

REPUBLIC OF THE PHILIPPINES  
**SANDIGANBAYAN**  
 QUEZON CITY

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**SPECIAL DIVISION**

**PEOPLE OF THE PHILIPPINES**  
 Plaintiff,

Criminal Case No. **26558**  
 For: **PLUNDER**

- versus -

**JOSEPH EJERCITO ESTRADA,**  
 Former President of the  
 Republic of the Philippines,

**JOSE “JINGGOY” ESTRADA,**  
**CHARLIE “ATONG” TIU HAY SY ANG,**  
**EDWARD S. SERAPIO,**  
**YOLANDA T. RICAFORTE,**  
**ALMA ALFARO,**  
**JOHN DOE** also known as  
**ELEUTERIO RAMOS TAN** or **MR. UY,**  
**JANE DOE** also known as  
**DELIA RAJAS,**  
**JOHN DOES** and **JANE DOES,**  
 Accused.

**PRESENT:**

LEONARDO-DE CASTRO, PJ, Chairperson  
 VILLARUZ, JR., and  
 PERALTA, JJ.

**PROMULGATED:**

September 12, 2007

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**DECISION**

Republic Act (RA) No. 7080 as amended was approved on July 12, 1991, creating and introducing into our criminal legal system the crime of “plunder”. This law penalizes public officers who would amass immense wealth through a series or combination of overt or criminal acts described in the statute in violation of the public trust. RA No. 7080 or the Anti-Plunder Law was a consolidation of Senate Bill no. 733 and House Bill No. 22752. The Explanatory Note of Senate Bill No. 733, quoted in the case of *Estrada v. Sandiganbayan* (G.R. No. 148965, February 26, 2002, 377 SCRA 538, 555), explains the reason behind the law as follows:

Plunder, a term chosen from other equally apt terminologies like kleptocracy and economic treason, punishes the use of high office for personal enrichment, committed thru a series of acts done not in the public eye but in stealth and secrecy over a period of time, that may involve so many persons, here and abroad, and which touch so many states and territorial units. The acts and/or omissions sought to be penalized do not

involve simple cases of malversation of public funds, bribery, extortion, theft and graft but constitute plunder of an entire nation resulting in material damage to the national economy. The above-described crime does not yet exist in Philippine statute books. Thus, the need to come up with a legislation as a safeguard against the possible recurrence of the depravities of the previous regime and as a deterrent to those with similar inclination to succumb to the corrupting influence of power.

The majority opinion in the above-cited case, penned by Honorable Justice Josue N. Bellosillo, further explained the rationale behind the Anti-Plunder Law in this manner:

Our nation has been racked by scandals of corruption and obscene profligacy of officials in high places which have shaken its very foundation. The anatomy of graft and corruption has become more elaborate in the corridors of time as unscrupulous people relentlessly contrive more and more ingenious ways to milk the coffers of the government. Drastic and radical measures are imperative to fight the increasingly sophisticated, extraordinarily methodical and economically catastrophic looting of the national treasury. Such is the Plunder Law, especially designed to disentangle those ghastly tissues of grand-scale corruption which, if left unchecked, will spread like a malignant tumor and ultimately consume the moral and institutional fiber of our nation. The Plunder Law, indeed, is a living testament to the will of the legislature to ultimately eradicate this scourge and thus secure society against the avarice and other ventialities in public office.

These are times that try men's souls. In the checkered history of this nation, few issues of national importance can equal the amount of interest and passion generated by petitioner's ignominious fall from the highest office, and his eventual prosecution and trial under a virginal statute. This continuing saga has driven a wedge of dissension among our people that may linger for a long time. **Only by responding to the clarion call for patriotism, to rise above factionalism and prejudices, shall we emerge triumphant in the midst of ferment.** [Emphasis Supplied]

The present case is the first of its kind to be filed charging the highest official of the land, a former President, among others, of the offense of plunder. Needless to state, the resolution of this case shall set significant historical and legal precedents.

Throughout the six years over which the court proceedings in this case unfolded, this Court confronted numerous novel and complicated legal issues (including the constitutionality of the plunder law, propriety of house arrest, among others), heard lengthy testimonies from several dozens of witnesses from both sides and perused voluminous documentary evidence and pleadings from the parties. Considering the personalities involved and the nature of the crime charged, the present case aroused particularly intense interest from the public. Speculations on the probable outcome of the case received unparalleled attention from the media and other sectors of society. Indeed, the factual and legal complexities of the case are further compounded by attempts to sensationalize the proceedings for various ends.

However, this Court is ever mindful of its imperative duty to act as an impartial arbiter:

(a) to serve the interest of the State and the public in punishing those who would so severely abuse their public office and those private individuals would aid them or conspire with them and  
(b) to protect the right of the accused to be only convicted upon guilt proven beyond reasonable doubt. Thus, the decision of this Court follows, upon no other consideration other than the law and a review of the evidence on record.

## **STATEMENT OF THE CASE AND THE PROCEEDINGS**

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This case for plunder commenced with the filing on April 4, 2001 of the Information which is quoted hereunder:

### **INFORMATION**

The undersigned Ombudsman Prosecutor and OIC-Director, EPIB, Office of the Ombudsman, hereby accuses former Joseph Ejercito Estrada, together with Jose "Jinggoy" Estrada, Charlie 'Atong' Ang, Edward Serapio, Yolanda T. Ricaforte, Alma Alfaro, Eleuterio Tan a.k.a. Eleuterio Ramos Tan or Mr. Uy, Jane Doe a.k.a. Delia Rajas, and John & Jane Does, of the crime of Plunder, defined and penalized under R.A. No. 7080, as amended by Sec. 12 of R.A. No. 7659, committed as follows:

That during the period from June, 1998 to January, 2001, in the Philippines, and within the jurisdiction of this Honorable Court, accused Joseph Ejercito Estrada, by himself and in conspiracy with his co-accused, business associates and persons heretofore named, by taking advantage of his official position, authority, connection or influence as President of the Republic of the Philippines, did then and there willfully, unlawfully and criminally amass, accumulate and acquire ill-gotten wealth, and unjustly enrich himself in the aggregate amount of P4,097,804,173.17, more or less, through a combination and series of overt and criminal acts, described as follows:

(a) by receiving, collecting, directly or indirectly, on many instances, so-called "jueteng money" from gambling operators in connivance with co-accused Jose 'Jinggoy' Estrada, Yolanda T. Ricaforte and Edward Serapio, as witnessed by Gov. Luis 'Chavit' Singson, among other witnesses, in the aggregate amount of FIVE HUNDRED FORTY-FIVE MILLION PESOS (P545,000,000.00), more or less, in consideration of their protection from arrest or interference by law enforcers in their illegal "jueteng" activities; and

(b) by misappropriating, converting and misusing for his gain and benefit public fund in the amount of ONE HUNDRED THIRTY MILLION PESOS (P130,000,000.00), more or less, representing a portion of the One Hundred Seventy Million Pesos (P170,000,000.00) tobacco excise tax share allocated for the Province of Ilocos Sur under R.A. No. 7171, in conspiracy with co-accused Charlie 'Atong' Ang, Alma Alfaro, Eleuterio Tan a.k.a. Eleuterio Ramos Tan or Mr. Uy, and Jane Doe a.k.a. Delia Rajas, as witnessed by Gov. Luis 'Chavit' Singson, among other

witnesses; and

(c) by directing, ordering and compelling the Government Service Insurance System (GSIS) and the Social Security System (SSS) to purchase and buy a combined total of 681,733,000 shares of stock of the Belle Corporation in the aggregate gross value of One Billion Eight Hundred Forty-Seven Million Five Hundred Seventy Eight Thousand Fifty Seven Pesos and Fifty Centavos (P1,847,578,057.50), for the purpose of collecting for his personal gain and benefit, as in fact he did collect and receive the sum of ONE HUNDRED EIGHTY NINE MILLION SEVEN HUNDRED THOUSAND PESOS (P 189,700,000.00), as commission from said stock purchase; and

(d) by unjustly enriching himself in the amount of THREE BILLION TWO HUNDRED THIRTY THREE MILLION ONE HUNDRED FOUR THOUSAND ONE HUNDRED SEVENTY THREE PESOS AND SEVENTEEN CENTAVOS (P 3,233,104,173.17) comprising his unexplained wealth acquired, accumulated and amassed by him under his account name "Jose Velarde" with Equitable PCI Bank;

to the damage and prejudice of the Filipino people and the Republic of the Philippines.

CONTRARY TO LAW.

Various motions were filed by accused Former President Joseph Ejercito Estrada (Estrada), Jose "Jinggoy" Estrada (Jinggoy Estrada), and Edward S. Serapio (Serapio). At Serapio filed his Urgent Omnibus Motion (a) to Hold in abeyance the issuance of warrant of arrest; (b) to conduct a determination of probable cause; (c) for leave to file a motion for reconsideration and /or reinvestigation; and (d) to direct the Ombudsman to conduct reinvestigation of the charges against accused Serapio dated April 6, 2001. While accused Estrada filed three (3) motions; (1) Urgent Motion to Defer Proceedings, dated April 9, 2001; (2) Position Paper Re: Probable Cause (ex abundante ad cautelam) dated April 9, 2001 which was filed by accused Jinggoy Estrada, and (3) Motion to (a) remand the case to the Ombudsman for preliminary investigation consistent with the Honorable Supreme Court's Resolution in G.R. No. 147914 (*Joseph E. Estrada v. Hon. Aniano Desierto, et al.*); and (b) hold in abeyance judicial action in the case, particularly the issuance of a warrant of arrest and steps leading thereto until after the conduct of proper preliminary investigation, dated April 11, 2001.

In a Resolution promulgated on April 16, 2001, the Court directed the prosecution to submit to the Court not later than April 18, 2001 the required affidavits, counter-affidavits, and supporting evidence as well as other supporting documents accompanying the Information, which were needed to determine the existence of probable cause for the issuance or non-issuance of a warrant of arrest. As directed, the prosecution filed on April 18, 2001 its Manifestation and Compliance.

On April 19, 2001, the prosecution filed an Urgent Ex-Parte Motion to admit Amended Information, which is quoted hereunder:

#### AMENDED INFORMATION

The undersigned Ombudsman Prosecutor and OIC-Director, EPIB, Office of the Ombudsman, hereby accuses former PRESIDENT OF THE PHILIPPINES, Joseph Ejercito Estrada a.k.a. "ASIONG SALONGA" AND a.k.a. "JOSE VELARDE", together with Jose 'Jinggoy' Estrada, Charlie "Atong" Ang, Edward Serapio, Yolanda T. Ricaforte, Alma Alfaro, JOHN DOE a.k.a. Eleuterio Tan OR Eleuterio Ramos Tan or Mr. Uy, Jane Doe a.k.a. Delia Rajas, and John DOES & Jane Does, of the crime of Plunder, defined and penalized under R.A. No. 7080, as amended by Sec. 12 of R.A. No. 7659, committed as follows:

That during the period from June, 1998 to January, 2001, in the Philippines, and within the jurisdiction of this Honorable Court, accused Joseph Ejercito Estrada, THEN A PUBLIC OFFICER, BEING THEN THE PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES, by himself AND/OR in CONNIVANCE/CONSPIRACY with his co-accused, WHO ARE MEMBERS OF HIS FAMILY, RELATIVES BY AFFINITY OR CONSANGUINITY, BUSINESS ASSOCIATES, SUBORDINATES AND/OR OTHER PERSONS, BY TAKING UNDUE ADVANTAGE OF HIS OFFICIAL POSITION, AUTHORITY, RELATIONSHIP, CONNECTION, OR INFLUENCE, did then and there willfully, unlawfully and criminally amass, accumulate and acquire BY HIMSELF, DIRECTLY OR INDIRECTLY, ill-gotten wealth in the aggregate amount OR TOTAL VALUE of FOUR BILLION NINETY SEVEN MILLION EIGHT HUNDRED FOUR THOUSAND ONE HUNDRED SEVENTY THREE PESOS AND SEVENTEEN CENTAVOS [P4,097,804,173.17], more or less, THEREBY UNJUSTLY ENRICHING HIMSELF OR THEMSELVES AT THE EXPENSE AND TO THE DAMAGE OF THE FILIPINO PEOPLE AND THE REPUBLIC OF THE PHILIPPINES, through ANY OR A combination OR A series of overt OR criminal acts, OR SIMILAR SCHEMES OR MEANS, described as follows:

(a) by receiving OR collecting, directly or indirectly, on SEVERAL INSTANCES, MONEY IN THE AGGREGATE AMOUNT OF FIVE HUNDRED FORTY-FIVE MILLION PESOS (P545,000,000.00), MORE OR LESS, FROM ILLEGAL GAMBLING IN THE FORM OF GIFT, SHARE, PERCENTAGE, KICKBACK OR ANY FORM OF PECUNIARY BENEFIT, BY HIMSELF AND/OR in connivance with co-accused CHARLIE 'ATONG' ANG, JOSE 'Jinggoy' Estrada, Yolanda T. Ricaforte, Edward Serapio, AND JOHN DOES AND JANE DOES, in consideration OF TOLERATION OR PROTECTION OF ILLEGAL GAMBLING;

(b) by DIVERTING, RECEIVING, misappropriating, converting OR misusing DIRECTLY OR INDIRECTLY, for HIS OR THEIR PERSONAL gain and benefit, public funds in the amount of ONE HUNDRED THIRTY MILLION PESOS [P130,000,000.00], more or less, representing a portion of the TWO HUNDRED MILLION PESOS [P200,000,000.00] tobacco excise tax share allocated for the Province of Ilocos Sur under R.A. No. 7171, BY HIMSELF AND/OR in CONNIVANCE with co-accused Charlie 'Atong' Ang, Alma Alfaro, JOHN DOE a.k.a. Eleuterio Tan OR Eleuterio

Ramos Tan or Mr. Uy, and Jane Doe a.k.a. Delia Rajas, AND OTHER JOHN DOES AND JANE DOES;

(c) by directing, ordering and compelling, FOR HIS PERSONAL GAIN AND BENEFIT, the Government Service Insurance System (GSIS) TO PURCHASE, 351,878,000 SHARES OF STOCKS, MORE OR LESS, and the Social Security System (SSS), 329,855,000 SHARES OF STOCK, MORE OR LESS, OF THE BELLE CORPORATION IN THE AMOUNT OF MORE OR LESS ONE BILLION ONE HUNDRED TWO MILLION NINE HUNDRED SIXTY FIVE THOUSAND SIX HUNDRED SEVEN PESOS AND FIFTY CENTAVOS [P1,102,965,607.50] AND MORE OR LESS SEVEN HUNDRED FORTY FOUR MILLION SIX HUNDRED TWELVE THOUSAND AND FOUR HUNDRED FIFTY PESOS [P744,612,450.00], RESPECTIVELY, OR A TOTAL OF MORE OR LESS ONE BILLION EIGHT HUNDRED FORTY SEVEN MILLION FIVE HUNDRED SEVENTY EIGHT THOUSAND FIFTY SEVEN PESOS AND FIFTY CENTAVOS [P1,847,578,057.50]; AND BY COLLECTING OR RECEIVING, DIRECTLY OR INDIRECTLY, BY HIMSELF AND/OR IN CONNIVANCE WITH JOHN DOES AND JANE DOES, COMMISSIONS OR PERCENTAGES BY REASON OF SAID PURCHASES OF SHARES OF STOCK IN THE AMOUNT OF ONE HUNDRED EIGHTY NINE MILLION SEVEN HUNDRED THOUSAND PESOS [P189,700,000.00], MORE OR LESS, FROM THE BELLE CORPORATION WHICH BECAME PART OF THE DEPOSIT IN THE EQUITABLE-PCI BANK UNDER THE ACCOUNT NAME "JOSE VELARDE";

(d) by unjustly enriching himself FROM COMMISSIONS, GIFTS, SHARES, PERCENTAGES, KICKBACKS, OR ANY FORM OF PECUNIARY BENEFITS, IN CONNIVANCE WITH JOHN DOES AND JANE DOES, in the amount of MORE OR LESS THREE BILLION TWO HUNDRED THIRTY THREE MILLION ONE HUNDRED FOUR THOUSAND AND ONE HUNDRED SEVENTY THREE PESOS AND SEVENTEEN CENTAVOS [P3,233,104,173.17] AND DEPOSITING THE SAME UNDER HIS ACCOUNT NAME "JOSE VELARDE" AT THE EQUITABLE-PCI BANK.

CONTRARY TO LAW.

On April 20, 2001, the Court in its Minute Resolution granted and admitted the prosecution's Urgent Ex-Parte Motion to Admit Amended Information dated April 18, 2001.

On April 25, 2001, the Court promulgated its Resolution which stated:

Xxx xxx xxx the Court finds and so hold that probable cause for the offense of PLUNDER exists to justify issuance of warrants for the arrest of accused Former President Joseph Ejercito Estrada, Mayor Jose "Jinggoy" Estrada, Charlie "Atong" Ang, Edward Serapio, Yolanda T. Ricaforte, Alma Alfaro, John Doe a.k.a. Eleuterio Tan or Eleuterio Ramos Tan or Mr. Uy, and Jane Doe a.k.a. Delia Rajas.

No bail is fixed for the provisional liberty of the accused for the reason that the penalty imposable for the offense of plunder under RA No. 7080, as amended by Sec. 12 of RA No. 7659, is *reclusion perpetua* to death.

Director General Leandro R. Mendoza, Chief of the Philippine National Police, shall implement the warrant of arrest upon service to him by Mr. Edgardo A. Urieta, Chief of the Sheriff and Security Services Division of the Sandiganbayan. Once arrested, all the accused shall undergo the required processes and be detained at the PNP Detention Center, Camp Crame, Quezon City subject to, and until, further orders from this Court.

On the 25<sup>th</sup> day of April 2001, on the basis of the said resolution, the Court issued an Order of Arrest and Hold Departure Order for all the named accused in the present information. The Philippine National Police (PNP) submitted its Report of Compliance dated April 25, 2001 which stated:

1. That in compliance with the Order of Arrest issued by the Honorable Court in the above captioned criminal case, accused Joseph E. Estrada and Jose "Jinggoy" Estrada, both residence of no. 1 Polk Street, North Greenhills, San Juan, Metro Manila voluntarily surrendered to the undersigned on 25 April 2001 at about 3:00 o'clock PM at said residence in the presence of their counsels.

2. That right after their surrender, they were brought inside Camp Crame, Quezon City for the required processes and pending further orders from this Honorable Court they shall be kept in Camp Crame;

A Compliance/Return of Warrant of Arrest was also filed on April 26, 2001 by P/Chief Superintendent Nestor B. Gualberto.

As to accused Serapio, the PNP's Report of Compliance reads in part:

2. That one of the accused named therein, Atty. Edward S. Serapio, surrendered to the Chief, Philippine National Police, through the Criminal Investigation and Detection Group (CIDG) in Camp Crame, Quezon City on April 25, 2001 at about 9:45 PM where the required processes were administered to him and pending further orders from this Honorable Court he shall be kept in Camp Crame;

The Court, in its Minute Resolution dated April 26, 2001, set the arraignment of the detained accused on May 3, 2001 which was cancelled due to the different motions filed by the accused. Accused Jinggoy Estrada filed his Motion to Quash or Suspend dated April 24, 2001 and a Very Urgent Omnibus Motion dated April 30, 2001. Among other motions, accused FPres. Estrada filed his Motion to Quash dated June 7, 2001 and accused Serapio filed his Motion to Quash (Re: Amended Information dated April 18, 2001) dated June 26, 2001. In its Resolution dated July 9, 2001, the Court denied all the aforesaid motions to quash and accused Jinggoy Estrada's Very Urgent Omnibus Motion dated April 30, 2001. The Court's Resolution dated July 9, 2001 was sustained by the Honorable Supreme Court in the Decisions rendered in Joseph Ejercito Estrada vs. Sandiganbayan (G.R. No. 148560, November 19, 2001) and Jose "Jinggoy" Estrada vs. Sandiganbayan (G.R. No. 148965, February 26, 2002).

On July 10, 2001, the Court denied the motion to defer filed by accused FPres. Estrada and Jinggoy Estrada and proceeded with the arraignment of accused FPres. Estrada, Jinggoy Estrada, and Serapio under the Amended Information. The accused having refused to enter a plea, the Court entered a plea of not guilty for all the three (3) accused.

### **Petitions for Bail / House Arrest**

With the detention of accused FPres. Estrada and Jinggoy Estrada in Camp Crame on April 25, 2001, both accused filed on the same day an Urgent Ex-parte Motion to Place on House Arrest.

The Court on June 9, 2001, issued a Resolution denying accused FPres. Estrada's Urgent Ex-Parte Motion to Place on House Arrest and issued an Order for the confinement of accused FPres. Estrada and Jinggoy Estrada at Fort Sto. Domingo, Sta. Rosa, Laguna, subject to the need for their continued confinement at the Veterans Memorial Medical Center (VMMC) where they were then confined. In view of the said resolution, accused FPres. Estrada and Jinggoy Estrada, on June 13, 2001, filed an Omnibus Motion (Re: Resolution promulgated on June 9, 2001) pressing in the alternative a Motion for Detention in Tanay, Rizal.

On March 17, 2004, FPres. Estrada filed a Motion to Modify Custodial Arrangement dated March 17, 2004 and, on March 30, 2004, the counsel de officio of accused FPres. Estrada filed a Manifestation dated March 29, 2004 informing the Court, among others, that the said accused was willing to have his property in Tanay, Rizal placed under the control and supervision of the Court and the Philippine National Police for the duration of his detention.

On July 12, 2004, the Court issued a joint resolution granting FPres. Estrada's motion to modify Custodial Arrangement dated March 29, 2004 subject to the conditions imposed by the Court. Accused FPres. Estrada filed a Compliance and Acceptance of Conditions on July 13, 2004. Since then, accused FPres. Estrada has been detained in his property at Tanay, Rizal.

When the Court ordered the arrest and detention of the accused in these cases, accused Serapio filed his petition for bail on April 27, 2001. Accused Jinggoy Estrada's petition for bail was included in his Very Urgent Omnibus Motion dated April 30, 2001.

Accused Serapio's Petition for Bail was deferred indefinitely as prayed for by the said accused while, on August 14, 2001, accused Jinggoy Estrada filed an Urgent Second Motion for Bail for Medical Reasons dated August 16, 2001 which the prosecution opposed. On December 20, 2001, the Court issued its Resolution denying accused Jinggoy Estrada's Urgent



## Second Motion for Bail for Medical Reasons.

Considering the denial of the said motion for bail for medical reasons, accused Jinggoy Estrada, on April 17, 2002, filed an Omnibus Application for Bail dated April 16, 2002. After hearing, the Court issued a Resolution on March 6, 2003 which granted accused Jinggoy Estrada's Omnibus Application for Bail. The prosecution's Motion for Reconsideration dated March 13, 2003 was denied in this Court's Resolution dated April 30, 2003. The aforesaid Resolutions granting bail to Mayor Jinggoy Estrada were upheld by the Honorable Supreme Court in a Decision promulgated in G.R. No. 158754, *People vs. Sandiganbayan (Special Division) and Jose "Jinggoy" Estrada* (August 10, 2007).

As to accused Serapio, the Court's Resolution dated September 12, 2003 also granted accused-movant Serapio's Urgent Petition for Bail dated April 27, 2001. The Court fixed the amount of bail of accused Serapio and Jinggoy Estrada at Five Hundred Thousand Pesos (P500,000.00) each which was to paid in cash.

While the case was already in the trial stage, on January 4, 2002 the counsels for the accused Estradas wrote a letter to the Acting Presiding Justice requesting for a re-raffle of the cases against the accused, citing as grounds the continuing uncertain composition of the justices handling the cases against the accused Former President, et al., at that time. The prosecution filed its Opposition to Request for Re-Raffle On January 9, 2002 and its Comment/Suggestion on January 10, 2002 that a Special Third Division be constituted to be composed of the present Presiding Justice, the only remaining member of the Third Division to which the case was raffled, and two other Sandiganbayan Justices who are not retirables within the next three (3) years. Justice Anacleto Badoy, the Chairman of the Third Division, was due to retire on October 2002, while Justice Ilarde, the other member, retired on November 27, 2001. On January 11, 2002, the Sandiganbayan En Banc issued its Resolution 01-2002 recommending to the Supreme Court that the cases against accused FPres. Estrada, et al., be referred to a Special Division. The Supreme Court on January 21, 2002 promulgated its Resolution Creating the Special Division of the Sandiganbayan which shall hear, try and decide with dispatch the Plunder Case and all related cases filed or may hereafter be filed against accused FPres. Estrada, and those accused with him, until they are resolved, decided and terminated. In the Special Division of the Sandiganbayan, the Supreme Court retained, as Junior Member, the present Presiding Justice who was then the only remaining member of the Third Division to which the Plunder Case was raffled, and designated the then Presiding Justice Minita V. Chico-Nazario, as Chairperson, and Associate Justice Edilberto G. Sandoval as Senior Member. This was not the first time that a Special Division of the Sandiganbayan was constituted to try a case. A Special Division was previously constituted to try and decide the

Aquino-Galman cases in that composition of the said Division was also maintained until the case was decided notwithstanding the subsequent changes in the composition of the Division due to promotions and/or retirement of its members.

During the same year, the counsel de parte of accused FPres. Estrada and Jinggoy Estrada all withdrew their appearances. The Court on March 1, 2002, in order to protect the rights and interest of the accused, appointed the Public Attorneys Office (PAO) and those who have been recommended by the Board of Governor of the Integrated Bar of the Philippines, to represent accused FPres. Estrada and Jinggoy Estrada as counsel de oficio, namely, Former Presiding Justice of the Sandiganbayan Manuel Pamaran, Atty. Prospero Crescini, Atty. Irene Jurado and Atty. Manuel Malaya. The PAO lawyers mentioned their duration as counsel de oficio, hence, (Ret.) Presiding Justice Pamaran and the private practitioners represented accused FPres. Estrada and Jinggoy Estrada up to the time the prosecution rested its case and submitted to the Court its Formal Offer of Evidence. However, before the presentation of the evidence for the defense, accused FPres. Estrada, in a Letter dated September 1, 2004, informed the Court that he have decided to re-engage the services of the members of his original de parte panel of lawyers.

Upon conclusion of the presentation of prosecution evidence and after the Court have ruled on the offer of evidence of the prosecution, accused FPres. Estrada, Jinggoy Estrada and Serapio filed their respective motion for leave of court to file demurrer to evidence. In a Joint Resolution dated March 10, 2004, the Court granted accused FPres. Estrada's Motion for Leave to File Demurrer to Evidence in Criminal Case Nos. 26905 and 26565 while it denied the same motion of all the accused in Criminal Case No. 26558 for lack of merit. Subsequently, the Demurrer to Evidence of accused FPres. Estrada was filed. In its Joint Resolution dated July 12, 2004, the Court resolved to deny FPres. Estrada's Demurrer to Evidence in Criminal Case No. 26905 but granted the Demurrer to Evidence of FPres. Estrada in Criminal Case No. 26565.

After the presentation of the evidence for accused FPres. Estrada and Jinggoy Estrada, accused Serapio manifested that he opted not to present his own evidence but adopted the evidence presented by FPres. Estrada and Jinggoy Estrada. The said accused then formally offered their evidence. The Court issued its resolution on the formal offer of evidence for accused FPres. Estrada, Jinggoy Estrada and Serapio. On the other hand, the prosecution manifested that it was not presenting any rebuttal evidence but formally offered additional evidence and tendered excluded evidence in its Supplemental Formal Offer of Exhibits [Re: Exhibits Identified, Presented, and Marked during the Cross Examination of Defense Witnesses] with Tender of Excluded Evidence dated March 29, 2007. The Court issued its

Minute Resolution dated April 19, 2007 on the said additional offer of evidence of the prosecution.

In an Order dated May 9, 2007, the Court gave the parties a period of time to file their respective memoranda and scheduled the Oral Summation requested by accused FPres. Estrada and Jinggoy Estrada on June 15, 2007. After the Oral Summation, the case was submitted for decision.

Incidentally, on November 10, 2006, the National Bureau of Investigation filed its Return of "Alias" Order of Arrest, informing the Court that one of the accused in this case, Atong Ang was extradited from the United States of America and was already under the custody of the said agency. At his arraignment, accused Atong Ang refused to enter a plea and the Court entered a plea of not guilty for the said accused.

On January 24, 2007, when the case was scheduled for Pre-Trial only for accused Atong Ang, the prosecution and the said accused, assisted by his counsel, manifested in open court that they had executed a Plea Bargaining Agreement. The Court's Resolution dated March 14, 2007 approved the Plea Bargaining Agreement entered into by the parties.

On March 19, 2007, during accused Atong Ang's re-arraignment, the said accused pleaded guilty to a lesser offense of Corruption of Public Officials under Article 212 in relation to Article 211 of the Revised Penal Code. On the same day, the Court rendered its decision against accused Atong Ang sentencing said accused to "two (2) years and four (4) months of prision correccional minimum, as minimum, to six (6) years of prision correccional maximum, as maximum, and to pay the amount of P25,000,000.00 to the Government as his civil liability". Accused Atong Ang immediately filed a Petition for Probation (with Motion to Deduct Period of Preventive Imprisonment from the Term of Imprisonment and to Post Bail Pending Resolution thereof) which the Court granted in a Resolution dated May 25, 2007. Accused Atong Ang is now under probation.

#### **STATEMENT OF THE STIPULATIONS OF THE PARTIES AT PRE-TRIAL**

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After the arraignment of the accused, the pre-trial was conducted which led to the issuance of the Amended Pre-Trial Order dated June 14, 2001, quoted in part hereunder:

When this case was called for pre-trial on September 3, 2001, accused JOSEPH EJERCITO ESTRADA, JOSE "Jinggoy" P. ESTRADA appeared, assisted by counsels, Atty. Jose

B. Flaminiano, Atty. Cleofe Villar-Verzola, Atty. Rene A. V. Saguisag and Atty. Raymond Parsifal A. Fortun. Accused Edward S. Serapio likewise appeared, assisted by his counsels, Atty. Sabino Acut, Jr. and Atty. Martin Israel L. Pison. The People was represented by Ombudsman Aniano A. Desierto, Deputy Ombudsman Margarito P. Gervacio, Jr., Deputy Special Prosecutor Robert E. Kallos, Ombudsman Prosecutor III Antonio T. Manzano and Humphrey T. Monteroso.

The accused Estradas and Edward S. Serapio submitted their WAIVER OF APPEARANCE dated September 3, 2001 stating as follows:

Accused Joseph Estrada, Jose "Jinggoy" Estrada and Edward S. Serapio hereby waive their appearance during the pre-trial and the trial of this case subject to the conditions that:

- a) whenever his/her/their name/s/are mentioned at any stage of the proceedings of this/ these case/s whether in testimonial or documentary evidence, such name/s refer/s to his/her/them; and
- b) whenever his/her/their appearance shall be require by the Court at any time, they will appear, otherwise warrant/s shall issue for their arrest.

The aforementioned three (3) accused verbally manifested in open Court that they fully understand and agree with their conditions contained in their Waiver of Appearance.

Xxx      xxx      xxx

The prosecution, the accused Estradas and accused Serapio agreed to stipulate on the following facts, as proposed by the prosecution to wit:

1. That accused Joseph Estrada ("Estrada" for short) took his oath of office as President of the Republic of the Philippines on 30<sup>th</sup> June 1998, [cf. Proposal No. 1(For all specifications) of accused Estrada's Proposed Stipulation of Facts of the defense dated 01 August 2001];
2. That accused Joseph Estrada is married to Dra. (now Senator) Luisa P. Ejercito; [cf. Proposal No. 2 (For all Specifications) of accused Estrada's Proposed Stipulation of Facts of the defense dated 01 August 2001];
3. That accused Jose "Jinggoy" Estrada, Jr. ("Jinggoy" for short) is the son of accused Joseph Estrada; [cf. Proposal No. 3 (For all Specifications) of accused Estrada's Proposed Stipulation of Facts of the defense dated 01 August 2001];
4. Edward S. Serapio is a lawyer and a former professor of law at the Ateneo de Manila University School of Law; [cf. Proposal No. 1 of accused Atty. Edward Serapio's Request for Stipulation of Facts and Admission of Documents dated 01 August 2001];
5. On April 29 1999, Atty. Serapio was appointed by President Joseph Estrada as Presidential Assistant for Political Affairs with the rank of Undersecretary. [cf. Proposal No. 2 of accused Atty. Edward Serapio's Request for Stipulation of Facts and Admission of Documents dated 01 August 2001];
6. He accepted such appointment. [cf. Proposal No. 2. 1 of specification of accused Atty. Edward Serapio's Request for Stipulation of Facts and Admission of documents dated 01 August 2001.

The other stipulations of facts proposed by the accused Estradas and admitted by the prosecution were:

1. That From 1998-2001, Mr. Luis "Chavit" Singson was elected Governor of the province of Ilocos Sur; [cf. Proposal No. 6 (For all Specifications) of

accused Estrada's Proposed Stipulation of Facts of the defense dated 01 August 2001];

2. That the amount of P40 Million was withdrawn by a person representing herself to be accused Alma Alfaro from Land Bank of the Philippines-Shaw Branch on 28<sup>th</sup> August 1998; [cf. Proposal No. 5 of specification (b) of accused Joseph E. Estrada and Jose "Jinggoy" Estrada's Stipulation of Facts and Admission of Documents dated 01 August 2001].

The accused Estradas proposed and the prosecution admitted the following stipulation of facts:

1. That accused Joseph Estrada personally knows Mr. Rodolfo "Bong" Pineda; [cf. Paragraph 13 of the Prosecution's Additional Stipulation of Facts dated 01 August 2001];
2. That accused Joseph Estrada personally knows "Atong" Ang; [cf. Paragraph 17 of the Prosecution's Additional stipulation of Facts dated 01 August 2001];
3. That accused Joseph Estrada personally knows Mr. Lucio Co; [cf. Paragraph 23 of the Prosecution's Additional Stipulation of Facts dated 01 August 2001];
4. That accused Joseph Estrada personally knows Mr. Jaime Dichaves; [cf. Paragraph 24 of the Prosecution's Additional Stipulation of Facts dated 01 August 2001];
5. That accused President Estrada is a close and childhood friend of Carlos A. Arellano; [cf. Paragraph 1 Re: Belle case of the Prosecution's Additional Stipulation of Facts dated 01 August 2001];
6. That accused President Estrada appointed Carlos A. Arellano as Chairman of the Social Security System on July 1, 1998; [cf. Paragraph 2 re: Belle case of the Prosecution's Additional Stipulation of Facts dated 01 August 2001];
7. That Carlos A. Arellano was appointed by accused President Estrada as President and Chief Executive Officer of the Social Security System; [cf. Paragraph 3 re: Belle case of the Prosecution's Additional Stipulation of Facts dated 01 August 2001];
8. That accused President Estrada knew of the existence of Belle Corporation; [cf. Paragraph 7 re: Belle case of the Prosecution's Additional Stipulation of Facts dated 01 August 2001];

Proposed Stipulation of Facts of the prosecution admitted by accused Serapio:

1. That Erap Muslim Youth Foundation (hereinafter the "Foundation") has a huge fund of more than P211 Million.

The only issue that was raised by the parties for resolution is whether or not accused JOSEPH EJERCITO ESTRADA, JOSE "Jinggoy" P. ESTRADA and ATTY. EDWARD S. SERAPIO are guilty of the offense charged in the Amended Information.

The accused Estradas raise also the issue of whether or not the allegations in the information would constitute the crime of plunder as defined by R.A. No. 7080. (COMMENT ON, AND MOTION TO CORRECT PRE-TRIAL ORDER DATED SEPTEMBER 13, 2001, filed by accused Estrada's on September 21, 2001)

The evidence submitted by the prosecution and the defense in support of, or in denial, of the speculations of the predicate acts adverted to in each of the paragraphs are discussed hereunder in seriatim:

## **EVIDENCE PRESENTED:**

### **RE: SUB-PARAGRAPH A OF THE AMENDED INFORMATION**

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(a) by receiving OR collecting, directly or indirectly, on SEVERAL INSTANCES, MONEY IN THE AGGREGATE AMOUNT OF FIVE HUNDRED FORTY-FIVE MILLION PESOS (P545,000,000.00), MORE OR LESS, FROM ILLEGAL GAMBLING IN THE FORM OF GIFT, SHARE, PERCENTAGE, KICKBACK OR ANY FORM OF PECUNIARY BENEFIT, BY HIMSELF AND/OR in connivance with co-accused CHARLIE 'ATONG' ANG, JOSE 'Jinggoy' Estrada, Yolanda T. Ricaforte, Edward Serapio, AND JOHN DOES AND JANE DOES, in consideration OF TOLERATION OR PROTECTION OF ILLEGAL GAMBLING;

The alleged co-conspirators of accused Former President Joseph Ejercito Estrada named in this paragraph (a) are: Charlie "Atong" Tiu Hay Sy Ang (Atong Ang), Jose "Jinggoy" Estrada, Yolanda T. Ricaforte (Ricaforte) and Edward S. Serapio. The paragraph also refers to unidentified co-conspirators by the usual "Jane Does" and "John Does".

## **I. EVIDENCE FOR THE PROSECUTION**

The principal witness of the prosecution in this first specification of the predicate acts of plunder is Former Ilocos Sur Governor Luis "Chavit" C. Singson. He testified extensively on the charge that FPres. Estrada accumulated ill-gotten wealth in the above-mentioned amount through the monthly remittance to him of sums of money collected from operations of illegal gambling, commonly known as "jueteng", based in the different provinces of the country allegedly in consideration of the prosecution or unimpeded operation of said illegal gambling.

The gist of the testimony of Singson relative to paragraph (a) of the Amended Information is set forth hereunder:

**GOVERNOR LUIS "CHAVIT" CRISOLOGO SINGSON** (Gov. Singson) was 61 years old, married, a businessman, and a resident of Mabini Street, Poblacion, Vigan, Province of Ilocos Sur at the time he took the witness stand as prosecution witness. The examination of the witness was done by Solicitor General Simeon Marcelo under the control and supervision of the Ombudsman who was present. The counsel de oficio of accused FPres. Estrada and Jinggoy

Estrada, (Ret.) Justice Manuel R. Pamaran, objected to the appearance of the Solicitor General, which the Court noted. [TSN dated July 17, 2002, pp. 166-167] The testimony of Gov. Singson was presented to corroborate the testimonies of prosecution witnesses Maria Carmencita Itchon, Emma B. Lim and the Equitable PCI Bank Branch Managers where Ricaforte opened accounts, and to prove that accused FPres. Estrada, Jinggoy Estrada, Atong Ang, Ricaforte, Serapio and the other accused, in conspiracy with one another, amassed and accumulated ill-gotten wealth for principal accused FPres. Estrada's benefit while he was the 13<sup>th</sup> President of the Republic of the Philippines in the amount of Four Billion Ninety Seven Million Eight Hundred Four Thousand One Hundred Seventy-Three Pesos and Seventeen Centavos (P4,097,804,173.17), part of which was derived from:

(1) the collection of jueteng protection money from November 1998 to August 2000, in the amount of Five Hundred Forty Five Million Pesos (P545,000,000.00) more or less and the amount of Two Hundred Million Pesos (P200,000,000.00) also from the said illegal gambling protection money; and

(2) misappropriation, diversion and conversion for his personal gain as benefit public funds in the amount of One Hundred Thirty Million Pesos (P130,000,000.00) more or less, representing a portion of the Two Hundred Million pesos (P200,000,000.00) Tobacco Excise Share allocated for the Province of Ilocos Sur under Republic Act No. 7171.

