

United States v. John R. Luzuriaga Aguinaga (S.D. Fla. 2021)

United States v. Jorge Cherrez Miño (S.D. Fla. 2021)

United States v. Luis Alvarez Villamar (S.D. Fla. 2021)

Nature of the Business.

ISSPOL (Instituto de Seguridad Social de la Policía Nacional) is the Ecuadorian public police pension fund. ISSPOL manages all financial contributions made by Ecuadorian police officers toward their social security.

John Robert Luzuriaga Aguinaga (“Luzuriaga”), a citizen of Ecuador, served as the ISSPOL risk director, and on ISSPOL’s Investment Committee from around 2014 to 2019.

Jorge Cherrez Miño, a citizen of Ecuador and investment advisor, served as the manager, president, and director of several Florida-based investment funds.

Luis Alvarez Villamar, also a citizen of Ecuador, worked at an Ecuadorian company that acts as a clearinghouse and custodian for ISSPOL investments.

Influence to be Obtained.

According to the DOJ, Luzuriaga, Cherrez, Alvarez, and their co-conspirators engaged in a money-laundering scheme between approximately 2014 and 2020. To obtain investment business from ISSPOL, Cherrez allegedly paid more than \$2.6 million in bribes to ISSPOL officials, including at least \$1,397,066 to Luzuriaga, and obtained approximately \$65 million in profits from the scheme.

To his benefit, and to further promote the bribery scheme, Luzuriaga and his co-conspirators allegedly caused bribery proceeds to be laundered through US bank accounts. According to the DOJ, Cherrez directed payments to Luzuriaga through a check of \$414,226, payments to Luzuriaga's relatives totaling approximately \$663,000, and payments to a US-based bank account in the name of one of Cherrez’s investment funds that Luzuriaga held an account with. Alvarez also allegedly received payments of approximately \$3 million from Cherrez, and an apartment in Miami, to grant Cherrez’s company custody over ISSPOL investments.

Enforcement.

Luzuriaga, Alvarez, and Cherrez were charged each charged with one count of conspiracy to commit money laundering. Alvarez pleaded guilty on July 7, 2021 to the count and sentencing remains pending.

The charges against the other two defendants remain pending as well.

Key Facts

Citations. *United States v. Luzuriaga*, No. 1:21-mj-02270 (AOR) (S.D. Fla. 2021); *United States v. Cherrez*, No. 1:21-mj-02326 (LFL) (S.D. Fla. 2021); *United States v. Luis Alvarez Villamar*, No. 21-cr-20308 (S.D. Fla. 2021)

Date Filed. February 10, 2021, February 19, 2021, and July 7, 2021.

Country. Ecuador.

Date of Conduct. 2014 – 2020.

Amount of the Value. Approximately \$5.7 million.

Amount of Business Related to the Payment. Approximately \$65 million.

Intermediary. None.

Foreign Official. Luzuriaga and Alvarez.

FCPA Statutory Provision. None.

Other Statutory Provision. Conspiracy to Commit Money Laundering.

Disposition.

- Alvarez – Guilty plea.
- Luzuriaga – Pending.
- Cherrez – Pending.

Defendant Jurisdictional Basis. Territorial; Conspiracy.

Defendant’s Citizenship. Ecuador.

Total Sanction. Pending.

Related Enforcement Actions. None.