mrs. Galindo's residence. And you can see, file to Veetsna 29. And 29 is the total of 29 kids, and on this day he got over \$50,000. What for? Well, it's bribes. And this is just on one day in April of 1999. This happened over and over and over and over in the case. This is how it was run in Cambodia, this was the norm, not the aberration.

Also one of the things that surprised us, and one of the reasons that myself and my partner came home after 30 days instead of 90 days was we interviewed this orphanage director, and she admitted in the interview that she only made \$55 a month, and for some reason she showed us the bank book, because she had told us that Mrs. Galindo had actually deposited \$3,005 in cash into her account, like three days before the interview,

because she knew that my partner and I were gonna come interview her. So, you know, you can assume that she wanted [phonetically] Ms. Socly, to maybe not tell us certain things. Well she did and Ms. Socly told us and showed us a bank book and she showed us that she opened her bank account earlier that year with a \$10,000 deposit. She makes \$55 a year [inconsistent with earlier statement of \$55 a month], where did this money come from?

Okay, now this is more towards, you know, why we're here today about the babies. But I wanted to kind of set the stage, because normally if I start talking about baby buying or baby switching people go, who cares? I mean big deal, it doesn't really matter. But by showing you how Mrs. Galindo's organization operated to begin with, with their money and how they dealt with the politicians, you already kind of have a, a flavor now of who she is as a person, and this is what we would have presented to a jury too, because we wanted to show both sides of Mrs. Galindo. Not the one that came off on 20/20 still as, I'm a humanitarian but for what she really is, a convicted felon.

In all cases, it's always hard as an investigator to prove knowledge, but thank god Mrs. Galindo showed us that she had knowledge. She actually wrote a letter to the head person of INS in Bangkok in 1999 explaining what she knew about adoptions. And here she states according to U.S. statutes, a child must be completely orphaned or abandoned or the surviving parent must be unable to care for the child, and, here's the kicker, release the child in writing. So she knows, she knew the law... this is on paper, we had a copy of this, so she couldn't say that she didn't know what she was doing was wrong. Her sister was the same thing. She actually wrote a letter that we took during the search warrant to a Cambodian official in 1999 that basically said, hey, we're not going to do anything like this because if we did anything wrong like this the United States government would come after us and put us in jail. And we'd lose, you know, we'd lose the adoption license. We're humanitarians; this is a great business we're in. So she also knew, knew the law. So it made it easier if we were going to have to take this to trial.

Here is the sick part, cause I'll start talking about the actual baby buying process. Each year an adoptive parent is supposed to send back pictures of their child from the United States, to show that they weren't used for, to take organs out or that they were being used as slave labor or nannies here in the United States. They have to send back photos to Cambodia to show the Cambodian government that they're in loving houses with loving parents and everything is fine. Well these pictures are supposed to go to the Cambodian ministry. Well, this is what we call a recruiting poster. This was found at a village way outside of Phnom Penh. And it's a recruiting, it's a recruiting poster. It's basically showing the other people in the village hey this is what could happen to your child, they could have a better life. And what we call people like this is a 'helper.' A helper would go out, find people in their local village, be a local contract person, and tell them that "hey we can send your child to the United States." Once they had located some potential people from their village, they would contact a baby buyer in Phnom Penh and the baby buyers who were orphanage directors and drivers for Mrs. Galindo's organization, and they would come out and get the kids. But this was at the very low level of baby buying structure, the recruitment poster.

There again on 20/20 Mrs. Galindo claims that she told the United States government about these helpers and she reported it. That's nonsense. There's no, there's no evidence that she ever came in and told anybody at the U.S. embassy about it. We researched all her dealings with the U.S. embassy.

Right here [shows slide], this would have been used for the jury too, to show that she knew about these people in the villages, who we called helpers or freelance locators. It says freelance locators who are in the countryside bring kids in. Okay, those are the people we just saw. And here's the other kicker about the [muffled, sound maybe like 'pasture']. Nobody wants a child with AIDS or hepatitis; it's a worthless product so it's not going to be brought into the United States. So before a child would even be purchased from their birth family, they had to be tested, because like I said they don't want a worthless product. They want something for their money. They want \$11,000 or \$12,000. So here she's directing her drivers to make sure the birth parents, it says parents go with child, this is early on in the case, so she telling them at the time that birth parents need to go with the child when the first AIDS test is taken. That just shows knowledge.