Gov. Singson was also presented by the prosecution to prove that Jinggoy Estrada and Serapio conspired with and/or acted as co-principals by indispensable cooperation of FPres. Estrada in the running of the illegal numbers game of jueteng and in the receipt by FPres. Estrada of jueteng protection money; that accused Jinggoy Estrada regularly collected jueteng protection money every month from January of 1999 to August 15, 2000, as an indispensable part of the amassing and accumulating ill-gotten wealth by principal accused FPres. Estrada and as part of the series and/or combination of overt or criminal acts constituting the crime of plunder; that Serapio conspired with FPres. Estrada and the other accused in receiving the Two Hundred Million Pesos (P200,000,000.00) which came from jueteng operations and in hiding and/or laundering the same through the banking system and that Serapio was the personal lawyer of FPres. Estrada and that in furtherance of the conspiracy he set up various juridical entities to mask and/or hide various illegal proprietary and business interests of FPres. Estrada. Gov. Singson would also identify certain documents, checks, pictures and other facts relevant to the foregoing, which tend to prove the combination and/or series of overt and criminal acts, constitutive of the crime of plunder (and to oppose the petition for bail of Jinggoy Estrada. Gov. Singson's testimony was also offered to prove the illegal use of alias). [TSN

dated July 17, 2002, pp. 168-174]

Gov. Singson testified that he was called by FPres. Estrada at his house in Polk Street, Greenhills, on August of 1998. Gov. Singson was then the Provincial Governor of Ilocos Sur. Gov. Singson went to Polk Street in the evening. He was assisted by a security guard towards the kitchen where he found Atong Ang and FPres. Estrada talking how to expand the operations of jueteng, an illegal numbers game, in the provinces where there was yet no jueteng protection money. Shortly, Bong Pineda arrived. Gov. Singson heard FPres. Estrada told Bong Pineda that starting on that day not to bring money at his house because it was very obvious. Gov. Singson did not know Bong Pineda very much but he saw Bong Pineda in Congress when he was investigated regarding jueteng. The jueteng money would protect jueteng operator from being arrested. FPres. Estrada then instructed Bong Pineda to give the money to Atong Ang or to Gov. Singson because the latter was a Governor so it would not be obvious if he brought money to FPres. Estrada. [TSN dated July 17, 2002, pp. 178-187]

According to Gov. Singson, the day after the aforementioned meeting, Atong Ang started meeting with the jueteng operators in his office near the municipal hall of San Juan. [Ibid, p. 188] Atong Ang and the operators were bargaining how much protection money from each province will be given to FPres. Estrada. [Ibid, p. 193] After the final talk, they started collecting jueteng protection money, specifically from August of 1998. [Ibid, p. 203]

Gov. Singson knew FPres. Estrada for almost thirty (30) years before August of 1998. FPres. Estrada was not yet a mayor but a movie actor as Gov. Singson's mother was a producer. [Ibid, p. 191] Gov. Singson first met Atong Ang at the cockpit and gambling places. He had known Atong Ang for a long time even when FPres. Estrada was still the Vice President. According to Gov. Singson, Bong Pineda was a close "compadre" of FPres. Estrada while his son, Jinggoy Estrada, was Bong Pineda's godson by marriage. [Ibid, p. 197]

Gov. Singson claimed that he was present in not all but several meetings of Atong Ang with the jueteng collectors. He was present when there was an agreement on the three percent (3%) of total collections in every province, as fixed by Atong Ang. [TSN dated July 22, 2002, pp. 12-13] Jueteng money was delivered to FPres. Estrada initially every end of the month, starting September of 1998 and later every 15<sup>th</sup> and at the end of the month. [Ibid, p.14]

On October of 1998, Gov. Singson and Atong Ang brought the jueteng protection money of about Nine Million Pesos (P9,000,000.00) for the said month to FPres. Estrada at his house, in No. 1 Polk Street in Greenhills, but FPres. Estrada and Atong Ang had a nasty quarrel about the sugar allocation request of Atong Ang which was denied by FPres. Estrada. Gov. Singson



brought home the said P9,000,000.00 but, the following day, FPres. Estrada called him up asking him to pay F.P. Estrada's obligations which went on until the said amount was consumed and Gov. Singson was instructed by FPres. Estrada to continue the collection of the jueteng money. [Ibid, pp. 26, 22-23]

Gov. Singson continued the collection as instructed by FPres. Estrada, still with the help of Atong Ang, from November of 1998 until August of 2000. The amounts of money collected from jueteng during the said period were listed in the ledger per month and per province. The ledger also listed the expenses paid for using the jueteng protection money. [Ibid, pp. 24-27]

Every fifteen (15) days, Gov. Singson himself delivered protection money to FPres. Estrada in the amount of Five Million Pesos (P5,000,000.00) or a total of Ten Million Pesos (P10,000,000.00) every month. Emma B. Lim delivered once the jueteng money to FPres. Estrada in Malacañang. The protection money was delivered usually in cash but sometimes in check. Chavit Singon presented to this court two (2) sets of ledger. The first set consisted of nine (9) pages covering the month of November of 1998 up to July of 1999 (Exh. W<sup>7</sup> to Exh. E<sup>8</sup>). The September 1998 and October 1998 collections were not reflected in the said ledger since the ledger was done only after FPres. Estrada and Atong Ang quarreled in October 1998. The second set of ledger covered the months of August of 1999 to August of 2000 (Exh.A-4 to Exh. A-4-d). [TSN dated July 22, 2002, p. 27-31]

Gov. Singson prepared the pages of the first set of ledger (Exh. W<sup>7</sup> to E<sup>8</sup>) with the help of Emma B. Lim and Ma. Carmencita Itchon and on the following year, Ricaforte joined them. [Ibid, pp. 35-36]

The pages of the second set of ledgers starting August of 1999 to August of 2000 [Exhibit A-4 and submarkings] were prepared by Ricaforte under the supervision of Gov. Singson who also checked the said ledger. [Ibid, pp. 36-37]

Ricaforte was introduced to Gov. Singson by FPres. Estrada before his birthday on April 19, 1999. She was designated by FPres. Estrada as auditor because FPres. Estrada was strict with money. Gov. Singson was thankful for Ricaforte's designation because he did not want FPres. Estrada to distrust him. [Ibid, p. 40] Gov. Singson considered Ricaforte as the employee of FPres. Estrada with respect to the jueteng collections because not only was she introduced to Singson by FPres. Estrada, the latter also told Singson to give her Eighty Thousand Pesos (P80, 000.00) monthly salary.

Ricaforte held office at LCS Building owned by Gov. Singson. [Ibid, pp. 42-43] Gov.

Singson did not know Yolanda Ricaforte or her husband Orestes Ricaforte before April of 1999. Gov. Singson identified Ricaforte from a picture (Exh. A-6-b-1) where she was seated beside Menchu Itchon, the assistant of Gov. Singson. The picture was taken during the wedding of Raquel, the daughter of Gov. Singson where FPres. Estrada and his wife Senator Loi Ejercito stood as wedding sponsors. [Ibid, p. 45-48]

According to Gov. Singson, the jueteng collections were placed in a scratch paper as they came every fifteen (15) days, at the middle and the end of the month or five (5) days after the end of the month. When all the collections had arrived, the list was finalized and then transferred to the computer. The ledgers were prepared upon instructions of FPres. Estrada because the latter was strict with money. [Ibid, pp. 37-40, 41-42]

Gov. Singson explained in detail the entries on the left hand portion of the ledger for November of 1998 up to July of 1999. In the province of Ilocos Sur, the total collection for fifteen (15) days was Seven Hundred Fifty Thousand Pesos (P750,000.00), in the province of La Union for 15 days, Five Hundred Thousand Pesos (P500,000.00) total collection, while in Bulacan for 15 days, One Million Pesos (P1,000,000.00) total collection (Exh. W<sup>7</sup>) of protection money for FPres. Estrada. The entries for the other provinces were similar. On the left side column were the names of the provinces, the middle column pertained to the number of days, i.e., whether for 15 or 30 days and the right column, the total amount of collections of jueteng protection money, in order that jueteng operators will not be “arrested” or apprehended. There was one (1) collector for three (3) provinces. [Ibid, pp. 53-54]

In the second set of ledger (Exh. A-4 to A-4-d) Ricaforte gave a code name for every province below the title “Theme”. The number of days, either 15 or 30, under the title “days” and the total amount of protection money for FPres. Estrada below the title “points” were indicated in the ledger. [Ibid, pp. 55-56]

Gov. Singson narrated that when FPres. Estrada was still the Vice President, they were already collecting jueteng money but not in all provinces. When FPres. Estrada assumed the presidency, he called Gov. Singson and Atong Ang to start jueteng collections in provinces without protection money. Atong Ang talked to certain persons in the said provinces so that the collection of protection money could start. Every province had a collector but sometimes there was one collector for three (3) provinces. The collections were submitted to Gov. Singson but sometimes they would get the money from the house of the collectors. The jueteng collections which FPres. Estrada asked Gov. Singson to operate for FPres. Estrada’s own benefit was at the national level, meaning nationwide. They did not interfere with jueteng operations at the lower level. Before there were “Kangaroo” type of jueteng operations or “Guerilla Type”. They

did it on their own and they did not pay protection money. When the jueteng operators gave protection money to FPres. Estrada, they were not apprehended anymore although there were instructions to the contrary which were for show or for record purposes only. [Ibid, pp. 59-64]

There were local officials who did not allow jueteng like Governor Lina in Laguna. He changed the Provincial Commander several times but jueteng still continued. In the other places the protection money for jueteng given to the local officials was different from that given to the higher levels. [Ibid, pp. 65-66]

In Exhibit A-4, ULAC stands for Bulacan and the figure 1.00 means One Million Pesos (P1,000,000.00) for fifteen (15) days, as protection money for FPres. Estrada. If the number of days was blank it meant 15 days, otherwise the number 30 was indicated.

In the ledger (Exh A-4-C up to A-4-I) covering the periods of January of 2000 up to August of 2000, the same figures appeared but the code names of the provinces were replaced by their original names as instructed by FPres. Estrada who was confused with the code names. Under the sub-title "amount", the total amount of protection money given to FPres. Estrada was reflected. For instance, in Ilocos Sur, the amount of 500 meant Five Hundred Thousand Pesos (P500,000.00). [Ibid, pp. 67-68]

The other entries were similar, except for the substitution of the code names with actual names of the provinces. For instance, the amount of protection money given to FPres. Estrada corresponding to Ilocos Sur entered as 500, was Five Hundred Thousand Pesos (P500,000.00). For the province of Bulacan the number of days was blank and the figure 1,000 was entered. This means that for Bulacan for 15 days the total protection money given to FPres. Estrada was One Million Pesos (P1,000,000.00). According to Gov. Singson, the collections were delivered in exact amount so they removed the zeroes in the ledger so as not to lengthen the entries. [Ibid, pp. 69-70]

The two boxes of entries at the right bottom of the ledger marked as Exhibits A-4 to A-4-I, reflected the expenses to show where some of the money collected went. [Ibid, p. 70] The first entry (Exh. W<sup>7</sup>-1) showed that Two Million Pesos (P2,000,000.00) went to "Jimpol", which referred to then Secretary Jimmy Policarpio. The latter confirmed to Gov. Singson this receipt of the said amount from Bong Pineda which Secretary Policarpio, then a political liaison officer for Congress, would use for the media. [Ibid, pp. 74-75] In the ledger for November of 1998, the entry 300 Goma (Exh W<sup>7</sup>-2) means that Three Million Pesos (P3,000,000.00) was given to the Office of the Chief of the Philippine National Police (PNP). [Ibid, pp.74-76] Gov. Singson himself

brought the money at first to General Lastimoso, the Chief of the PNP but he refused to receive the money. Later Atong Ang identified the persons from PNP who will pick up the money and help them in the operation. Gov. Singson called up FPres. Estrada to inform him that Lastimoso refused to receive the money. Gov. Singson was worried Lastimoso may not coordinate with them. One time, Gov. Singson was called to Malacanang and he met General Lastimoso there and FPres. Estrada told the latter to coordinate with Gov. Singson about the operation of jueteng. General Lastimoso expressed the need to coordinate with the Regional Commanders to apprehend jueteng operations for show only ("kunwari"). [Ibid, pp. 77-80]

The entry "November 1998, 5.00, AS Sunday" (Exh W<sup>7</sup>-3) means that the amount for Five Million Pesos (P5,000,000.00) protection money was given to FPres. Estrada, whose code name was "Asiong Salonga" on a Sunday. Gov. Singson himself gave the money to FPres. Estrada. The next entry "1.000 Jing" (Exh W<sup>7</sup>-4), would show that One Million Pesos (P1,000,000.00) was given to Jinggoy Estrada, whose code name was "Jing". According to Gov. Singson, Jinggoy Estrada was the collector of protection money for the Province of Bulacan which should be Three Million Pesos (P3,000,000.00) for every month but Jinggoy Estrada kept the One Million Pesos (P1,000,000.00) and remit to Gov. Singson only Two Million Pesos (P2,000,000.00) or One Million Pesos (P1,000,000.00) for every 15 days. [Ibid, pp. 80-82]

Atong Ang told Gov. Singson that Jinggoy Estrada got One Million Pesos (P1,000,000.00) and Jinggoy Estrada confirmed it but when they told FPres. Estrada about it, he instructed them not to give Jinggoy Estrada money and he will be the one to give money to Jinggoy Estrada. Gov. Singson removed the name of Jinggoy Estrada from the list and they kept it a secret from FPres. Estrada that Jinggoy Estrada was taking jueteng money because Jinggoy Estrada will get angry too if he was not given a share. Jinggoy Estrada was then the Mayor of the Municipality of San Juan. Jinggoy Estrada collected money from the Province of Bulacan at the later part of January of 1999. [Ibid, p. 82-85]

The entry "500 JD" (Exh W<sup>7</sup>-5) means that Five Hundred Thousand Pesos (P500,000.00) went to Jude Estrada, a son of FPres. Estrada. Jude confirmed to Gov. Singson that he received the said amount of jueteng protection money from Atong Ang who reported that to Gov. Singson. The entry "1.800 ad check" (Exh W<sup>7</sup>-6) refers to One Million Eight Hundred Thousand Pesos (P1,800,000.00) covered by a bad check, part of jueteng money, which bounced. This was PCI Bank Check No. 0019063 (Exh. F<sup>8</sup>) given to Gov. Singson by one Celso De Los Angeles. The entry "17.300 total expenses" (Exh. W<sup>7</sup>-7) represents the Seventeen Million Three Hundred Pesos (P17,300,000.00) the amount of total expenses for the month of November of 1998. The total expenses every month were entered in the ledger (Exh.

X<sup>7</sup> to E<sup>8</sup>, and Exh. A-4 to A-4-d. [Ibid, pp. 85-92])

In the entry for December of 1998 (Exh. X<sup>7</sup>), the first entry “5.00, AS” (Exh. X<sup>7</sup>-1) shows the Five Million Pesos (P5,000,000.00) that was given by Gov. Singson to FPres. Estrada from the collection of jueteng protection money. The ledger for January 1999 bearing as first entry “6.00 cash January 2, AS” (Exh Y<sup>7</sup>-1), reflected the Six Million Pesos (P6,000,000.00) cash from the same source given personally by Gov. Singson to FPres. Estrada. The entry “3.00 check, February 1, 1999, AS” (Exh. W<sup>7</sup>-2) shows that Three Million Pesos (P3,000,000.00) in check was given to FPres. Estrada on February 1, 1999 as part of protection money. [Ibid, pp. 93-95] Another entry “5.00 check, February 1, 1999 AS” (Exh Y<sup>7</sup>-3), refers to the Five Million Pesos (P5,000,000.00) Check given by Gov. Singson to FPres. Estrada from jueteng protection money. This check (Metrobank Check No.0000917, Exh G<sup>8</sup>-1) was deposited in the account of Paul Boghart, who was mentioned during the impeachment trial at the Senate as a foreigner assisting in the “PR” of FPres. Estrada. [Ibid, pp. 93-97]

The entry “3.500 cash, January 19, AS” (Exh. Y<sup>7</sup>-4) pertains to Three Million Five Hundred Pesos (P3,500,000.00) cash from the protection money given by Gov. Singson to FPres. Estrada on January 19 (1999). The entry “5.00, February 18, AS” (Exh. Z<sup>7</sup>-1) refers to the Five Million Pesos (P5,000,000.00) given by Gov. Singson to FPres. on February 18, 1999 from the same protection money. Gov. Singson explained that the entry “400 tax” (Exh Z<sup>7</sup>-2) at the right hand portion of Exhibit Z<sup>7</sup>, refers to the Four Hundred Thousand Pesos (P400,000.00) which he got for reimbursement of the expenses that he paid or would pay but were not recorded in the ledger. In the ledger for March 1999 (Exh. A<sup>8</sup>), April 1999 (Exh. B<sup>8</sup>), May 1999 (Exh. C<sup>8</sup>), June 1999 (Exh. D<sup>8</sup>), July 1999 (Exh. E<sup>8</sup>), and August 1999 (Exh A-4) there were similar entries of “tax” which were also intended for the same purpose. Gov. Singson called them “butal”. Gov. Singson had the permission of FPres. Estrada that all amounts less than One Million Pesos (P1,000,000.00) were considered “butal” which Gov. Singson kept for reimbursement of expenses which FPres. Estrada would ask Gov. Singson to pay. If the total amount collection was Four Million Two Hundred Pesos (P4,200,000.00), Gov. Singson got Two Hundred Thousand Pesos (P200,000.00) of the said collection as “butal” and included the same in the ledger as “tax”. [Ibid, pp. 98-101]

In the ledger for February 1999 collection appears a handwritten entry “+ 4.00 capitol February 3, 1999”. This entry pertains to the Four Million Pesos (P4,000,000.00) “kickback” which FPres. Estrada asked Gov. Singson to give him on February 3, 1999 out of the Twenty Million Pesos (P20,000,000.00) allotted for the repair of the capitol of Ilocos Sur. This P4 Million was added to the “total to date” of the collection which consequently amounted to Thirty Eight Million Pesos (P38,000,000.00). [Ibid, pp. 102-103]

In the ledger for March 1999 (Exh. A<sup>8</sup>), the first entry “5.00, 4/6/99, AS” (Exh. A<sup>8</sup>-1) shows that Five Million Pesos (P5,000,000.00) that Gov. Singson gave FPres. Estrada on April 6, 1999. Gov. Singson wrote on the ledger “AS”, i.e. Asiong Salonga, the code name of FPres. Estrada [Ibid, p. 103]

Regarding the entry “500 3/23 c/o Malou AS” (Exh A<sup>8</sup>-2), Gov. Singson explained that Malou Florendo, the Secretary of FPres. Estrada, coordinated with Gov. Singson by telephone for the delivery of the amount of Five Million Pesos (P5,000,000.00) to FPres. Estrada. Emma B. Lim delivered the money as Gov. Singson was in the province when FPres. Estrada called up Gov. Singson to tell him he needed money very badly. [Ibid, pp. 104-106]

On April 1, 1999, Five Million Pesos (P5,000,000.00) were given by Gov. Singson to FPres. Estrada from jueteng protection money as shown by the entry “5.00 4/1/99 AS” (Exh B<sup>8</sup>-1). The next entry, “1.00, William Gatchalian” (Exh “B<sup>8</sup>-2), refers to the One Million Pesos (P1,000,000.00) given by Gov. Singson to William Gatchalian upon instruction of FPres. Estrada. Gatchalian had a Twenty Million Pesos (P20,000,000.00) check but FPres. Estrada won only Nineteen Million Pesos (P19,000,000.00) in their mahjong game, so FPres. Estrada asked Gov. Singson to give to Gatchalian the change of One Million Pesos (P1,000,000.00) charged to the jueteng protection money. Gov. Singson gave Gatchalian the said amount through a Metrobank Check No. 0001066 (Exh H<sup>8</sup> and H<sup>8</sup>-1). [Ibid, pp.106-109]

The entry in Exhibit B<sup>8</sup> which reads “200 Jerry and Len” (Exh B<sup>8</sup>-3) reflects the One Hundred Thousand Pesos (P100,000.00) each given to then Secretary Lenny De Jesus and Secretary Jerry Barican, or a total amount of Two Hundred Thousand Pesos (P200,000.00), as “balato” as instructed by FPres. Estrada. [Ibid, pp. 109-110]

Senator Tessie Oreta and Sonny Osmena were also given One Million Pesos (P1,000,000.00) each or a total of Two Million Pesos (P2,000,000.00) in Cebu aboard the Presidential Yatch “Ang Pangulo” as shown by the entry “2.00 Tessie and Sonny” (Exh. B<sup>8</sup>). Gov. Singson gave the said sums of money to the Senators, which he funded through the jueteng protection money, in the form of Metrobank Check No. 0001081 (Exhs. I<sup>8</sup> and I<sup>8</sup> -1 and Metrobank Check No. 0001082 (Exhs. J<sup>8</sup> and J<sup>8</sup>-1) upon instruction of FPres. Estrada, as their “balato” for the winning of the latter in “Mahjong”. [Ibid, pp. 112-114]

The amount of Five Million Pesos (P5,000,000.00) was given by Gov. Singson to FPres. Estrada from the jueteng protection money on each of the following dates as shown by the entries in the ledger: (1) May 1, 1999 (“5.00 5/1/99 AS” – Exh. C<sup>8</sup>-1); (2) May 18, 1999 (“5.00

5/18/99 AS” – Exh. C<sup>8</sup>-2); (3) June 1, 1999 (“5.00 6/1/99 AS” – Exh. D<sup>8</sup>-1); (4) June 18, 1999 (“5.00 6/18/99 AS” – Exh. D<sup>8</sup>-2); (5) July 31, 1999 (“5.00 7/1/99 AS” – Exh. E<sup>8</sup>-1); and (6) July 19, 1999 (“5.00 7/19/99 AS” – Exh. E<sup>8</sup>-2). From May 1, 1999 to July 19, 1999, the total amount of money given by Gov. Singson to FPres. Estrada would amount to Thirty Million Pesos (P30,000,000.00) based on the ledger. [Ibid, pp.115-118]

The entry reading “123,000 total to date” (Exh E<sup>8</sup>-3) represents the total amount of One Hundred Twenty Three Million Pesos (P123,000,000.00) that remained as of July 1999. [Ibid, pp. 118-119]

After July 1999, particularly on August 1999, FPres. Estrada called Gov. Singson, Ricaforte and Serapio to a meeting at Mandaluyong. Gov. Singson was instructed by FPres. Estrada in the presence of Ricaforte and Serapio to turn-over all the balance of the money from jueteng to the account of Ricaforte. Gov. Singson was keeping most of the above-mentioned P123,000,000.00 in the bank and the others in cash in his office because FPres. Estrada would ask for money from time to time. Gov. Singson turned-over the aforementioned balance of the jueteng money partly in check and partly in cash in the office of FPres. Estrada. Ricaforte and Serapio were there with the Former President. [Ibid, pp.119-123]

Part of the aforesaid P123,000,000.00 was covered by Metrobank Check No. 0001360 (Exh K<sup>8</sup> and K<sup>8</sup>-1) of Gov. Singson in the amount of Seventeen Million Two Hundred Ten Thousand Pesos (P17,210,000.00) [Ibid, p. 123]. The second and third checks (Exhs A-2-b and A-7-c) were PCI Bank checks in the account name of William Gatchalian each in the amount of Thirty-Five Million Pesos (P35,000,000.00) or a total of Seventy Million Pesos (P70,000,000.00). Gov. Singson narrated that the amount of Sixty-Two Million Pesos (P62,000,000.00) from the jueteng protection money was lent to William Gatchalian. Out of this transaction, FPres. Estrada earned Eight Million Pesos (P8,000,000.00) such that William Gatchalian paid a total of Seventy Million Pesos (P70,000,000.00). [Ibid, pp. 124-125]

Gov. Singson presented Metrobank Check No. 0001332 with account name Governor Luis “Chavit” Singson, in the amount of Forty-Six Million Three Hundred Fifty Thousand Pesos (P46,350,000.00) payable to William Gatchalian (Exh L<sup>8</sup> and L<sup>8</sup>-1). This check, according to Gov. Singson was part of the jueteng protection money lent to William Gatchalian. The rest of the P62,000,000.00 were in cash and covered by other checks. [Ibid, pp. 126-127]

The Eight Million Pesos (P8,000,000.00) earned from the loan by FPres. Estrada was taken as advance by the latter before due date of the P70,000,000.00 of Gatchalian. For this reason, the P8,000,000.00 was not anymore added to the balance of P123,000,000.00 of

jueteng money. [Ibid, pp. 127-130] The advance of P8,000,000.00 was covered by Metrobank Check No. 0001388 with the account name Governor Luis “Chavit” Singson (Exhs. M<sup>8</sup> and M<sup>8</sup>-1). During the impeachment trial at the Senate, it turned out that the P8,000,000.00 was deposited in the account of Senator Loi Estrada [Ibid, pp. 130-131,139]

The fourth check which covered part of the total balance of P123,000,000.00 jueteng protection money was a Far East bank Check in the amount of Thirty-Four Million Six Hundred Forty Two Thousand Four Hundred Forty Two Pesos (P34,642,442.00) payable to the order of Fontain Bleau, Inc. (Exh B<sup>6</sup>). [Ibid, p. 124] According to Gov. Singson, the Far East Bank check payable to the order of Fontaine Bleau, Inc. was paid by Fontana to Fontaine Bleau, Inc. which was a casino owned by FPres. Estrada and built with the use of jueteng protection money. The bulk of the P123,000,000.00 were turned-over by Gov. Singson in the form of checks. The cash amounted only to Eight Hundred Thousand Pesos (P800,000.00) only. [TSN dated July 24, 2002, pp.8-9]

In the second set of ledger covering the months of August 1999 to August 2000 (Exh A-4) are found the following entries: (1) “3.00 AS 9/6 8 o’clock a.m.” (Exh A-4.1) and (2) “5.00 AS 8/16/99” (Exh A-4.2). The entries represent the two (2) Five Million Pesos (P5,000,000.00) given by Gov. Singson to FPres. Estrada on September 6 at 8 o’clock in the morning and on August 16, 1999 or a total of Ten Million Pesos (P10,000,000.00) as part of jueteng collection. [Ibid, pp. 10-13]

The other entries in the said ledger are: (1) “16.310 August 1-15” (A-4-3); (2) “13.150 August 16-31” (Exh. A-4-4); (3) “29.460 total for August” (Exh. A-4-5); (4) “15.200 expenses” (Exh. A-4-6); (5) “14.260 subtotal” (Exh. A-4-7); (6) “.260 tax” (Exh. A-4-8); (7) “14.000 total to date” (Exh. A-4-9). Gov. Singson explained that the entries mean (1) that the total collection for August 1-15, 1999 amounted to Sixteen Million Three Hundred Ten Thousand Pesos (P16,310,000.00); (2) that from August 16-31, 1999 the total collection was Thirteen Million One Hundred Fifty Thousand Pesos (P13,150,000.00); (3) that the total collection for the whole month of August 1999 was Twenty Nine Million Four Hundred Sixty Thousand Pesos (P29,460,000.00) which all went to FPres. Estrada. The expenses for the said month reached Fifteen Million Two Hundred Thousand Pesos (P15,200,000.00). The said amount of expenses was deducted from the total collection for the same month. The remainder, described as “subtotal”, amounted to Fourteen Million Two Hundred Sixty Thousand Pesos (P14,260,000.00). Of the latter sum of money, Two Hundred Sixty Thousand Pesos (P260,000.00) was treated as “butal” and taken by Gov. Singson to be used as reimbursement for expenses which Gov. Singson was requested by FPres. Estrada to pay. The balance of Fourteen Million Pesos (P14,000,000.00) was deposited in the bank for President Estrada. [Ibid,



pp. 14-18]

The “tax” entries in the ledger, starting Exhibit Z to Z-7, covered the amounts less than One Million Pesos (P1,000,000.00) which were treated as “butal” that remained with Gov. Singson to reimburse him for expenses which were not recorded in the ledger but should be deducted from the money of FPres. Estrada. [Ibid, pp. 19-21]

Gov. Singson mentioned that he personally gave or handed to FPres. Estrada even if Malou Florendo, FPres. Estrada’s secretary, was around. Gov. Singson either left the money beside FPres. Estrada or behind the latter’s chair. FPres. Estrada would count the money by the bundle [Ibid, pp. 22-23]. The Five Million Pesos (P5,000,000.00) delivered by Emma B. Lim to Malou Florendo not to FPres. Estrada personally was confirmed by the latter to have been received by him. Emma B. Lim delivered the money to the Malacañang Palace because of the changes in the instructions given by FPres. Estrada. [Ibid, pp. 23-24]

The net balance of Fourteen Million Pesos (P14,000,000.00) for August 1999 was deposited by Ricaforte at Equitable PCI Bank. The same was done to the net monthly balances for September 1999, October 1999, November 1999, December 1999, January 2000, February 2000, March 2000, April 2000 and May 2000. [Ibid, pp. 25-27]

The other entries in the second set of ledger for September 1999 and October 1999 as follows: (1) “AS 11:30 am/258 5.000” (Exh A-4-a-1); (2) “10/29 AS/258 5.000” (Exh A-4-b-1); (3) 10/14 AS/258 5.000 (Exh A-4-b-2), mean that Gov. Singson whose code name was “258” gave FPres. Estrada, referred to as “AS”, which stands for Asiong Salonga Five Million Pesos (P5,000,000.00) on each of the following dates: (a) in September 1999 at 11:30 in the morning; (b) on October 29, 1999; and (c) on October 14, 1999.

In the November 1999 ledger (Exh A-4-c), the following entries appear (1) “11/30 laptop comp./print.105,850” (Exh. A-4-c-1) (2) “11/30 2 Starex 800 each/258 1.600” (Exh. A-4-C-2); (3) “11/30 AS/258 12p.m PG5.000” (Exh. A-4-C-3); (4) “11/15 AS/258 at 4p.m 5.000” ( Exh. A-4-C-4 ), and (5) “11/08 Jimpol 2.400”.

Gov. Singson explained the foregoing entries in the November 1999 ledger as follows: On November 30, 1999, the amount of P105,850.00 was used to buy the laptop computer with printer of Ricaforte. On November 30, 1999, Gov. Singson purchased Two (2) units of Starex at Eight Hundred Thousand Pesos each or a total amount of One Million Six Hundred Thousand Pesos (P1,600,000.00). One unit of Starex went to Ricaforte and was registered in her name. The other was left in their office. At 12:00 noon on November 30, 1999, Gov. Singson brought

Five Million Pesos (P5,000,000.00) to FPres. Estrada in his house at P. Guevarra St. at Greenhills as part of jueteng protection money. At that time, Guia Gomez, one of the most loved of FPres. Estrada, resided at the said house. Gov. Singson also gave Five Million Pesos (P5,000,000.00) to former FPres. Estrada on November 15, 1999 at 4:00 o'clock in the afternoon. On November 8, 1999, the amount of Two Million Four Hundred Thousand Pesos (P2,400,000.00) was given by Bong Pineda to Secretary Jimmy Policarpio, as confirmed by both of them to Singson. During the prior months, only Two Million Pesos (P2,000,000.00) per month were given to Policarpio, as shown by the ledger, but this was increased by Four Hundred Thousand Pesos (P400,000.00) because Policarpio told Gov. Singson that the Media was costly ("Magastos"). [Ibid, pp. 30-39]

The ledger for December 1999 (Exh. A-4-d), contains the following entries: (1) "12/30 AS/258 5.000" (Exh A-4-d-1) and (2) "12/04 AS/258 5.00" (Exh A-4-d-2). According to Gov. Singson the aforesaid entries show that he gave to FPres. Estrada, as part of Jueteng protection, the amount of Five Million Pesos (P5,000,000.00) on December 30, 1999 and another Five Million Pesos (P5 Million) on December 4, 1999. [Ibid, pp.39-41]

The ledger for January 2000 (Exh A-4-E) contains the following entries: (1) "1/31/00 AS at PR 5.000" (Exh A-4-E-1); and (2) "1/15/00 AS at Pr 5.000". According to Gov. Singson "PR" stands for Presidential Residence and "AS" for Asiong Salonga, that he gave to FPres. Estrada the amount of Five Million Pesos (P5,000,000.00) twice, one on January 31, 2000 and the other January 14, 2000, at the Presidential Residence. [Ibid, pp.41-43]

According to Gov. Singson, he was ordered by FPres. Estrada to give to him Five Million Pesos (P5,000,000.00) of the jueteng collection every fifteen (15) days of the month. All the jueteng collections were for FPres. Estrada. The total amount of Ten Million Pesos (P10,000,000.00) were given to him every month plus the expenses ("gastos") and the remainder or the rest of the collection were deposited in the bank for FPres. Estrada in the name of Ricaforte. A total amount of Two Hundred Sixteen Million Pesos (P216,000,000.00) were deposited in the bank for FPres. Estrada. [Ibid, pp. 43-44]

Gov. Singson agreed at first that he would not earn anything from jueteng, provided that the share of Ilocos Sur from the excise tax under R.A. No. 7171 amounting to billions of pesos would be released to them for their projects. Gov. Singson testified that, after the One Hundred Thirty Million Pesos (P130,000,000.00) were taken from him, the release of the funds did not continue. The Former President did not comply with the agreement. [Ibid, pp. 44-46]

In the ledger for February 2000 (Exh A-4-F), the following entries appear: (1) "AS/258

5.000” (Exh A-4-F-1); and (2) “2/17/00 AS 258 5.000” (Exh A-4-F-2). Gov. Singson testified that these entries mean that he gave to FPres. Estrada, Five Million Pesos (P5,000,000.00) as part of jueteng protection money in an unspecified day in February of 2000 and another Five Million Pesos (P5,000,000.00) of the same money on February 17, 2000. [Ibid, pp. 48-49]

The ledger for March 2000 (Exh A-4-G), bears the following entries: (1) “3/16/00 AS/258 5.000” (Exh A-4-g-1); and (2) “4/3/00 AS/258 5.000” (Exh A-4-G-2). According to Gov. Singson the entries mean that he gave Five Million Pesos (P5 Million) on March 16, 2000 and another Five Million Pesos (P5,000,000.00) on April 3,2000, both as part of jueteng protection money. [Ibid, pp. 49-50] Gov. Singson explained that “258” was his code name which he had been using even in their radio communication and that later, FPres. Estrada would kid him with his code name when they played mahjong. [Ibid, p. 52]

In the April 2000 ledger (Exh A-4-H), the entry “4/14/00 AS/258 5.000” appeared twice, (Exh A-4-H-1) because according to Gov. Singson he gave Five Million Pesos (P5,000,000.00) twice, one in the morning and another in the afternoon on the same day, April 14, 2000, or a total of Ten Million Pesos (P10,000,000.00) from jueteng protection money collection, because FPres. called him up twice on the said date as his birthday on April 19, 2000 was nearing. [Ibid, pp. 53-54]

At the ledger for May 2000 (Exh A-4-i), the first entry also at the right hand portion was “5/31 AS/258 5.000” (Exh A-4-i-1) and next entry was “5/13 AS/258 5.000” (Exh A-4-i-2). Gov. Singson explained that the entries meant that he gave Five Million Pesos (P5,000,000.00) on May 31, 2000 and another Five Million Pesos (P5,000,000.00) to FPres. Estrada on May 13, 2000, both part of the jueteng protection money. Gov. Singson also mentioned that the entries sometimes were not in chronological order, but they were for the same month. [Ibid, pp. 55-56]

The June 2000 ledger (Exh A-4-j), the entry at the right hand portion reads: “6/30 AS/258 3.300”, and the next entry is “6/15 AS/258 5.000” (Exh A-4-j-2). According to Gov. Singson, these means that he gave to FPres. Estrada Three Million Three Hundred Thousand (P3,300,000.00) from jueteng protection money collection on June 30, 2000, and Five Million Pesos (P5,000,000.00) from the same collection, on June 15, 2000. [Ibid, pp. 56-57]

The succeeding ledgers for July 2000 (Exh A-4-k) the following entries appear: (1) “7/14 AS/258 2.650” (Exh. “A-4-k-1) and (2) “8/12 AS/258 3.600” (Exh.A-4-k-2). Gov. Singson explained that the entries mean respectively that he gave the amount of Two Million Six Hundred Fifty Thousand Pesos (P2,650,000.00) on July 14,2000 and Three Million Six Hundred

Thousand Pesos (P3,600,000.00) to FPres. Estrada as part of jueteng protection money collection. [Ibid, pp.57-58] To the question of why the amounts were less than P5,000,000.00 on the said occasions, Gov. Singson replied that it so happened that those were the only cash in his possession when the requests for money were made and that they stopped jueteng collection because Atong Ang started with "Pick 2" and later "Bingo 2 Balls" which according to FPres. Estrada would have a semblance of legality. [Ibid, pp. 59-60]

The ledger for the month of August 2000 (Exh.A-4-L) contains the entry "8/16 AS/258 3.050" (Exh. A-4-L-1). Gov. Singson testified that he gave FPres. Estrada on August 16, 2000 the amount of Three Million Fifty Thousand Pesos (P3,050,000.00) as part of protection money collected from jueteng. [Ibid, pp. 62-63] According to Gov. Singson the President was very strict with money and so they had an auditor and he checked the ledger monthly so that they could not make any kickback ("Kupit") from the jueteng collection. [Ibid, pp. 63-64]

Gov. Singson testified that the jueteng collector for Bulacan on November and December 1998 was Jessie Viceo. In January 1999 the jueteng collector for Bulacan was Jinggoy Estrada as shown by the ledger where he was identified as "Jing" who got One Million Pesos (P1,000,000.00) (Exh. W7). Viceo and Jinggoy Estrada were friends so the latter supervised the jueteng collection in Bulacan, although he was residing in San Juan. When FPres. Estrada instructed Gov. Singson not to give money to Jinggoy Estrada and so that the latter will not get mad at him, Gov. Singson and Jinggoy Estrada agreed to keep it a secret from the FPres. that Jinggoy Estrada managed the jueteng collection in Bulacan and that out of the total monthly collection of Three Million Pesos (P3,000,000.00) from Bulacan, Jinggoy Estrada gave only Two Million Pesos (P2,000,000.00) to Gov. Singson and he retained One Million Pesos (P1,000,000.00). The money was either picked-up from the office or house of Jinggoy or the latter sent the money to Singson. The secret arrangement started in November 1999 and lasted until the end of August 2000. [Ibid, pp. 69-70] However, the arrangement did not appear in the ledger because they will be scolded by FPres. Estrada. [Ibid, p. 71] When asked whether Jinggoy Estrada personally collected the jueteng money, Gov. Singson replied that it was Jinggoy Estrada and Jessie Viceo who talked with each other, sometimes they got the jueteng money from the office of Jinggoy Estrada or sometimes the latter sent it to the office of Singson, but Gov. Singson knew that Jinggoy was in charge of the jueteng collection. The secret arrangement came about because jueteng collection in Bulacan was a problem from the start as there were delays or sometimes the checks paid by Jessie Viceo bounced. Viceo agreed to the arrangement because he was a close friend of Jinggoy Estrada. [Ibid, pp. 71-72] Gov. Singson knew Viceo personally because he would see Viceo in the cockpits which the latter frequented. [Ibid, p. 74]

Gov. Singson considered the biggest among the expenses charged to the “Tax” the One Million Two Hundred Thousand Pesos (P1,200,000.00) given to Laarni Enriquez whom Gov. Singson described as the most beloved or favorite of FPres. Estrada [Ibid, p. 75]. According to Gov. Singson, he was assessed, like other persons who attended the birthday party of Laarni, the aforesaid P1,200,000.00 as his share in the price of the necklace birthday gift amounting to Thirteen Million Pesos (P13,000,000.00) for Laarni. Jaime Dichaves collected the said amount from Gov. Singson after the party. Gov. Singson paid by check which was deposited in the account of Laarni at PSBank. [Ibid, pp. 76-81] It was Congressman Mark Jimenez who pinpointed the guests who would share (P1,200,000.00) each for the gift for Laarni after they had just finished playing mahjong with FPres. Estrada during the party. [Ibid, p. 84] Gov. Singson charged the P1,200,000.00 as “tax” in the jueteng collection because it was “a big amount of money”. [Ibid, pp. 87-88]

In the early part of the year 2000, FPres. Estrada instructed Gov. Singson to transfer Two Hundred Million Pesos (P200,000,000.00) of jueteng money to Serapio. The instruction was given by FPres. Estrada to Gov. Singson in Malacañang Palace in the presence of Ricaforte and Serapio. According to Gov. Singson, Serapio said “Ako na ang bahalang magpakikot-ikot” which Gov. Singson took it to mean that Serapio would see to it that the Two Hundred Million Pesos (P200,000,000.00) jueteng money would not be traced before it reached him. FPres. Estrada checked Gov. Singson in April 2000 when FPres. Estrada’s birthday was approaching, whether the money was so transferred. The transfer of funds was confirmed to Gov. Singson by both Ricaforte and Serapio. The jueteng money delivered to Serapio initially amounted to One Hundred Twenty Three Million Pesos (P123,000,000.00) but it was increased later to Two Hundred Sixteen Million Pesos (P216,000,000.00). [Ibid, pp. 88-94]

Gov. Singson testified that Serapio was the trusted lawyer of FPres. Estrada who formed fake corporations for FPres. Estrada which Serapio would narrate to Gov. Singson when they often see each other in Malacañang Palace. Serapio was introduced to Gov. Singson in 1999 after the birthday of FPres. Estrada.

