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Dominican financier loses appeal

BY JANE BUSSEY

A federal appeals court has upheld a \$176 million racketeering judgment against a prominent Dominican financier for his role in looting funds from a Dominican bank that later collapsed.

The Eleventh U. S. Circuit Court of Appeals in Atlanta rejected 10 legal arguments raised by attorneys for Dominican financier Luis Alvarez Renta in the October 2005 jury decision finding him liable for racketeering and fraudulent bank transactions connected to the siphoning of millions of dollars from Banco Intercontinental or Baninter in Santo Domingo.

The Florida case stems from the 2003 collapse of Baninter. Bank liquidation authorities discovered tens of millions of dollars in loans and overdrafts had been kept off the books in a "parallel bank" and contributed to the bank's failure. The bank collapse triggered a recession in the Dominican Republic.

The bank's liquidation commission sought to recover money by filing a lawsuit in U.S. District Court in Miami against Alvarez Renta, who was a consultant and business associate of the bank's owner, Ramón Báez.

The jury concluded that \$59 million of Baninter money was transferred to Alvarez Renta's control even though he had no right to those funds. Alvarez Renta testified at his trial that the money was transferred in a circuitous manner to repay his investments in a business he had sold to Báez.

The appeals court said Thursday that the jury had ample evidence not to take into account Alvarez Renta's explanation of the financial transactions, which went through a series of South Florida banks.

The appeals court wrote that the jury could have concluded the paperwork on the transactions was a sham "given Renta's admitted disregard of business formalities and the suspicious circumstances" of the transactions.

Silvia B. Piñera-Vasquez, an attorney for Alvarez Renta, said her client was disappointed by the decision. "We are still reviewing our options to see what we're going to do here in the States," she said.

In Santo Domingo, the high-profile financier has launched a Supreme Court appeal on a 10-year sentence he received last fall after he was convicted of looting the bank.

Most of the money in the judgment is uncollected. The racketeering issues meant the judgment was tripled.

Alvarez Renta, whose monthly American Express bills in the recent past topped \$130,000, has argued he has no money.

The attorneys for the liquidation commission, Matias Dorta and Bryan West, have sought to depose Alvarez Renta about his finances.

But Alvarez Renta has claimed that he cannot travel outside the Dominican Republic because of his appeal in the Dominican Supreme Court.

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