And, I guess when you first hear about Cambodian women selling children, you're like, my god, how could they do it. You gotta look at it through their eyes too. It's not as, it's not a black and white issue. It's very gray. And, these people are from a third world country, and they're presented with the scenario that I'm going to give you now. I'm a baby recruiter and I come up to you and show you the pictures of how so-n-so is doing in Cleveland right now, and I tell you, your child could have a life like this, they can have a better life. The U.S. citizen, I mean the parents, U.S. parents who adopt your child will stay in contact with you for the rest of your life. They will send you maybe \$100 a year. Well, when you make \$250 a year as a standard income in Cambodia, that's a good chunk of change that would be coming into your pocket. So that sounds good and you're not really giving up your child because we'll send you photographs and letter, the Americans will stay in contact with you. And when your child becomes an adult, guess what, you can come to the United States as an immigrant and you can spend the rest of your life in the land of milk and honey. And they believe that, but that's false. Once a child comes in as an orphan, there's no immigration benefits that can be granted to the birth parents. So these parents still, to this day think that they're coming to the United States 10, 15 years from now. And it's never gonna happen. And then, at the very end they say oh by the way, we'll give you 20 or 50 dollars now, we see you have other children here and they're doing very bad. This \$50 will help you put you back on the feet. And by the way here's a 50 pound bag, or 50 kilo bag of rice, your family will be doing good now. So it's, they're able to tempt these women, and these women and men are thinking that they're giving their child a better life because of this.

While we were brought to Cambodia, it wasn't because of this method, it was the other method, that wasn't used very often but it was what caused two federal agents to go to Cambodia, which is basically kidnapping. They were telling—not so much Mrs. Galindo's organization, but others and we were afraid this was happening too—we'll take care of your orphan, your orphan, I mean your child doesn't look very good here. We'll

take them to a loving orphanage in Phnom Penh and they will do much better and they can go to school and play with other children. And you can come see them anytime you want, and you can have them back any time you want, especially once you get back on your feet. Then these adop- I mean these birth parents would go to Phnom Penh to pick up their child and lo and behold the child's gone, it's in either Europe or the United States who was adopted out, basically kidnapping. You can't do this too many times without people complaining to a human rights group, so this wasn't, that wasn't the main method. It was this method right here [points to slide, I think the one describing first method] how the children were given up for adoption.

I'll start running through slides real quickly, because I know that we're getting close to the end and I want to hit some stuff before I know you gotta get to your next class. Feel free though to leave at any time if you need to get to your next class.

We watch, while we're there a baby actually being, being tried to be sold. This is at the good orphanage, we went down there, we're told by the missionary, you're not going to believe this, there's a lady wants to sell her kid. We came down and watched it happen. And it was just like before she wanted \$50 because she claimed she had just found the child by the beach and she had been taking care of it for two weeks, and now she wanted it to go to the United States. But she also wanted \$50. Needless to say, she didn't get the \$50. And it's more likely that the child was taken down the road to the stash house and this child could be in the United States right now. That's the sad thing, because the moratorium was still going on but there were 400 parents who were expecting kids so unfortunately this child might be here now.

There's a thing concerning nurse care, and on 20/20 Mrs. Galindo said oh nurse care means nanny. Well this [shows slide] is actually one of the bottom of a page concerning when you gave up your child. This was typically not done. Out of all the cases we looked out there were only 2 or 3 where they actually filled out paperwork. And on the bottom where the signature is located, it says nurse care. This is the translation. Well, nurse care is birth mother, it means parents. Same person who filled this out was [searches for words], I'm losing it now, [phonetically] Mr. Pol. Mr. Pol was the individual who did the translations. He was also the one who paid people when they bought kids. So it's needless to say, it isn't surprising that he wrote nurse care.

There again, I'm gonna start to go sort of fast now because I know we're running out of time. [Shows slide] This is the smoking gun, as the U.S. attorney would call it, in the case concerning the receipts that we found at Mrs. Galindo's house. You see up at the top [of the slide] \$200 for nurse care. On our second trip to Cambodia we actually went back and found the actual baby buyers who wrote these documents, and they explained it exactly to us. They were given \$200 by the Galindo organization to buy kids. They would pocket most of it and only give 20 to 50 dollars to the parents. And they would also use some of the money to buy the rice. But mostly it was extra money in their pocket. You see on there, \$50 for a helper. The helper is the person with the recruitment poster, and they're at the bottom. Here's, I don't think Mrs. Galindo could explain it either, \$8 lunch for it's

the name of the driver plus nurse care. Well that's lunch and the birth mother. So they bought 'em lunch right before they finally took their kid.