Gov. Singson delivered jueteng money to FPresident Estrada in a black bag, like an attaché case. He delivered money at the houses of FPres. Estrada, particularly once at P. Guevarra Street, twice or thrice or four times or five times at Polk Street. [Ibid, pp. 95-98]

Atty. Kenneth S. Tampal of the office of the Senate Legal Counsel brought the black bag referred to by Gov. Singson which was marked as Exhibit “MMM” at the Senate Impeachment Proceedings and the set of ledgers for the period beginning August 1999 to August 2000 (Exhibits A-4 to A-4-I). The bag was a leatherette attaché case with two (2) combination locks

numbered 000. [Ibid, pp. 103-105] According to Atty. Tampal, the exhibits are in the custody of the Office of the Senate Legal Counsel. [Ibid, p. 110]

Gov. Singson testified that the abovementioned black bag (Exh. O<sup>8</sup>) was one of the black bags which they used to deliver money to FPres. Estrada in Malacañang Palace. [Ibid, p. 113] The said black bag can contain five or even six million pesos. [Ibid, pp. 115, 118] He would leave the bag with money and brought with him the bag without money. The bag contained two (2) combination locks. The combination of both was “000” although he change it to “419”, representing the birthdate of FPres. Estrada, April 19, at the time he delivered money in Malacañang Palace to FPres. Estrada, but the latter asked him to revert to “000” combination because FPres. Estrada could not open the lock. [Ibid, pp. 118-119] There were four (4) pieces of this type of bag. [Ibid, pp. 115-116]

The bills placed in the bag were in One Thousand Pesos (P1,000.00) denomination. Many times Singson himself delivered the jueteng money to FPres. Estrada in Malacañang Palace. To go to the Presidential Residence (PR), he passed through the main gate where there were guards. At first, the Secretary would call to give the guards instruction not to inspect the bag. Later on, the guards came to know Gov. Singson and allowed him to enter without inspecting the bag. Jueteng money was either delivered to Gov. Singson’s office or picked-up by Gov. Singson, or his driver or his security or the people in his office. [Ibid, pp. 121-124]

The total amount of money Gov. Singson collected from jueteng operations for FPresident Estrada starting November 1998 to August 2000 was Five Hundred Forty Million Pesos (P540,000,000.00) more or less, according to Gov. Singson.

Gov. Singson personally delivered about Two Hundred Million Pesos (P200,000,000.00) to FPres. Estrada. [Ibid, p. 124-125]

In the ledger for March 1999 (Exh AAAAAAAA), the entry “Bicol15 1.100” means in the Province of Bicol for fifteen (15) days the protection money collection for FPres. Estrada was One Million One Hundred Thousand Pesos (P1,100,000.00). In the ledger for the month of November 1998 (Exh. W<sup>7</sup>), there was an entry “1.500 Anton and 2.500 Anton”. According to Gov. Singson, the entry was made because Atong Ang told him the amounts of One Million Five Hundred Thousand Pesos (P1,500,000.00) and Two Million Five Hundred Thousand Pesos (P2,500,000.00), or a total of Four Million Pesos (P4,000,000.00), collected from Bicol were recorded / listed in the name of Presidential Assistant Anton Prieto. Atong Ang informed Gov. Singson that FPres. Estrada knew about it and the latter so confirmed to Gov. Singson. [Ibid, pp. 125-127]

While jueteng protection money collection started in September 1998, the ledger started only in November 1998 when Gov. Singson alone was asked to continue the jueteng collection. [Ibid, pp. 128-129]

In the July 2000 ledger (Exh. A-4-k), the total amount of jueteng collection and the total amount of expenses were the same so the balance at the end of the month was zero because “Pick 2” replaced jueteng, as Gov. Singson, Dante Tan and FPRES. Estrada discussed in Malacañang and in his new home at New Manila called “Boracay”. “Pick 2” was the brainchild of Dante Tan and “Bingo 2 Ball” was the brainchild of Atong Ang. [Ibid, pp. 129-132] In “Boracay”, Bong Pineda told Dante Tan, Gov. Singson and FPRES. Estrada that “Pick 2” may be hard to be understood by the people because there will be 75 numbers. [Ibid, p. 134]

In August 2000, “Pick 2” started and, in September 2000, before his departure for the United States, FPRES. Estrada asked Gov. Singson to hasten the start of “Bingo 2 Balls”. Atong Ang called Gov. Singson when he was in Malaysia in September 6, 2000 and told him that FPRES. Estrada would like to rush the start of “Bingo 2 Balls”. Gov. Singson replied that was nice and asked that Atong Ang reserve Ilocos Sur for him. However, the following day the son of Gov. Singson informed him that the other half of the franchise was given to his political opponent, Eric Singson, whom he defeated in the election. Eric Singson was his distant relative. [Ibid, pp. 138-141]

According to the son of Gov. Singson, Atong Ang told him that he had the provincial commander transferred and the Chief of Police replaced. His father could not do anything to stop “Bingo 2 Balls” as it was decided by FPRES. Estrada and his political career was finish. Gov. Singson talked with Atong Ang when he was in Malaysia and told him that they should wait for FPRES. Estrada to return. FPRES. Estrada returned from the United States on September 13, 2000. Gov. Singson also arrived from Malaysia the following day. The following day, Gov. Singson asked FPRES. Estrada over the phone why the franchise was given to his political enemy. Gov. Singson told him that all the mayors will be embarrassed. FPRES. Estrada replied that he had nothing to do with it. Gov. Singson thought that FPRES. Estrada was fooling him. He told FPRES. Estrada that it was a matter of pride, that all his mayors were getting embarrassed. FPRES. Estrada replied that he did not care, so Gov. Singson told him “Kung dahil lang dyan pagkatapos ng lahat bibitawan mo ako, bibitaw na rin ako sa iyo”. [Ibid, pp. 142-146]

Gov. Singson then asked his lawyers to prepare his affidavit because he knew that his life would be in danger if he would part ways with FPRES. Estrada, who was very powerful and

Gov. Singson had no evidence. Gov. Singson then called Ricaforte and asked her to fax to him the ledger. Ricaforte asked if they were going to Malacañang. Gov. Singson knew that Ricaforte did not know yet what was happening. After she faxed the ledger from her house to Gov. Singson, the latter asked his lawyer to continue with the preparation of his affidavit. Gov. Singson said he prepared the affidavit so that if anything happened to him it would be known who was responsible. When asked if he was threatened, Gov. Singson replied that he knew FPres. Estrada and the men around him so he knew that his life was in danger. [Ibid, pp. 146-150]

The first set of ledgers was faxed to Singson, while the second set (Exhs. A-4 to A-4-1) was in the possession of Ricaforte which she produced during the impeachment proceedings. The prosecution would have the latter subpoenaed from the Senate. Everyone that Gov. Singson consulted gave the same comment. Nobody will believe Gov. Singson because FPres. Estrada was the most popular President elected. Gov. Singson talked with Jinggoy Estrada. Gov. Singson told Jinggoy Estrada that his family got One Hundred Thirty Million Pesos (P130,000,000.00) from him and that Jinggoy Estrada got part of the said money. Gov. Singson also told Jinggoy Estrada that jueteng money all went to his father and that Jinggoy Estrada also had a part of it. Jinggoy Estrada told Gov. Singson, they would fix it. [Ibid, pp. 147-155]

Nothing happened so Gov. Singson talked with JV Ejercito, another son of FPres. Estrada. JV Ejercito asked Gov. Singson not to come out and that he will talk with his father. Again nothing happened so Gov. Singson approached Secretary Ronnie Zamora and showed him the ledger. The latter reacted that the ledger was a serious matter, “Delikado ito”. Zamora asked Gov. Singson not to come out and he told Gov. Singson that he would see FPres. Estrada. Gov. Singson then went to see Former Secretary Edgardo Angara at the latter’s GMA Farm in Batangas and showed to him the ledger. Secretary Angara asked Gov. Singson not to come out publicly because the ledger was a serious matter and even they, the cabinet members may be affected. After that first meeting in Batangas, Chavit Singon saw Secretary Angara at the Philippine Plaza and he latter told Gov. Singson that it was alright as he was able to talk to FPres. Estrada. Secretary Angara, according to Gov. Singson, told FPres. Estrada that Gov. Singson was a big help to them in politics and that he was just asking for a small favor. Secretary Angara also asked FPres. Estrada not to embarrass Gov. Singson’s mayors. This matter might be known by the media. Secretary Angara informed Gov. Singson that FPres. Estrada got mad and replied “Sinong tinakot nya?” Before Secretary Angara left, he told FPres. Estrada that he saw Gov. Singson’s jueteng ledger and he found it a ground for impeachment. FPres. Estrada appeared surprised (“Nagulat”) but did not say anything. Secretary Angara assured FPres. Estrada, he will first talk with Gov. Singson and fix it. For the



third time, Gov. Singson saw Secretary Angara at New World Hotel. He asked Gov. Singson to give him until the end of September 2000 because the FPRES. was a “macho” and would not easily give in. However, Gov. Singson replied that he was already decided because his mayors kept on calling him. Incidentally according to Gov. Singson, these political enemies were operating the “Bingo 2 Balls”. [Ibid, pp. 156-164]

After Secretary Angara, Gov. Singson also approached Congressman Mark Jimenez, who said after he met with FPRES. Estrada, General Lacson and Secretary Ronnie Zamora that “Bingo 2 Balls” will not stop in Ilocos Sur but that Gov. Singson should lie low first. Gov. Singson replied that he had decided already to come out and he informed his mayors that he will expose the anomalies involving FPRES. Estrada. Gov. Singson talked with Jimenez over the phone when he was then at Holiday Inn on October 3, 2000. There was a conference of the Mayors League in the Philippines. Gov. Singson left Holiday Inn together with twenty-two mayors. According to Gov. Singson, armed men followed him at about 11:30 that evening at San Marcelino Street and that his vehicle was blocked by three cars and one motorcycle, all passengers by which were fully armed by armalite. Two of the cars were TMG cars and the other, a civilian red car. Gov. Singson told the mayor with whom he was talking over the phone that they should all go to San Marcelino, behind Jai-Alai because of an emergency. His driver was instructed by Gov. Singson not to open the door of his vehicle. [TSN dated July 29, 2002, pp. 11-19]

PAOC men signaled Gov. Singson to get out of his vehicle, a bullet-proof Ford Super Van but he refused. He went out of the van after the mayors arrived one after another. The PAOC team told Gov. Singson that they received information that he had a blinker that, although he did not use it, mere possession was already a violation and that they wanted to bring this to Crame and after he suggested that he be given a ticket of the violation but he instead asked that they go to the police precincts at the United Nations Avenue. Only the two TMG Officers went to the police precinct with Gov. Singson who rode in his own van. There were media people at the police precinct. When asked why he was being harassed although he was influential to the FPRES. Estrada, Gov. Singson replied to the media that he will expose the anomalies of FPRES. Estrada. [Ibid, pp. 20-26]

The following day the incident was published in the newspapers and shown on television. The group of FPRES. Estrada tried to settle with Singson. JV Ejercito was the first to call repeatedly (every two minutes) to ask Gov. Singson to return the call of FPRES. Estrada, Gov. Singson called the latter who asked that they talk because he was confused with the problems of the Abu Sayyaf and the First Lady. Gov. Singson replied he had already given his word. They talked for the second time and then third time, it was FPRES. Estrada himself who

called. The next person to call was Atong Ang who was pleading to Gov. Singson to fix the matter. Gov. Singson brought up the P130 Million from the excise tax which Gov. Singson said was taken by Atong Ang and FPres. Estrada. Atong Ang promised that the said amount will be returned to Gov. Singson and that the "Bingo 2 Balls" will be given to Gov. Singson. Gov. Singson informed him that it was too late. Atong Ang called Gov. Singson about twenty (20) times [Ibid, pp. 27-37]

After Atong Ang, Former Secretary Alfredo Lim called to convince Gov. Singson to settle and to see FPres. Estrada. Alfredo Lim asked Gov. Singson to proceed with the press conference but he should put the blame on Atong Ang and that they will take care of Atong Ang. Alfredo Lim gestured with his right fist thumb down. Gov. Singson understood this to mean that Atong Ang will be killed. Gov. Singson did not agree because he might be implicated. He asked them to look for a good reason. [Ibid, pp. 38-42]

The next to call Gov. Singson was Jinggoy Estrada. The latter and Gov. Singson talked on October 8, 2000. Jinggoy Estrada also sent many emissaries to talk with Gov. Singson. That evening Gov. Singson went to Cardinal Sin at his San Miguel Residence. Gov. Singson explained to Cardinal Sin the situation and left to him the evidences so that in case anything happens to Gov. Singson, he would know who will be responsible. Gov. Singson saw the Cardinal with his sisters. Cardinal Sin told Gov. Singson to go ahead that he will pray for Gov. Singson and that God will be with them. [Ibid, pp. 42-26]

Gov. Singson returned to his house at 10:00 o'clock in the evening where Jinggoy Estrada called him and sent emissaries again to Gov. Singson. At 12:00 midnight Jinggoy Estrada and some friends of his arrived at Gov. Singson's house in Blue Ridge, Quezon City. Jinggoy Estrada pleaded to Gov. Singson until 3:00 o'clock the following morning. Gov. Singson told Jinggoy Estrada that it was too late because his press conference will happen in a while and all that the Estradas could do was to deny what Gov. Singson will reveal at the press conference. He further said to Jinggoy Estrada that he will not mention the latter's name. [Ibid, pp. 46-51]

Gov. Singson proceeded with his press conference on October 9, 2000 at Club Filipino. He gave the two reasons: first, FPres. Estrada insulted him and wanted him killed so he was not a true friend anymore; and second, he already had the evidence and they will kill him even if he did not pursue his planned press conference. It was better for him to be killed with honor and to show how corrupt the government was under the Estrada Administration. According to Gov. Singson, FPres. Estrada wanted to replace jueteng with "Bingo-2-Balls" because he will earn more, about Fifty Million Pesos (P50,000,000.00) a day. Gov. Singson explained how much

FPres. Estrada would receive from “Bingo 2 Balls”. [Ibid, pp. 51-59]

Gov. Singson also mentioned that FPres. Estrada owned the “Boracay Mansion” in New Manila. He identified this property through a computer generated picture (Exh. P<sup>8</sup>). [Ibid, pp. 60-67] Gov. Singson also described the house of FPres. Estrada at Polk St., Greenhills which he had visited frequently as well as the house of the FPres. in P. Guevarra Street which was just 2 to 3 kilometers away from Polk Street. [Ibid, pp. 68-72]

Gov. Singson testified as to the other properties of FPres. Estrada like Fontainbleau, Inc., a casino. A check (Exh. V<sup>6</sup>) payable the order of Fonteinbleau, Inc. was among the checks turned over to Ricaforte. Gov. Singson helped put up the said casino for FPres. Estrada. However, his name does not appear as an incorporator of the said company in its Articles of Incorporation (Exh. 22). According to Gov. Singson, the shares in the company were distributed as follows: five percent (5%) to Butch Tenorio, the President of the casino; twenty-five percent (25%) for Gov. Singson; seventy percent (70%) for FPres. Estrada which were placed in the names of Jaime Dichaves and his classmate Susie Pineda. [Ibid, pp. 72-76]

To prove his close relationship with FPres. Estrada, Gov. Singson mentioned that Jacob, a son of the FPres. Estrada by Laarni Enriquez, was his baptismal godson while FPres. Estrada stood as sponsor (in the wedding with his two children, Racquel and Randy). [Ibid, pp.76-78]

On cross examination, Gov. Singson was confronted with his testimony during the Senate impeachment trial, contained in the transcript of the stenographic notes of the proceedings held on December 13, 2000 at pages 234 and 235 (Exh. 28-Serapio and submarkings). In the said testimony, Gov. Singson did not mention that Serapio was present when he turned over to Ricaforte the jueteng protection money, partly in cash and partly in check. [TSN dated July 29, 2002, pp. 147-150] Gov. Singson insisted that Serapio was present but he was being confused by the Senators sympathetic to FPres. Estrada. It appears, however, that Singson was not asked during impeachment proceedings who were present during the aforementioned turn-over of jueteng protection money. [Ibid, pp. 150-151] Gov. Singson also testified that he did not know if Ricaforte withdrew the amount in cash. Gov. Singson was only told by Ricaforte that she gave the Two Hundred Million Pesos (P200,000,000.00) to Serapio. [Ibid, pp. 153-156 Gov. Singson also admitted that the P200,000,000.00 were transferred to the Muslim Youth Foundation, Inc. [Ibid, p. 156] and that he likewise testified before the Senate Blue Ribbon Committee on October 17, 2000, as shown by the transcript of Stenographic Notes of the hearing of that Committee (Exh. 29 and submarkings). Ibid, pp. 158-159]. Gov. Singson acknowledged that he had came across the Certificate of Incorporation and By-Laws of the Erap Muslim Youth Foundation, Inc. (Exh 1-

Serapio and submarkings). The said foundation's Certificate of Incorporation was dated November 17, 2000, and that the Articles of Incorporation was dated February 15, 2000. [Ibid, pp. 167-168] Gov. Singson saw for the first time during his cross-examination the certification of the Branch Manager of Equitable-PCI Bank that the Erap Muslim Youth Foundation, Inc. maintained an account in the total amount of Two Hundred Three Million One Hundred Thirty-Six Thousand Nine Hundred Thirty-One Pesos and Twenty Seven Centavos (P203,136,931.27) (Exh 17; 17-a-Serapio). [Ibid, p. 169]

**EMMA BARBON LIM** (Emma Lim) worked for Gov. Singson since July 1987 as Liaison Officer at the latter's private office in LCS Building, San Andres corner Diamante Street, San Andres Bukid, Metro Manila. LCS stood for Luis Chavit Singson. Emma Lim did personal errands for Gov. Singson, like collecting jueteng money from different persons for FPRES. Estrada pursuant to the instructions of Gov. Singson.

As early as January 1999, Emma Lim was already receiving deliveries of jueteng money. Gov. Singson told her to take care of the money that she was receiving because it was not the money of Gov. Singson but of FPRES. Estrada. She started collecting jueteng money sometime in April 1999. She personally went to the person from whom she collected the money. She knew that it was jueteng money because Gov. Singson told her so and that it was also confirmed by Ricaforte.

She also knew that it was jueteng money because there was an instance that Ricaforte scolded her for opening an envelope. Ricaforte told her that it was strictly confidential and it was intended for FPRES. Estrada. Emma Lim also personally delivered jueteng money to Malacañang.

According to Emma Lim, Ricaforte was the accountant-auditor of FPRES. Estrada. This was how she was introduced by Gov. Singson to her and how she introduced herself when she reported at the LCS Office. Ricaforte also held office in the same address. Emma Lim's other co-employee was Menchu Itchon. [TSN dated July 1, 2002, pp. 12-17]

Witness testified that she collected jueteng money from Undersecretary (USec) Anton Prieto, Jinggoy Estrada and Bong Pineda.

USec Anton Prieto was the Presidential Assistant for Bicol Affairs. He was the one in charge of jueteng collection in the Bicol Area. Witness met Prieto personally and he introduced himself to the witness as such. Every time he called the office, he always said that he was an Undersecretary in Malacañang.

Sometime on April 1999, Emma Lim met Prieto at the lobby of Dusit Hotel Nikko in Makati. Usec Prieto handed to her a sealed mailing envelope which she brought to their office at LCS Building. Emma Lim called Gov. Singson who asked her to open the envelope to know how much she received. The envelope contained a post dated check (Exh F<sup>7</sup>, F<sup>7</sup>-1 to F<sup>7</sup>-5) in the amount of P1,190,000.00. Emma Lim deposited the check (Exh G<sup>7</sup>, G<sup>7</sup>-1 to G<sup>7</sup>-4) in the account of Gov. Singson at the Metrobank, Ayala Center Branch on April 7, 1999.

Three days after the check was deposited, the New Accounts Department of the Metrobank Ayala branch informed Emma Lim that the check was dishonored because the signature was different. The check was returned through Usec Prieto's messenger.

Emma Lim usually deposited the PNB Naga Branch checks from Prieto in the Account No. 0963011682260 of Gov. Singson. The deposit slips (Exhibits I<sup>7</sup> to Q<sup>7</sup> and submarkings) listed the deposits.

At one time, Ricaforte scolded her for opening the envelope because it was strictly confidential and that it was for FPRES. Estrada. Ricaforte took the check from the Emma Lim. [Ibid, pp. 17-56]

Ricaforte first reported at the LCS building on April 16, 1999. She introduced herself as the accountant-auditor of FPRES. Estrada. Gov. Singson also introduced her as such.

Emma Lim collected jueteng money twice from Bong Pineda, who was in charge of the jueteng collections in Pampanga because Gov. Singson told her so.

Sometime on January 2000, upon instruction of Gov. Singson, Emma Lim and Gov. Singson's driver Faustino Prudencio went to the house of Bong Pineda at No. 2 Albany Street, Northeast Greenhills, San Juan, Metro Manila to pick-up money. At Pineda's house, Pineda's secretary, Marty, asked her to enter an office room to wait for Bong's brother Romy Pineda. When Romy Pineda arrived, he placed a shopping bag on top of the table and asked Emma Lim to count the contents. The money was P5,000,000.00 in P1,000 denominations. After counting the money, they returned the money inside the shopping bag and Mr. Pineda made her sign a half sheet of bond paper evidencing that she received the money. Emma Lim then kept the money inside the vault at the LCS office and informed Gov. Singson that she had picked up the money.

The second time Emma Lim collected money from Bong Pineda was sometime on

February 2000. They were on their way home after collecting money from Jinggoy Estrada. Menchu Itchon called her and told her that Gov. Singson wanted her to drop by the house of Mr. Bong Pineda to pick-up money. Emma Lim proceeded and Marty again ushered her to the office room. Romy Pineda arrived. He opened what appeared to be a bookshelf and came out with a red Salvatore Ferragamo shopping bag (Exhibit R<sup>7</sup>) containing P5,000,000.00. The money was in P1,000 bills and in 5 bundles containing P1,000,000.00 each. Romy Pineda asked her to sign a paper that she received the amount. She kept the money in the vault assigned to her at the LCS office. She informed Gov. Singson that she received the money from Bong Pineda, and Gov. Singson told her that he will pass by for it. [Ibid, pp. 58-80]

She collected jueteng money from Jinggoy Estrada three times. These were sometime in January, February 2000 and March 17, 2000.

For the first collection, Gov. Singson called her up at the LCS office and told her to call the office of Mayor Jinggoy Estrada to inquire if she can pick up what was to be picked up. The staff of Jinggoy Estrada who answered the phone told her to go there after lunch. Witness left the office at 1:00 o'clock with the driver of Gov. Singson and proceeded to the office of Mayor Jinggoy Estrada at the second floor of the Municipal Hall of San Juan, Metro Manila.

When she arrived at the office, the staff at the receiving section gave her a sheet of paper where she wrote her name and office. The bodyguard of Jinggoy Estrada arrived and handed to her something which was wrapped in a magazine and sealed with scotch tape. The bodyguard told her not to count the money because there were many people around. She then brought the package back to the LCS office and kept it in the vault. She called Gov. Singson and told him that she already picked up the money from Jinggoy Estrada. When Gov. Singson arrived, witness counted the money in his presence and it was P1,000,000.00 which she turned over to Gov. Singson.

Sometime in February 2000, she again collected jueteng money from Jinggoy Estrada. Gov. Singson called her up and instructed her to call up the office of Jinggoy Estrada. She was able to talk to Jinggoy Estrada's secretary Josie and was told to go to their office after lunch.

Josie ushered her inside the office of Jinggoy Estrada. Jinggoy Estrada was there. Witness greeted him a good afternoon and he smiled. Josie asked her to sit in front of her table which was about 4 to 5 meters away from Jinggoy Estrada. Josie took up a paper bag from under her table and placed it on top of the table. She asked the witness to count the contents. The witness counted that there were ten (10) bundles of P1,000.00 bills. Each bundle had 100 pieces and the total amount was P1,000,000.00. She then asked permission to leave.

After coming from the office of Jinggoy Estrada, they proceeded to the house of Bong Pineda.

She collected jueteng money for the third time from Jinggoy Estrada on March 17, 2000. She again went to the office of Jinggoy Estrada after lunch after contacting Josie. When she arrived there, she was ushered inside the office of Jinggoy Estrada. She can no longer remember the number of staff inside the office. It was Josie who told her to sit down in front of the table of Jinggoy Estrada. Jinggoy Estrada took out a check from his wallet and gave it to her saying, "*Sabihin mo kay Gob tseke na lang.*" Emma Lim then kept the check inside her bag. The amount was P1,000,000.00 with United Overseas Bank Philippines, San Juan Branch as the drawee bank. The witness deposited the check to the account of Gov. Singson at Metrobank, Ayala Center. The deposit slip (Exhibit S<sup>7</sup>) was presented.

According to the witness, the check was personalized because it bore the picture of Jinggoy Estrada at the background. Emma Lim had seen this kind of check of Gov. Singson. [Ibid, pp. 82-111] Emma Lim maintained her testimony notwithstanding that she was shown a certification dated December 11, 2000 issued by Isabelita M. Papa, Executive Vice President of United Overseas Bank of the Philippines, stating that Mr. Jose P. Estrada, also known as Jinggoy Ejercito Estrada, never had a current or checking account with the said bank. [TSN dated July 10, 2002]

She knew that the money she kept in the vault assigned to her were jueteng collections because Governor Singson and Ricaforte told her so. [TSN dated July 1, 2002, p. 81]

On July 3, 2002, Emma B. Lim continued her direct examination and testified that she personally met FPres. Estrada when she delivered jueteng money to Malacanang. As instructed by Gov. Singson, she was fetched by Singson's driver, personal aide and security guard at Singson's office at LCS. She boarded the Ford Expedition when they passed by the LCS office. Singson called to ask Emma Lim to double check the money inside the car if it was Five Million Pesos (P5,000,000.00). Gov. Singson's driver Faustino Prudencio, personal aide Jemis Singson and security guard Frederico Artates were inside the car too when she bundle count the money. They proceeded to the residence of FPres. Estrada at Polk Street, Greenhills. However, Artates and Jamis Singson were informed by the security guards that Malou Florendo and FPres. Estrada were not at home. They waited outside and decided to take their lunch in a restaurant in Greenhills. They brought the black bag containing the money with them at the restaurant. Gov. Singson's personal aide was holding the bag. Driver Faustino Prudencio received instruction from Singson for them to proceed to Malacanang. It was already 1:00 o'clock, after lunchtime in 1999 during the Maslog book scam in Malacanang. She

recalled it because her companion warned her not to open the bag because “Baka maslog ka “. In that incident, Maslog was caught bringing money inside Malacanang. Emma Lim was dropped-off at the circle inside Malacanang. She carried the black bag containing P5,000,000.00. Emma Lim introduced herself to the security guard as Emma from the office of Governor Gov. Singson and told him Malou Florendo was expecting her. The amount of P5,000,000.00 was in One thousand (P 1,000.00) peso bills. [TSN dated July 3, 2002, pp. 190-207] The security guard allowed her to enter, without passing the bag through the x-ray. The guard was not strict and pointed to her the Presidential Residence. There was another security guard in front of the house and Emma Lim gave the same introduction and that Malou Florendo was expecting her. Emma was allowed to enter. She was met by Malou inside the residence, Emma Lim saw FPres. Estrada, wearing a cream polo. Emma Lim handed the black bag to Malou Florendo. Emma Lim and FPres. Estrada were within each other’s view. Malou placed the black bag beside an office table. Emma Lim heard Malou told Gov. Singson over the phone that she was already there. Emma Lim left for the LCS office. [Ibid, pp. 242-261] Emma Lim described the black bag as rectangular with numbered combination lock. The width was about 8 inches, the length, 18 inches and the height was 12 inches. It was made of canvass or synthetic material. Emma demonstrated in court that she could carry a bag of similar size with P 5,000,000.00 inside. Five bundles of bills weighed four (4) kilos and eight (8) grams. [Ibid, pp. 263-279,280] The bag weighed 2 kilos and 6 grams. The bag and its contents weighed 7 kilos and 4 grams. [Ibid, p. 288]

On cross-examination, Emma Lim testified that she worked for Gov. Singson since 1987. She started living at LCS Office since 1989 until she got married in 1996. She did not pay rent just like the other employees of Singson. She was not related to Singson. Her brother Roy Barbon worked as driver for Singson between 1990 and 1992. She did not feel beholden to Gov. Singson because she worked for her salary. She did not owe him a debt of gratitude but it should be the other way around because she got embroiled in this trouble because of jueteng collections. [Ibid, pp. 296-308]

Emma Lim attended a dinner at Malacañang Palace on February 16, 2001. [TSN dated July 17, 2002, pp. 75-77] She was appointed at John Hay Development Corporation during the term of President Arroyo. She received Eight Thousand Pesos (P8,000.00) per board meeting. Emma Lim also worked as liaison officer of Gov. Singson for overseas workers. [Ibid, pp.87-88] She knew that she was collecting jueteng money because Gov. Singson said so and Ricaforte confirmed. Further the money delivered was bundled by millions and no money of that amount arrived their office when Gov. Singson was not yet a collector. [Ibid, p. 99]

**MARIA CARMENCITA ANCHETA ITCHON** (Itchon), a Certified Public Accountant,



testified that she was hired by Gov. Singson to be an accountant of Fountain Bleau Incorporated (later renamed Fontain Bleau Incorporated) on February 19, 1999. According to Itchon, the said corporation, which was set-up to build a casino in Clark Air Base, Pampanga, was owned by former President Estrada. Witness knew that this was owned by Estrada because Gov. Singson said so and it was confirmed by Mrs. Ricaforte. [TSN, June 17, 2002, pp. 115-118]

She allegedly knew that Fontain Bleau Incorporated got its funding from the *jueteng* collections of FPres. Estrada because Gov. Singson would always tell her to wait for the *jueteng* collection of FPres. Estrada every time she asked for funds. [Ibid, pp. 119-122]

As Accountant, she was the one who made the listings of the pre-operation and expenses of Fontain Bleau and during that time she was the Accountant, she already received *jueteng* collections for FPres. Estrada.

Itchon further testified that she received *jueteng* collections, amounting to a total of around Six Million Pesos (P6,000,000.00) in cash and check, about six (6) times. She received these *jueteng* collections from the messengers of Mr. Anton Prieto and former San Juan Mayor Jinggoy Estrada or Jingle Bells. After receiving the collections, she would inform Gov. Singson and then either Gov. Singson took the collection from her or they turned it over to Mrs. Yolanda Ricaforte.

Itchon identified Fontain Bleu's original Certificate of Incorporation (Exh. P<sup>6</sup>) and the Articles of Incorporation and By Laws attached (Exh. P<sup>6</sup>-1), which were in her possession. These incorporation documents showed the date of Fontain Bleau's registration with the Securities and Exchange Commission (April 5, 1999), the names of its incorporators, and its office address at the 2<sup>nd</sup> Floor, LCS Building, San Andres Bukid, Manila. Itchon's sketch of the office was marked as Exh. Q<sup>6</sup>. [Ibid., pp. 123-124, 132-137]

Itchon averred that before she personally met Yolanda Ricaforte at the office in LCS, Ricaforte used to call their office and introduced herself as the Accountant – Auditor for FPres. Estrada. As early as March 19, 1999, Singson told Itchon that she would be working with Yolanda Ricaforte, the Accountant of FPres. Estrada. Ricaforte began to report for work in the same office as Itchon on April 16, 1999. [Ibid, pp. 129-132, 138-141]

Singson and Ricaforte told Itchon that Ricaforte will be her [Itchon's] immediate supervisor. Ricaforte checked Itchon's entries in her journal. Ricaforte signed the check that Itchon prepared for payment for the supplier of Fontain Bleau and Ricaforte brought Itchon

every time she went to the Pampanga office.

Itchon proceeded to narrate how in the course of their work she and Ricaforte became close and had many conversations including among others how FPres. Estrada came to appoint Ricaforte's husband Orestes Ricaforte as undersecretary of Tourism and how FPres. Estrada gifted Orestes with the Black Lexus that Yolanda and Itchon usually used in traveling to the Pampanga office. Itchon had photographs of gatherings she attended with Ricaforte (Exh. A-6-vvvvv). [*Ibid*, pp. 143-152]

Itchon knew Ricaforte to be the Accountant–Auditor of FPres. Estrada in Fontain Bleau Incorporated and for *jueteng* collections because Ricaforte reported directly to FPres. Estrada. Itchon then narrated how on June 15, 1999, she and Mrs. Regina Lim (one of the incorporators of Fontain Bleau) brought Ricaforte to Malacañang at around 3:30 p.m. They brought her there because Ricaforte said she would report to FPres. Estrada. Before going to Malacañang, Ricaforte took their records of Fontain Bleau, got Itchon's journal and the list of expenses and then Itchon briefed her regarding their expenses. [*Ibid*, pp. 155-162]

Itchon also testified that Ricaforte also reported to FPres. Estrada by phone, sometimes using the landline in the office and sometimes using her [Ricaforte's] cell phone. Itchon knew that the calls were made to FPres. Estrada because she was around when Ricaforte was making calls, and Ricaforte would ask her to keep quiet because she was calling the President. The calls were made inside the LCS office.

Itchon explained that she knew that the cell phone number of Ricaforte was 0918-9021847 because the number was originally issued in Itchon's name. The cell phone was supposed to be hers. When they were in Fontain Bleau, they bought cell phones and the application form for the number was under Itchon's name. Itchon was the one who assigned it to herself. But when the cell phones came, Itchon testified that Ricaforte took the cell phone no. 0918-9021847 and the number 0918-9021849 originally assigned to Ricaforte went to Itchon. Itchon also testified that Ricaforte called up Estrada in her presence about five times.

Itchon prepared a summary of the calls (Exh. R<sup>6</sup> with submarkings) made by Ricaforte. Itchon explained that these were the summary of phone calls of Ricaforte to FPres. Estrada at the presidential residence; to Mayor Jinggoy Estrada or Jingle Bells, to Mr. Edward Serapio, to Governor Singson and to Mr. Romy Pineda, the brother of Bong Pineda. She took the information from the fifteen (15) Statements of Account of Ricaforte for her cell number 0918-9021847. The phone billings of Ricaforte particularly with reference to cell phone no. 0918-9021847 were with Itchon. [*Ibid*, pp. 163-175]

Itchon averred that she prepared or came up with a summary of calls made by Mrs. Ricaforte upon the advice of her lawyer Atty. Pablito Sanidad because when she and Mrs. Ricaforte testified in the Senate Blue Ribbon Hearing Committee, Mrs. Ricaforte testified that she seldom or never called up President Joseph Estrada, Mr. Jinggoy Estrada, Atty. Edward Serapio, Governor Singson and Mr. Romy Pineda. Itchon also testified that when she prepared the summary based on the entries on the particular phone billings, she found out several phone calls to those persons mentioned. [TSN, June 19, 2002, pp. 8-12]

Fifteen (15) Statements of Account (Exhs. S<sup>6</sup>, S<sup>6</sup>-1 up to S<sup>6</sup>-14) issued by Smart communications were also identified by Itchon purporting to be statements of account of Cell phone No. 0918-9021847. The Statements of Account covered the billing period ending July 1999 and billing period ending August 31, 2000. The billing statements of account were received by Itchon from the company for her to pay. The cell phone bills were being paid by Fontain Bleau, but when Fontain Bleau ceased to exist, the phone bills were paid by Ricaforte with money from *jueteng* collections. [Ibid, pp. 15-18]

Itchon affirmed that she was present during Mrs. Ricaforte's phone call to the presidential residence in five instances. During these times, Mrs. Ricaforte was at the LCS office and Itchon was either beside her or in front of Mrs. Ricaforte's office table. Itchon pointed out in the sketch (Exh. Q<sup>6</sup>) she prepared where she was during the five times when the calls were made in her presence.

The number or numbers Ricaforte called up were 736-8855 and 736-8858. Itchon testified that she knew that the numbers pertain to the numbers in the Presidential Residence because they had office records and she also tried calling the number. When she dialed the numbers she asked if it was the PMS. The answer was it was the Presidential Residence. When asked why Itchon checked and called the numbers in the first place, she answered that when she checked Mrs. Ricaforte's cell phone bills, she found out that the numbers were there so she tried calling to check whether it was the Presidential Residence.

When asked what was the nature or gist of the conversation from the end of Mrs. Ricaforte when she called up the Presidential residence, Itchon answered that Mrs. Ricaforte said: "Malou, this is Yolly. Is the President already calling for me? If he needed me, just call me on the cell phone." According to Itchon, Malou was the secretary of FPres. Estrada and Itchon knew this because it was Mrs. Ricaforte who told her. [Ibid., pp. 18-23]

According to Itchon, there were also calls made to former San Juan Mayor Jinggoy

Estrada and, in her summary, Ricaforte called up Mayor Jinggoy Estrada twenty-four (24) times. On at least five occasions, Itchon testified that she was present when Ricaforte called up Jinggoy Estrada while they [Itchon and Ricaforte] were both in the LCS office. Itchon distinctly remembered two dates of Ricaforte's phone calls to Mayor Jinggoy Estrada – (a) August 16, 1999 when Ricaforte called up Jinggoy in his residence because that was the first call of Ricaforte when she started concentrating as the accountant-auditor of former President Estrada in his "*jueteng*" collections; and (b) November 15, 1999 because Ricaforte called up Mayor Jinggoy several times as they were waiting for Mayor Jinggoy's jueteng collection from which they would get their salaries.

The cell phone number of Jinggoy Estrada was 0917-526-0217 and his landline number was 724-4736. Itchon knew that these numbers pertain to Jinggoy Estrada because she got the numbers from Gov. Singson. She got the number because she wanted to check the cell phone bills of Ricaforte because there were times that she remembered that Ricaforte had been calling the number of Jinggoy Estrada which Itchon was not aware of. [Ibid, pp. 23-28]

Based on Itchon's as well as the phone billings, Ricaforte called up Atty. Edward Serapio six (6) times at cell phone No. 0918-9012071. Itchon also got the number of Atty. Serapio from Gov. Singson. Based on the Smart Communications phone billings, Ricaforte called up Atty. Serapio on March 23 and 24, 2000, and April 3, 12, 13, and 14, 2000. (Exh. S<sup>6</sup> with submarkings) [Ibid., pp. 29-35]

According to Itchon's summary, Mrs. Ricaforte called up Gov. Singson 209 times at cell phone nos. 0917-8387171 and 0918-9002443. Itchon was present several times when Ricaforte called up Gov. Singson. Itchon knew that these numbers pertained to Gov. Singson because she was familiar with these cell phone numbers. [Ibid, pp. 37-38]

Itchon also testified to calls made by Ricaforte to a certain Romy Pineda, the brother Bong Pineda, whom she knew was a jueteng lord. Itchon testified that Ricaforte called up Romy Pineda in his landline number, 722-7366. Based on the Summary that Itchon prepared, Ricaforte called up Romy Pineda twice. [Ibid, pp. 38-39]

Itchon further testified that Fontain Bleau, Inc. was not able to operate because Fontain Bleau could not comply with PAGCOR's requirement for a 200-room hotel accommodation so it was not issued a license to operate.

After the non-issuance of the license to operate, Fontain Bleau entered into a Memorandum of Agreement with RN Development Corporation on July 19, 1999 (Exhs. T<sup>6</sup>, T<sup>6</sup>-

1 to T<sup>6</sup>-2). The Memorandum of Agreement (“MOA”) stipulated that RN Development Corporation will reimburse all the pre-operations expenses of Fontain Bleau and that Fontain Bleau will have a 10% share from the casino that will be established by RN Development Corporation. Itchon was present during the signing of the MOA. She identified the signatures of the witnesses to the MOA; namely, a certain Pax who was introduced to Itchon as Atong Ang’s sister (Exh. T<sup>6</sup>-2-c) and Yolanda Ricaforte (Exh. T<sup>6</sup>-2-d). Itchon testified that she came to know Atong Ang during the negotiation of the MOA and that Atong Ang was present during the signing.

As far as Itchon knew, the pre-operational expenses of Fontain Bleau was around Sixty Five Million Pesos (P65,000,000.00). This was reimbursed by RN Development Corporation to Fontain Bleau pursuant to their Memorandum of Agreement. Itchon brought with her a copy of RN’s deposit slip and their first payment in the amount of Thirty Million Pesos (P30,000,000.00) (Exh. U<sup>6</sup>) and testified that the depositor’s signature therein was Emma Lim’s, one of the secretaries in the LCS office. Itchon also had a photocopies of the second check that RN paid to Fontain Bleau in the amount of Thirty Four Million Six Hundred Forty Thousand Four Hundred and Forty Two Pesos (P34,640,442.00) (Exh. V<sup>6</sup>) and of the acknowledgement receipt (Exh. V<sup>6</sup>-1) signed by Ricaforte and Atty. Manuel Singson, as Director and Corporate Secretary, respectively of Fontain Bleau. Itchon further testified that Ricaforte got the originals of these documents but Itchon had them photocopied for her record before Ricaforte took the originals.

Since Fontain Bleau was unable to operate, all the employees of Fontain Bleau in the Pampanga office were terminated. It was only Itchon and Mrs. Ricaforte who were retained. [Ibid, pp. 39-58]

In August 1999, Ricaforte already concentrated on being the accountant-auditor of FPres. Estrada in his “jueteng” operation and then Itchon was told by Gov. Singson to help Ricaforte. Nothing happened to Fontain Bleau anymore. Itchon allegedly knew that in August 1999, Ricaforte concentrated in the jueteng collection because Itchon was there when Gov. Singson briefed Ricaforte regarding the collection of the jueteng operation and she [Ricaforte] was given the code name “Madam Auring” by Gov. Singson. [Ibid, pp. 58-60]

Itchon’s testimony then detailed how she participated in the “jueteng” collections. She was tasked to receive the “jueteng” collections that were brought to the office. There were also times when Itchon or Emma Lim were called by Ricaforte to help compute and count the money turned over to Ricaforte such as double checking through a calculator. Collections that Itchon received were brought by messengers of Mr. Anton Prieto and sometimes by the messengers of Gov. Singson who picked up the jueteng collections from Mayor Jinggoy Estrada. Itchon

knew Prieto's messenger because when the messenger came, the checks were inside the white envelope with markings "Menchu/Emma" and then the messenger introduced himself as messenger of Anton Prieto. Itchon was also present when Gov. Singson was giving instructions to his messengers to get jueteng collections from Mayor Jinggoy Estrada. Gov. Singson's messengers were Mr. Jamis Singson and Edward Ivorra. Each collection was One Million Pesos (P1,000,000.00) per collection in cash. She remembers these collections from Mayor Jinggoy Estrada on two (2) occasions because it was from there that they (Ricaforte, Lim, Itchon and Ivorra) took their salary.

According to Itchon, these jueteng collections came in around 15<sup>th</sup> and 30<sup>th</sup> of the month. From the time that they started concentrating on the jueteng collection for the former President on August 1999, Itchon received these collections about six (6) times, covering the period August 1999 to August 2000. The total collections she received after August 1999 was around Seven Million Pesos (P7,000,000.00). With respect to the Seven Million Peso collections that she received, there were times when Gov. Singson took the collection directly from her and there were times when Gov. Singson instructed her to turn over the collection to Ricaforte. As Accountant of Fontain Bleau, she also received six (6) collections, for the period February 1999 to July 1999. All in all Itchon averred she received twelve (12) collections. [Ibid, pp. 61-66]

Itchon also testified that Emma Lim was the secretary of Governor Singson and also a co-employee at the LCS Office. Since Emma Lim was also helping in the jueteng collections, she also received salary from Ricaforte. [Ibid, pp. 71-72]

On cross examination, Itchon explained that the name of the former President allegedly did not appear in the Articles of Incorporation of Fontain Bleau because of his public position and because the source of its funds was illegal [TSN, June 24, 2002, pp. 19-20]. Emma Lim, Jamis Singson, Edward Ivorra and sometimes Ricaforte collected jueteng money from Jinggoy Estrada. Jamis Singson turned over to Itchon the jueteng collection about once or twice in 2000 between January to August 2000. Itchon testified that they helped Gov. Singson count Five Million pesos (P5,000,000.00) from the jueteng collections sent through the messengers and some from the collections of Gov. Singson himself and placed the said amount of money in a black bag to be brought to FPres. Estrada but she admitted she did not see the delivery to President Estrada. [Ibid, pp. 23-30, 101]

Itchon and the others at the office would allegedly wait for the call of Ricaforte to Jinggoy every pay day because their salaries would come from Jinggoy's jueteng collection. Itchon was only present around five (5) times that Ricaforte called Jinggoy, although Ricaforte

called Jinggoy 24 times. (Ibid, pp. 39-46) Itchon also mentioned during her cross-examination that Gov. Singson was reimbursed for the jueteng money advanced to Fontain Bleau when the latter was acquired by RN Development Corporation. RN Development Corporation's partial payment in the amount of Thirty Million Pesos (P30,000,000.00) was deposited in the account of Fontain Bleau by Ricaforte and Ricaforte thereafter returned to Singson the said amount through a Metrobank check payable to Singson. (Exhs. X<sup>6</sup>, X<sup>6</sup>-1, X<sup>6</sup>-2) [Ibid, pp. 125-127; TSN, June 26, 2002, pp. 25-26]

According to Itchon, the use by Ricaforte of the cell phone no. 0918-9021847 in the name of Itchon was proven by the cell phone number declared by Ricaforte in the bank where she deposited money (Ibid, p. 19). She admitted that she and Emma Lim were appointed by President Arroyo as Director of John Hay Poro Point Development Corporation on September 2001. (Exh. 26, 26-a to 26-c-1) [TSN, June 26, 2002, pp. 51-56]

On redirect, Itchon referred to the acknowledgement receipt dated March 12, 1999 (Exh. Y-6) for the advance rental of Thirty Million Pesos (P30,000,000) as well as the landscape plan of said company (Exhs. E<sup>7</sup>, E<sup>7</sup>-1 to E<sup>7</sup>-6) as proof that that original name of Fontain Bleau was spelled Fountain Bleau Holding, Inc. [Ibid, p. 100]

Smart Communications billings identified by Itchon were marked as Exhs. X<sup>6</sup>, X<sup>6</sup>-1 to X<sup>6</sup>-2 [Ibid, pp. 101-105]. Itchon also brought to court the journal (Exhs. A<sup>7</sup>-1 to A<sup>7</sup>-5) and computerized list (Exh. B<sup>7</sup>, B<sup>7</sup>-1 to B<sup>7</sup>-3) of the pre-operation expenses of Fountain Bleau amounting to Sixty Five Million (P65,000,000.00) which were reimbursed by RN Development Corporation. She also presented the computerized list of said expenses with specifics (Exh. C<sup>7</sup>, C<sup>7</sup>-1 to C<sup>7</sup>-4) and some of the checks of Gov. Singson which were used to pay the expenses of Fountain Bleau from March 3, 1999 to June 20, 1999 (Exh. D<sup>7</sup>, D<sup>7</sup>-1 to D<sup>7</sup>-95) The funds of Fountain Bleau were taken by Gov. Singson from jueteng collections. The check covering part of the reimbursement to Fountain Bleau in the amount of Thirty Four Million Six Hundred Forty Thousand Four Hundred and Forty Two Pesos (P34,640,442.00) was marked as Exh. V<sup>6</sup> (with submarkings). [Ibid, pp. 106-117]

**VICENTE RAGIL AMISTAD** (Amistad) was a Philippine National Police (PNP) officer stationed at Vigan City Police Station, assigned to former Gov. Singson since 1989 until the time of his testimony. On three (3) occasions in 1999 and 2000, Amistad was instructed by Gov. Singson to go to the house of Bong Pineda at Albany Street, Northeast Greenhills and received from Romy Pineda, Bong Pineda's brother, the followings sums of money: Seven Million Seven Hundred Fifty Thousand Pesos (P7,750,000.00); Five Million Pesos (P5,000,000.00) and Three Million Two Hundred Fifty Pesos (P3,250,000.00). Amistad would bundle count, place the

money in a plastic bag and bring it to Gov. Singson at LCS building, after signing a receipt prepared by Romy Pineda. [TSN, September 16, 2002, pp. 15-56]

Amistad also testified that upon instruction of Singson, he went to the office of then Mayor Jinggoy Estrada at the second floor of the Municipal Hall of San Juan in 1999. After Mayor Jinggoy Estrada called up someone, he [Jinggoy] asked Amistad to go down and get what Jinggoy would give him in front of the Municipal Hall. At the ground floor, the security guard of Mayor Jinggoy Estrada gave him a package wrapped in a newspaper with scotch tape, which he brought to Gov. Singson at LCS Building. Amistad testified that he was scolded by Gov. Singson because the money inside the package was short. Gov. Singson called up Jinggoy and informed the latter about the shortage. The following day Amistad was informed by Gov. Singson that the shortage of Jinggoy was already given to him.

**JAMIS BATULAN SINGSON** (Jamis) was the personal aide of Gov. Singson, who was not related to him. Jamis Singson knew FPres Estrada and Gov. Singson to be close friends who played mahjong and drank together. Jamis Singson was constantly with Gov. Singson when he delivered jueteng money to FPres Estrada. [TSN, September 18, 2002, pp. 25-31] Jamis Singson saw Gov. Singson counting the jueteng money before he placed them in a black bag which he would carry.

Jamis also testified that in March 1999, he, Artates and driver Prudencio went to the house of Bong Pineda. Artates went inside the house and when he went out, he was carrying a shopping bag full of money. Jamis then transferred the money to a black bag which Gov. Singson used to deliver money to FPres. Estrada. Jamis described the black bag's measurements and how it was opened from the top with a combination (lock) ( Exh. "0<sup>8</sup>"). The money totalled Five Million Pesos (P 5,000,000.00 ) in five (5) bundles of One Million Pesos ( P1,000,000.00 ) each. They proceed to LCS Building in San Andres to pick up Emma Lim as instructed by Gov. Singson. Inside the vehicle, Emma Lim counted the money. [Ibid, pp. 68-81] They went to the Polk Street house of FPres. Estrada but the latter was not home. While having lunch at a restaurant, Emma Lim received a call from Gov. Singson instructing them to go to Malacañang. Emma Lim alighted from the vehicle with the black bag and entered passing through the guard house in going to the Presidential residence. They waited outside. Emma Lim asked to be fetched later and she was no longer holding the black bag. [TSN, ibid, pp. 83-90]

Jamis also testified to one occasion in the middle of 1999 when he himself was instructed by Gov. Singson to collect money from the house of Bong Pineda. That time Jamis received Seven Million Pesos (P7,000,000.00) in a shopping bag from Romeo "Romy" Pineda. Romy made Jamis sign a blue book and then Jamis brought the money to Gov. Singson in the



latter's office. [Ibid, pp. 91-101]

Jamis also testified he collected jueteng money from Mayor Jinggoy Estrada twice on Gov. Singson's instructions. For the first occasion, on or about October 1999 Jamis went to the office of then Mayor Jinggoy Estrada at the second floor Municipal Hall of San Juan at around 4pm to 5 pm. Inside the said office, Jinggoy Estrada's bodyguard Nestor showed a sando plastic bag to Jinggoy Estrada and after that Jamis saw Jinggoy pointing to him [Jamis]. Jamis brought the plastic bag, which Jamis subsequently saw contained an indeterminable amount of money, to Singson at the latter's office. [Ibid, pp. 105-121]

The second time Jamis collected jueteng money from Jinggoy Estrada was immediately after the first time, in the evening. Thus, Gov. Singson instructed Jamis to proceed to the house of Mayor Jinggoy Estrada in Greenhills. At Mayor Jinggoy's house, Jamis again received a plastic sando bag from "Nestor". Jamis brought the bag to Gov. Singson's office and handed it to Menchu (Ma. Carmencita) Itchon as Gov. Singson instructed. Jamis identified Menchu in Court. He said she was the companion of Ricaforte in the office. [Ibid., pp. 121-132]

**ATTY. DAVID JONATHAN YAP** (Atty. Yap), the Senate Legal Counsel, testified that he acted as the Deputy Clerk of the Senate Impeachment Court. Among others, his office was in charge of receiving all documents and pleadings relating to the impeachment trial. He was in charge of marking the Exhs. requested by the parties and keeping them in custody. He brought to this Court in compliance with a subpoena a fifteen (15)-paged document marked in this case as prosecution's Exhs. "A-4" to "A-4-L" [TSN, September 25, 2002, p. 63] He identified his signatures that he affixed on the Exhibits on December 7, 2002. He testified that he saw Yolanda Ricaforte when she brought those documents to the Senate Impeachment Court in compliance with a subpoena dated December 5, 2000 (Exh. E) issued by Chief Justice Davide. Atty. Yap was present when Ricaforte took her oath on the witness stand on December 7, 2000. He identified Ricaforte from a photograph (Exh. A6-V<sup>5</sup>-1). The Original documents were placed in a vault inside his office, where they had been kept and deposited since they were turned to him during the impeachment trial, except only when they were sent over to the Sandiganbayan as requested. [Ibid., p. 77]

Atty. Yap was at the back of Yolanda Ricaforte at the Senate Impeachment Trial when she gave her testimony that the ledger she brought is an ordinary "listahan." [TSN, Senate Impeachment Trial, p. 144; see also TSN of these cases, September 25, 2002, pp. 78-79]

**EDELQUINN DE GUZMAN NANTES** (Nantes) was the Branch Manager of Equitable-PCI Bank, Scout Tobias-Timog Branch on September 1, 1999. Nantes knew Yolanda Ricaforte

because the latter was a client of the bank. Ricaforte told Nantes that she [Ricaforte] was in the real estate and fish pond business.

Nantes personally attended to Ricaforte when the latter opened checking and savings account with the branch on September 1, 1999. She asked Ricaforte to fill up all the required documents for opening current and savings accounts such as the signature cards for Current Account No. 0107-00638-9 and Savings Account No. 0157-04227-0. (Exhs. A-6, A-6-a and A-6-b) [TSN, May 22, 2002, pp. 67-72]

Ricaforte opened one checking account, one savings account, seven special savings accounts and a PCI Emerald Fund. The initial amount of deposit in the savings account was Seventeen Million Two hundred Five Thousand Pesos (P17,205,000.00) as shown by the deposit slip for Savings Account No. 0517-042227 (Exh. A-6-aa). The Seventeen Million Two Hundred Ten Thousand Pesos (P17,210,000.00) was in check payable to cash. The Five Thousand Pesos (P5,000.00) was deposited in the checking account No. 0107-001638-9 (Exh. A-6-bb) and the balance of Seventeen Million Two Hundred Five Thousand Pesos (P17,205,000) was deposited in the savings account. [Ibid, pp. 80-85]

There were deposits made on the savings account of Ricaforte after the initial deposit. Nantes presented and identified the deposit slips and the statement of accounts of Ricaforte (Exh. A-6 and submarkings) which were: Deposit Slip dated September 1, 1999 (Exh. A-6-aa) with the amount of Seventeen Million Two Hundred Five Thousand Pesos (P17,205,000.00); Deposit Slip dated September 7, 1999 (Exh. A-6-cc) with the amount of Three Million Seven Hundred Thousand Pesos (P3,700,000.00); Deposit Slip dated September 29, 1999 (Exh. A-6-dd) with the amount of One Million Six Hundred Ninety Seven Thousand Pesos (P1,697,000.00); Deposit Slip dated September 7, 1999 (Exh. A-6-ee) with the amount of Ten Million Four Hundred Thousand Pesos (P10,400,000.00); Deposit Slip dated September 15, 1999 (Exh. A-6-ff) with the amount of Five Million Seven Hundred Seventy Five Thousand Pesos (P5,775,000.00); Deposit Slip dated September 17, 1999 (Exh. A-6-gg) with the amount of Seven Hundred Fifty Thousand Pesos (P750,000.00); Deposit Slip dated October 4, 1999 (Exh. A-6-hh) with the amount of Nine Million Fifty Thousand Pesos (P9,050,000.00); Deposit Slip dated October 19, 1999 (Exh. A-6-ii) with the amount of Six Million Six Hundred Fifty Thousand Pesos (P6,650,000.00); Deposit Slip dated November 4, 1999 (Exh. A-6-jj) with the amount of Six Million Nine Hundred Thirty Thousand Pesos (P6,930,000.00); Deposit Slip dated November 16, 1999 (Exh. A-6-kk) with the amount of Four Million Six Hundred Thousand Pesos (P4,600,000.00); Deposit Slip dated November 19, 1999 (Exh. A-6-ll) with the amount of One Million Seven Hundred Eleven Thousand Pesos (P1,711,000.00); Deposit Slip dated December 7, 1999 (Exh. A-6-mm) with the amount of Nine Hundred Eighty Nine Thousand One Hundred

Fifty Pesos (P989,150.00); Deposit Slip dated January 10, 2000 (Exh. A-6-2) with the amount of Three Million Pesos (P3,000,000.00); and a deposit slip (Exh. A-6-3) with the amount of Two Million Four Hundred Sixty Thousand Pesos (P2,460,000.00).

Bank statements reflected withdrawals (Exhs. A-6-nn to A-6-zz) from the savings account for the period September 30, 1999 to October 31, 2000. [Ibid, pp. 87-97]

With respect to the Current Account No. 0107-00638-9, witness identified the specimen signature card (Exh. A-6-a and A-6) to show that the initial deposit slip was Five Thousand Pesos (P5,000.00) (Exh. A-6-bb). [Ibid, p. 98]

Ricaforte signed in the presence of Nantes the Authority to Debit and Transfer Funds (Exh. A-6-G) which allowed funds to be automatically transferred from savings to current account to cover checks issued. [TSN dated May 27, 2002, pp. 11-16]

The initial deposit for the First Special Savings Account No. 0157-90392-6 was Seventy Million Pesos (P70,000,000.00) as shown by the Special Savings Passbook (Exh. A-6-S<sup>3</sup>) of Ricaforte dated December 2, 1999. The account was closed on April 13, 2000. It had a balance of Seventy One Million Three Hundred Ninety Thousand Eight Hundred Seventy Five and Eight Centavos (P71,390,875.08) which was transferred to Ricaforte's regular Savings Account. [Ibid, pp. 22-24, 43]

In the Second Special Savings Account covered by Special Savings Passbook No. 392093 dated February 7, 2000 (Exh. A-6-X<sup>3</sup>) showed the initial deposit of Ten Million Pesos (P10,000,000.00) was taken from the regular savings account. A withdrawal of the whole amount of Ten Million One Hundred Thirteen Thousand Eight Hundred Thirty Six Pesos and Fifty Seven Centavos (P10,113,836.57) was made on April 13, 2000 reflected in the Credit Advice dated April 13, 2000 (Exh. A-6-ZZZ). [Ibid, pp. 49-60]

The Third Special Savings Account was opened on March 29, 2000 for Two Million Five Hundred Thousand Pesos (P2,500,000.00). The money was taken from her regular Savings Account No. 0157-04427-0. The amount of Two Million Five Hundred One Thousand Six Hundred Sixty Six Pesos and Sixty Six Centavos (P2,501,666.66) was withdrawn from the special savings account as shown by the certified true copy of the Credit Advice dated April 13, 2000 (Exh. A-6-C<sup>4</sup>). [Ibid, pp. 84, 93-95]

The Fourth Special Savings Account No. 3157-00073-9 covered by the Special Savings Passbook No. 392178 (Exh A-6-E<sup>4</sup>) had an initial deposit of Nine Million Seven Hundred

Thousand Pesos (P9,700,000.00) as found in the deposit receipt dated April 5, 2000 (Exh A-6-D<sup>4</sup>). On April 13, 2000, the Special Savings was cancelled and preterminated. The amount of Nine Million Seven Hundred Three Thousand (P9,703,000) was credited to Savings Account No. 0157-04227-0. [Ibid, pp. 115-124]

The Fifth Special Savings Account (Exh. A-6-G<sup>4</sup>) which was opened on May 29, 2000 under the name of Yolanda T. Ricaforte had an initial deposit of Two Million Five Hundred Thousand Pesos (P2,500,000.00). The initial deposit was withdrawn from her regular Savings Account. The Special Savings was closed on September 4, 2000 and the amount of Two Million Five Hundred Fifty Nine Thousand Four Hundred Eleven Pesos and Twenty Centavos (P2,559,411.20) was credited to her Regular Savings Account 0157-04227-0. [Ibid, pp. 128-129, 135, 138]

The Sixth Special Savings Account (Exh. A-6-L<sup>4</sup>), under the name of Yolanda T. Ricaforte, was opened on May 4, 2000 for One Million Nine Hundred Thousand Pesos (P1,900,000.00). The account was closed on September 4, 2000 as per Debit Advice dated September 4, 2000 (Exh. A-6-P<sup>4</sup>) for the matured Special Savings Account worth Two Million Twenty Two Thousand Four Hundred Twenty Nine Pesos and Eighteen Centavos (P2,022,429.18). [Ibid, pp. 147–153]

The Seventh Special Savings Account No. 3157-00088-7 dated June 1, 2000 (Exh. A-6-Q<sup>4</sup>) was worth Two Million Pesos (P2,000,000.00) in cash. The account was closed on September 4, 2000 and the proceeds were credited to the Regular Savings Account No. 0157-04227-0. The balance (Exh. A-6-T<sup>4</sup>) then was Two Million Thirty Five Thousand Thirty Five Pesos and Ninety One Centavos (P2,035,035.91). [Ibid, pp. 156, 166]

The PCI Emerald Fund was in the amount of Six Million Six Hundred Sixteen Thousand Six Hundred Seventy Six Pesos and Nineteen Centavos (P6,616,676.19) (Exh. A-6-U<sup>4</sup> and Exh. A-6-V<sup>4</sup>). The fund was then rolled-over monthly as evidenced by the Confirmation letter (Exh. A-6-Z<sup>4</sup>) dated December 6, 2000. It was again rolled-over several times until it was redeemed on June 5, 2002. [Ibid, p. 168, 176 -193]

The first four Special Savings Accounts were all debited on April 13, 2000 and Ricaforte purchased a Cashier's Check payable to Cash for Ninety One Million Pesos (P91,000,000). The Application for Cashier's check (Exh. "A-6- R<sup>5</sup>") was signed by Ricaforte as purchaser. The Cashier's check (Exh. A-6- S<sup>5</sup> and Exh. A-6-U<sup>5</sup>) was cleared and accepted by Equitable PCI Bank, Makati Pacific Star Branch, based on the dorsal portion of the check.

The last three Special Savings Accounts (Special Savings Account Nos. 3157-00077-1, 3157-00080-1, and 3157-00088-7) were closed on September 4, 2000 and all the proceeds were credited to the regular savings account, and then invested in the PCI Emerald Fund for Six Million Six Hundred Thousand Pesos (P6,600,000.00). [Ibid, pp. 168, 206-207]

Nantes met Ricaforte more than twenty times and identified the latter through a picture shown by the prosecution. (Exh. A-6-V<sup>5</sup>) [TSN, May 29, 2002, pp. 16-20]

The current account balance is at Five Thousand Pesos (P5,000.00) (Exh. A-6-W<sup>5</sup>) and that of the Savings Account is One Hundred Ninety Seven Thousand Seven Hundred Thirty Six and Sixty Nine Centavos (P197,736.69) (Exh. A-6-X<sup>5</sup>). The last withdrawal from the savings account was made on October 5, 2000 for automatic transfer to the current account in the amount of Seventy Nine Thousand Six Hundred Sixty Four and Eighty Centavos (P79,664.80). The last deposit was on October 4, 2000, through a credit memorandum of Thirty Seven Thousand Twenty Nine Pesos and Seventeen Centavos (P37,029.17) which represented the interest of the PCI Emerald Fund. After October 5, 2000 there were no more counter transactions, only the entry of interest earned and withholding tax. [Ibid, pp. 23-27]

**ROSARIO SALUDO BAUTISTA** (Bautista) is the Senior Branch Manager of the Equitable, PCI Bank, Diliman, Matalino Branch. Bautista personally attended to Yolanda Ricaforte who was a walk-in client of the branch on November 19, 1999. Ricaforte opened a savings account and used her California driver's license and passport for identification.

The duly accomplished specimen signature card (Exh. A-7-z) was presented to show the existence of the savings account. It was personally accomplished by Mrs. Ricaforte in the presence of Bautista. The initial deposit of Mrs. Ricaforte was Five Hundred Thousand Pesos (P500,000.00) in cash. [TSN, May 29, 2000, pp. 93-96]

Ricaforte returned to the branch on November 22, 1999. She opened a combo account and closed the savings account she opened on November 19, 1999. The combo account was Savings Account Number 0288-02037-0 and Current Account Number 0238-00853-0. As a new account, Bautista required Mrs. Ricaforte to accomplish signature cards (Exh. A-7 and A-7-a). When the combo account was already opened, Ricaforte presented for deposit two (2) checks totaling Seventy Million Pesos (P70,000,000.00). Each check (Exh. A-7-B and A-7-C) was payable to cash for Thirty Five Million Pesos (P35,000,000.00). The drawer was William T. Gatchalian and the drawee bank was PCI Bank, main office in Makati City.

Ricaforte told Bautista that the money came from the proceeds of the sale of a prime

property sold to Mr. Gatchalian. As precautionary measure, the branch of Bautista checked with the drawee bank PCI Makati and they learned that Gatchalian's account was a good account.

There were additional deposits made to the account. One deposit made on November 23, 1999 was a check (Exh. A-7-h) issued by Governor Luis Gov. Singson dated November 22, 1999 for One Million Pesos (P1,000,000.00) payable to cash. The drawee bank was Metro Bank, Ayala. The second check deposit made was on December 16, 1999 payable to cash with PNB, Naga Branch as drawee bank. The check (Exh. A-7-i) was dated December 9, 1999. The check was deposited and subsequently cleared.

On December 2, 1999, Ricaforte deposited Three Million Fifty Thousand Pesos (P3,050,000.00) in cash (Exh. A-7-d). The cash was in big bills, P1,000 and P500 denominations. Ricaforte explained to Bautista that the amount came from other accounts in other banks because she planned to transfer all her other accounts to Equitable, Diliman, Matalino Branch. Another cash deposit (Exh. A-7-f and Exh. A-7-aa) was made on January 28, 2000 for One Million Pesos. [Ibid, pp. 100-130]

Ricaforte also opened a special saving account number 3288-00079-3 in the amount of Seventy Million Pesos (P70,000,000.00). The initial deposit was taken from Ricaforte's savings account (Exh. A-7-j). The account was opened with passbook number 394979 (Exh. A-7-bb) and the specimen signature card (Exh. A-7-cc). The account has already been closed. [Ibid, pp. 132-135]

On February 24, 2000, Mrs. Ricaforte again transferred Seven Million Pesos (P7,000,000) from her ordinary savings account to a special savings account deposit (Exh. A-7-w) with Account Number 3288-00087-4. Ricaforte also accomplished a specimen signature card (Exh. A-7-dd) for the Special Savings Account.

On April 13, 2000 Mrs. Ricaforte applied for a Seventy Seven Million Peso (P77,000,000) cashier's check against her special savings deposit account. She accomplished an application form (Exh. A-7-l) for the transaction. Ricaforte had to accomplish a deed of undertaking (Exh. A-7-n) because the cashier's check was payable to cash. The cashier's check (Exh. A-7-ee) was deposited on April 25, 2000 at the Pacific Star Branch of Equitable PCI Bank in Makati. The name and account number were not indicated on the check. [Ibid, pp. 148 -159]

Mrs. Ricaforte always dealt with Bautista as the Bank Manager for her transactions. Bautista identified Ricaforte as the one wearing red (Exh. A-6-vvvv-1) when shown a group

picture. Bautista also identified the girl beside Mrs. Ricaforte as Mrs. Itchon, one of the witnesses in the impeachment proceedings. Aside from the personal visits of Mrs. Ricaforte, Bautista also called her on cell phone no. 0918-9021847 or home landline 9518854 whenever there was a maturity or an updating of interest. [Ibid, pp. 162-168]

At the time of Bautista's testimony, the balance in the account of Ricaforte was around Two Million Two Hundred Thousand Pesos (P2,200,000.00). It is still earning interest.

**SHAKIRA CASTRILLO YU** (Yu) was the Manager of Equitable PCI Bank, Pedro Gil-Robinson's Branch since it opened on August 1999. Yu knew Yolanda T. Ricaforte as she was one of their depositors. Ricaforte told Yu that she was connected with Fil-East Travel and Tours which is located at the second floor of the Manila Midtown Hotel. Ricaforte first opened a Regular Savings Account, participated in the Reverse Repurchase Agreement and subsequently opened a Special Savings Account.

Ricaforte opened the Regular Savings Account on January 6, 2000. It was Ms. Evelyn Ponce, the Cash Operations Officer who attended to her as Yu was not around. Yu brought with her the specimen signature card (Exh. A-8-P) for Savings Account No. 027602029-3 and the New Accounts Record (Exh. A-8-Q) which were filled out by Ricaforte. [TSN, June 3, 2002, pp. 85-92]

The initial deposit (Exh. A-8-Q-3) of the Regular Savings Account was Six Million Pesos (P6,000,000.00) in cash (Exh. A-8-R). When witness asked Ricaforte where the initial deposit came from, Ricaforte said it was proceeds of a sale of a property. [Ibid, pp. 97-100]

Other deposits made to the Regular Savings Account were the following: a check deposit amounting to Two Million Nine Hundred Sixty-Five Thousand (P2,965,000) with Governor Luis Chavit Singson as drawer; a cash deposit of One Million Five Hundred Forty Thousand Pesos (P1,540,000) deposited on January 25, 2000 and a One Million Three Hundred Forty Thousand Pesos (P1,340,000) check deposit (Exh. A-8-D) with Governor Singson as drawer (Exh. A-8-D-1). [Ibid, pp. 101-112]

On January 31, 2000, Ricaforte told Yu that she wanted to earn higher interest so witness advised her to participate in the Reverse Repurchase. Ricaforte asked Yu to debit her Regular Savings Account for about Eight Million Nine Hundred Thousand Pesos (P8,900,000.00) (Exh. "A-8-P"). On February 29, 2000 Ricaforte informed Yu that she did not want the Reverse Repurchase and she wanted a bank product that earned a higher interest with passbook as documentation. The Certificate of Participation without Recourse (Exh. A-8-F)

was then paid on February 29, 2000 in the amount of Eight Million Nine Hundred Forty Thousand Seven Hundred Fifty-Two Pesos and Eighty Two Centavos (P8,940,752.82).

Yu then advised Ricaforte to open a Special Savings Account. They took out her participation in the Reverse Repurchase for P8,900,000.00 plus interest and Ricaforte asked them to debit more or less One Million Fifty-One Thousand Pesos (P1,051,000.00) from her Regular Savings Account because she wanted her Special Savings Account to be in the amount of Ten Million Pesos (P10,000,000.00). The specimen signature card of the Special Savings Account and the Credit Memo (Exh. A-8-G) under the account name Yolanda Ricaforte for the Account No. 276-90238-5 dated 2/29/2000 were shown as evidence of the existence of the account. The three signatures appearing in the card belonged to Mrs. Yolanda Ricaforte signed in front of Yu.

Subsequently, Ricaforte withdrew her Ten Million Pesos (P10,000,000.00) plus interest from the Special Savings Account and transferred the amount to her Regular Savings Account. The Special Savings passbook of Mrs. Ricaforte (Exh. A-8-H) contained the entry *Out of Return* P10,019,555.55. [Ibid, 113-120]

On April 13, 2000, Ricaforte applied for a cashier's check in the amount of Eleven Million Pesos (P11,000,000) debited to her Regular Savings Account. The application for Cashier's check (Exh. A-8-I), the receiving copy of the Cashier's check, the Letter of Undertaking and Cashier's check (Exh. A-8-T) were all presented. The Application for Cashier's Check stated that the Cashier's Check is allowed to be payable to cash except that the bank will not be held responsible for the loss thereof or a demand for a refund or replacement. It is no longer allowed starting around July or August 2000.

Ricaforte instructed Yu to transfer Eight Hundred Thousand Pesos (P800,000.00) from her Regular Savings Account on May 23, 2000 to her Special Savings Account to earn higher interest. A Special Savings Account Passbook (Exh. A-8-L) was issued to Mrs. Ricaforte which credited the Eight Hundred Thousand Pesos (P800,000.00) to the Special Savings Account. [Ibid, pp.120-127]

At present, the outstanding balance of the Special Savings Account is more or less Six Hundred Thirty Four Thousand Pesos (P634,000.00). The regular Savings Account has an outstanding balance of more or less Sixty-Nine Thousand Eight Hundred Pesos (P69,800.00).

After being shown a photograph, Yu identified Yolanda Ricaforte as the person wearing maroon or red in the picture (Exh. A-6-Z<sup>5</sup>). Yu was able to talk to Mrs. Ricaforte over the phone



around six (6) times. She used the cell phone number indicated in the records. [Ibid, pp. 128-132]

**VERGEL LEJARDE PABILLON** (Pabillon) knew a person by the name of Yolanda Ricaforte because Ricaforte opened regular Savings Account No. 0193-61496-8 and Special Savings Account No. 02193-15050-3 with Equitable PCI Bank T.M. Kalaw Branch on February 8, 2000 while Pabillon was still manager of the branch.

Ricaforte mentioned to Pabillon that she was connected with a certain company under the name of Phil. East Travel and Tours located at Ramada Hotel, Mabini. She handed her California Driver's license as identification card and signed the specimen signature cards about one foot away from the witness.

Pabillon brought the Individual Account Record (Exh. A-9-C) and the signature cards signed by Mrs. Ricaforte as evidence of the Account. The initial deposit made were in the form of a PNB Manager's Check (Exh. A-9-A) in the amount of Ten Million Seven Thousand Seven Hundred Seventy Seven Pesos and Seventy-Eight Centavos (P10,007,777.78) and One Million Four Hundred Thousand Pesos (P1,400,000.00) in cold cash. Eleven Million Pesos (P11,000,000.00) of that amount was placed in the Special Savings Account and Four Hundred Seven Thousand Seven Hundred Seventy Seven Pesos and Seventy Eight Centavos (P407,777.78) was placed under the Regular Savings Account. [TSN, June 5, 2002, pp. 98-109]

On April 13, 2000, Mrs. Ricaforte went to the bank and informed the witness that she needed Eleven Million Pesos (P11,000,000.00) in the form of manager's check, payable to cash, to be taken out from the existing Special Savings Account No. 02193-6-15050-3. The manager's check dated April 13, 2000 payable to cash was presented (Exh. A-9-B). Ricaforte had to sign a Purchaser's Undertaking bearing her name as purchaser. (Exh. A-9-F) [Ibid, pp. 113-127]

Mrs. Ricaforte opened a third account, Special Savings Accounts No. 02-193-15177-1, in the amount of Five Hundred Thousand Pesos (P500,000.00). A debit memo (Exh. A-9-G) showed the transfer of the P500,000 from the regular Savings Account 0193-64196-8 to the special savings account.

On August 31, 2000, Mrs. Ricaforte went to the bank and requested for another Two Hundred Fifty Thousand Peso (P250,000.00) manager's check payable to her to be deducted from Special Savings Account No. 02193-15177-1. A bank document which served as a registered copy of the issuance of the manager's check was presented. (Exh. A-9-H) [Ibid, pp.

128-129]

Pabillon identified Ricaforte from a group photograph (Exh. A-6-B<sup>5</sup>) [Ibid, pp. 133-134]

The witness availed of the early retirement offered by Equitable PCI. He testified in the impeachment trial even if he was already supposed to go on early retirement because he just wanted to tell the truth regarding what transpired to the opening of the account of Mrs. Ricaforte. [TSN, June 10, 2002, pp. 54-56]

**EDGARDO LIM ALCARAZ** (Alcaraz) was the branch manager of Equitable PCIBank, Scout Albano branch for almost three years. He met Yolanda Ricaforte because she was one of their clients. She opened three accounts with the bank on March 2, 2000 and he was the one who personally attended to her. These were savings account and current account under the automatic transfer facility and a special savings account.

Alcaraz testified on documents to show that Yolanda Ricaforte opened these three accounts, such as the individual account record which showed information about Ricaforte, her special instructions and the summary of the accounts that she opened. The other documents pertained to the specimen signature cards signed by Ricaforte for Checking Account No. 5732-01-975-7, Savings Account No. 5733-15154-3 and Special Savings Account No. 5733-00721-0. Ricaforte submitted her local driver's license and her California driver's license for identification. She told witness that she was engaged in the prawn business in Iloilo. Alcaraz contacted Ricaforte two or three times using the numbers she wrote in the account record. He also had a calling card from Ricaforte (Exh. A-10-F). [TSN, June 10, 2002, pp. 79-84]

The initial deposit in cash for the savings account opened by Ricaforte was One Million Nine Hundred Ninety Five Thousand (P1,995,000.00). The initial deposit for Checking Account 5732-01-975-7 was Five Thousand Pesos (P5,000.00). The initial deposit for Special Savings Account No. 5733-0721-0 was Two Million Pesos (P2,000,000). Copies of the deposit slips (Exhs. A-10-G, A-10-H, A-10-I) [Ibid. pp. 97-99]

On April 12, 2000, Ricaforte pre-terminated the special savings account. This is shown by its passbook (Exh. A-10-J). A credit memo (Exh. A-10-L) showed that Ricaforte requested that the proceeds of the special savings account be credited under the Savings Account No. 5733-15154-3.

On the same day, Mrs. Ricaforte applied for a manager's check in the amount of Three Million Pesos (P3,000,000.00) payable to bearer. The application form for manager's check

(Exh. A-10-C), the proof sheet copy of the manager's check (Exh. A-10-K) and the copy of the check were presented (Exh. A-10-M). [Ibid, pp.102-108]

As of the time of Alcaraz' testimony, the regular savings account still existed with an outstanding balance of One Hundred Three Thousand Pesos (P103,000.00). The checking account was still active with an outstanding balance of Five Thousand Pesos (P5,000.00). With respect to the checking account, Ricaforte issued a check in the amount of P500,000.00 on March 12, 2000. Since the accounts are automatic transfer accounts, the funds from the savings account were automatically transferred to the checking account. [Ibid, pp. 100-101]

**EMMA AVILA GONZALES** (Gonzales) had been the Branch Manager of Equitable Savings Bank, Isidora Hills Branch for more than three years up to time she testified in this Court. Gonzales knew a person by the name of Yolanda Ricaforte who was one of the clients of the bank.

She first met Ricaforte on March 15, 2000 when she opened a special savings account with the branch. She walked into the bank, approached the witness and told her that she wanted to open an account and that she was a valued client of other branches of Equitable Savings Bank. The specimen signature card (Exh. A-11) and deposit slip (Exh. A-11-A) were shown to prove the opening of the special savings account. The initial deposit was Five Hundred Thousand Pesos (P500,000.00) cash, in ten bundles of five hundred (500) peso bills. Ricaforte said she was a businesswoman but did not specify the kind of business she was engaged in. With respect to the initial deposit of Ricaforte, the account is still outstanding. The original copy of the Equitable Special Savings Passbook No. 123727 (Exh. A-11-I) shows the outstanding balance to be Five Hundred Ninety Three Thousand Four Hundred Ninety Six Pesos and Thirty Two Centavos (P593,496.32) as of June 10, 2002. The difference in the amount was the interest earned from the time it was opened. There was no movement of the fund except for the interest. [TSN, June 10, 2002, pp. 162-169, June 17, 2002, p. 10]

Ricaforte also opened Special Savings Account No. 077090498-6 (Exh. A-11-H and Exh. A-11-D) amounting to Seven Million Pesos (P7,000,000.00). The initial deposit was an MBTC (Metropolitan Bank and Trust Co.) Ayala Branch Check No. 1070. It was payable in cash and the drawer was Governor Luis "Chavit" Singson. It was cleared after three days. The account was pre-terminated on April 14, 2000. The withdrawal slip (Exh. A-11-E) showed that the amount withdrawn was Seven Million Nineteen Thousand Seven Hundred Thirty Six Pesos and Eleven Centavos (P7,019,736.11). Ricaforte received the payment in the form of a Cashier's check (Exh. A-11-F) payable to cash in the amount of Seven Million Pesos (P7,000,000.00) and cash in the amount of Nineteen Thousand Seven Hundred Thirty Six

Pesos and Eleven Centavos (P19,736.11). The dorsal portion of the Cashier's check showed that it was deposited in Equitable Banking Corporation, Makati Pacific Star. On the other hand, the amount of Nineteen Thousand Seven Hundred Thirty Six Pesos and Eleven Centavos (P19,736.11) cash was used to open regular Savings Account No. 0770009375 (Exh. A-11-I). The latest bank statement (Exh. A-11-J) showed that the account still existed but the balance was no longer Nineteen Thousand Seven Hundred Thirty Six Pesos and Eleven Centavos (P19,736.11). [TSN, June 10, 2002, pp. 172-189]

Witness was able to verify the phone number given by Mrs. Ricaforte because when she called the number, Mrs. Ricaforte answered the phone. [TSN, June 17, 2002, pp. 11-13]

**ANTONIO MARTIN SAGRITALO FORTUNO** (Fortuno) was the Bank Operations Officer of Equitable PCI Bank, Pacific Star Branch since January 28, 2002. The witness averred that he handled the opening of accounts; supervised the investment section; the foreign telegraphic transfer as well as the domestic telegraphic transfer and the safekeeping of the records of deposits; and other transactions which transpired in their branch.

Fortuno brought with him documents relating to the deposit of six (6) cashier's/manager's checks in the total amount of Two Hundred Million Pesos (P200,000,000.00) to the Pacific Star Branch and the transfer of these funds from cashier's checks to the account of the Erap Muslim Youth Foundation in the 100 Strata Branch of Equitable PCI Bank. [TSN dated September 27, 2002, p. 127]

He identified an Acknowledgement Letter [Exh. I<sup>9</sup>, with sub markings; Exh. 16-a (Serapio)] dated April 25, 2000 addressed to Atty. Edward Serapio from Beatriz L. Bagsit, who was then Division Head of the Makati Area. The letter acknowledged receipt of six (6) checks for deposit on a staggered basis and on various different dates to the account of Erap Muslim Youth Foundation maintained at the Ortigas Strata Branch. The checks were as follows:

- (1) PCIBank Manager's Check NO. 573-000035822 dated April 12, 2000 for P3 Million (Exh. A-10-m);
- (2) PCIBank Manager's Check No. 019L-000061146 dated April 13, 2000 for P11 Million (Exh. A-9-b);
- (3) Equitable Bank Cashier's Check No. 0226-00949 dated April 13, 2000 for P11 Million (Exh. A-8-t);
- (4) Equitable Bank Cashier's Check No. 0238-000941 dated April 13, 2000 for P77 Million (Exh. A-7-ee);
- (5) Equitable Bank Cashier's Check No.107-013064 dated April 13,

2000 for P91 Million; (Exh. A-6-r<sup>5</sup>)  
(6) Equitable Bank Cashier's Check No.6720-00042 dated April 14,  
2000 for P7 Million; (Exh. A-11-g)

Fortuno also identified the passbook for Bearer Account No. 0279-04225-5 (Exh. J<sup>9</sup>, with sub markings) which was opened on April 25, 2000. A bearer account is an account wherein there is no name mentioned in the account. According to Fortuno, the six (6) manager's checks were the manager's checks that were deposited on April 25, 2000 in the bearer account for the total amount of Two Hundred Million (P200,000,000.00).