There again, I don't mean to be cruel, but I'm calling these children products because that's how this organization viewed them. And this is what happens with a product that is of no use. This child was positive for AIDS so it was returned to its birth mother but the driver was out \$100 because it took him two days to go out to the village to get the child, he had to pay for a blood test. This worthless product, he wants to be paid back, he turns in this receipt to Mr. Pol, Mr. Pol pays him and then this receipt ends up in Mrs. Galindo's residence and we find it during the search warrant.

Like I said, I'm just gonna switch, go through some of these [slides] fast now. Another thing we're calling baby laundering was on the paperwork that was going to the adoption agency, like Seattle International Adoption, it would show that the child came from [phonetically] Bhatam Bhang or one of these outlying provinces but on the visa paperwork it all showed Phnom Penh. They were erasing their identities. Even though we know they came from these far-off provinces, all the paperwork was saying that they were born and everything to do with them concerned Phnom Penh. This is just five of the 800 children, but it kind of gives you an example.

Mr. Pol, he created all these false documents, these, all the documents that were used by the Galindo organization were bogus. They were created at this compound in Cambodia. All the paperwork that's in the alien files of these children is not worth the paper it's written on. One of the good things in this, is they actually kept records, meaning on the second trip we went back and talked to [phonetically] Chim Now. We knew that she had kept some of the books on the children because these, these birth families think that they're still going to get, have contact with the U.S. parents. So they actually write down all the information. This [shows slide] is one sample page from the journal, and it has the true history of the child: who its brothers and sisters are, who, where he came from or she came from, everything that was known about the child at the time. This information wasn't passed on to the U.S. embassy, and as [phonetically] Ms. Gogh, one of the adoptive parents said in 20/20 with a similar book she had to pay \$500 at the orphanage to get it translated so that she would know this information. But now we have this in, I have it in my evidence locker and the information in here has been slowly given out to the adoptive parents as I can find them, so they know the true history of their child.

In the indictment we only charged, like I said, under 25 because she did a plea bargain. We would have done over 100 if it had gone to trial. But this was one of the things that irritated us, we called it baby switching, and they did it constantly. The names [on the slide] are just these made up names that we had in the indictment. What it is is Vim is for some reason too sick to come to the United States, but they've already paid a bribe to the Cambodian government to create the paperwork, so who cares, it's just a product, we'll just use another product in its place, so they use Thea. Thea comes in as Vim, takes over Vim's identity and immigrates to the United States as Vim. Who cares, it's just an identity, who cares where you're from or who your parents are or anything like that, it doesn't really matter. I mean I'm just talking as if I'm the organization. Well Vim gets

better, Vim's still, now becomes a worthwhile product again. Oh, let's sell it, it's worth \$10,000-\$12,000, so Vim comes into the United States also, under his own identity. Problem: we have two children who now have immigrated to the United States using the exact same information. Everything, down to the same, they're not twins, they were just simply substituted. And [shows slide], this is, I'm not going to go through each one of these, but this is typical of what happened, we kept finding these, these baby switches. Sometimes, in the bottom [of the slide] it was because a child had died and they switched it. The most famous one is there, the middle one where Henga was too sick to come in, they switch her with Vol. Vol comes in as Henga. Next Vol's paperwork was created, but there is no Vol, so Chan comes in as Vol, then Henga, or Heng gets better, she comes in on her own. It's a mess, these kids can't, I mean even if they try to find their identity in Cambodia they're already dealing with a puzzle.

And in the case, I only looked at 140 alien files, even though Mrs. Galindo said she did 800, we didn't know that at the time, it was just a random sample. Well, 18 of the files listed [phonetically] Klin Kline. They never did any adoptions out of Klin Kline, so all the paperwork from Klin Kline is basically bogus. And then, with the Klin Kline the baby switches. 6 of them were from Klin Kline, so we think that Klin Kline was used for, you know, paperwork for the baby switches. And they were, they were also smart because, like I said Vim comes in under, under one, I mean Vim's here and Vim's over here [holds up one hand to his left, and one to his right]. Well Vim goes to adoption agency number one, like SIA clients and then the second Vim goes to a different adoption agency, and they always did it that way. Vim never went, the second child never went to the same adoption agency, that way they kept it apart.

There again, adoption agencies in the United States knew what was going on. This is, in 2000, this is a person in charge of the adoption agency said our biggest fear is if INS gets involved and they accuse you of bringing in children illegally the ramifications for adoption from Cambodia are serious indeed from any country, it would reflect badly on everyone, your work is too important to happen. So adoption agencies knew about this child switching but didn't bother to tell the U.S. government or, you know, or the State Department.

I've run out of time, I think this afternoon if anybody's interested I could do the rest then, but I don't want to take up anybody else's time.

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