According the witness, the instruction in the letter was to deposit the funds on a staggered basis and they can do so if they first deposit all the checks simultaneously for the three-day clearing.

On the basis of debit memos, manager's check applications, detailed report transaction and deposit slips or receipts, the Two Hundred Million Pesos (P200,000,000.00) was gradually withdrawn from the bearer account and transferred to the Erap Muslim Youth Foundation from April 27, 2000 to May 11, 2000.

The six (6) checks were deposited in Bearer Account No. 0279-04225-5 of which fourteen (14) withdrawals in Manager's Checks (Exh. K<sup>9</sup> to X<sup>9</sup>, with sub markings) were made in various amounts and these withdrawals were further divided into twenty-eight (28) deposits into the Erap Muslim Youth Foundation. Each withdrawal was divided into two deposits, as shown by the Account Information Slips, Deposit Receipts and Detailed Report for Transfers and Debit/Credit Memos (DRTM) (See Exhs. K<sup>9</sup> to X<sup>9</sup>, with sub markings) brought by the witness. [Ibid, pp. 32-96]

The bearer account was closed on November 14, 2000 as evidenced by the Fund Transfer Memo (Exh. Z<sup>9</sup>), and contained the interest for Ninety Seven Thousand Three Hundred Ninety Two Pesos (P97,392) which was transferred to the account of the Foundation. [Ibid, pp. 97-98]

**AIDA TUAZON BASALISO** (Basaliso) was the operations officer of Equitable PCIBank, Ortigas-Strata 100 Branch since July 1997. She brought with her bank documents on the accounts of the Erap Muslim Youth Foundation maintained at the Equitable PCIBank, Strata-Ortigas Branch including the inter-branch deposits from the Equitable PCIBank, Pacific Star Branch for the total amount of P200 million to the Account No. 0192-85835-6 in the name of Erap Muslim Youth Foundation.

The signature card for Savings Account No. 0192-85702-3 (Exh. A<sup>10</sup>) of the Treasurer-in trust has the signature of Mr. George Go, the former Chairman of the Board of the bank. The list of Contribution (Exh. B<sup>10</sup>) also had the signature of the treasurer, Mr. George Go. The two documents were given to Basaliso by Catherine Mercado, someone who usually transacted business at the branch.

Witness also identified the Signature Cards of the Savings and Checking Accounts of the Erap Muslim Youth Foundation. On the signature cards (Exh. C<sup>10</sup>) pertaining to the Savings Account No. 0192-85835-6, the signatures of Mr. Raul De Guzman, Mr. George Go, Mr. Edward Serapio and Mr. Danilo Reyes, Ms. Mila Reforma appear. Two signature cards were needed for the same account because the corporation consisted of five (5) signatories.

The signature cards (Exh. D<sup>10</sup> and Exh. D<sup>10</sup>-1) for current Account No. 0142-62890-2 showed the signatures of the same five persons.

She identified the Secretary's Certificate (Exh. E<sup>10</sup>) showing that the Corporate Secretary was Edward S. Serapio, the Certificate of Incorporation with SEC Registration No. 2000002526 (Exh. F<sup>10</sup>) and the Articles of Incorporation (Exh. G<sup>10</sup>) and the by-laws (Exh. H<sup>10</sup>).

Witness also testified on a debit memo (Exh. I<sup>10</sup>) dated April 20, 2000 in Savings Account No. 019285702-3 amounting to One Hundred Thousand Two Hundred One Pesos and Ten Centavos (P100,201.10) and credited (Exh. I<sup>10</sup>-2) to 014262890-2 the amount of Ten Thousand Pesos (P10,000.00) for the opening of the checking account of the Erap Muslim Youth Foundation and a Credit Advice (Exh. I<sup>10</sup>-1) to Savings Account No. 019285835-6 amounting to Ninety Thousand Two Hundred One Pesos and Ten Centavos (P90,201.10) to open the savings account of the Erap Muslim Youth Foundation.

Basaliso also testified on "no book cash deposits" made to the savings account of the Erap Muslim Youth Foundation. No book meant that the deposit was made by the depositor without bringing his savings passbook. DRTM (Detailed Report of Transfer Debit and Credit memos) (Exhs. J<sup>10</sup> to R<sup>10</sup>) were presented to show the transactions. The following deposits were made: Ten Thousand Pesos (P10,000.00) total deposit on April 27, 2000, Six Million Seven Hundred Twenty Five Thousand Pesos (P6,725,000.00) and Eight Million Two Hundred Seventy Five Thousand Pesos (P8,275,000.00) on April 28, 2000, Five Million One Hundred Eight Thousand Pesos (P5,108,000.00) and Nine Million Eight Hundred Ninety Two Thousand Pesos (P9,892,000.00) totaling Fifteen Million Pesos (P15,000,000.00) on May 2, 2000, Three Million Ninety One Thousand Four Hundred Fifty Pesos (P3,091,450.00) and Six Million Nine

Hundred Eight Thousand Five Hundred Fifty Pesos (P6,908,550.00) totaling Ten Million Pesos (P10,000,000.00) on May 3, 2000, Six Million One Hundred Eighteen Thousand Two Hundred Twenty Five Pesos (P6,118,225.00) and Eight Million Eight Hundred Eighty One Thousand Seven Hundred Seventy Five Pesos (P8,881,775.00) totaling Fifteen Million Pesos (P15,000,000.00) on May 4, 2000, Five Million Nine Hundred Thirty Six Thousand Pesos (P5,936,000.00) and Nine Million Sixty Four Thousand Pesos (P9,064,000.00) totaling Fifteen Million Pesos (P15,000,000.00) on May 8, 2000, Seven Million Pesos (P7,000,000.00) and Eight Million Pesos (P8,000,000.00) totaling Fifteen Million Pesos on May 9, 2000, Seven Million Two Hundred Fifty Thousand Pesos (P7,250,000.00), Seven Million Three Hundred Ninety Nine Thousand Eight Hundred Pesos (P7,399,800.00), Nine Million Three Hundred Seventy Five Thousand Pesos (P9,375,000.00), Nine Million Four Hundred Forty Nine Thousand Four Hundred Pesos (P9,449,400.00), Nine Million Six Hundred Thousand Pesos (P9,600,000.00) and Eleven Million Nine Hundred Twenty Five Thousand Eight Hundred Pesos (P11,925,800.00) totaling to Fifty Five Million (P55,000,000.00) on May 10, 2000, Six Hundred Thirty Four Thousand Pesos (P634,000.00), Two Million Five Hundred Thousand Pesos (P2,500,000.00), Three Million Eight Hundred Thousand Pesos (P3,800,000.00), Five Million Two Hundred Thousand Pesos (P5,200,000.00), Nine Million One Hundred Thirty Nine Thousand Two Hundred Eighty Pesos (P9,139,280.00), Nine Million Five Hundred Thousand Pesos (P9,500,000.00), Nine Million Eight Hundred Thirty Six Thousand Five Hundred Pesos (P9,836,500.00) and Nine Million Eight Hundred Eighty Nine Thousand Seven Hundred Twenty Pesos (P9,889,720.00) totaling about Fifty Million Pesos (P50,000,000.00) on May 11, 2000. There was also a credit memo made on November 14, 2000 amounting to Ninety Seven Thousand Three Hundred Ninety Two Pesos and Fifty Centavos (P97,392.50) (Exh. S<sup>10</sup>). Bank statements pertaining to the periods April 1-28, 2000 up to December 2000, except statements for July, August and October were presented.

At the time of Basaliso's testimony, the current account of the Erap Muslim Youth Foundation with a balance of Eight Thousand Six Hundred Pesos (P8,600.00) (Exh. T<sup>10</sup>) was dormant. The Savings Account No. 0192-85835-6 was inactive with a balance of Two Hundred Seven Million One Thousand Eight Hundred Eighty Three Pesos and Fifty Three Centavos (P207,001,883.53) (Exh. U<sup>10</sup>).

Witness also testified that any two persons out of the five signatories of the Foundation were authorized to transact regarding the accounts. Based on record, the amount of Two Hundred Million Pesos (P200,000,000.00) was deposited into the account without a single centavo being lost. The passbook [See Exh. U<sup>10</sup>,36(Serapio)] had a balance of Two Hundred Seven Million One Thousand Eight Hundred Eighty Three Pesos and Fifty Three Centavos (P207,001,888.53) because it already earned interest. There were no withdrawals from the

Savings and Current Account from the time they were opened. [TSN dated October 2, 2002 and October 7, 2002]

**ATTY. CECILIO ALEJANDRO VILLANUEVA** (Villanueva) is the assistant Corporate Secretary of PAGCOR. Witness brought with him the Minutes No. 36 of PAGCOR's Regular Board Meeting dated September 5, 2000, under Agenda Item No. 002646 of the Best World Gaming and Entertainment Corporation Cancellation of Quick Pick bingo and conduct of PAGCOR's Two Balls Bingo Games (Exh. S<sup>15</sup>). Witness brought with him pp. 28-30 with referred to Item Agenda No. 002646. Villanueva's testimony was offered corroborate the testimony of Gov. Singson that the consultancy firm of Atong Ang will receive 6% of the gross income from Bingo Two Balls.

On cross examination, witness testified that he has no personal knowledge whether the Bingo 2 Balls was actually implemented. [TSN dated December 2, 2002 and TSN dated December 4, 2002]

**MARIANITO MANIGBAS DIMAANDAL** (Dimaandal) was the Assistant Director of the Malacañang Records Department since 1993. Dimaandal identified the appointment papers of Atty. Serapio as Presidential Assistant for Political affairs, Office of the Presidential Adviser for Political Affairs (Exh. V<sup>10</sup>) and Mr. Orestes Ricaforte as Undersecretary, Department of Tourism (Exh. W<sup>10</sup>) and the assumption into office by Ms. Yolanda Ricaforte to the PCGG representing the San Miguel Campo Creo Group (Exh. X<sup>10</sup>).

Witness also brought a Certification (Exh. Y<sup>10</sup>) issued by the Office of the President that the phone numbers 736-8856 and 736-8858 were in fact the telephones assigned to and connected to the presidential residence during the incumbency of FPRES. Estrada.

On December 16, 2002, Dimaandal was recalled to the witness stand. He further presented and identified the Appointment of Edward S. Serapio as Member Ad Interim of the Judicial and Bar Council representing the Private Sector dated July 1, 2000 (Exh. I<sup>17</sup>) issued by FPRES. Estrada; a Memorandum to All Heads of Office and Units signed by Former Executive Secretary Ronaldo Zamora (Exh. J<sup>17</sup>); and a Memorandum to All Heads of Office and Units from the Office of the President dated April 29, 1999 (Exh. K<sup>17</sup> with submarkings) with the subject title "Special Instructions to the Presidential Assistant for Political Affairs" and with the contents read as follows: "Be informed that I have given special instructions to Atty. Edward S. Serapio, Presidential Assistant I for Political Affairs, to undertake, in addition to his regular duties and responsibilities, the following functions: 1) provide prompt objective and independent advice on any legal question, matter, or issue which may be of special concern to the President;



2) update the President on recent developments in law or jurisprudence on such subjects, areas, or issues which the President may so specify; 3) study and review documents, deeds, contracts, memoranda or other papers which the President may opt to refer to him for study and review; 4) coordinate with various units of the Office of the President, Departments, and other agencies and instrumentalities of the government on any legal matter which the President may refer to him; and 5) perform other duties and responsibilities as may be directed by the President. Atty. Serapio will be directly reporting to the President on any of the foregoing matters. For your information and guidance.”

On March 31, 2003, witness Dimaandal was again recalled to the witness stand. He presented and identified copies of Proclamation No. 145 dated July 17, 1999 (Exh. X<sup>19</sup>), Proclamation No. 194 dated October 11, 1999 (Exh. Y<sup>19</sup>), Proclamation No. 202 dated October 21, 1999 (Exh. Z<sup>19</sup>), Proclamation No. 205 dated October 25, 1999 (Exh. A<sup>20</sup>), Proclamation No. 225 dated January 30, 2000 (Exh. B<sup>20</sup>), Proclamation No. 234 dated January 28, 2000 (Exh. C<sup>20</sup>), Proclamation No. 273 dated April 23, 2000 (Exh. D<sup>20</sup>), Proclamation No. 355 (Exh. E<sup>20</sup>), Administrative Order Nos. 28, 29, 32, 50, 59, 69, 73, 87, 89 (Exhs. F<sup>20</sup> – N<sup>20</sup>), Memorandum Order Nos. 82, 88, 89 (Exhs. O<sup>20</sup>-Q<sup>20</sup>) and memorandum Circular No. 45 (R<sup>20</sup>). These documents were signed by FPres. Estrada and his signatures were marked accordingly. [TSN dated October 7, 2002; December 16, 2002; and March 31, 2003]

**SALVADOR ROSAL SERRANO** (Serrano) was the Vice-President of Security Bank Corporation and the head of its Centralized Operation and Control Division. [TSN dated November 25, 2002] He was responsible for the day to day operations of one hundred nineteen (119) branches of the Security Bank Corporation; supervised the record keeping and accounting of the branch transactions; ensured the compliance of their branches to bank policies and procedures; supervised the safekeeping of all documents of all branch transactions; and issued certified true copies of documents in relation to the original documents kept by the bank.

Serrano was called by the prosecution to corroborate the testimony of prosecution witness Gov. Singson that he issued a check payable to cash from funds of jueteng protection money to accused FPres. Estrada and that the said accused, in turn, delivered the check to Mr. Paul Bograd who subsequently deposited the check to his account at the Security Bank Corporation; and to identify and authenticate the documents he was subpoenaed to bring.

Serrano identified a microfilm copy of Metro Bank Check No. 0000917 for the amount of Five Million Pesos (P5,000,000.00) that was deposited through Security Bank Corporation on February 2, 1999. The maker of this check was Gov. Singson and which check was deposited

to Account No. 061-0-14636-7 whose account holder was Paul Gary Bograd as evidenced by a deposit slip of Security Bank Corporation (Exhs. N<sup>14</sup>; N<sup>14</sup>-1; N<sup>14</sup>-2; N<sup>14</sup>-3; O<sup>14</sup>; O<sup>14</sup>-1; O<sup>14</sup>-2; and O<sup>14</sup>-3).

Also presented was a statement of account showing that an amount of Five Million Pesos (P5,000,000) was credited on February 2, 1999 to the account of Paul Gary Bograd (Exhs. P<sup>14</sup> and P<sup>14</sup>-1). Serrano also identified the specimen signature card of Paul Gary Bograd showing that the latter was a depositor in their bank and that he [Bograd] held the Account No. 061-0-14636-7 of Security Bank Corporation (Exhs. Q<sup>14</sup>; Q<sup>14</sup>-1; and Q<sup>14</sup>-2).

**PATRICK DEE CHENG** (Cheng), an employee of CITIBANK for 12 years, became the Branch Banking Head of CITIBANK on November 2001. [TSN dated October 7, 2002 and TSN dated October 9, 2002] As banking head, he had overall supervision and responsibility for all the branch banking operations of CITIBANK in all of its six (6) branches.

Cheng presented and identified the following:

(1) deposit slip (Exh. Z<sup>10</sup>, with sub markings) dated October 4, 1999 for the account of Luisa P. Ejercito ("Mrs. Ejercito") under Account No. 166820 covering the deposit of Metrobank Check No. 00138 (See Exh. M<sup>8</sup> as original and Exh. A<sup>11</sup> as micro film copy) dated September 29, 1999 by Gov. Singson in the amount of Eight Million Pesos (P8,000,000) and another check in the amount of Four Hundred Thousand Pesos (P400,000);

(2) Account Opening Form (Exh. B<sup>11</sup>) for Account No. 166820 of Mrs. Ejercito;

(3) Hold-all-Mail Agreement (Exh. C<sup>11</sup>, with sub markings) dated March 9, 2000 of Mrs. Ejercito which designated Ms. Lucena Baby Ortaliza to be her authorized representative;

(4) deposit slip (Exh. D<sup>11</sup>, with sub markings) of William T. Gatchalian dated August 20, 1999 with Account No. 8131201377 for Forty Six Million Three Hundred Fifty Thousand Pesos (P46,350,000.00) which covered the deposit of Metrobank Check No. 000132 dated August 21, 1999 of Gov. Singson in the amount of P46,350,000.00;

(5) certified copy of the microfilm of the Metrobank Ayala Center Branch Check NO. 000132 (See Exh. E<sup>11</sup>, with sub markings) dated August 21, 1999 drawn by Gov. Singson, payable to William Gatchalian in the amount of P46,350,000;

(6) Relationship Opening Form – Personal (Exh. F<sup>11</sup>, with sub markings) of Mr. William T. Gatchalian; and

(7) Signature Card (Exh. G<sup>11</sup>, with sub markings) of Mr. William T. Gatchalian for a Peso Checking Account with Account No. 8131201377 opened on March 13, 1996.

**MELCHOR SUAREZ LATINA** (Latina) is head of Remedial Management, Globe Telecommunication in charge of terminated accounts. [TSN dated October 9, 2002]

He brought with him a certification (Exh. H<sup>11</sup>) October 4, 2002 issued by Atty. Melchor S. Latina, and subscribed before Atty. Gilbert Escollo that Globe Cellular Phone No. 0917-5260217 was registered in the name of Jinggoy Estrada. The certification was supported with the Service Agreement for Cellular Mobile Phone Service (See Exh. H<sup>11</sup>-1, with sub markings) executed by the applicant Jinggoy Estrada and the supporting documents required in connection with the subscription of cell phone; specifically, a photocopy of Jinggoy Estrada's driver's license (Exh. H<sup>11</sup>-2) and statement of his Philippine National Bank Visa (Exh. H<sup>11</sup>-3) as proof of billing. The cellular phone issued to Jinggoy Estrada has already been cut-off since December 15, 2000 based on Globe Telecom records (Exh. H<sup>11</sup>-4).

**ATTY. OSWALDO CHONG SANTOS** (Atty. Santos) was a partner of the De Borja Santos Law Firm during the time of the impeachment proceedings against the accused Former President Joseph Ejercito Estrada. [TSN dated January 6, 2003 and TSN dated January 8, 2003]

In a letter dated December 22, 2000, the De Borja Santos Law Firm was requested by the Prosecution Panel of the House of Representatives to conduct an investigation regarding the Erap Muslim Youth Foundation, Inc. (Exhibit A-12-a)

Atty. Santos testified that the commissioned law firm of which he was a member started conducting research and investigation on the alleged foundation on December 28, 2000. They gathered available documents pertaining to the Muslim Youth Foundation, Inc. from the Records Division of the Securities and Exchange Commission (SEC). On January 5, 2001, witness Santos then went to the corporate address of the subject foundation indicated in the SEC documents (Exh. V<sup>17</sup>) that the investigating team gathered which was at 15<sup>th</sup> Floor, Strata 100 Building, Emerald Avenue, City of Pasig. He found out from his inquiries that the said office address was occupied by the law firm of De Borja Medialdea Bello Guevarra and Jerodias. Atty. Santos clarified that his partner named De Borja was not the same person indicated in the aforementioned law firm and that the witness had no idea if they were related. Thereafter, the

witness contacted the phone number of the subject foundation indicated in the SEC documents that the investigating team had but got the response that the phone number belonged to the aforesaid law firm and not to the subject foundation.

The witness then presented and identified a copy of the Report (Exh. A<sup>12</sup>) of the investigating team on the Erap Muslim Youth Foundation, Inc. He said that the original copy was submitted to the Prosecution Panel of the House of Representatives and he attested as to the truth of the contents of the report. Atty. Santos mentioned that the said report stated that the law firm occupying the supposed corporate office of the Erap Muslim Youth Foundation, Inc. "used to be the law firm of the Acting Corporate Secretary Atty. Edward S. Serapio".

Atty. Santos also identified the SEC documents that the investigating team had gathered which were previously produced and identified by prosecution witness Atty. David Jonathan Villegas Yap. These SEC documents were as follows: a Certificate of Corporate Filing / Information dated December 28, 2000 pertaining to the Erap Muslim Youth Foundation, Inc.; a Certificate of Incorporation of the Erap Muslim Youth Foundation, Inc. dated February 17, 2000 with SEC Reg. No. A20002526; a Covering Sheet of the Erap Muslim Youth Foundation, Inc.; the Articles of Incorporation of the Erap Muslim Youth Foundation, Inc.; a Certificate of Filing of the Amended By-Laws of the Erap Muslim Youth Foundation, Inc. dated April 3, 2000; another Covering Sheet of the Erap Muslim Youth Foundation, Inc.; and the Amended By-Laws of the Erap Muslim Youth Foundation, Inc. (Exhs. T<sup>17</sup>, U<sup>17</sup>, V<sup>17</sup>, W<sup>17</sup> with submarkings, X<sup>17</sup>, Y<sup>17</sup> and Z<sup>17</sup> with submarkings)

The witness testified on cross examination that the Erap Muslim Foundation, Inc. was duly organized and obtained a juridical personality in accordance to law. The Amended By-Laws of the subject corporation, which was approved by the SEC, allegedly provided that the members of the Board of Trustees were not entitled to receive allowances or honoraria in the performance of their duties. Atty. Santos was not, however, familiar to the Minutes of the Organizational Meeting of the Board of Trustees held on March 22, 2000 (Exh. 4-Serapio); the Community Tax Certificate (Exh. 5-Serapio) of the foundation; and the Mayor's Permit (Exh. 6-Serapio) as well as the Business Permit (Exh. 9-Serapio) of the foundation. He qualified that he verified from the Office of the Bureau of Permit of Pasig City that the foundation had registered its Business License though he did not see the Mayor's Permit of the foundation and mentioned the same in the report. Atty. Santos likewise admitted that he did not come across documents relating to the operations of the foundation but testified consistently on matters pertained the report. (Exhs. 7-Serapio, 8-Serapio, 10-Serapio to 15-Serapio, and 21-Serapio to 27-Serapio, inclusive of submarkings)

**CAROLINA SANTIAGO GUERRERO** (Guerrero) is the Branch Manager of PS Bank Murphy Branch, Quezon City. She brought with her a deposit slip (Exh. A<sup>13</sup>) processed on December 23, 1999. The deposit involved a Metrobank Ayala Center Check No. 001547 (Exh. N<sup>8</sup>) issued by Luis Chavit Singson in the amount of One Million Two Hundred Thousand Pesos (P1,200,000). The check was deposited to the account of Laarni Enriquez with Account No. 0180409000-3. The account statement for the month of December 1999 (Exh. C<sup>13</sup>, with sub markings) of Laarni Enriquez showed that the amount of One Million Two Hundred Thousand Pesos (P1,200,000) was credited to her account on December 24, 1999.

The signature card (Exh. B<sup>13</sup>) showed that the account was opened on July 18, 1996. The card contained Enriquez's address as 95 8<sup>th</sup> Avenue, Cubao, Quezon City and her description as Filipino, 5'5", 34 years old, brown, medium built and tiny mole on the right cheek.

Guerrero further testified that the biggest single check deposit of Ms. Enriquez in the particular savings account was made on August 4, 1998 for P40 Million. This was shown through a bank statement of account (Exh. D<sup>13</sup>) brought by the witness. The subject account was already closed as shown by the December 27, 2000 bank statement. The address given in the statement had changed to 771 Harvard Street, Wac-wac Subdivision, Mandaluyong. (TSN dated October 30, 2002, pp. 6-28)

**DR. ROGELIO V. QUEVEDO** (Dr. Quevedo) was, at the time of his testimony, the Head of the Legal and Carrier Business of Smart Communications, Incorporated. The prosecution offered his testimony to corroborate the Itchon's testimony regarding the Smart cellular phone numbers used by Atty. Serapio and Ricaforte.

Dr. Quevedo identified a Certification signed by him that Smart Cellular Phone Nos. 0918-9012071 and 0918-9021847 were registered in the names of Atty. Edward Serapio and Fountain Bleu, Inc., respectively. (Exh. G<sup>12</sup>) [TSN dated October 28, 2002, p. 74]

With respect to Smart Cellular Phone No. 0918-9012071, witness identified the application form accomplished by an Edward S. Serapio of the De Borja Medialdea Bello Guevarra Serapio Law Office (Exh. H<sup>12</sup>), Certification regarding mobile phone number, phone model, INEI and ICCID (Exh. I<sup>12</sup>), Official Receipt No. 82116771 (Exh. J<sup>12</sup>), Sales Invoice No. A0161625 (Exh. K<sup>12</sup>), Account Summary dated March 6, 1999 (Exh. L<sup>12</sup>), photocopy of Statement for Atty. Serapio's Philippine National Bank Visa Card (Exh. M<sup>12</sup>), photocopy of Atty. Serapio's Citibank card (Exh. N<sup>12</sup>), Customer Inquiry Menu (Exh. O<sup>12</sup>), Customer Address Inquiry (Exh. P<sup>12</sup>), On Line Aging Information (Exh. Q<sup>12</sup>), Service Disconnection document showing termination of the account upon request of the customer on December 20, 2000 (Exh.

R<sup>12</sup>) and Certification Account Memo Inquiry (Exh. S<sup>12</sup>). [Ibid., pp. 75-90]

With respect to Smart Cellular Phone No. 0918-9021847, Dr. Quevedo presented and identified the application form of Fontain Bleau, Inc. for two (2) cellular phones for Yolanda Ricaforte and Maria Carmencita Itchon showing that the number 0918-9021847 was issued to Itchon while the number 0918-9021849 was issued to Ricaforte (Exh. T<sup>12</sup>), Customer Inquiry Menu (Exh. U<sup>12</sup>), Customer Address Inquiry (Exh. V<sup>12</sup>), Account Maintenance Inquiry (Exh. W<sup>12</sup>), On Line Aging Information (Exh. X<sup>12</sup>) and audio recording for the voice mail of 0918-9021847 by a certain “Yolly” (portion of TSN marked as Exh. Y<sup>12</sup>). [Ibid., pp. 91-115] Dr. Quevedo further testified that the account for 0918-9021847 had already been disconnected.

## II. EVIDENCE FOR THE DEFENSE

The following are the witnesses for the defense under paragraph (a):

**FORMER PRESIDENT JOSEPH EJERCITO ESTRADA** (FPres. Estrada) took the witness stand on March 22, 2006, March 29, 2006, April 5, 2006, April 19, 2006, April 26, 2006, May 24, 2006, May 31, 2006, June 7, 2006, June 14, 2006, June 21, 2006 and June 28, 2006. At the outset, FPres. Estrada denied that Gov. Singson was his close friend because he had only one close friend, the late actor Fernando Poe, Jr. Gov. Singson was just an ordinary friend and a political ally to him. He seldom saw Gov. Singson when he was a Mayor of San Juan. Although he admitted that they sometimes went out, as they had common friends.

FPres. Estrada stated that all allegations in specification (a) of the Amended Information were lies, as he did not receive a single centavo from any form of illegal gambling, even when he was still a mayor and he never conspired with jueteng lords. As mayor of San Juan, his policy was to make San Juan jueteng free so he directed the Chief of Police of San Juan to go all out against all forms of gambling. He even personally raided all gambling dens and had all indulging in jueteng and other forms of gambling arrested and jailed. However, their wives and children came to him and explained that their husbands could not find other jobs. He promised to put up a livelihood program for them. (TSN, April 5, 2006, morning session, pp.20-26)

FPres. Estrada also cited national artist Nick Joaquin’s book “Joseph Estrada and other Sketches” (Exh. 457), particularly the article in the said book “Erap In a New Role” (Exh. 457-a), which narrated an incident when he padlocked a gambling den when he was still mayor. (Exhs.457-a-1; and 457-a-2) [TSN, April 5, 2006, pp.35-36]

FPres. Estrada asserted that his policy against gambling had not changed, even when

he was a senator, Vice President and President. However, he realized when he was a mayor that jueteng which was a gambling for the poor was illegal and its collectors were harassed while the casino for the rich was legal. He delivered his first privilege speech at the senate on November 25, 1987 (Exh. 458) where he advocated the legalization of jueteng in order that the government through PAGCOR could earn Twelve Million Pesos (P 12, 000,000.00) everyday or Three Hundred Sixty Million Pesos (P 360, 000,000.00) a month which could be used to provide essential services for the poor instead of the enrichment of the police and illegal operators. Although when he was Vice-President and appointed by President Fidel V. Ramos as Chairman of the Presidential Anti-Crime Commission, jueteng was not part of his mandate but he was to go against kidnapping, carnapping and illegal drugs. As President, he appointed Justice Cecilia Munoz-Palma as Chairperson of the Philippine Charity Sweepstakes Office (PCSO) and asked her to study how to legalize jueteng. She retired only after less than two (2) months to take care of her sick husband. Later it was assigned to her successor Rosario Lopez, who begged off as she was new on the job. Chairperson Alice Reyes of PAGCOR took over and finished the study.

Chairperson Reyes reported to former FPres. Estrada that the answer to jueteng was Bingo-2-Balls and that if jueteng was to be legalized the government could earn no less than Five Billion Pesos (P5,000,000,000.00). The study of jueteng showed that from Regions I to V only the collectors, cabos and runners numbering one hundred fifty thousand (150,000) benefit from jueteng whereas if jueteng is legalized, the jueteng cobradores will become members of the SSS or GSIS, they would have decent jobs, ceased to be harassed and victims of extortion. First Lady Loi Ejercito would have funds to provide dialysis machines for the poor. The legalization of jueteng will minimize if not totally eradicate corruption among police officials and local government officials (Ibid, pp.43-48) According to Alice Reyes, the Presidential social funds could be augmented if jueteng was to be legalized. However, FPres. Estrada told Reyes that instead the Mayors and governors social fund should be created because these local officials are besieged with requests for medicines, funerals, bills, bills for tuition fees etc. [Ibid, pp.47-50]

FPres. Estrada instructed Chairperson Reyes to implement right away the Bingo-2-Balls. There was a dry-run in Bulacan and it was very successful. It earned Twenty Four Million Pesos (P24, 000,000.00) in less than three (3) weeks in a few towns in Bulacan. Unfortunately, the jueteng lords who were against it caused trouble and it was stopped. There were allegations that FPres. Estrada was receiving jueteng money. [Ibid, pp.53-54]

FPres. Estrada denied that in August 1998 he had a meeting with Atong Ang at the kitchen of his residence at Polk Street, Greenhills, which was allegedly witnessed by Gov.

Singson who arrived later, followed by Bong Pineda. From the start, FPres. Estrada had told Ang to distance himself from the former President, Ang never stepped into his house nor in Malacañang except during the wedding of his daughter where he did not even see Ang. Bong Pineda too had never stepped into his house. Gov. Singson only fabricated the alleged meeting. His testimony in the impeachment that he saw Bong Pineda when he arrived at Estrada's house and the testimony in this trial that Pineda arrived later were conflicting. [Ibid, pp.55-62] FPres. Estrada also belied the testimony of Singson that he told Bong Pineda that he should not be the one to bring the jueteng money because it would be very obvious. FPres. Estrada denied that he entered into any transaction regarding any illegal form of gambling specially jueteng. [Ibid, pp.57-70] He admitted that Bong Pineda was his "kumpadre". The father of the wife of his son Jinggoy, Precy, was a friend of Bong Pineda. They were from Pampanga. The family of Precy, not the Estradas, got Mrs. Pineda, the wife of Bong, as principal sponsor at the wedding of Jinggoy and Precy. He wondered why Bong Pineda was not presented by the prosecution as witness when Singson kept on referring to him. [Ibid, pp.70-74]

On the delivery to him of jueteng money, FPres. Estrada denied Singson delivered jueteng protection money to him at his house at Polk Street, the Presidential Residence in Malacañang and at P. Guevara Street. He also denied that Emma Lim delivered jueteng money to his Secretary Malou Florendo at Malcañang and that contrary to the testimony of Emma Lim, it was hard for anybody, including his dentist, to enter the Presidential Residence in Malacañang without passing through the strict security check. He never heard of Emma Lim except during the impeachment trial. He never asked Singson to pay his obligations, as he did not have any debt, nor did he ask Singson to buy any appliance for him. He refused gifts like appliances which he would just raffle off during Christmas. He had never seen Carmencita Itchon, who he learned was a relative of Singson. Emma Lim and Carmencita Itchon were rewarded for testifying against him at the trial with their appointment as member of the Board of Directors of Camp John Hay [Poro Point Development Corporation, now Poro Point Management Corporation] (Exh. 459-A-2, 459-A-3) He emphatetically stated that he did not receive a single centavo of jueteng money. [TSN, April 5, 2006, afternoon session, pp.3-19]

FPres. Estrada denied any knowledge of the ledgers of jueteng money testified to by Singson. He stated he had not seen said ledgers, he had nothing to do with them and he could not understand them. He first saw the ledgers on television during the impeachment trial. According to him, Singson only fabricated the ledgers; like the documents pertaining to the excise tax. [Ibid., pp.24-35, 46, 49, 52-55]

FPres. Estrada also called a lie the testimony of Singson that he instructed Singson to pay Mr. Paul Bograd Five Million Pesos (P 5, 000,000.00) from the jueteng money. He did not



ask Singson to keep money from him, so he could not order Singson to pay Paul Bograd and he did not owe the latter anything. [TSN, April 19, 2006, p.14] He explained that the check for P1,200,000.00 (Exh. N<sup>8</sup>) which Singson allegedly gave as birthday gift for Laarni Enriquez was actually intended for his son Jacob and his two siblings, specifically, P1,000,000.00 for Jacob, the godson of Singson and P100, 000.00 each for Jacob's two (2) siblings, as Christmas gift. The check was dated December 22, 1999 whereas the birthday of Laarni was September 22, 1999, Former President Estrada was surprised at the big amount and he thought that Singson was trying to ingratiate himself to him. [TSN, April 19, 2006, pp.15-16]

FPres. Estrada also belied the claim of Singson that he advanced the Eight Million Pesos (P8,000,000.00) interest from the Sixty-Two Million Pesos (P62, 000,000.00) of jueteng money lent to William Gatchalian. He denied too that he ordered Singson to lend the said amount of money to Gatchalian because he did not ask Singson to keep any money for him. [Ibid., pp.23-25]

Regarding Yolanda Ricaforte, former President Estrada admitted he knows Yolanda, who is the wife of the Former Tourism Attache in Tokyo, Orestes Ricaforte. Orestes met him when he arrived at the airport for a speaking engagement for Overseas Filipino Workers in Tokyo. He met Orestes again after four (4) or five (5) years when he, then already the Vice-President, had a speaking engagement with the Filipino community in Los Angeles. There Orestes introduced his wife Yolanda to FPres. Estrada. He met Yolanda again during the oath-taking of Orestes as Undersecretary of Tourism. He appointed him Undersecretary as he promised if he would become President when they were in Los Angeles. He also appointed Yolanda as director of Campo Carne as requested by Orestes because their income was not enough as they had two (2) children studying in Los Angeles. [Ibid., pp.27-30]

FPres. Estrada however denied that Yolanda at any time was his employee. He seldom saw Yolanda after the oath-taking of her husband. He did not approve her auditor for jueteng as claimed by Singson. He had nothing to do with the money deposited by Yolanda, as he did not have in his possession any bank documents. [Ibid., pp.30-33]

Regarding the testimony of the Erap Muslim Youth Foundation, Former President Estrada testified that even before he became mayor and when he was a mayor, he was giving scholarships to poor deserving students, since he believed that education would give them the opportunity to rise above poverty. His number one program as mayor was to put up the first municipal high school, which as cited by national artist Nick Joaquin in his book (Exhs. 457 and 457-A-3), was the project closest to his heart as it will offer free education to the needy young. He said that 60% of elementary graduates could not afford to go to high school and thereby

they could become a potential trouble group. This is the root cause of criminality and he would rather spend money on free high school than spend it to enlarge the municipal jail. [Ibid., pp.33-35]

Former President Estrada also established the Movie Workers welfare Foundation (MOWELFUND) when he was still an actor (Exh. 460). The MOWELFUND sent to the United States to study film making seven (7) scholars who were shown in The Evening Post, June 1, 1981 edition (Exh. 461). He also put up the ERAP Foundation in 1988 to give scholarship to poor but deserving students. ERAP is the acronym of Education Research and Assistance Program. It was registered with the SEC as shown by its Articles of Incorporation (Exh. 462). The incorporators of the Foundation were: former Senate President Jovito Salonga; former President Estrada's brother-in-law, Raul P. de Guzman, former Vice-President of the University of the Philippines and member of its Board of Regents; Mr. Anthony Dee, former owner of China Banking; Mr. Dee K Chong, member of the Board of Directors of China Banking; Mr. Manuel Zamora, a businessman and bar topnotcher; Mr. Antonio Abacan, now President of Metrobank; Mr. Ronald Allan Poe, also known by his screen name Fernando Poe, Jr.; Mr. Iñigo Zobel of Makati; Mr. Carlos Tuason, a former Chairman of the Philippine Sports Commission and a cousin of Mr. Jose Mike Arroyo; Mr. Danny Dolor, a businessman; Mr. Hermogenes Tantoco, a big fishpond owner in Malolos, Bulacan; and Mdme. Maria Clara Lobregat former City Mayor of Zamboanga (Exh. 462-B). According to the memorandum of Executive Director of the ERAP Foundation, Jing Ancheta (Exh. 463), for school year 1988-1989 to 2005-2006, a total of 6,574 availed of the scholarship of the said Foundation, of which 2,512 graduated, 2,251 discontinued and 811 then currently enrolled. There were scholars from Cordillera Administrative Region. (Exh. 464); National Capital Region (Exh. 464-A); Regions I to XIIB (Exhs. 464-B, 464-C, 464-D, 464-E, 464-F, 464-G, 464-H, 464-I, 464-J, 464-K, 464-L, and 464-M); ARMM (Exh. 464-N); CARAGA Region (Exh. 464-O). The list of schools attended by the scholars and the attachment to the memorandum of Mr. Ancheta which was a Report of the e-Cares Program of Fr. Larry Faraon, dated March 19, 2006 re: Students and Profile were marked as Exhs. 463-C and 465 (with submarkings) respectively. [TSN, ibid, pp.43-58]. According to Former President Estrada, the seed money for the foundations came from his salary as mayor. He said that from the time that he was a mayor, then Senator, Vice-President and President, he never received a single centavo from his salary. They all went to the Foundations. [Ibid, p.60]

FPres. Estrada testified that he devoted his salaries as public official to scholarship for the poor because without them, there would be no Erap. The poor patronized his movies and supported him in his political career. He solicited donations for his scholarship programs but donors wanted to remain anonymous. He put up the ERAP Muslim Youth Foundation because

it was his campaign promise for the people of Mindanao. In the Mindanao State Colleges, in Marawi City, he promised to send one hundred (100) Muslim Youth yearly to Australia and America. When he was elected President, he spoke on January 25, 1999 of his project Muslim Youth Foundation in Smokey Mountains (Exh. 466) and in Angelicum College in Sto. Domingo Church at Quezon City during the launching of the Educational Reentry, Agenda for the President to the Poor (Exh. 467 and 467-a). To comply with this promise, he asked his brother-in-law, Dr. Raul de Guzman to put up the Erap Muslim Youth Foundation, whose articles of Incorporation was duly registered with the SEC (Exh. 252 [also Exhs. G<sup>10</sup>, W17 to W<sup>17</sup>-6 of Prosecution]) [TSN, April 26, 2006, pp.11-24]

Aside from Dr. de Guzman, the other incorporators of the Erap Muslim Youth Foundation were Professor Danilo Reyes of the University of the Philippines (UP) who had a Masteral and Doctorate Degree in Pulic Administration at UP, another UP Professor, Mila Reforma, Mr. George Go, one of the owners PCI-Equitable Bank, and Atty. Edward Serapio, a valedictorian of the Ateneo de Manila College of Law and a bar topnotcher. The latter was introduced to him in 1999 by then Secretary Lito Banayo of the Philippine Tourism Authority. He appointed Serapio as Presidential Assistant on Political Affairs because he was impressed by his bio-data. Serapio is not that close to him as he dealt with Serapio on an official and professional level. He denied that Serapio established a fictitious (“kalokohan”) corporation for him. He described Serapio as an ex-seminarian, a scholar, a very respectable person, very conservative, very professional, a family man and of unquestionable integrity [Ibid., pp.24-28]. Former President Estrada was automatically the Chairman Emeritus of the foundations that he established. He was the number one fund-raiser but he is not a signatory to the checks of the foundation. The seed money of the foundation came from his salary. He sponsored an Erap Golf Tournament which raised P27,000,000.00, some part of which went to MOWELFUND and most of it to the Erap Muslim Youth Foundation. Funds were also raised from Valentines Ball at Manila Hotel and from solicitations from his businessman friends and classmates. [Ibid., p.29]

Regarding the meeting allegedly attended by him, Singson, Ricaforte and Serapio where he instructed Singson to give to the Erap Muslim Youth Foundation, through Serapio, jueteng money in the amount of Two Hundred Million Pesos (P200, 000,000.00. former President Estrada claimed that no such meeting took place. He only learned from Atty. Serapio that Singson gave P200,000,000.00 to the foundation which he said came from an anonymous donor. He ordered Atty. Serapio to return the money to Singson because his immediate reaction was that it was jueteng money. The Former President Estrada emphatically stated: “I’m sure it’s from jueteng.” [Ibid., p.34] He knew because Singson had been offering this to him a long time ago. According to Serapio he did not know it was jueteng money and that he received the money in good faith. When the former President told Serapio to take all possible means to

return the money, Serapio replied that he would consult the Board of Trustees first. Former President Estrada did not know what happened after that because rallies and the impeachment started. (Ibid, pp.34-36). He learned later that the money was intact at the Equitable-PCI Bank and that it earned interest, per bank certification (Exh. 257-C) and passbook (Exh. 257, 257-A and 257-B). At the time of the testimony, the money based on the aforesaid documents amounted to P 213, 000,000.00. (Exh. 257-B) [TSN, ibid, pp.41-45] Dr. Raul d Guzman informed him that the scholarship was continuing but the foundation could not send scholars to the US but only to the universities in the Philippines. One of the scholars, Janice Halim Negrosa was in the courtroom, at the time of this testimony of the former President [Ibid., p.46]. He was happy with the continuation of the scholarship because it was his vow to help the poor who supported him in his election as Mayor, Senator, Vice-President and President. [Ibid, pp.47-48] He established two (2) foundations, the Erap Muslim Youth Foundation and the Erap Para sa Mahirap Foundation to emphasize the assistance to our Muslim brothers, the true pure-blooded Filipinos who defended us from foreign invaders. It was impossible to use the Erap Muslim Youth Foundation for money laundering because he was not a signatory to the checks of the foundation. Its treasurer was the Chairman of the bank who would not allow his name to be used in money laundering. If the Foundation would be dissolved, all its assets would go to the government. [Ibid., pp.50-55; and Exh. 252-C]

In support of his policy to go after illegal gambling, former President Estrada cited the memorandum and verbal directives that he issued to the PNP to implement this policy. In a memorandum dated August 3, 1998 (Exh. 132) of Acting PNP Chief Roberto Lastimoso pertaining to the aforesaid directives, he reported that he conducted 1,600 operations resulting in the arrest of 807 suspects, confiscation of P320,039.70 in cash and jueteng paraphernalia, the filing of 253 cases in court with 13 cases still under investigation. The report gave the statistics of illegal gambling for the semester 1998 and informed the former President that he [Lastimoso] gave an ultimatum to all PRO Directors to pursue the anti-illegal gambling campaign without end, until finally stopped and eradicated. Another report of the PNP Acting chief stated in part:

“Dear President Estrada: This pertains to our compliance with the presidential directive dated August 14, 1998, regarding the resurgence of illegal gambling operations in the country. Please be informed that the directive was sent to all PNP Regional Directors to identify, find, arrest and file charges appropriate in Court against individuals who are using the name of President Estrada, or supposed connection with his office to promote these illegal activities, and to come up with rigid measures and tangible results and immediately stop all forms of illegal gambling, particularly *jueteng* and *masiao*.” (Exh. 134) [TSN, April 26, 2006]

On October 7, 2000, Former President Estrada issued a Memorandum to the Secretary of Interior and Local Government, the Director General of PNP that pending review of

PAGCOR's Bingo-Two-Ball which was in the meantime suspended, they were directed to intensify anti-jueteng operations to prevent unscrupulous individuals from taking advantage of the situation. (Exh. 468) He also issued another memorandum to the incoming Director General Panfilo Lacson reiterating his directive against illegal gambling and requiring periodic and timely reports on all actions relative thereto. (Exh. 469) [TSN, *ibid.*, pp.56-64]

On the testimony of Gov. Singson that he was used and humiliated by the former President and ordered killed by the latter, the former President testified that on the contrary, it was Singson who used his name specifically in jueteng collections and Singson made it appear that he could influence him, that Singson was close to him, and that Singson joined his state visits even if he was not invited. Singson was accosted by the Traffic Management Group (TMG) because he was illegally using sirens and blinkers, as testified to by TMG's General Paredes. [*Ibid.*, pp.65-66]

According to Former President Estrada, Singson leveled the serious accusations against him because of his mounting problems. Singson had only two (2) sources of income, the tobacco excise tax under R.A. No. 7171 and jueteng. Singson could not liquidate his cash advance from the tobacco excise tax share of Ilocos Sur. He told Singson that he could not help him because COA was an independent constitutional body. Singson was also against Bingo-2-Ball which was already conceptualized because he would lose his source of income. [TSN, April 26, 2006, pp.64-69] Former President Estrada was informed that Singson talked to then Secretary Alfredo Lim seeking his intercession to seek a meeting with Former President Estrada so that jueteng would not be legalized or that if legalized (through Bingo-2-Ball) the franchise be given to him, otherwise it would mean his [Singson's] political death. Former President Estrada refused to talk with Singson and told Secretary Lim to talk to Chairperson Alice Reyes. Singson approached also other persons aside from Secretary Lim and Senator Edgardo Angara. Senator Angara told FPREs. Estrada that Singson went to see him on a Sunday asking help about jueteng and Bingo-2-Ball. He told Senator Angara to tell Singson not to talk to him but to Chairperson Alice Reyes. Angara mentioned that Singson threatened to expose him but he said he had nothing to hide and if Singson wanted so, to let him do it. Former President Estrada then immediately had the accusations investigated as he had confirmed that for a long time, Singson had already been using his name, specifically in jueteng collection. He was hurt by the accusations of Singson as he was turned from being a President, with the biggest mandate in a clean election, into a prisoner because of a big lie started by one person, Governor Singson. Moreover his son Jinggoy and Atty. Serapio were also detained for two (2) years when they knew nothing about jueteng [TSN, April 26, 2006, pp.69-77.]

**JOSE "JINGGOY" ESTRADA** was elected Vice Mayor of San Juan in 1988 and Mayor

of San Juan in 1992. [TSN, November 17, 2004, pp. 15-16.]

Mayor Jinggoy stated that he first got to know Gov. Singson, whom he considered as an acquaintance, during the presidential campaign of his father, FPres. Estrada, in the 1998 elections. At that time, Gov. Singson supported FPres. Estrada and hosted a lunch for FPres. Estrada's entourage when they campaigned in Ilocos Sur. After the presidential campaign, he said he met Gov. Singson only occasionally. [Ibid., pp. 16-17]

Mayor Jinggoy denied the testimony of Gov. Singson that he was the collector for jueteng protection money in the province of Bulacan starting January 1999 to August 2000. Witness also stated that he has never been called "Jingle Bell" nor had he received or heard communication where he was called "Jingle Bell". Witness also denied the statement of Gov. Singson that a certain Jessie Viceo was the collector of jueteng protection money in the province of Bulacan from January 1999 to August 2000, because witness had never been a collector or protector of jueteng. However, Mayor Jinggoy admitted that he came to know Jessie Viceo when the latter was running for congressman since Viceo was also aligned with their political party during the time witness was assigned to campaign for his father in the province of Bulacan. After that, witness stated that he met Viceo three times in social functions. Again, witness considered Viceo as an acquaintance. [Ibid., 18-22]

Mayor Jinggoy also denounced for being untrue the allegation that as collector of jueteng protection money in Bulacan, he collected Three Million Pesos (P3,000,000.00) monthly of which One Million Pesos (P1,000,000.00) was retained by him and the other Two Million Pesos (P2,000,000.00) was sent to Gov. Singson's office or was picked up by Gov. Singson's aides from witness' office in the municipal hall of San Juan or from witness' residence. [Ibid., p. 22]

He further added that he had never used a personalized check with his picture printed on the check as testified to by Emma Lim who allegedly deposited such check drawn against the United Overseas Bank of the Philippines, San Juan Branch to Gov. Singson's account with Metro Bank Ayala Branch. Mayor Jinggoy presented a certification to prove that he does not maintain a current account with the said bank. [Ibid., pp. 25-26]

Witness also denied the testimony of prosecution witnesses Vicente Amistad and Jamis Singson who both claimed to have collected/received jueteng protection money from the witness. With respect to the statements of Jamis Singson, Mayor Jinggoy asserted they were untrue since he did not have a security aide named Nestor. Further, the testimony of Jamie Singson that on other occasion, the latter got protection money from witness' residence at Polk

St., Greenhills is also not true because he does not live in Polk St. but in 97 Kennedy St., North Greenhills. [Ibid., pp. 26-28]

As regards the rest of the testimony of Gov. Singson, Mayor Jinggoy also stated that following were totally untrue: that in his conversation with Gov. Singson, witness confirmed that he received a part (or Fifteen Million Pesos) of the One Hundred Thirty Million Pesos that came from the tobacco excise funds because witness was never involved nor did he know anything about it; that before the press conference held on October 9, 2000 at the Club Filipino, witness tried to dissuade Singson from making the expose because at that time witness was in Australia watching the Sydney Olympics. [Ibid., pp. 29-32] Witness, however, admitted that three weeks before he left for Australia, Singson called him up before meeting him at the Kamayan, EDSA where witness was having dinner with his basketball team to ask if witness can convince his father or Atong Ang to give Singson the franchise of Bingo 2 Ball and not to his (Singson) political enemies, to which Mayor Jinggoy replied that he will try to talk to Atong Ang. Witness also denied the allegation that he called up Gov. Singson at midnight of October 8, 2000, on the eve of the press conference where according to Gov. Singson, witness told Gov. Singson that “baka naman isama mo pa ako dito, Governor”, because witness was then shooting a movie with Judy Ann Santos. [Ibid., pp. 34-39, 102]

Bong Pineda was an acquaintance of Jinggoy Estrada. He denied having known Orestes Rusty Ricaforte and Yolly Ricaforte, while he admitted having known Bonito Singson whom he met once or twice. [Ibid., 65-68]

Jinggoy Estrada testified that the Municipality of San Juan maintained a current account with the Philippine National bank and Land Bank and not with the United Overseas Bank. He, himself maintained a personal account with United Coconut Planters Bank. [Ibid., pp. 86-88]

Mayor Jinngoy knew Atong Ang personally, whose real name was Charlie and he first come to know him even before the 1998 presidential elections. He testified that he did not know Alma Alfaro, Eleuterio Tan, Victor Tan Uy, or a Jojo Uy, and a yacht by the name of Escalera. [Ibid., 99-104]

**ALICIA PEREZ LLAMADO REYES** (Reyes) was the Chairperson and Chief Executive Officer of PAGCOR since January 2, 1987. She was appointed by Former President Corazon C. Aquino, reappointed by Former President Fidel V. Ramos, and again reappointed by Former President Joseph E. Estrada. [TSN, March 7, 2005]

The witness testified that Atong Ang proposed to her the operation of Bingo Two Balls

sometime in the year of 2000. She welcomed the idea since Atong Ang successfully handled the Jai-Alai operations of PAGCOR. Witness Reyes then suggested for a written proposal from Atong Ang. In a Letter dated September 1, 2000 addressed to the Director of PAGCOR Jose Rodriguez III (Exh. 286), Atong Ang proposed the feasibility of the Bingo Two Balls. The proposal was duly approved for negotiation by the Board of Directors of PAGCOR in a Memorandum dated September 5, 2000 (Exh. 287 with submarkings). Witness Reyes added that the proposal had the confirmation of FPRES. Estrada who even told her to “study the proposal and if it will displace Jueteng then he [was] all for it”. For the purpose of implementing the initial operation of Bingo Two Balls, the officers of PAGCOR called a meeting in Parañaque Casino and invited several personalities knowledgeable in number gaming operations in the Philippines. Gov. Singson did not attend the meeting since the latter was not interested according to Atong Ang. The operation of Bingo Two Balls in Ilocos Sur was nonetheless offered to three relatives of Gov. Singson.

Among the conditions for the operation of Bingo Two Balls was the drawing of winning numbers in public and that no payments will be made “under the table”. It was agreed that 23% of the total revenue will be remitted to PAGCOR and 77% of the total revenue will inure to the benefit of the operators. The Bingo Two Balls nationwide operation was estimated to gain P50 to 65 Million of sales a day. Atong Ang was supposed to be given a management fee of 8% but was reduced to 7% and then to 5%. The management fee was finally recommended to be reduced at 2% by the head of the Bingo Department of PAGCOR in a Recommendation Letter dated November 30, 2000 (Exh. 290).

The dry-run operation of Bingo Two Balls lasted for 20 days particularly in the Province of Bulacan. According to witness Reyes, PAGCOR got P24 Million from the initial operation of Bingo Two Balls from the Province of Bulacan alone. FPRES. Estrada then ordered for the suspension of the operation of Bingo Two Balls allegedly because of adverse publicity and criticisms from the press.

On cross examination, witness Reyes clarified that there was no written agreement for the dry-run operation of the Bingo Two Balls and that the conditions set forth in the initial operation was not final. She also stated that the P24 Million that was remitted to PAGCOR represented the 23% share that was agreed upon and that part of this share was remitted to the Social Fund of the Office of the President. The 77% share of the income was returned to the operators.

On re-direct examination, the witness testified that the Social Fund of the Office of the President was created during the term of Former President Aquino. During her administration,



this fund was utilized mostly for building school houses which policy was also adopted during the administration of Former Presidents Ramos and Estrada.

**ATTY. EMILIA SAMONTE PADUA** (Padua) was the Managing Head of the Entertainment and Bingo Department of PAGCOR since July of 1996 to June of 2001. She managed, supervised, and controlled the nationwide commercial bingo operations and bingo derivatives, such as Quick-Pick Games and Bingo Two Balls. [TSN, March 9, 2005]

The witness testified that her department reviewed and evaluated the Bingo Two Ball Project Proposal of Atong Ang to PAGCOR. The said project proposal was approved for an initial operation and that the Officer-In Charge for the project was Jose Rodriguez III while the Consultant of the project was the Prominent Marketing Consultancy Group, Inc. of which Atong Ang was the General Manager. Atong Ang also served as the Marketing Agent of PAGCOR for the project and, as such, he identified the operational areas and the pre-qualified applicants. The Bingo Two Ball Project was partially implemented from September 18, 2000 to October 7, 2000 in the provinces of Bataan, Bulacan, CAR, Cordillera Administrative Region, Albay, Bicol, Cavite, Marinduque, Lucena, Batangas, Northern and Southern Luzon, and in Visayas. PAGCOR allegedly attained its financial goals and objectives in the organizational stage of the project. Witness Padua presented and identified PAGCOR's Share Based on Reported Sales Quota (Exh. 288) prepared by the consultancy group of Atong Ang to corroborate the success of the initial operation of the Bingo Two Balls Project.

Based on a Memorandum dated November 14, 2000 (Exh. 290) approved by the Board of Directors of PAGCOR, the 20-day operation of the Bingo Two Ball Project aggregated a gross sale of P106,206,661.00 and that P24,427,532.00 was collected by PAGCOR which represented its 23% share. The consultancy group of Atong Ang gained 2% from the 23% share of PAGCOR. Though there was no written agreement between PAGCOR and the consultancy group of Atong Ang as regards the payment of the latter's 2% share, the Board of Directors of PAGCOR decided that the consultancy group of Atong Ang was entitled to such share.

Witness Padua also testified that among the objectives of the Bingo Two Ball Project were to eradicate the illegal number games such as Jueteng and to create employment opportunities. However, the said project was ordered suspended by the Office of the President because of adverse criticisms and questions of legality from the public.

On cross examination, witness Padua admitted that there was no bidding conducted by PAGCOR in awarding the operation of the Bingo Two Ball Project to Prominent Marketing

Consultancy Group, Inc. She explained that since Atong Ang also headed the Power Management Corporation which successfully handled the Jai-Alai Operations of PAGCOR, the Board of Directors of PAGCOR decided to engage the services of the Prominent Marketing Consultancy Group, Inc. of Atong Ang to handle the Bingo Two Ball Project. The witness further testified that some of the appointed operators of the Bingo Two Ball Project were reputed as Jueteng Operators but qualified that she only knew them as such after the initial operation of the said project.

On re-direct examination, witness Padua testified that assuming the Bingo Two Ball Project was not suspended and a contract was perfected between PAGCOR and the operator the contract would nonetheless pass the review and approval of the Office of the Government Corporate Council (OGCC) and the Office of the President.

**SENATOR ALFREDO SIOJO LIM** (Sen. Lim) was appointed as the Secretary of the Department of Interior and Local Government (DILG) on January 8, 2000. [TSN, March 14, 2005]

On October 7, 2000, Sen. Lim read in the newspaper the alleged attempted ambush on the life of Gov. Singson and discussed the issue with Congressman Luis “Baby” Asistio during their breakfast meeting at the Manila Yacht Club. Thereafter, Sen. Lim and Baby Asistio visited Gov. Singson at his residence in Blue Ridge, Quezon City. Governor Casimiro Ynares, Jr. later arrived and joined their conversation. According to Lim, Gov. Singson related to them the details of the attempted plot against the life of Gov. Singson on the late evening of October 3, 2000. On said date, members of the Traffic Management Group (TMG) armed with long rifles and not wearing proper uniforms, accosted the vehicle occupied by Gov. Singson along San Marcelino Street, for beating a red light and having a blinker on top of his vehicle. Gov. Singson initially refused to alight from his vehicle and got down only when the mayors that he just had a meeting with arrived on the scene. Singson argued with the TMG Officers and refused to be brought to Camp Crame. The dispute ended when the TMG Officers finally agreed that they will no longer force Gov. Singson to be brought to Camp Crame since the blinker of the vehicle of Gov. Singson was surrendered to them.

Gov. Singson allegedly said that Atong Ang and Ping Lacson were the persons responsible for the attempted ambush on his life, and that both conspired to have him killed because Gov. Singson was against the Bingo Two Balls gaming proposal of Atong Ang and that there was an arrangement for the raising of campaign funds for the presidential candidacy of Ping Lacson. Sen. Lim further related that Gov. Singson also implicated FPres. Estrada on the alleged attempted ambush on his life on the theory that Atong Ang and Ping Lacson will not

have the courage to have him killed without the approval of FPres. Estrada. Gov. Singson also grumbled about the awarded franchises for the operation of the Bingo Two Balls in Ilocos by Atong Ang to the political opponents of Gov. Singson. Gov. Singson also mentioned that FPres. Estrada did not help him sort out his problems with the Commission on Audit (COA).

Sen. Lim further testified that on the following day, October 8, 2000, he and Congressman Baby Asistio went to the Malacañang Palace and met FPres. Estrada. The witness relayed to FPres. Estrada the sentiments and allegations of Gov. Singson. FPres. Estrada denied Gov. Singson's accusations that he had something to do with the attempted ambush and that he would initiate an investigation on the matter. FPres. Estrada said that Gov. Singson was his good friend and that he was with Lim in Cebu City and Cagayon de Oro during the alleged incident. As to the issue regarding the Bingo Two Ball Project of Atong Ang, FPres. Estrada said that he was convinced by PAGCOR that it could triple its proceeds as compared to the operations of Jai-Alai. FPres. Estrada would also trigger an investigation regarding Gov. Singson's allegation that Atong Ang had planned to divert the proceeds of the Bingo Two Ball Project of PAGCOR. Witness Lim added that FPres. Estrada admitted that he left Gov. Singson to explain to COA because he had no control and supervision over the said constitutional body.

The witness also refuted the testimony of Gov. Singson that he conveyed the impression to Gov. Singson that FPres. Estrada gave the signal to kill Atong Ang. Witness Lim claimed that his thumbs down gesture to Gov. Singson meant that FPres. Estrada would have Atong Ang ordered investigated and not to have the latter killed.

On cross examination, witness Lim testified that he had no personal knowledge as to the purchase of shares from Bell Corporation by GSIS and SSS; as to the matters regarding the Ilocos Sur Excise Taxes; and as to the Jueteng collection ledger of Yolanda Ricaforte.

**VIOLETA SUAREZ DAMITAN** (Damitan) was the Executive Assistant of the Erap Muslim Youth Foundation employed by Raul P. De Guzman on January 1, 2004 (Exh. 278). [TSN, March 16, 2005] She was responsible, among others, for the safekeeping of the records of the said corporation such as the Articles of Incorporation and By-Laws, and the records of applicants to the scholarship program of the foundation.

Damitan testified that the Erap Muslim Youth Foundation provided scholarship education programs to the less privileged Muslim youth Filipinos. The applications and recommendations filed were reviewed by the Screening Committee and approved by the Board of Trustees of the foundation.

Damitan presented and identified the credentials and pertinent records of Sittie Shahani Laminero who was one of the applicants granted a scholarship program by the Erap Muslim Youth Foundation (Exhs. 295, 296, 297 and submarkings). She likewise presented and identified several documents enumerating and showing other grantees of the said scholarship program, namely, Salvador Ongay Domona, Sohayle Hadji Abdul Rachman, Janice Halim Negrosa, Roque Santos Morales, and Ahmad Robert (Exhs. 279, 280, 298, 299 and submarkings). The witness further presented and identified a Minutes of the Meeting of the Board of Trustees of the Erap Muslim Youth Foundation on July 21, 2000 to show the appointment of the other employees of the foundation and the accounts of the scholarship program (Exh. 274 and submarkings).

**SALVADOR ONGAY DOMONA** [TSN, March 16, 2005], **JANICE HALIM NEGROSA** [TSN, March 30, 2005], **ROQUE SANTOS MORALES** [TSN, March 30, 2005] and **H. SOLAYHE A.A. MARANGIT** [TSN, March 28, 2007], all similarly testified that they were granted scholarships by the Erap Muslim Youth Foundation. Witness Domona applied and was admitted for the scholarship program on the year 2003; witness Negrosa applied and was admitted to the said program on the year 2004; witness Morales applied and was admitted to the same program on the year 2004 and witness Marangit applied and was admitted to the same program in 2004. These witnesses also presented and identified their respective credentials and pertinent documentary evidence. (see also Exhs. 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, and submarkings)

**ATTY. CARINA JAVIER DEMAISIP** (Demaip) was appointed Assistant Corporate Secretary of the Erap Muslim Youth Foundation, Inc. on January 1, 2004 (Exh. 277). She assisted the release of funds and prepared the minutes of the meetings of the Board of Trustees of the foundation. [TSN dated March 30, 2005 and TSN dated April 4, 2005]

Demaip testified that Raul P. De Guzman solicited her services for the Erap Muslim Youth Foundation sometime on July of 2003 which was after the incarceration of Atty. Edward S. Serapio, the Corporate Secretary. The foundation was located at the 4<sup>th</sup> Floor of VAG Building in Greenhills, Ortigas Avenue. The witness then identified several minutes of the meetings approved by the Board of Trustees of the Erap Muslim Youth Foundation (Exhs. 279, 281, 312, and submarkings) and corroborated the testimony of witness Violeta S. Damitan regarding the approved and awarded scholarship programs by the foundation (Exh. 313 and submarkings). She also testified that among the reasons why the foundation had no scholars for the years 2000, 2001, 2002, and 2003, except for Salvador O. Domona, were because of (a) the ineffectiveness of the Board of Trustees brought by the charges against FPres. Estrada, (b) the lack of funds to operate the foundation due to the freeze orders, and (c) the failure of the

institutions to comply with the requirements of the scholarship program. The funds of the foundation became available on November 11, 2003. Hence, the foundation started releasing checks only thereafter although some of the applications for the scholarship program were already reviewed and approved before the availability of the funds.

**MARIA LOURDES LOVERO FLORENDO** (Florendo) was an Executive Assistant in the Office of the Vice President and the Confidential Secretary of accused FPres. Estrada. [TSN, April 20, 2005 and April 25, 2005]

Florendo testified that she did not know and had never met on any occasion Emma Lim. The witness said that she was shocked when she read from the newspaper that Emma Lim allegedly gave her a black bag containing P5,000,000.00 at the Presidential Residence. She refuted the statements that Emma Lim gave during the Impeachment Trial on December 11, 2000 that the latter went straight to her and handed a black bag which contained P5,000,000.00; that Emma Lim was not required at the guardhouse of the Presidential Residence to have her black bag examined in the X-Ray Machine; that there were no furniture or sala sets at the right side of the entrance of the Presidential Residence; that witness Florendo received the black bag and placed it near a table and that she talked to Gov. Singson and told him that “they already arrived”; and that Emma Lim went out running towards her vehicle after giving the black bag to witness Florendo (Exh. 320-C and submarkings).

**NORMAN DELOS SANTOS BORDADORA** (Bordadora) was a reporter of the Philippine Daily Inquirer since July of 1996. He testified that he was the author of an article in the Philippine Daily Inquirer Newspaper entitled “Chavit, I Have Never Been Into Jueteng” which was published on May 21, 2005 (Exh. 335). The source of the contents of his article was allegedly Governor Luis “Chavit” Singson whom witness Bordadora had interviewed through a cellular phone which was not recorded. The witness clarified that he interviewed Gov. Singson on the alleged jueteng involvement of Archbishop Cruz and not on the jueteng expose in the year 2000. [TSN, June 22, 2005]

**ATTY. JOSEPH QUION ORSOS** (Orsos), **P/SUPT. ARTURO LACSINA PAGLINAWAN** (Paglinawan), **P/SUPT. RODOLFO SANTOS AZURIN, JR.** (Azurin), **POLICE CHIEF INSPECTOR NOEL BIACA VALLO** (Vallo), **P/SUPT. ELISEO DECENA DE LA PAZ** (Dela Paz), **JONIRO FORMILLEZA FRADEJAS** (Fradejas) and **RENATO MENDOZA PAREDES** (Paredes), all testified to matters related to the October 3, 2000 traffic incident involving Gov. Singson and the Traffic Management Group (“TMG”).

Orsos, a Police Officer and the Chief of the Legal Services of the TMG, presented and

identified a Roster of Troops dated October 3, 2000; a Disposition of Personnel as of August 28, 2000 dated October 31, 2000; a Memorandum dated October 4, 2000 regarding the apprehended motor vehicle of Gov. Singson; and another Memorandum dated October 4, 2000 (Exh. 360) regarding the traffic violation of the driver of Gov. Singson. He admitted he had no personal knowledge of the incident. [TSN, July 13, 2005, Exhs. 358-61 with submarkings] Paredes, Director of the TMG, identified a Memorandum dated October 4, 2000 signed by him and previously marked as Exh. 360. [TSN dated August 17, 2003] Paglinawan, Chief of the General Assignment Section of the Western Police District, testified that there were no records in the WPD that Gov. Singson filed a case in relation to the October 3, 2000 incident. [TSN, July 18, 2005] Azurin, Chief of the Special Operations Division of the TMG, testified that, on October 3, 2000, he was called by Vallo for assistance in some misunderstanding with Gov. Singson. He also testified to what happened after they proceeded to the WPD headquarters in UN Avenue and related that the agents of the TMG Group were wearing proper uniform but admitted that he himself was not in proper uniform. Azurin testified that the blinker and siren found in the vehicle of Gov. Singson were confiscated for violation of a Memorandum dated July 14, 1998 issued by the Office of the President. [TSN, July 18, 2005, and Exh. 362 with submarkings] Vallo, Chief of the Operation Task Force Limbas of the TMG, testified to the TMG's spotting of an accelerating vehicle (Gov. Singson's), the chase and the accosting of the vehicle for a traffic violation. Dela Paz, Police Chief Superintendent of the Philippine National Police, identified his signature in a Memorandum sent to relevant offices pertaining to the use of blinkers [TSN, August 8, 2005, Exh. 364] Fradejas, Executive Assistant II of the Traffic Engineering Center of the Metro Manila Development Authority, identified a Certification pertaining to the DPWH Phase I installation of traffic lights in Metro Manila. [TSN dated August 8, 2005, Exh. 384]

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**DR. GEMMA BAULA DAVID** (David) had been the dentist of FPres. Estrada since the latter was still a Senator. David testified that she provided dental treatments to FPres. Estrada at the latter's residence in No. 1 Polk Street, Greenhills, and at the Presidential Residence in Malacañang. The witness related that, every time she visited FPres. Estrada at his residence in Greenhills as well as in the Presidential Residence in Malacañang for the scheduled dental appointment, she had to pass the strict security protocols conducted at the entrance of both locations. She further related that at there was a walk-through metal detector at the Presidential Residence in Malacañang. [TSN, May 30, 2005]

**MARICHU ANDUEZA VILLANUEVA** (Villanueva) was a Journalist of the Philippine Star Newspaper and a member of the Malacanang Press Group. She authored the article entitled "Palace Backs Ping on Anti-Jueteng Drive" in the June 17, 2000 issue of the said newspaper which was based on a press conference she attended in Malacañang Palace on June 16, 2000.

[TSN, September 26, 2005; Exh. 415 and submarkings]

**ATTY. RICARDO VILLANUEVA PUNO, JR.**, a practicing lawyer, testified that he joined the government as Press Secretary and Presidential Spokesperson on or about March 16, 2000 and stayed in that position until January 20, 2001. In such position, he would only speak of information that he was authorized to disseminate to the public or the media at that particular time. His position gave him the privilege of being present at discussions on policies, which included Presidential meetings. [TSN, October 3, 2005]

To the best of his recollection, the policy of the FPres. Estrada then was always to fight illegal gambling. That has been the declared policy even during the tenure of the witness as Press Secretary and Presidential Spokesperson. He had a general recollection of this policy, but he had no specific recollection of the times it was actually mentioned.

He could not recall specifically a press conference held on June 16, 2000, although he saw the June 17, 2000 issue of the Philippine Star attached to the subpoena [Exh. 415], but there was a time when he held a series of briefings for media at 2:00 p.m., and it was probably during one of those briefings that the points in the article were raised. The article referred to a drive by the then Director General of the Philippine National Police against *jueteng*. The question asked of the witness at the time was probably, whether FPres. Estrada in fact prescribed *jueteng* reduction. It was very clear that it was in fact the policy at that time, based on their previous conversations. The article, however, referred to the drive allegedly initiated by then PNP Director Panfilo Lacson. Up to the time that the witness left in January 2001, he could not remember any reversal of that policy. He would not know, however, if *jueteng* continued despite the campaign against it, because his office as Press Secretary was not monitoring the situation.

**ATTY. HILARIO PAUL HAVOC RAGUNJAN, JR.** was a commissioned Notary Public who notarized the Letter dated May 28, 2005 of Rodolfo Q. Pineda (Exh. 331) addressed to the Chairman of the Committee on Games and Amusements of the House of the House of Representatives, Hon. Mario Z. Almario. Witness Ragunjan, Jr. testified that he personally knew the affiant of the letter but had no personal knowledge as to the contents of the said letter. [TSN, June 6, 2005]

**MARIBETH ANG ESCOBAR**, Officer-in-Charge of the United Overseas Bank (UOB) San Juan Branch, testified on a Certification dated June 28, 2002 addressed to Atty, Irene Jurado issued by Ms. Elma Gutierrez, who was no longer connected with UOB. Witness had been the OIC of UOB San Juan since Ms. Gutierrez' resignation. (TSN, November 22, 2004, p.

48)

The said Certification stated: "This is to certify that based on our records from 1999 up to the present, we have no current account listed under the name of the client Mayor Jose "Jinggoy" Estrada." She verified the facts stated in the Certification by personally checking the records on file in their system and there was no reading of an account under the name of Senator Jose "Jinggoy" Estrada, upon receipt of the subpoena. (Ibid., p. 54)

Escobar also testified that she was not aware and has not seen any check with photo of the client on the face of the check. She has never processed a customized check but has seen one with the logo of a company like Sunlife. Witness stated that the Certification was issued based on the letter dated June 28, 2002 of Atty. Irene D. Jurado to the Manager of UOB San Juan. (Ibid., pp. 54-58)

Witness testified that although the certification stated only that Jose Jinggoy Estrada had no current account, her verification of their their records showed that there was no Jose Jinggoy Estrada on the list of active accounts of UOB San Juan, as well as in the dormant accounts. Similarly, the Municipality of San Juan had no account with the UOB San Juan, more so the Municipality of Marikina. (Ibid., pp. 94-98)

**ROSEMARIE J. SAN GREGORIO**, Community Affairs Officer II of the Municipal Government of San Juan, testified that she didn't know personally a lady by the name of Emma Lim, but has seen her testify before the Impeachment Court on television. She remembered particularly the testimony of Emma Lim because Emma Lim mentioned the name of her officemate, Josie, who was with the witness when they were watching the proceedings in the television along with Lauro Quirino, who was their receptionist in the Mayor's Office. Witness remembered that among the testimony of Emma Lim was that she went to the Municipal Office to collect money. Witness stated that she and Josie Ramos were surprised and amazed with Emma Lim's testimony since she [Emma Lim] did not go to the Mayor's Office. Josie Ramos was the one handling papers for the signature of the Mayor. [TSN, November 24, 2004, pp. 26-42]

**JOSEFINA QUIAZON RAMOS** worked as one of the secretaries in the Office of the Mayor, Municipality of San Juan for 1998 to 2001, preparing documents for signature of then Mayor Jinggoy Estrada. Witness Ramos corroborated the testimony of Rosemarie San Gregorio that Emma Lim did not go to the Office of then Mayor Jose "Jinggoy" Estrada in January, February and March 2000 to pick up allegedly jueteng money from the Office of the Mayor.



Ramos described as untrue the testimony of Emma Lim that Emma Lim talked to Ramos and was asked to sit in front of Ramos' table in the Office of the Mayor on February and March 2000. Witness stated that Emma Lim never went to the Office of the Mayor in San Juan. Witness was surprised when Emma Lim mentioned her name during the impeachment trial, and that she told this to Mayor Estrada who called her up after Emma Lim testified. Mayor Estrada was also surprised and told her that "what is that woman saying, that woman is a liar". [TSN, December 6, 2004]

**SUSAN MACALLA AVILES** was the Social Secretary of Ms. Guia Gomez and a resident of No. 1 Ibuna Street corner P. Guevarra Street, San Juan, Metro Manila. She testified that, as social secretary, she was the one who received guests, entertained them and was the one who would call to serve the visitors coffee or juice at the house of Guia Gomez at No. 1 Ibuna Street corner P. Guevarra Street, San Juan. Aviles asserted that Gov. Singson never went to the house at P. Guevarra. [TSN, December 1, 2004, p.16-17] She clarified that the house on P. Guevarra and Ibuna were one and the same because their address was No. 1 Ibuna Street corner P. Guevarra Street, San Juan. (Ibid., p.44)

**NOEL ISRAEL BUENDIA** was previously a security guard assigned at the residence of Guia Gomez at No. 1 Ibuna corner P. Guevarra Streets, San Juan, from February 26, 1998 up to 2002, and as such, was stationed at the gate along Ibuna St. from 6:00 a.m. to 6:00 p.m. and the one assigned in the front and in-charge of asking visitors. During his assignment at Guia Gomez's residence, Buendia testified that he did not see Gov. Singson go there. [TSN, December 1, 2004]

**CONGRESSMAN LUIS A. ASISTIO** (Cong. Asistio) testified that he was at San Francisco, California on July 24, 2000 as part of the official Philippine Delegation accompanying then President Joseph E. Estrada in his state visit to the United States of America, and that it was there that he saw Gov. Singson, at the lobby of the Fairmont Hotel where they stayed, telling him of the latter's problem that FPRES. Estrada did not want to see him. Cong. Asistio, together with Gov. Singson, went to the room of FPRES. Estrada, and Gov. Singson asked FPRES. Estrada to call the Chairman of the COA for the relief of the Auditor assigned in his province to which FPRES. Estrada replied that he might get into trouble as the Chairman of the COA is a constitutional appointee and suggested that Gov. Singson instead talk to then Executive Secretary Ronaldo Zamora to resolve his problem.

Witness also testified that after returning from the U.S. and prior to the expose or press conference made by Gov. Singson in October 2000, he received a call from the latter asking him if they could meet it Manila Peninsula, and, at the same time, Gov. Singson told him of his

problem and his grievances (*sama ng loob*) against FPres. Estrada, including placing his political opponents in positions of power in his province, such as, the relief of the Provincial Commander and conferring on his brother, Bonito, who is his mortal enemy, a position regarding jueteng.

Cong. Asistio clarified that in the many meetings he had with Gov. Singson during the period late August to September 2000, they mainly talked about the state of the Ilocos Sur provincial leadership and occasionally Gov. Singson's suspicions regarding Atong Ang's designs to corner bingo two balls and ease him out. According to Cong. Asistio, Gov. Singson is worried that his continued provincial leadership will be affected by the developments. Cong. Asistio also testified they never talked about jueteng, or receipt of jueteng monies or the alleged receipt of money from R.A. 7171 since according to him, he knew of these issues only during the Impeachment Trial and he thinks that these are mere figments of Gov. Singson's imagination.

Cong. Asistio also testified that he, together with Mayor Lim, went to the house of Gov. Singson to persuade the latter not to push through with the press conference.

Cong. Asistio also testified that in his visits to Malacañang during the time of FPres. Estrada, at least three times a week, he never saw Atong Ang there because Atong Ang was banned by the FPres. Estrada from entering Malacañang. [TSN, October 11, 2004 and October 13, 2004]

**ATTY. ESTELITA D. CORDERO** (Cordero) testified that she was a close friend Mrs. Lydia "Honey Girl" Singson, sister of Gov. Singson, and worked as a legal consultant for Mrs. Honey Girl Singson when the latter was appointed as Director General of the Technology and Livelihood Resource Center (TLRC) until October 12, 2000. [TSN, November 8, 2004, pp. 9, 11-12, 14]

Cordero testified that in October 2001, members of the Save Ilocos Sur Alliance (SISA) visited her in her office and requested her to go over several audit reports (1999 to 2000, SAO Special Report 1999) of the province and to find out if there is any basis for filing any action against responsible public officials of the province. [Ibid., p. 38] After going through the documents, witness Cordero, together with members of SISA and other concerned citizens, decided to file criminal complaints against Gov. Singson and other responsible officers of the province who did some anomalous transactions to the detriment of the province. [Ibid., pp. 44-45]

Witness thought that the testimony of Emma Lim in the impeachment trial were all lies because from the statement of Gov. Singson, he did not have anything to do with jueteng and the delivery of the money. Thus, witness claimed that all of these were fabricated statements on the part of Emma Lim. [TSN, November 10, 2004, pp. 26-28]

Witness Cordero also testified that Gov. Singson was the jueteng lord in their province and neighboring provinces, and all matters relating to jueteng, such as, employment, people, operations were under the control of Gov. Singson. [Ibid., pp. 29-30]

**BRIG. GEN. RODOLFO DOCTOR DIAZ**, a retired military officer, was assigned as the Commanding Officer of the Presidential escorts, one of the major units of the Presidential Security Group, in 1998 when FPres. Estrada assumed office. He testified that he was familiar with the private residence of FPres. Estrada in No. 1 Polk Street, Quezon City. According to Gen. Diaz, only the First Family's vehicles were allowed to park in the garage. Only five vehicles could be accommodated there and usually the cars parked there were the President's primary and secondary car, as well as an SUV and two more cars. Witness also detailed the security measures followed in Polk Street. In Polk Street, visitors were never allowed to park their cars inside the garage. [TSN, June 1, 2005, pp. 50-56]

The witness did not see Atong Ang either at No. 1 Polk Street or in Malacanang since the President has been elected. He had seen Mr. Jaime Dichaves twice; Mr. Baby Asistio, once or twice. He did not see Governor Singson in No. 1 Polk Street [Ibid., pp. 81-83]

**RICARDO GREY GOLPEO**, General Manager of the Philippine Charity Sweepstakes Office (PCSO) from February 2000 to February 2001, testified that he and then PCSO Chairman Rosario Lopez were summoned by FPres. Estrada to Malacañang in March 2000. On that occasion, FPres. Estrada informed them that jueteng had become a big problem to him and wanted to know if the PCSO can do something to fight jueteng. The witness replied that they will study the instruction of the President. Chairman Lopez instructed witness to personally handle the matter. At the time the witness left PCSO, he testified that the PCSO had not come up with a suggestion to the President on how to eradicate jueteng. [TSN, April 11, 2005, pp. 11-17, 19, 30]]

**DANILO DELA ROSA REYES** was a Member of the Board of Trustees of the Erap Muslim Youth Foundation, Inc. and the Acting Treasurer of the said foundation. He was also an Associate Professor at the National College of Public Administration and Governance in the

University of the Philippines (UP) Diliman and the Vice President for Educational Services for the “Erap Para sa Mahirap” Foundation

Reyes testified that the “Erap Para sa Mahirap” Foundation was duly established in 1988 and had 14,000 recipients of scholarships as of the year 2000. Among the Incorporators of the said foundation was FPres. Estrada. The “Erap Para sa Mahirap” Foundation, however, encountered financial constraints so the Erap Muslim Youth Foundation, Inc. came into existence.

Reyes related that Raul P. De Guzman, a brother-in-law of FPres. Estrada, invited him to join in establishing a foundation for the poor and deserving Muslim students in line with the vision of FPres. Estrada of developing a new generation of Muslim leaders. He then identified the documents related to the registration of the Erap Muslim Youth Foundation, Inc. (Exhs. 251 to 255, 262 to 271, inclusive of submarkings) with the Securities and Exchange Commission (SEC). The Erap Muslim Youth Foundation, Inc. was duly organized in accordance with law and had conducted its business upon incorporation for bona fide purposes as stated in its Articles of Incorporation (Exh. 252) and Amended By-Laws (Exh. 255). The original Members of the Board of Trustees were: Prof. Mila Reformina, Dr. Raul P. De Guzman, Atty. Edward S. Serapio, Dr. Danilo Reyes, and Mr. George L. Go, who later resigned.

The word ERAP affixed to the name “Muslim Youth Foundation” was allegedly an acronym for “Education, Research, and Assistance Program”. The funding of the said foundation was provided by the Erap Golf Cup, which donated the amount of Ten Million Pesos (P10,000,000.00); the contributions of the Board of Trustees in the amount of P20,000.00 each; and a Two Hundred Million Peso (P200,000,000.00) donation from a donor which, according to Serapio, would like to remain anonymous. The amount of Ten Million One Hundred Thousand Pesos (P10,100,000.00) was deposited with the UCPB and eventually transferred to Metrobank while the Two Hundred Million Pesos (P200,000,000.00) was deposited with Equitable PCI Bank. The Ten Million Pesos (P10,000,000.00) was the source of the foundation’s operating expenses and for minimal scholarship program during the time material in this case.

According to Reyes, the Erap Muslim Youth Foundation, Inc. had (four (4) scholars for MA in Islamic Studies in the University of the Philippines for school year 2004-2005. For the second semester of that school year, the foundation added four (4) more scholars for Masters Degree, two in the University of the Philippines and the other two in the Philippine Normal University. The scholars were only given Ten Thousand Pesos (P10,000.00) per semester. Reyes explained that the foundation was in hiatus for three (3) years because its funds were frozen by a court order and that they conducted meetings after the recuperation of Dr. De

Guzman who got sick, and after the release on bail of Atty. Serapio.

Reyes also testified as to the appointment papers of the employer of the foundation, such as the Executive Assistant, the Assistant Corporate Secretary and the Utility Messenger. The office address of the foundation was transferred from Pasig to the VAG Building in San Juan. [TSN, February 21, 2005; February 23, 2005; and March 2, 2005]

**EUGENE MACAMASBAD**, a Police Senior Inspector with the Philippine National Police, brought with him the documents required in the subpoena addressed to Gen. Arturo Lomibao of the PNP or his authorized representative. He produced a certified true copy of a Memorandum Circular 2000-003, certified by Celia Redison (Exh. 365). As to the memorandum dated July 19, 2000 which was subpoenaed, the same could not be located as shown by a certification dated 29 July 2005 issued by the Deputy Chief of the PACER. (Exh. 380) [TSN, August 1, 2005, pp. 60-69] The witness came to Court and produced the above documents only upon verbal instruction from his officers. He was not the records custodian and he did not have any knowledge about records being maintained by their office. [Ibid., pp. 70-72, id.]

**SEN. EDGARDO ANGARA**, a lawyer and a senator when he testified in Court, knew Gov. Singson. They were *compadres*, being godfathers at the wedding of Singson's niece. In September 2000, Gov. Singson made an unexpected visit at Senator Angara's farm to request that the witness talk to President Estrada about the 2-balls game. Gov. Singson told the witness that the franchise for the said game in Ilocos Sur was given to his political opponent and he was losing face with his supporters. Gov. Singson wanted the franchise to go to him or if it cannot be granted, that the game of 2-balls not be allowed altogether in Ilocos. The witness replied that he would go down to Manila and call the President to relay Gov. Singson's message. [TSN, June 1, 2005, pp. 13-15]

Sen. Angara remembered Gov. Singson saying that the franchise was given to Eric Singson. Gov. Singson even mentioned a list of of *jueteng* payoffs and that one of the beneficiaries was the President. When Sen. Angara mentioned to FPres. Estrada Gov. Singson's request regarding 2-balls and statements regarding *jueteng*, the President denied that he was a recipient of any payoff, saying he had nothing to do with it [2-balls] but that it was Atong Ang's jurisdiction [Ibid., pp.16 and 24]

After Sen. Angara relayed the answer of the President, Gov. Singson asked the witness to talk to Atong Ang and the witness said he will try. When the witness was able to talk to Atong Ang and repeated Gov. Singson's request, Atong Ang replied he will study it or that he will have

to consult PAGCOR. The witness denied having told Gov. Singson “*Grabe ‘to. Huwag kang lumabas at akong bahala kay Presidente dahil baka pati kaming mga Cabinet members maaapektuhan nito.*” [Ibid., pp. 17-18, 24-25] Witness saw the list of payoffs shown by Singson, but he did not read it. [Ibid., pp. 30, 43]

### **FINDINGS OF FACT**

*Re: Sub-paragraph (a) of the Amended Information*

With respect to the alleged acts of receiving or collection of sums of money from illegal gambling, commonly known as “jueteng”, in the form of share or percentage, the Court finds credible material portions of Gov. Chavit Singson’s testimony insofar as they are corroborated by independent and competent evidence.

The Court concedes that Gov. Chavit Singson did not have the purest of motives in exposing the jueteng collections which he testified were done for the benefit of FPres. Estrada. Undoubtedly and by his own admission, he resented not being given the franchise for the Bingo Two Balls, the government sanctioned numbers game, in his home province of Ilocos Sur. He feared the demise of his political career as the said franchise was given to his political opponents, Eric Singson and his brother Bonito Singson, to the embarrassment of the mayors who were affiliated to him. Gov. Chavit Singson was disappointed to say the least that Mayor Jinggoy Estrada, JV Ejercito, the other son of FPres. Estrada, Secretary Edgardo Angara, Secretary Alfredo Lim, friends like Luis Asistio and Mark Jimenez, whom Gov. Chavit Singson approached to intercede to FPres. Estrada to help him secure the franchise, were unsuccessful. Gov. Chavit Singson was also displeased that FPres. Estrada would not use the Office of the Presidency to help him with his trouble with the Commission on Audit which was demanding his liquidation of the Two Hundred Million Pesos (P200,000,000.00) share of Ilocos Sur in the excise taxes collected under RA No. 7171. The Court will not cite the alleged attempt on the life of Gov. Chavit Singson in the evening of October 3, 2000 considering the contradictory evidence on this matter consisting of the testimony of the enforcement officers on the incident.

The acts of collection of jueteng protection money for FPres. Estrada from various provinces nationwide per month as well as the payments to him and to various persons from such sums of money with his approval or acquiescence were methodically detailed in two sets of ledgers: the first set covering the period beginning November 1998 to July 1999 (Exh. W<sup>7</sup> to E<sup>8</sup>), and the second set for the period starting August 1999 to August 2000 (Exh. A-4 to A-4-I). The first set of ledgers were personally prepared by Gov. Chavit Singson, aided by Emma Lim and Carmencita Itchon, while the second set of ledgers were prepared by Yolanda Ricaforte,

under the supervision of Gov. Chavit Singson and also with the help of Lim and Itchon. Insofar as the collection of jueteng money is concerned, Emma Lim and Carmencita Itchon, by their own admission performed similar roles as Yolanda Ricaforte except that the latter received double the amount of the monthly salary of Lim and Itchon by virtue of her “supervisory” status.

The accused would have this Court dismiss the ledgers as hearsay and/or mere fabrications. However, there are circumstances which lend credibility to the said ledgers. The first set of ledgers (Exh. W<sup>7</sup> to E<sup>8</sup>) was faxed by Ricaforte to Singson just before Gov. Chavit Singson made his expose while the second set of ledgers (Exh. A-4 to A-4-l) was in the possession of Ricaforte, which she produced during the Senate Impeachment proceedings, as testified to by Atty. David Jonathan Yap, the Senate Legal Counsel.

Yolanda Ricaforte was closely associated to FPRES. Estrada, being the wife of Orestes Ricaforte, who was appointed by FPRES. Estrada as Undersecretary of Tourism. Ricaforte opened several accounts in the different branches of Equitable PCI Bank with unusually huge deposits and investments in multiple of millions of pesos during the period covered by the second set of ledgers.

Per testimony of Nantes, in Scout Tobias-Timog Branch, Ricaforte opened a savings account, a current account, seven special savings account and a PCI Emerald account. In the Savings Account No. 0157-04227-0 alone, after the initial deposit of P17,205,000.00 on September 1, 1999, she deposited from September 7, 1999 to January 10, 2000, a staggering total amount of P57,712,150.00. The initial deposits for each of the seven (7) Special Savings Accounts were: P70,000,000.00 (December 2, 1999); P10,000,000.00 (February 7, 2000); P2,500,000.00 (March 29, 2000); P9,700,000.00 (April 5, 2000); 2,500,000.00 (May 29, 2000) P1,900,000.00 (May 4, 2000); and P2,000,000.00 (June 1, 2000). The deposit in the PCI Emerald Fund was P6,616,676.19 (December 6, 2000).

According to Rosario S. Bautista, in Diliman-Matalino Branch, Ricaforte opened on November 19, 1999 a combo account: Savings Account No. 0288-02037-0 and Current Account No. 0238-00853-0 with an initial deposit of P70,000,000.00 covered by two (2) PCI Bank Checks payable to cash each in the amount of P35,000,000.00, drawn by William T. Gatchalian. Additional deposits were: a check (Exh. A-7-h) issued by Gov. Chavit Singson on November 22, 1999 for P1,000,000.00; another check dated December 9, 1999 with PNB Naga as drawee bank (Exh. A-7-j); cash deposit of P3,050,000.00 (Exh. A-7-d) on December 2, 1999; and cash deposit of P1,000,000.00 on January 28, 2000.

In the Pedro Gil-Robinsons Branch, according to Shakira C. Yu, Ricaforte opened on

January 6, 2000, a Regular Savings Account with an initial deposit of P6,000,000.00. Other deposits consisted of: (1) check drawn by Gov. Chavit Singson for P2,965,000.00; (2) cash deposit of P1,540,000.00 on January 25, 2000; and check drawn by Gov. Chavit Singson in the amount of P1,340,000.00.

In the T.M. Kalaw Branch, Pabillon testified that Ricaforte opened Regular Savings Account No. 0193-61496-8 and Special Savings Account No. 02193-15050-3 on February 8, 2000, with the initial deposits in PNB Managers Check (Exh. A-9-A) in the amount of P10,007,777.78 and cash of P1,400,000.00.

In the Scout Albano Branch, Alcaraz testified that Ricaforte opened on March 2, 2000 three accounts with initial deposits as follows: Savings Account No. 5733-15154-3, P1,995,000.00; Special Savings Account No. 5733-0721-0, P2,000,000.00; and Checking Account No. 5732-01-975-7, P5,000.00.

In Isidora Hills Branch, Gonzales testified that Ricaforte opened on March 15, 2000, among others, Special Savings Account No. 077090498-6 with the initial deposit of P7,000,000.00 in the form of Metropolitan Bank and Trust Co. Check drawn by Gov. Chavit Singson payable to cash.

Bank officials, such as Salvador R. Serrano, Patrick Dee Cheng, and Carolina S. Guerrero, testified to the existence of checks paid by Chavit Singson which landed in the accounts of persons associated with FPRES. Estrada: (1) Metrobank Check No. 0000917 of Gov. Chavit Singson for P5,000,000.00 which was deposited on February 2, 1999 in Account No. 061-0-14636-7 of Paul Gary Bogard at Security Bank; (2) Metrobank Check No. 00138 drawn by Chavit Singson on September 29, 1999 in the amount of P8,000,000.00 deposited in the account of Mrs. Luisa P. Ejercito; (3) Metrobank Ayala Center Check No. 000132 drawn by Gov. Chavit Singson payable to William Gatchalian in the amount of P46,350,000.00; (4) Metrobank Check No. 001547 issued by Gov. Chavit Singson in the amount of P1,200,000.00 which was deposited in the Account No. 0180409000-3 of Laarni Enriquez on December 23, 1999.

### **The Erap Muslim Youth Foundation**

The paper trail of the P200,000,000.00 deposited for the Erap Muslim Youth Foundation, Inc. incontrovertibly established that the said sum of money came from jueteng collections through the cashier's / managers checks purchased by Ricaforte using the deposits in the accounts that she opened in the different branches of Equitable PCI Bank described



above, as follows: Cashier's Check for P91,000,000.00, Scout Tobias-Timog Branch, April 13, 2000 (Exh. A-6-S); Cashier's Check for P77,000,000.00, Diliman-Matalino Branch, April 13, 2000 (Exh. A-7-ee); Cashier's Check for P11,000,000.00, Pedro Gil-Robinsons Branch, April 13, 2000 (Exh. A-9-B); Manager's Check for P3,000,000.00, Scout Albano Branch, April 12, 2000 (Exh. A-10-K); and Cashier's Check for P7,000,000.00, Isidora Hills Branch, April 14, 2000.

Antonio Fortuno, Bank Operations Officer of Equitable PCI Bank Pacific Star Branch, testified that the aforementioned six (6) checks were deposited in Bearer Account No. 0279-04225-5. From the said bearer account, fourteen (14) withdrawals in Manager's Checks (Exh. K<sup>9</sup> to X<sup>9</sup> with submarkings) were made in various amounts. Each withdrawal was divided into two deposits or a total of twenty eight (28) deposits of various amounts into the Erap Muslim Youth Foundation, as shown by the Account Information Slips, Deposit Receipts, and Detailed Report for Transfers and Debit / Credit Memos (DRTM) (Exh. K<sup>9</sup> to X<sup>9</sup> with submarkings).

Fortuno identified the Acknowledgement Letter (Exh. I<sup>9</sup>) dated April 25, 2000 addressed to Atty. Serapio from Beatriz Bagsit, Division Head of Makati Area, acknowledging receipt of the said six (6) checks for deposit on staggered basis and on different dates to the account of Erap Muslim Youth Foundation, Inc. at Ortigas-Strata Branch.

Aida T. Basaliso corroborated the testimony of bank officer Fortuno as to the inter-branch deposits at Equitable PCI Bank Strata Ortigas Branch in Savings Account No. 0192-85835-6 of the Erap Muslim Youth Foundation, Inc. from the Pacific Star Branch of the same bank in the amount of P200,000,000.00 on staggered basis.

The slew of bank documents, involving mind-boggling amounts of money and authenticated by competent and credible bank officers, convinces the Court that collection of jueteng money for FPRES. Estrada indeed took place and the entries in the ledger were not manufactured by Gov. Chavit Singson.

Payments or disbursements of the jueteng protection money to persons related to or closely associated with FPRES. Estrada belie his denial that the funds accounted for in the ledgers belong to him. Indeed, the Court cannot see why Gov. Chavit Singson would make such large and substantial payments in the form of checks drawn from his Metrobank account, to personalities such as William Gatchalian, Laarni Enriquez, Loi Estrada, or other intimate associates of FPRES. Estrada unless the money belonged to FPRES. Estrada and the funds were being disbursed according to his instructions. The evidence does not show why Gov. Chavit Singson would choose Ricaforte to take over the supervision of the jueteng collection and let

her deposit millions of pesos into Ricaforte's accounts in the different branches of the Equitable PCI Bank when Ricaforte had no prior association nor relation to Gov. Singson and that the latter had his own trusted associates. As admitted by the accused, it was FPres. Estrada who had a long standing and close relationship with Ricaforte and her husband. This fact would explain Ricaforte's vital participation in the preparation of the second set of ledgers. The said ledgers were prepared and later produced before the Senate by Ricaforte and not by Gov. Singson.

The first set of ledgers show that P72,500,000.00 of jueteng money were handed to FPres. Estrada, alias "Asiong Salonga" from November 1998 to July 1999. Based on the second set of ledgers, the total amount of jueteng money that FPres. Estrada received was P112,800,000.00 from August 1999 to August 2000. For the entire duration or period covered by the 2 sets of ledgers of the total amount of P185,300,000.00. was handed by Gov. Chavit Singson to FPres. Estrada bi-monthly. The balance, after these amounts were given to FPres. Estrada and the deduction of expenses, were deposited by Ricaforte in her bank accounts. Based on the two (2) sets of ledgers the total jueteng collections for FPres. Estrada from November 1998 to August 2000 amounted to P545,291,000.00. The P200,000,000.00 of these sums of money found their way into the account of the Erap Muslim Youth Foundation.

With respect to Jinggoy Estrada, according to Gov. Singson, he was the "Jing" listed as an expense in the ledger for P1,000,000.00. It was Gov. Singson's testimony that FPres. Estrada (after discovering that entry) forbade Gov. Chavit Singson from giving any further share in the jueteng protection money to Jinggoy Estrada and that it will be up to FPres. Estrada to give Jinggoy Estrada a share. For this reason, Gov. Chavit Singson and Jinggoy Estrada hid the fact that Jinggoy Estrada was the collector for the Province of Bulacan and that the latter was receiving P1,000,000.00. To begin with, the prosecution's theory that Jinggoy Estrada had to keep his participation in the jueteng collection a secret from his own father belied the allegation that Jinggoy Estrada's participation in the jueteng scheme was that of a principal or a conspirator. The grant of bail to Jinggoy Estrada was anchored on this fact advanced by Gov. Singson in his very own testimony. Although prosecution witness Gov. Singson, and the other witnesses who were under his employ, testified that there were instances that they collected or received money from Jinggoy Estrada, there was no testimony to the effect that they saw Jinggoy Estrada subtracted his share from jueteng collections or in any other way received a share from the jueteng collections. This Court further found it difficult to believe that Jinggoy Estrada, who was not even a resident of Bulacan, was the collector for Bulacan. Gov. Singson associates Jinggoy Estrada with Viceo allegedly from Bulacan. Who is Viceo? Why was Viceo not charged if it was true that jueteng collections from Bulacan came from him before they passed the hands of Jinggoy? There was no evidence at all that the money Jinggoy Estrada

turned over to Gov. Singson or the latter's representatives was part of the jueteng protection money collected from Bulacan or that he received funds from a certain Viceo.

The prosecution did not also rebut the bank certification presented by the defense that Jinggoy Estrada did not have an account with the United Overseas Bank. The certification disproved the testimony of Emma Lim that the deposit slip in the amount of P1,000,000.00 said to be part of jueteng money was turned over to her by Jinggoy Estrada in the form of a personalized check with his photograph, from his account at the United Overseas Bank. The gaps in the prosecution's evidence as to Jinggoy Estrada create uncertainty in the mind of the Court as to the participation of Jinggoy Estrada in the collection and receipt of jueteng money. This Court had already brushed aside prosecution's reliance on the telephone calls and billing statements for such calls between Ricaforte and Jinggoy Estrada to prove that he was a jueteng collector for Bulacan, for being highly speculative. The Court's ruling remains firm to this day.

With respect to Serapio, neither Gov. Chavit Singson's testimony nor the ledger entries proved that Serapio was involved in any way in the collection or disbursement of jueteng protection money. Certainly, Serapio's involvement appears to have begun and was limited to the funds of the Erap Muslim Youth Foundation. Serapio is being charged with "laundering" or concealing a portion of the jueteng protection money in the amount of approximately P200,000,000.00 which was deposited in the account of the Erap Muslim Youth Foundation.

To this Court's mind, while the P200,000,000.00 was clearly illegally amassed wealth, the evidence on record is insufficient to prove beyond reasonable doubt that Serapio was aware that the questioned funds were in fact amassed from jueteng protection money collections and that the fact of the unusually large amount of the deposits into the foundation's account was with criminal intent on the part of Serapio to "launder" or conceal the illegal nature of the funds to serve the purpose of the acquisition or amassing of ill-gotten wealth by FPres. Estrada. The only evidence presented on this point is the uncorroborated testimony of Gov. Chavit Singson that Serapio was present during the meeting wherein FPres. Estrada instructed the transfer of the amount of P200,000,000.00 to the foundation. The Court has reservations as to the credibility of Gov. Singson's assertion in this regard because Gov. Singson failed to mention Serapio's presence on that occasion during his testimony at the Senate Impeachment trial. Neither can the Court consider from the single fact alone that he arranged the staggered deposit of the said sum of money to the Erap Muslim Youth Foundation that he had a criminal intent to conceal ill-gotten wealth in furtherance of the accumulation of such wealth by the principal accused. More so, this Court is not prepared to conclusively rule that the Erap Muslim Youth Foundation is not a legitimate foundation or that it was set up purely to hide his illegally amassed wealth. The incorporation papers and business permits of the Foundation are

authentic and regular. The personalities behind the said foundation appear to be well-respected academicians. Fortunately or unfortunately, the public revelation of the nature of the P200,000,000.00 as part of jueteng protection money collected for FPres. Estrada came too soon after the organization of the Foundation. The Court is not in a position to ascertain with moral certainty if this controversy preempted any legitimate charitable activities it could have undertaken soon after its incorporation as it was explained by defense witnesses or whether it was as the prosecution asserted a money laundering entity. Premises considered, it is difficult to presume any criminal intent on the part of Serapio to conceal or launder jueteng protection money in order to contribute to the amassing and accumulation of ill-gotten wealth by FPres. Estrada in connection with the transfer of the P200,000,000.00 to the Erap Muslim Youth Foundation, notwithstanding that the evidence on record demonstrate indisputably that the said sum of money form part of ill-gotten wealth obtained through the predicate acts charged in sub-paragraph (a) of the Amended Information.

**RE: SUB-PARAGRAPH B OF THE  
AMENDED INFORMATION**

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(b) by DIVERTING, RECEIVING, misappropriating, converting OR misusing DIRECTLY OR INDIRECTLY, for HIS OR THEIR PERSONAL gain and benefit, public funds in the amount of ONE HUNDRED THIRTY MILLION PESOS [P130,000,000.00], more or less, representing a portion of the TWO HUNDRED MILLION PESOS [P200,000,000.00] tobacco excise tax share allocated for the Province of Ilocos Sur under R.A. No. 7171, BY HIMSELF AND/OR in CONNIVANCE with co-accused Charlie 'Atong' Ang, Alma Alfaro, JOHN DOE a.k.a. Eleuterio Tan OR Eleuterio Ramos Tan or Mr. Uy, and Jane Doe a.k.a. Delia Rajas, AND OTHER JOHN DOES AND JANE DOES;

**I. EVIDENCE FOR THE PROSECUTION**

**GOVERNOR LUIS "CHAVIT" CRISOLOGO SINGSON** also testified to prove the second charge in the amended Information involving the diversion of excise taxes under Republic Act (RA) No. 7171. [TSN dated July 29, 2002, pp. 78-80] According to Gov. Singson, Ilocos Sur was not getting its rightful share as a beneficiary of the excise tax. He reminded FPres. Estrada of his campaign promise that he would release all the funds to Ilocos Sur in advance, amounting more or less to Four Million Pesos (P4,000,000.00) including interest. FPres. Estrada promised to comply but he said that because of the huge election expenses he hoped that Gov. Singson would help. Since, Gov. Singson was afraid not to get the funds, he said: "Why not?" when FPres. Estrada asked: "How much?" Gov. Singson replied "Maybe Ten Percent (10%) of what you can release." FPres. Estrada instructed Gov. Singson to prepare his

request and he will approve it. Gov. Singson brought the request addressed to Secretary Diokno of the Department of Budget and Management (DBM). FPres. Estrada wrote a marginal note on the request addressed to the DBM with instruction to approve it. The original of the letter was submitted to Secretary Diokno. Gov. Singson produced in court a Xerox copy with the original stamp mark of receipt dated 8/7. The marginal note reads: "Aug. 3, '98. To Secretary Ben Diokno, Please see if you can accommodate the request of Governor Singson" (Exh. Q<sup>8</sup> and submarkings). [Ibid, pp. 81-96]

According to Gov. Singson, Jinggoy Estrada and Atong Ang kept on following up the release of the money from DBM. A notice of funding check issued (Fund 103 dated August 25, 1998) (Exh. R<sup>8</sup>) was received by Gov. Singson. Gov. Singson immediately informed Jinggoy Estrada and Atong Ang. The latter told Gov. Singson that the President needed One Hundred Thirty Million Pesos (P130,000,000.00). Gov. Singson was surprised because their agreement was only ten percent (10%). Atong told him there will be billions of pesos, so they should be the first one to deliver to FPres. Estrada and thus be the strongest and more influential (to the Former President). Gov. Singson then caused the preparation of a Provincial Board resolution appropriating the sum of Two Hundred Million Pesos (P200,000,000.00). The Board approved the appropriation of One Hundred Seventy Million Pesos (P170 Million) for the flue curing barn and Thirty Million Pesos (P30,000,000.00) for infrastructure. Atong Ang gave Gov. Singson three (3) names to whom the money would be sent, which they did. Landbank Vigan transferred One Hundred Thirty Million Pesos (P130,000,000.00) to Landbank Mandaluyong which credited the accounts of the three (3) persons named by Atong Ang as follows: Account No. 0561043-38, Alma Alfaro, August 27, 1998, P40,000,000.00; Account No. 0561-0445-97, Delia Rojas, August 28, 1998, P50,000,000.00; and Account No. 0561-0446-00, Eleuterio Tan, August 28, 1998, P40,000,000.00. The total amounted to P130,000,000.00.

The above data were contained in a certification of Landbank Branch Head Ma. Elizabeth Balagot (Exh. S<sup>8</sup>). [Ibid, pp. 96-108] Gov. Singson did not personally know Delia Rajas, Alma Alfaro or Eleuterio Tan. In a photograph (Exh. V<sup>8</sup>), Gov. Singson identified Jojo Uy as the Eleuterio Tan who showed up at the bank to withdraw the money. Jojo Uy, according to Gov. Singson was very close to FPres. Estrada. [Ibid, pp. 109-110]

Gov. Singson narrated that Atong Ang called him up from his mother's house and asked Gov. Singson to go there where they will wait for the money. Gov. Singson went to the house of Atong Ang's mother at 10:00 o'clock in the morning and waited there until 3:00 to 4:00 o'clock in the afternoon. When the money arrived, Gov. Singson noticed that Atong Ang left some money in the house. Atong Ang and Gov. Singson boarded Atong Ang's vehicle, and Gov. Singson's vehicle with the security and driver followed them. At the corner near the house of

FPres. Estrada at Polk St., Atong Ang asked Gov. Singson to alight from his vehicle so that it would not be obvious to the people in the vicinity. Gov. Singson alighted from the vehicle and saw Atong Ang's car entered inside the house of FPres. Estrada. Atong Ang was the one driving the car. After 15 to 20 minutes, Gov. Singson followed Atong Ang to the house of FPres. Estrada. Gov. Singson then met the First Lady, Dr. Loi Estrada who thanked Gov. Singson, saying "Chavit, thank you very much we really needed it." Gov. Singson took the money which he and Atong Ang brought. [Ibid, pp. 111-114] When FPres. Estrada came out, Gov. Singson asked him how much Atong Ang gave him. FPres. Estrada answered Seventy Million Pesos (P70,000,000.00). Gov. Singson informed him that the total amount was One Hundred Thirty Million Pesos (P130,000,000.00). FPres. Estrada got mad at Atong Ang who explained that he gave Twenty Million Pesos (P20,000,000.00) to Dr. Loi Estrada, and Fifteen Million Pesos (P15,000,000.00) to Jinggoy Estrada. Atong Ang found it hard to explain the remaining Twenty Five Million Pesos (P25,000,000.00). [Ibid, pp. 114-116]

Gov. Singson frequented the house of FPres. Estrada. At one time, the latter asked him again to make a request for the excise tax allocation which he will approve. Gov. Singson explained that the release of the money must be continued in big amount so that they could cover up the One Hundred Thirty Million Pesos (P130,000,000.00). FPres. Estrada agreed but he did not give the billions promised. Hence, Gov. Singson could not cover up the (P130,000,000.00). When told by Gov. Singson that the Commission on Audit (COA) was "pestering" them, FPres. Estrada asked Gov. Singson to cover it up in the meanwhile. The amount of Forty Million Pesos (P40,000,000.00) out of the One Hundred Thirty Million Pesos (P130,000,000.00) was paid to the supplier of the flue curing barn which were delivered by the supplier and inaugurated by FPres. Estrada as shown by the pictures taken on that occasion (Exhs.T<sup>8</sup> and U<sup>8</sup>). The flue curing barn was needed by the tobacco farmers to save time and money. [Ibid, pp. 116-121]

Gov. Singson referred to the inaugural speech of FPres. Estrada where the latter stated "walang kama-kamaganak, walang kai-kaibigan, walang kumpa-kumpadre". Gov. Singson said after what happened that it would mean even friends should pay to FPres. Estrada. [Ibid, pp. 122-124]

Gov. Singson demonstrated in Court, from the witness stand up to the door of the courtroom and back in more or less twenty (20) seconds, that he, who had smaller built than Atong Ang, could carry a box containing Twenty Million Pesos (P20,000,000.00) in demonetized bills from the Central Bank in One Thousand Pesos (P1, 000.00) denomination each. There were twenty bundles of One Million Pesos (P1,000,000.00) per bundle inside the box. The distance between the witness stand and the door of the courtroom was thirteen (13) meters.

[Ibid, pp. 124-135] The box carried by Gov. Singson weighed more than ten (10) kilos and five bundles of cash amounting to P5,000,000.00 weighed 4.8 kilos. [Ibid, pp. 172-173]

**JAMIS BATULAN SINGSON** (Jamis) further testified that he, Gov. Singson, his escort Federico Artates, and Driver Faustino Prudence, left the office of Gov. Singson on August 31, 1998 to fetch Atong Ang in his office at Pinaglabanan. They all proceeded to the house of the mother of Atong Ang. Gov. Singson and Atong Ang went inside the house while the rest waited outside. Later, Atong Ang, Gov. Singson and William Ang, the brother of Atong Ang, went out. Gov. Singson instructed them to accompany William to Westmont Bank, Shaw Boulevard. Jamis, Artates, William Ang and the driver of Atong Ang rode the Mitsubishi Van owned by Atong Ang. William Ang went inside the bank and after 3 hours came out with Jojo Uy and two security guards carrying two boxes each or a total of four (4) boxes. Jojo Uy was a family friend of Atong Ang, whom Jamis often saw in the office of Atong Ang. Jamis identified Jojo Uy in a photograph (Exh. V<sup>8</sup>). Each of the boxes were brown in color, with a length of more than ten (10) inches, height of twelve (12) inches and thickness of eight (8) to ten (10) inches. [TSN dated September 18, 2002, pp. 38-55] Jamis and Artates each brought two (2) boxes inside the vehicle and went back to the house of the mother of Atong Ang, with an armored van following them. The four boxes were brought inside the house where Gov. Singson and Atong Ang were seated on a sofa. After lunch, Jamis saw the men of Atong Ang loading something in the vehicle of Atong Ang.

Gov. Singson boarded the car of Atong Ang and instructed Jamis to just follow them to FPres. Estrada's house at Polk Street in Greenhills, but they were instructed by Gov. Singson to wait at the corner. William Ang earlier informed them that the boxes contained money for FPres. Estrada. Jamis did not actually see the money. After an hour, Gov. Singson asked to be fetched from FPres. Estrada's house. [Ibid, pp. 59-68]

**MARIA ELIZABETH GOZO BALAGOT** testified that she was the Manager of Land Bank Vigan Branch from August 3, 1998 to December 31, 2000 and had over-all supervision and control of the accounts of said Branch.

According to witness Balagot, on August 27, 1998, Land Bank Vigan Branch received a Facsimile of Inter-Office Debit Advice (Exh. L<sup>18</sup> and submarkings) dated August 27, 1998 from Land Bank Malacañang Branch with instruction to credit Current Account No. 04021045-70 of the Provincial Government of Ilocos Sur the amount of Two Hundred Million Pesos (P200,000,000.00). Land Bank Vigan Branch complied with the instruction and correspondingly sent an Inter-Office Credit Advice (Exh. M<sup>18</sup> and submarkings). Later in the afternoon of August 27, 1998, authorized (Exh. N<sup>18</sup>) representatives from the Office of the Provincial

Governor of Ilocos Sur, namely, Maricar Paz and Marina Atendido, presented Check No. 0000097650 (Exhs. O<sup>18</sup> and P<sup>18</sup> and submarkings) dated August 27, 1998 in the amount of One Hundred Seventy Million Pesos (P170,000,000.00) issued to the order of Luis "Chavit" Singson accompanied by an Accountant's Advice for Local Check Disbursement (Exh. Q<sup>18</sup> and submarkings) dated August 27, 1998.

Witness Balagot confirmed that on August 27, 1998, the Provincial Administrator of Ilocos Sur called up Land Bank Vigan Branch requesting for encashment of the One Hundred Seventy Million Pesos (P170,000,000.00) that had been credited to the account of the province. She asked for three (3) days for encashment as a matter of bank policy but since the Provincial Administrator told her the money is immediately needed, she suggested for them to apply for a demand draft payable and encashable in Land Bank Makati Branch. Maricar Paz advised witness Balagot that the demand drafts should be payable to Delia Rajas, Alma Alfaro, Nuccio Saverio, and Eleuterio Tan, although she was not given the reason why the drafts had to be issued in their names. She never received any call from FPres. Estrada instructing her as to the said names.

On August 28, 1998, witness Balagot called up Gov. Singson to inform him that Delia Rajas and Eleuterio Tan were trying to deposit their demand drafts in Westmont Bank and the governor responded that it was okay with him. She made a second call to the governor in the afternoon to inform him of the presence of Delia Rajas and Eleuterio Tan in Land Bank Shaw Branch and they were insisting that the checks be encashed there. Witness Balagot informed the governor that she could not accept the encashment at the said branch, but Gov. Singson told her to do what they wanted. She testified that she called the governor instead of Maricar Paz because she knew for a fact that the one giving instructions to Maricar Paz was the governor himself.

Witness Balagot then advised Land Bank Shaw Branch to cancel the demand drafts and the amounts covered will just be coursed through the individual accounts by inter-branch transaction. Witness Balagot then prepared an Inter-Branch Transaction Advice for Eleuterio Tan (Exh. Z<sup>18</sup>) and Delia Rajas (Exh. Y<sup>18</sup>) and credited the amount of Forty Million Pesos (P40,000,000.00) and Fifty Million Pesos (P50,000,000.00) to their respective accounts. The cancelled demand drafts were returned to Land Bank Vigan Branch with a Memorandum (Exh. A<sup>19</sup>) dated August 31, 1998. The demand draft issued to Nuccio Saverio, on the other hand, was encashed in Land Bank Makati Branch.

Witness Balagot also identified and affirmed her Sworn Affidavit (Exhibit B<sup>19</sup> and submarkings) dated November 6, 2000 relative to the foregoing facts. [TSN dated January 20,



2003 and TSN dated January 22, 2003]

**MARIA CARIDAD MANAHAN RODENAS** was the cashier at Land Bank Shaw Branch. She testified that she knew a person by the name of Alma Alfaro as the authorized representative of valued clients, Mrs. Catalina Ang and Yolanda Uy, and as an account holder of the branch. [TSN, November 4, 2002, pp. 13-16] According to witness Rodenas, Alfaro claimed to be an employee of Power Express and that Power Express was owned by Catalina Ang. [TSN, November 11, 2002, pp. 21-25]

Witness Rodenas testified that on August 27, 1998, she assisted Alma Alfaro open her own savings account with the branch with an initial deposit of One Thousand Pesos (P1,000.00) (Exh. H<sup>13</sup>). Alfaro presented her school ID (Exh. F<sup>13</sup>-2) and SSS card (Exh. F<sup>13</sup>-1) as valid IDs and personally accomplished the signature card (Exh. G<sup>13</sup>). Alfaro indicated her business address to be c/o Power Express and residence address as Capt. Savy Street, Zone IV-A, Talisay, Negros Occidental. After complying with requirements, Alfaro told witness Rodenas that Forty Million Pesos (P40,000,000.00) coming from Land Bank Vigan Branch will soon be credited to her account. [TSN, November 4, 2002, pp. 16-27] True enough, Forty Million Pesos (P40,000,000.00) from Land Bank Vigan Branch was credited online to Alfaro's newly created account. When Alfaro told witness Rodenas that she wanted to withdraw the money right away, the latter told Alfaro to just come back the following day as she will still have to prepare the money. Witness Rodenas then requested from Land Bank's Greenhills Cash Center the amount of Forty Six Million Pesos (P46,000,000.00) to cover the amount needed by Alfaro as well as to cover other withdrawals for the day as shown by the Fund Transfer Request (Exh. I<sup>13</sup>).

When Alma Alfaro returned to the bank on the following day, she proceeded to withdraw Forty Million Pesos (P40,000,000.00) (Exh. J<sup>13</sup>) in cash from her account. [TSN, November 4, 2002, pp. 27- 43] In that same afternoon, Alma Alfaro asked witness Rodenas to help her two friends, whom she introduced as Eleuterio Tan and Delia Rajas, with their demand drafts. Delia Rajas brought two demand drafts, Demand Draft No. 099435 in the amount of Thirty Million Pesos (P30,000,000.00) (Exh. L<sup>13</sup>) and Demand Draft No. 09936 in the amount of Twenty Million Pesos (P20,000,000.00) (Exh. K<sup>13</sup>). Eleuterio Tan's Demand Draft, on the other hand, was in the amount of Forty Million Pesos (P40,000,000.00) (Exh. M<sup>13</sup>).

Witness Rodenas testified that Tan and Rajas asked that they be accommodated in Land Bank Shaw Branch because they considered it too risky to encash their demand drafts in the cash department in Buendia, Makati and thereafter to bring it back to Mandaluyong since they were from Mandaluyong. [TSN, November 11, 2002, p. 136] After examining the demand drafts

presented, witness Rodenas advised Rajas and Tan that she could not accommodate their request because Land Bank Shaw Branch was not the paying unit of the drafts and that she did not have the amount with her at that time. Due to their insistence, however, witness Rodenas conferred with Elizabeth Balagot and Lawrence Lopez, the Branch Manager and Branch Accountant of Land Bank Vigan Branch, who told her to just cancel the demand drafts and let Rajas and Tan open accounts with their branch so that they could credit the amounts online. [TSN, November 4, 2002, pp. 44-51]

Eleuterio Tan presented two IDs (Exh. N<sup>13</sup>) and accomplished a specimen signature card (Exh. O<sup>13</sup>) and cash deposit slip (Exh. P<sup>13</sup>) for One Thousand Pesos (P1,000.00). Witness Rodenas identified Eleuterio Tan in a picture (Exh. F<sup>9</sup>). Delia Rajas also presented two IDs (Exh. Q<sup>13</sup>) and accomplished a specimen signature card (Exh. R<sup>13</sup>) and deposit slip (Exh. S<sup>13</sup>) for One Thousand Pesos (P1,000.00).

Witness Rodenas sent the cancelled demand drafts by facsimile to Land Bank Vigan Branch and after sometime the Vigan Branch credited online the proceeds of the demand drafts to the newly created accounts of Tan and Rajas. The original of the demand drafts were later returned to the Vigan Branch. [TSN, November 11, 2002, p. 133] Tan and Rajas then accomplished withdrawal slips (Exh. T<sup>13</sup> & Exh. U<sup>13</sup>) to withdraw Forty Million Pesos (P40,000,000.00) and Fifty Million Pesos (P50,000,000.00), respectively. Thereafter, Eleuterio Tan filed three (3) applications for cashier's check (Exhs. W<sup>13</sup>, V<sup>13</sup> & X<sup>13</sup>) causing Land Bank Shaw Branch to issue THREE (3) cashier's checks (Exhs. W<sup>13</sup>-1, V<sup>13</sup>-1 & X<sup>13</sup>-1) in his name in the amount of Thirty Million Pesos (P30,000,000.00) each. The three (3) cashier's checks were later deposited at Westmont Bank, Mandaluyong Branch to Savings Account No. 2011-00772-7. [TSN, November 4, 2002, pp. 52-91]

**SPO2 FREDERICO APENES ARTATES** was a policeman since 1988. At the time of his testimony, he was assigned at the Vigan City Police Station but detailed to Gov. Singson as security escort.

Witness Artates testified that on August 31, 1998, he was in the office of Gov. Singson at the LCS Building in San Andres Bukid, Manila, together with Gov. Singson, Jamis Singson and driver Faustino Prudencio. According to him, Gov. Singson instructed them to go to the apartment of Atong Ang's mother and while there they accompanied William Ang, Atong's brother to Westmont Bank at Shaw Boulevard, Mandaluyong City where they got four (4) boxes of cash from the said bank and returned back to the house of Atong Ang's mother and later on proceeded to FPres. Estrada's house at Polk Street. He described each of the boxes to be 10 inches in length, 12 inches in height 15 inches in width [TSN, September 25, 2002, pp.90-107].

[TSN dated September 25, 2002]

**ILONOR ANDRES MADRID** testified that she was the Chief of License Section, Operations Division, Land Transportation Office. Madrid presented and identified certifications dated January 2, 2001 (Exh. I<sup>11</sup>) and December 6, 2000 (Exh. D<sup>9</sup>) pertaining to the data in the driver's license of Victor Jose Tan Uy, and identified computer generated photographs of Victor Jose Tan Uy (Exhs. J<sup>11</sup> & D<sup>9</sup>-1). [TSN, October 9, 2002, pp. 127-148]

**GWEN MARIE JUDY DUMOL SAMONTINA** was the Assistant Vice-President and Head of Records and Information Management Center of the Social Security System (SSS) since January 1998. She was the official records custodian of the SSS and in-charge of ensuring that all records received by the branches were archived.

Witness Samontina brought with her the Social Security Form E-1 (Exh. V<sup>11</sup>-1 and sub markings) filed by Delia Ilan Rajas. This form showed that her address was No. 48 Calbayog Street, Mandaluyong, Metro Manila and SSS number was 33-2365508-7. Witness also brought several SSS Form R-1 and R1-A filed by the employers of Rajas with SSS namely (1) Admate Company, Inc., (2) Energetic Security and Specialists, Inc. (3) Jetro Construction and Development Inc., (4) Power Management and Consultancy Inc. The forms (Exhs. W<sup>11</sup>, X<sup>11</sup>, & Y<sup>11</sup>, and sub markings) filed by Admate Company, Inc. showed the company address to be No. 46 Calbayog Street, Mandaluyong, Metro Manila. The first R1-A Form filed on December 8, 1994 showed Rajas as the only employee. The R1-A Form filed on May 6, 1998 showed that Rajas as listed as one of the employees. The forms were accomplished by the employer's representative and treasurer, Yolanda A. Uy. The forms submitted by Energetic Security and Specialists, Inc. (Exhs. Z<sup>11</sup> and A<sup>12</sup>, with sub markings) showed the business address to be No. 46 Calbayog Street, Mandaluyong, Metro Manila. The forms showed that Charlie T. Ang and Delia Rajas appeared as employees. The forms were accomplished by Ma. Rosanie U. Ang. The Form R-1 (Exh. B<sup>12</sup>, with sub markings) of Jetro Construction and Development, Inc. filed on October 9, 1990 showed that it had two employees. This document was accomplished by Yolanda Ang. Its Form R1-A (Exh. C<sup>12</sup>, with sub markings) filed on March 15, 1995 showed that it had 18 employees, including Delia Rajas. The address is still No. 46 Calbayog Street, Mandaluyong, Metro Manila and it was prepared by Yolanda A. Uy. The forms (Exhs. D<sup>12</sup>, E<sup>12</sup> & F<sup>12</sup>, with sub markings) of Power Management and Consultancy Incorporation were received by SSS on June 8, 2000. It had an office address at 188 Captain Manzano Street, Corner N. Domingo, San Juan, Metro Manila. Among the officers listed were Charlie T. Ang, Nerissa S. Ang, and William T. Ang. Delia Rajas appeared as one of its employees. [TSN, October 23, 2002, pp. 25-60]

## II. EVIDENCE FOR THE DEFENSE

During his testimony, accused **FORMER PRESIDENT JOSEPH EJERCITO ESTRADA** vehemently denied that he asked Gov. Singson to give him part of Ilocos Sur's share on the tobacco excise tax imposed by Republic Act No. 7171; that when he was approached by Gov. Singson regarding the said share of his province, he told Singson to make a formal request, and that Singson already had a prepared request (Exh. Q) to which FPres. Estrada wrote his marginal note addressed to then Budget Secretary Diokno, stating: "Please see if you can accommodate".

FPres. Estrada explained that he could not have alluded to his election expenses because contributions to his 1998 Presidential Campaign were overflowing; that he rejected many contributions which kept pouring in as it was the case with a very popular candidate like him; that he even asked his party treasurers to distribute campaign funds to their candidates for Mayor, Congressman and Governor, that Gov. Singson got a big share of the campaign funds, that Gov. Singson's testimony on the percentage he allegedly asked for was a lie as he would not take away funds intended for farmers and that in fact during his term as President he rejected an offer of Fourteen Million Dollars (US \$14,000,000) for him to sign a sovereign guaranty; that he did not know Alma Alfaro, Eleuterio Tan or Mr. Uy, and Delia Rajas, that being the President, he could not have conspired with Delia Rajas whom he heard was a cook; that he met Charlie "Atong" Ang sometime in 1993 or 1994, when the latter was introduced to him by his friend, Jojo Antonio; that he was not that close to Ang; that Atong Ang never went to his house at Polk Street, Greenhills, San Juan to deliver money from the excise tax as testified to by Gov. Singson; that the garage in his house could not accommodate Atong Ang's vehicle since the Presidential Car was parked there and there were security arrangements if he was at home and that Gov. Singson was merely passing the blame to him because he would not help Gov. Singson with his problem with the Commission on Audit. [TSN, March 22, 2006, pp. 63-113]

On March 29, 2006, FPres. Estrada testified that Atong Ang did not go to his residence at Polk Street, Greenhills nor at Malacañang except when Atong Ang attended the wedding of his daughter; that in the reenactment at the Bangko Sentral, it was shown that One Thirty Million Pesos (P130,000,000.00) in bills could not fit into four (4) boxes contrary to the testimony of Gov. Singson, and that the weight of the said sum of money was equivalent to two and one half sacks of rice which could not be carried by one person.

FPres. Estrada disclaimed any knowledge of Prosecution's Exhibits "A<sup>19</sup>", "X<sup>18</sup>" and "Y<sup>18</sup>" and also Landbank check dated August 27, 1998 for Forty Million Pesos (P40,000,000.00)

and Gov. Singson's September 3, 1998 letter to Elizabeth Balagot, Landbank Manager of Vigan Branch in Ilocos Sur. He also testified that the Notice of Funding Check Issued, Fund 103 dated August 25, 1998 signed by DBM Secretary Benjamin Diokno addressed to the Provincial Governor of Ilocos Sur, [Exh. R<sup>8</sup>] did not reach the Office of the President.

According to FPres. Estrada, he did not know, nor have seen, Alma Alfaro, the person mentioned in the certification that inter-branch deposits made by the provincial government of Ilocos Sur from August 27 to 28, 1998, particularly on August 27, 1998 to Account No. 0561-0445-38 in the name of said Alma Alfaro in the amount of Forty Million Pesos (P40,000,000.00).

He said that he saw her for the first time only during the Impeachment Trial. [TSN, March 29, 2006, pp.42-49] He also did not know, nor have seen, Delia Rajas and Eleuterio Tan, the owners of the bank accounts at Land Bank Shaw Branch who were recipients of the online credit from Land Bank Vigan Branch on August 28, 1998 in the amounts of Fifty Million Pesos (P50,000,000.00) and Forty Million Pesos (P40,000,000.00) respectively [TSN, *ibid*, pp.50-51].

The persons shown in the photographs marked as prosecutions Exhibits "F", "G<sup>9</sup>", and "T<sup>8</sup>" were not known to him. He was able to identify the photograph marked as Exhibit "U<sup>8</sup>" which was the inauguration of the flue-curing plant in Ilocos Sur, which he later on learned was a mere show-off ("pakitang tao") because the project did not push through.

FPres. Estrada likewise denied any knowledge of prosecution's exhibits presented to identify Victor Jose Uy (a.k.a. Eleuterio Tan) (Exhs. "N<sup>9</sup>", "N<sup>13</sup>", "T<sup>11</sup>" & "J"); Delia Rajas (Exhs. "V", "W", "H", "H<sup>13</sup>", "Y", "Y-3", "Z<sup>11</sup>", "A<sup>12</sup>", "B<sup>12-4</sup>", "C<sup>12</sup>", "D<sup>12</sup>" & "Q<sup>13</sup>") and Alma Alfaro (Exhs. "F<sup>12</sup>" & "F<sup>13</sup>"). [TSN, March 29, 2006, pp.59-68,79,80]

FPres. Estrada likewise disclaimed any knowledge of prosecution's exhibits regarding the P130,000,000.00 excise tax share of Ilocos Sur [Exhs. H<sup>13</sup>, I<sup>13</sup>, J<sup>13</sup>, K<sup>13</sup>, M<sup>13</sup>, L<sup>13</sup>, O<sup>13</sup>, P<sup>13-1</sup>, R<sup>13</sup>, S<sup>13</sup>, E<sup>13</sup>, U<sup>13</sup>, V<sup>13</sup>, V<sup>13-1</sup>, W<sup>13</sup>, W<sup>13-1</sup>, X<sup>13</sup>, X<sup>13-1</sup>, Y<sup>13</sup>, Z<sup>13</sup>, M<sup>17</sup>, N<sup>17</sup>, O<sup>17</sup>, P<sup>17</sup>, Q<sup>17</sup>, R<sup>17</sup>, S<sup>17</sup>, L<sup>18</sup>, M<sup>18</sup>, N<sup>18</sup>, O<sup>18</sup>, P<sup>18</sup>, Q<sup>18</sup>, R<sup>18</sup>, S<sup>18</sup>, T<sup>18</sup>, B<sup>19</sup>, Z<sup>18</sup>. [TSN, March 29, 2006, pp.76-95]

FPres. Estrada also belied Gov. Singson's testimony of that he ordered Gov. Singson to cover up his unliquidated cash advances by countering that Gov. Singson tried to cover up his own cash advances as the Commission on Audit was already going after him and he wanted to pass the blame to FPres. Estrada. [TSN, March 29, 2006, pp. 98-100] When he learned about the Two Hundred Million Pesos (P200,000,000.00) excise tax share of Ilocos Sur, he instructed then Justice Secretary Artemio G. Toquero to investigate the matter. Secretary Toquero, in turn, referred the matter to the National Bureau of Investigation (NBI). After one week, NBI Regional Director Carlos Saunar submitted a report through a Memorandum dated October 20,

2000 (Exh. 199) to Secretary Toquero. Director Saunar also submitted to FPres. Estrada a December 12, 2000 letter (Exh. 201); another document (Exh. 204) addressed to Secretary Toquero on the subject – Governor Luis Chavit Singson, et al. for malversation of public funds – Twenty Million Pesos (P20, 000,000.00) and for violation of Section 3 (a) of Republic Act No. 3019; an affidavit of Agustin D. Chan, Jr. (Exh. 202) and to which is an attached letter dated December 3, 2000 of Agustin T. Chan, Jr. (Exh. 202-D) with attached certification (Exh. 206-C) demanding that Gov. Singson settle his outstanding cash advance in the amount of One Hundred Million Pesos (P100,000,000.00) and Twenty Million Pesos (P20,000,000.00) under Check Nos. 98397 and 42364 dated December 29, 1999 and March 19, 1999, pursuant to paragraph 9.1 and 9.3.3.3 of COA Circular No. 97-002 and Section 89 of P.D. No. 1445; an affidavit of Elizabeth Arabello dated January 12, 2001 (Exh. 205); a document entitled “WP, item Singson cash advances” (Exh. 208), which details the unliquidated cash advances of Gov. Singson at year end 1999 amounting to One Hundred Thirty Five Million Five Hundred Eighty Four Thousand Eight Hundred Eighteen Pesos and Seventeen Centavos (P135,584,818.17); and NBI Disposition Form, Subject Results of Evaluation and Evidence in Support of COA Reports on the provincial government of Ilocos Sur for the years 1997 and 1998 (Exh. 198), stating that the amount of Four Hundred Thirty Five Million One Hundred Ninety Thousand Two Hundred Ninety Eight Pesos (P435,190,298.00) was spent by Gov. Singson on the Tomato Paste Plant which COA found to be a non-functioning and non-operational project and to have incurred the loss of more than Twenty Million Six Hundred Fifty-five Thousand and Seventy-four Pesos (P20, 655, 074.00) as of June 30, 1998 [TSN, March 29, pp.106-131] and that there were ELEVEN (11) other cases of unsettled, unliquidated or dissolved cash advances of Gov. Singson which included the One Hundred Seventy Million (P170,000,000) unliquidated cash advances for the purchase of equipment for the Tobacco Flue Curing Plant involved in this case. [TSN, *ibid*, pp.143-144]

FPres. Estrada narrated that Director Saunar informed him that the case against Gov. Singson was clear and should be filed right away with the Office of the Ombudsman. Director Saunar gave him a copy of the complaint–affidavit of the NBI (Exh. 200, 200-N, 200-O, 200-P, 200-Q) recommending the filing of the appropriate charges against Gov. Singson and other Ilocos Sur provincial officials among others for the non-delivery of the supplier NS International, Inc. of the equipment for the flue curing barn and re-drying plant in the amount of One Hundred Seventy Million Pesos (P170,000,000.00) (Exh. 200-R). [TSN, March 29, 2006, pp. 7-18] However, Gov. Singson was granted immunity from criminal prosecution and Gov. Singson was able to pass on the case against FPres. Estrada by implicating the latter as the one who ordered him and testifying against him. [TSN, *ibid*, pp.19-25]

The last time FPres. Estrada talked to Gov. Singson was when he stopped over at San

Francisco USA for a speaking engagement on his way to an official visit to Washington he was surprised that Gov. Singson who was not a member of his delegation fetched him at the airport. After his speaking engagement, he went up to his room where Congressman Asistio and Gov. Singson had a big problem with the COA in Ilocos Sur because the provincial auditor did not want to cooperate with him. Gov. Singson asked FPres. Estrada to help transfer the said auditor, which request he refused because COA is an independent constitutional body. Gov. Singson insisted that FPres. Estrada call the COA Chairman to interfere in his behalf. He reminded Gov. Singson that he should not look after himself but he should protect the name of the Office of the President. Gov. Singson then abruptly stood up and grudgingly left. FPres. Estrada came to know of the name of the COA provincial auditor during the Senate Blue Ribbon Committee hearing and he was Atty. Agustin Chan who testified at the hearing and demanded that Gov. Singson liquidate his cash advances. Later, FPres. Estrada read from the newspaper that Chan was ambushed and killed in a town in Ilocos Sur. [TSN, *ibid*, pp.31-44]

**ATTY. AGATON S. DACAYANAN** was the State Auditor of the Commission on Audit (COA) assigned at the Province of Ilocos Sur for the years 1995 to 1999. He examined, audited and settled all accounts of the Province of Ilocos Sur based on the documents submitted by, and gathered from the Provincial Accountant, Provincial Treasurer, Budget Officer and other officials who have access to the financial transactions of the provincial government. He submitted Annual Audit Reports at the end of every year.

Witness Dacayanan then presented and identified the Annual Audit Reports for the years ended December 31, 1995 (Exh. 187 and submarkings); December 31, 1996 (Exh. 188 and submarkings); December 31, 1997 (Exh. 189 and submarkings); and, December 31, 1998 (Exh. 190 and submarkings). [TSN dated September 20, 2004, TSN dated September 22, 2004 and TSN dated September 29, 2004]

**BONIFACIO M. ONA** was Director III of COA and the Officer-In-Charge of its Special Audit Office. Witness Ona testified that one of his duties as OIC of the Special Audit Office was to transmit the Report prepared by their audit teams to the different auditing units and as such he had the chance to review as to its form the Special Audit Report for the Province of Ilocos Sur for the period 1999 (SAO Report No. 99-31) (Exh. 191 and submarkings), which he presented to the Court by virtue of a *subpoena duces tecum*, and after which he transmitted the same to the Governor of Ilocos Sur. [TSN dated October 4, 2004]

**ELVIRA JAVIER FELIX** was State Auditor IV of the COA. Witness testified that she was the Officer-in-Charge of the Provincial Auditor's Office from October 5, 2001 to July 31, 2002, and she presented and identified Annual Audit Reports for the Province of Ilocos Sur for the

years ended December 31, 2001 (Exh. 192 and submarkings), and December 31, 2002 (Exh. 193 and submarkings).

Witness Felix also presented and identified copies of the Annual Audit Reports of the Province of Ilocos Sur for the years ended December 31, 1999 (Exh. 194 and submarkings) and December 31, 2000 (Exh. 195 and submarkings) which she secured from the Provincial Auditor's Office, and which were prepared during the term of then Provincial Auditor Atty. Agustin Chan who was killed in an ambush on October 4, 2001. [TSN dated October 4, 2004 and TSN dated October 6, 2004]

**ELIZABETH M. SAVELLA** was an Auditor of the Corporate Government Sector of the COA. Savella testified that she was assigned previously with the Special Audit Office of the Commission of Audit and was designated in 1999 as the Team Leader of a Special Audit Team that conducted a special audit of the Province of Ilocos Sur for the period from 1996 to 1999. Being the Team Leader, witness Savella was the one assigned to consolidate all the audit findings submitted by the team members to come up with the audit report. The said audit report was SOA Report No. 99-31 (Exh. 191 and submarkings).

Witness stated that the scope of the audit was the financial transaction and operation of the Province of Ilocos Sur for the period 1996 to 1999. They looked, particularly, into the utilization of R.A. 7171 funds and the utilization of the PNB loan specifically the implementation of the Tomato Flue Curing Plant Project, stating that the audit aims to evaluate the regularity of the implementation of the province's projects. [TSN dated October 6, 2004 and TSN dated October 11, 2004]

**CONGRESSMAN LUIS A. ASISTIO** testified that he knows Gov. Singson and met him several times. He said that on July 24, 2000, he accompanied Gov. Singson to see FPres. Estrada at his room at the Fairmont Hotel at San Francisco, California where Gov. Singson requested FPres. Estrada to call the Chairman of the Commission on Audit to ask for the relief of the Auditor assigned to his province to which FPres. Estrada declined.

Asistio clarified that in the many meetings he had with Gov. Singson during the period late August to September 2000, they never talked about alleged receipt of monies from R.A. 7171 and he knew of these issues only during the Impeachment Trial. He thinks that these are mere figments of Gov. Singson's imagination since they never talked of anything except the provincial leadership.



Gov. Singson also did not mention the name of accused Mayor Jinggoy Estrada. He added that Gov. Singson at one time went to his house when there was an ongoing rally at Makati prior to the press conference and told him that he (Gov. Singson) does not consider FPres. Estrada as his friend anymore.

Asistio added that he watched the Impeachment Trial against FPres. Estrada and thinks that it is a farce because in all their conversations, Gov. Singson never mentioned about R.A. 7171 nor talked about jueteng, except probably when he said *"kunin na nilang lahat huwag lang yung liderato"*.

Asistio stated that in his visits to Malacañang during the time of FPres. Estrada, at least three times a week, he never saw Atong Ang there because Atong Ang was banned by FPres. Estrada from entering Malacañang. [TSN dated October 11, 2004 and TSN dated October 13, 2004]

**CARLOS P. SAUNAR** was Regional Director of the National Bureau of Investigation. In October 2000, he was the Chief of the Anti-Graft Division of the NBI, assuming the position from 1997 or 1998 up to July 2001, and as such was tasked to investigate the public disclosures made by then Gov. Singson as per instructions of then NBI Director Federico Opinion, who was, in turn, directed by then Justice Secretary Artemio G. Tuquero in a Memorandum dated October 10, 2000 (Exh. 199 and submarkings).

In the conduct of their investigation, Saunar and his team of investigators secured documents from the COA, such as, the Audit Reports of the Provincial Government of Ilocos Sur and the Schedule of Unliquidated Cash Advances, and subpoenaed the concerned public officials and employees of the Province of Ilocos Sur. [TSN, October 13, 2004, pp. 67-69]

After evaluating the reports and evidence, witness submitted an Evaluation Disposition Form (Exh. 198 and submarkings) dated 16 October 2000 which made mention of 11 cases (Annex A of Disposition Form) (Exh. 198-B) of irregularities that were assigned to different teams for investigation. [TSN, October 13, 2004, pp. 80, 84]

The result of Saunar's investigation on the P170,000,000.00 alleged unliquidated cash advances of Governor Singson and some other cash advances was contained in a Revised Report of Investigation which became the subject of a Complaint-Affidavit (Exh. 200 and

submarkings) dated 10 January 2001 signed by Carlos S. Caabay, then acting Director, NBI, filed with the Office of the Ombudsman. Witness explained that the Revised Report of Investigation traced the P170,000,000.00 from its source up to its liquidation. [TSN, October 13, 2004, p. 96]

Saunar testified that they made a record check and searched, as requested by the Senate Blue Ribbon Committee, for the whereabouts of accused Alma Alfaro, accused Eleuterio Tan and accused Delia Rajas but failed to locate them. [TSN, October 13, 2004, pp. 107-110] The NBI filed two (2) other cases involving cash advances of the Gov. Singson with the Office of the Secretary of Justice, one of which is contained in a case transmittal (Exh. 201 and submarkings) dated 12 December 2000 addressed to Honorable Artemio G. Tuquero relating to the P100,000,000.00 cash advance of Gov. Singson and supported by a Report of Investigation dated 12 December 2000 (Exh. 201-B). The other case transmittal (Exh. 204 and submarkings) they filed with the Department of Justice on December 14, 2000 was in connection with the cash advance of Gov. Singson in the amount of P20,000,000.00, and supported by another Report of Investigation dated 14 December 2000 (Exh. 204-B). In all the investigations conducted by the NBI on the cash advances of Gov. Singson, Saunar said that they prepared an analysis, "WP-Singson Cash Advance" (Exh. 208 and submarkings) (WP stands for working paper), and that based on the working paper, Gov. Singson had accumulated cash advances of Three Hundred Five Million Six Hundred Thousand Pesos (P305,600,000.00) between the period January 1997 to January 2000. From this total, the amount of P170,015,181.83 appears to have been settled, leaving a balance of unliquidated cash advances of Gov. Singson of P135,584,818.70 as of January 2000. [TSN, October 25, 2004, pp. 53-54]

The amount of P163,663,636.27 as appearing in the working paper, which was also the subject matter of the complaint-affidavit filed with the Ombudsman (Exh. 200), is supposed to be the amount that was the settlement of the cash advance of P170,000,000.00 less 30% withholding tax supposed to be remitted to the BIR. The P170,000,000.00 pesos came from the P200,000,000.00 representing the share of the Province of Ilocos Sur from the excise taxes collected pursuant to R.A. 7171 that was released by the DBM. The P170,000,000.00 was then cash advanced by Gov. Singson from the account of the Province of Ilocos Sur in LBP Vigan Branch, wherein a certain Marina Atendido deposited the amount of P40,000,000.00 in favor of the account of Alma Alfaro at the LBP Shaw Boulevard Branch through an inter-branch accommodation. The same was withdrawn in cash by Alma Alfaro. [TSN, October 25, 2004, pp. 57-63]

As to the remaining P130,000,000.00, four (4) demand drafts were applied for by Maricar

Paz, one of which was issued in favor of Luccio Saberrio in the amount of P40,000,000.00 which was withdrawn in LBP Makati, where the amount of P35,000,000.00 was deposited to another savings account (the account number is indicated in the demand draft) in the same LBP Makati while the P5,000,000.00 was cashed. The second demand draft pertains to another P40,000,000.00 pesos in favor of Eleuterio Tan which was negotiated at the LBP Shaw Boulevard Branch but was cancelled, and in lieu of this, the corresponding amount was wire transferred from LBP Vigan to LBP Shaw Boulevard. The two remaining demand drafts pertain to Delia Rajas, one in the amount of P20,000,000.00 and the other in the amount of P30,000,000.00, and were negotiated in LBP Shaw Boulevard but were also cancelled, the corresponding total amount of P50,000,000.00 was then wire transferred and deposited to the account of Delia Rajas in LBP Shaw Boulevard. [TSN, October 25, 2004,, pp. 64-70]

Saunar reiterated that they conducted an in-depth investigation of the expose' made by Gov. Singson, which includes alleged violations on the Anti-Graft and Corrupt Practices, malversation of public funds and violation of R.A. 4200, pursuant to the memorandum issued by the Secretary of Justice. However, their investigation so far has not reached the point of illegal jueteng or illegal gambling. They did not conduct an in-depth investigation on the activities of Mr. Atong Ang and FPRES. Estrada because they have not reached that point where the evidence would show that they have participated. [TSN, October 25, 2004, pp. 102-104]

However, they already filed a complaint-affidavit dated January 10, 2007 which referred to the One Hundred Seventy Million Pesos (P170,000,000.00) that was cash advanced by Gov. Singson based on the evidence they gathered so far in their investigation.

Saunar further testified that on November 2000, Director Opinion directed him to accommodate interviews on the result of their investigation in connection with the P170,000,000.00 alleged cash advance of Gov. Singson which was done in his office when he was still the Chief of the NBI Anti-Graft Division, and the result of which appeared in a VCD. [TSN, November 3, 2004, pp. 18, 26-27]

[TSN dated October 13, 2004, TSN dated October 25, 2004, TSN dated October 27, 2004 and TSN dated November 3, 2004]

### **BANGKO SENTRAL NG PILIPINAS (BSP) OCULAR INSPECTION**

On May 25, 2005, the Court conducted another ocular inspection at the Money Museum of the BSP upon the request of the accused Estradas. The Court observed that if the P130,000,000.00 were all in P1000.00 denominations and divided into 130 bundles with each bundle consisting of 1000 pieces of P1000.00 peso bills amounting to P1 Million pesos, only a

maximum of 20 bundles amounting to P20 Million pesos would fit in a box (Exh. X-Ocular Inspection), with an inner or interior dimensions of 12 inches width, 10 inches height and 15 inches length which measurement was given by prosecution witnesses Artatez and a certain OJ Singson during their testimony. Thus, the P130 Million pesos would fit in 6 and ½ boxes.

If the P130,000,000.00 were in P500.00 denominations and divided into 260 bundles with each bundle consisting of 1000 pieces of P500.00 bills amounting to P500,000.00, the P130,000,000.00 pesos would fit in 13 boxes.

A Certification issued by the BSP that the P1,000,000.00 pesos in P1000.00 bills would weigh about just under a kilo has already been submitted by the accused in the previous hearing. [TSN dated May 25, 2002, pp. 10-11]

### **FINDINGS OF FACT**

#### *Re: Sub-paragraph (b) of the Amended Information*

With respect to the predicate act of divesting, receiving or misappropriating a portion of the tobacco excise tax share allocated for the Province of Ilocos Sur, this Court finds that indeed an amount of P130,000,000.00 out of the P200,000,000.00 share in tobacco excise taxes of the Province of Ilocos Sur was withdrawn from the provincial coffers and misappropriated and misused to the damage and prejudice of the said province.

The evidence presented before this Court establish beyond doubt that Gov. Singson initiated the process that eventually led to the allocation and release of funds by the national government to the Province of Ilocos Sur of the amount of P200,000,000.00 from the excise tax imposed pursuant to Republic Act No. 7171. As chief executive of the Province of Ilocos Sur, Gov. Singson personally handed a letter to FPres. Estrada requesting the release of Ilocos Sur's share in the tobacco excise taxes [Exh. Q<sup>8</sup>] to pin him on his campaign promise to the people of Ilocos Sur during the 1998 Presidential Elections. FPres. Estrada, through a marginal note on Gov. Singson's letter, endorsed the request to then Sec. Benjamin Diokno of the Department of Budget and Management (DBM) [Exh. Q<sup>8</sup>-1]. The DBM released the amount of P200,000,000 to the Province of Ilocos Sur as its share in tobacco excise taxes as shown in the Notice of Funding Check Issued, Fund 103 dated August 25, 1998 signed by DBM Sec. Benjamin Diokno and addressed to the Provincial Governor of Ilocos Sur [Exh. R<sup>8</sup>]. Gov. Singson forthwith caused the Sangguniang Panlalawigan of Ilocos Sur to enact a Resolution appropriating the sum of P200,000,000.00, of which P170,000,000.00 was intended for flue-curing barns and P30,000,000.00 for infrastructure. Gov. Singson caused the release of P170,000,000.00 from the said fund as shown by the Authorization he issued to Maricar Paz

and Marina Atendido, employees of his office to officially transact with Land Bank Vigan Branch, in behalf of the Provincial Government of Ilocos Sur dated August 27, 1998 [Exh. "N<sup>18</sup>"], Check No. 0000097650 dated August 27, 1998 issued to the order of Luis "Chavit" Singson in the amount of P170,000,000.00 [Exhs. O<sup>18</sup> and P<sup>18</sup>], and an Accountant's Advice for Local Check Disbursement dated August 27, 1998 [Exh. Q<sup>18</sup>]. This amount, however, was broken down into smaller amounts and deposited/transferred to the accounts of individuals identified with or known associates of Atong Ang, namely Alma Alfaro, Delia Rajas and Eleuterio Tan, as shown by a certification of Land Bank Vigan Branch Manager Ma. Elizabeth Balagot [Exh. S<sup>8</sup>], Demand Draft Application Nos. 656 and 712 in the name of Delia Rajas [Exhs. R<sup>18</sup> and S<sup>18</sup>], Demand Draft Application No. 734 in the name of Eleuterio Tan [Exh. T<sup>18</sup>], and Demand Draft Application No. 722 in the name of Nuccio Saverio [Exh. U<sup>18</sup>], and the four demand drafts issued pursuant thereto [Exhs. V<sup>18</sup>, K<sup>13</sup>, L<sup>13</sup> and M<sup>13</sup>]. A fifth demand draft in the name of Gov. Singson was inexplicably cancelled albeit the amount covered by it was deposited in the account of Alma Alfaro through an Inter-Branch Deposit Accommodation Slip [Exh. X<sup>18</sup>] as instructed by Maricar Paz to Land Bank. The demand drafts issued to Delia Rajas and Eleuterio Tan were similarly cancelled and the amounts of P40,000,000.00 and P50,000,000.00 covered by the demand drafts were deposited in the accounts of Eleuterio Tan and Delia Rajas, respectively, at Land Bank Shaw Branch. Alma Alfaro's P40,000,000.00 was withdrawn by her in cash a day after it was deposited in her account at Land Bank Shaw Branch on August 27, 1998 [TSN, November 4, 2003, pp. 27-43]. On the other hand, Tan and Rajas withdrew on the same day P40,000,000 and P50,000,000, respectively, from their accounts and Tan used the proceeds to buy Three (3) cashier's check in the amount of P30,000,000 each or a total of P90,000,000 [Exhs. W<sup>13</sup>-1, V<sup>13</sup>-1 & X<sup>13</sup>-1]. The Three (3) cashier's check were deposited in Savings Account No. 2011-00772-7 at Westmont Bank, Mandaluyong Branch [Ibid, pp. 52-91]. The P40,000,000.00 originally covered by the demand draft in the name of Gov. Singson which was cancelled and subsequently withdrawn by Alma Alfaro was not shown to have been deposited at Westmont Bank. Who profited from this sum of money? The Court can only surmise given the dearth of even the prosecution's evidence on what happened to the money after it was received by Alma Alfaro. Significantly, it appears that of the P170,000,000.00 appropriated by the Sangguniang Panlalawigan of Ilocos Sur for flue-curing barns only the amount of P40,000,000.00 went to the supplier of the flue-curing barn, Nuccio Saverio who encashed his demand draft at Land Bank Makati Branch. Saverio could collect only the said amount in view of the testimony of Gov. Singson that he delivered only one module of flue curing barns costing P40,000,000.00.

According to Jamis Singson and Artates, they accompanied William Ang, the brother of Atong Ang, to Westmont Bank to withdraw money but they just waited outside the bank. They helped carry the four (4) boxes to the vehicle when William and the security guards brought the

said boxes outside the bank. Thereafter, they joined William transport the boxes to the home of Catalina Ang, and later to the residence of FPres. Estrada at Polk Street. Jamis and Artates were told by William Ang that the boxes contained money for FPres. Estrada.

The prosecution's evidence that only the amount of P90,000,000.00 was deposited in Westmont Bank created a loophole in the impression given by the testimony of Gov. Singson that he and Atong Ang were supposed to bring the P130,000,000.00 withdrawn from Westmontbank to the residence of FPres. Estrada. The Court can only speculate that this could have been the reason why during the Ocular Inspection at the Bangko Sentral ng Pilipinas (BSP) the amount of P130,000,000.00 could not fit the four (4) boxes described by Gov. Singson and the other prosecution witnesses.

There are also gaps in the prosecution's evidence on the alleged delivery to FPres. Estrada of the diverted funds or a portion thereof. It was not established how much cash was allegedly stashed in the boxes that came from Westmont Bank and which were unloaded/reloaded at the house of Catalina Ang or how much cash was in the boxes allegedly brought to FPres. Estrada's house. No one testified that he saw cash being handed to FPres. Estrada, Sen. Loi Estrada or Jinggoy Estrada. Serious doubts are engendered by the bare testimony of Gov. Singson, the prosecution's star witness, who, by his own account, did not even touch the boxes of money, nor count the money inside the boxes that arrived at the home of Catalina Ang and allegedly reloaded for delivery to Polk Street. Gov. Singson did not also see the alleged turnover of the money by Ang to FPres. Estrada, Dr. Loi Estrada or Mayor Jinggoy as he stayed at the corner of Polk Street, so many meters away from the highly fenced and gated house of FPres. Estrada. The Court finds it queer that Gov. Singson would stay only at the corner of the street where FPres. Estrada's residence is located instead of accompanying Ang to witness the delivery of money that, according to him, was important to him and his constituents in Ilocos Sur. Only Atong Ang could have credibly testified on the alleged delivery of money but the prosecution did not present him as a witness, despite his plea of guilt to a lower offense and his admission that he partook of P25,000,000.00 of the P130,000,000.00 of the excise tax share of Ilocos Sur. This Court could not admit without corroborating evidence Gov. Singson's bare testimony that FPres. Estrada purportedly got mad that Atong Ang gave him only P70,000,000.00 and that Atong Ang had given P20,000,000.00 and P15,000,000.00 to Dr. Loi Estrada and Mayor Jinggoy respectively. In this Court's view, certain details of Gov. Singson's testimony on this point are rather incredible and far-fetched. Gov. Singson had not offered any explanation why and how Atong Ang had the temerity or the guts to divide the money among FPres. Estrada and the members of the First Family and decide by himself the amount of their respective shares without prior clearance of FPres. Estrada, then the highest executive official of the land.

Furthermore, the record is bereft of evidence to confirm Gov. Singson's testimony that FPres. Estrada was interested in the diversion of tobacco excise taxes or that there was an agreement between Gov. Singson and FPres. Estrada that 10% of any amount released to the Province of Ilocos Sur would be turned over by Gov. Singson to FPres. Estrada. Gov. Singson's statements that Atong Ang and Mayor Jinggoy kept following up the release of the money and that Atong Ang informed Gov. Singson that FPres. Estrada wanted not just 10% but P130,000,000.00 of the P200,000,000.00 are likewise uncorroborated. Regarding the testimony of Gov. Singson implicating Jinggoy Estrada in the commission of the predicate act mentioned in sub-paragraph (b), the Honorable Supreme Court early enough had clarified the import of the charge against accused Jinggoy Estrada under the Amended Information in this manner:

Xxx    xxx    xxx    Sub-paragraph (b) alleged the predicate act of diverting, receiving or misappropriating a portion of the tobacco excise tax share allocated for the Province of Ilocos Sur, which Act is the offense described in item [1] in the enumeration in Section 1 (d) of the law. This sub-paragraph does not mention petitioner (Jinggoy Estrada) but instead names other conspirators of the Former President. [Jose "Jinggoy" Estrada vs. Sandiganbayan, G.R. No. 148965, supra, p. 553]

The recent decision in *People of the Philippines vs. Sandiganbayan* (Special Division) and Jose "Jinggoy" Estrada (G.R. No. 158754, promulgated August 10, 2007) which upheld this Court's Resolution granting bail to Jinggoy Estrada, has explained the essence and import of the above-quoted ruling:

Obviously hoping to maneuver around the above ruling so as to implicate individual respondent for predicate acts described in sub-paragraphs (b), (c) and (d) of the Amended Information, petitioner now argues:

It should be emphasized that in the course of the proceedings in the instant case, respondent Jinggoy Estrada waived the benefit of the said ruling and opted, instead, to participate, as he did participate and later proceeded to cross examine witnesses whose testimonies were clearly offered to prove the other constitutive acts of Plunder alleged in the Amended Information under sub-paragraphs "b", "c", and "d".

We disagree.

At bottom, the petitioner assumes that the ruling accorded "benefits" to respondent Jinggoy that were inexistent at the start of that case. But no such benefits were extended, as the Court did not read into the Amended Information, as couched, something not there in the first place. Respondent Jinggoy's participation, if that be the case, in the proceedings involving sub-paragraphs "b", "c", and "d", did not change the legal situation set forth in the aforequoted portion of the Court's ruling in G.R. No. 148965. For when it passed, in G.R. NO. 148965, upon the inculpatory acts envisaged and ascribed in the Amended Information against Jinggoy, the Court merely defined what he was indicted and can be penalized for. In legal jargon, the Court informed him of the

nature and cause of the accusation against him, right guaranteed an accused under the Constitution. In fine, all that the Court contextually did in G.R. No. 148965 was no more than to implement his right to be informed of the nature of the accusation in the light of the filing of the Amended Information as worded. If at all, the Court's holding in G.R. No. 148965 freed individual respondent from the ill effects of a wrong interpretation that might be given to the Amended Information.

The mere fact that FPres. Estrada endorsed Gov. Singson's request for release of funds to the then DBM Secretary for review does not indicate any undue interest on the part of FPres. Estrada in the grant of Gov. Singson's request. The tenor of the marginal note itself was simply for the DBM Secretary to "see if [he] can accommodate the request of Governor Singson." Finally, not a scintilla of evidence links FPres. Estrada to any of the obscure personalities who withdrew the P130,000,000.00, namely, Delia Rajas, Alma Alfaro, and Eleuterio Tan and to any of the official bank documents that made possible the diversion and misappropriation of the aforesaid public funds.

In sum, the paper trail in relation to the P130,000,000.00 diverted tobacco excise taxes began with Gov. Singson and ended with Atong Ang. This Court does not find the evidence sufficient to establish beyond reasonable doubt that FPres. Estrada or any member of his family had instigated and/or benefited from the diversion of said funds.

#### **RE: SUB-PARAGRAPH C OF THE AMENDED INFORMATION**

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(c) by directing, ordering and compelling, FOR HIS PERSONAL GAIN AND BENEFIT, the Government Service Insurance System (GSIS) TO PURCHASE, 351,878,000 SHARES OF STOCKS, MORE OR LESS, and the Social Security System (SSS), 329,855,000 SHARES OF STOCK, MORE OR LESS, OF THE BELLE CORPORATION IN THE AMOUNT OF MORE OR LESS ONE BILLION ONE HUNDRED TWO MILLION NINE HUNDRED SIXTY FIVE THOUSAND SIX HUNDRED SEVEN PESOS AND FIFTY CENTAVOS [P1,102,965,607.50] AND MORE OR LESS SEVEN HUNDRED FORTY FOUR MILLION SIX HUNDRED TWELVE THOUSAND AND FOUR HUNDRED FIFTY PESOS [P744,612,450.00], RESPECTIVELY, OR A TOTAL OF MORE OR LESS ONE BILLION EIGHT HUNDRED FORTY SEVEN MILLION FIVE HUNDRED SEVENTY EIGHT THOUSAND FIFTY SEVEN PESOS AND FIFTY CENTAVOS [P1,847,578,057.50]; AND BY COLLECTING OR RECEIVING, DIRECTLY OR INDIRECTLY, BY HIMSELF AND/OR IN CONNIVANCE WITH JOHN DOES AND JANE DOES, COMMISSIONS OR PERCENTAGES BY REASON OF SAID PURCHASES OF SHARES OF STOCK IN THE AMOUNT OF ONE HUNDRED EIGHTY NINE MILLION SEVEN HUNDRED THOUSAND PESOS [P189,700,000.00], MORE OR LESS, FROM THE BELLE CORPORATION WHICH BECAME PART OF THE DEPOSIT IN THE EQUITABLE-PCI BANK UNDER THE ACCOUNT NAME "JOSE VELARDE



Under paragraph (c) of the Amended Information, accused FPres. Estrada was charged with the crime of plunder, for having willfully, unlawfully and criminally acquired, amassed or accumulated and acquired ill-gotten wealth in the amount of P189,700,000.00 representing commissions or percentages by reason of the purchase of shares of stock of Belle Corporation by SSS and GSIS.

The gravamen of this specific charge is whether FPres. Estrada, unjustly enriched himself at the expense and to the damage and prejudice of the Filipino people and the Republic by receiving a commission of P187 Million as consideration for the purchase by SSS and GSIS of Belle Shares. Even if the Prosecution is able to establish that FPres. Estrada used his official position, authority, relationship and influence and directed, ordered and compelled Carlos A. Arellano (then President of the SSS) and Federico C. Pascual (then President of GSIS) for SSS and GSIS to buy Belle shares with money of the GSIS and SSS which are held in trust by the said institutions for the millions of employees of the government and the private sector, such fact alone does not constitute an overt or criminal act, the commission of which would warrant a conviction for plunder. Prosecution must establish that, in consideration of the purchase by GSIS and SSS of the Belle Shares, FPres. Estrada received the amount of P189,700,000.00 as commission.

In discharging its burden of proof that FPres. Estrada directed, ordered and compelled, for his personal gain and benefit, the GSIS to purchase 351,878,000 shares of stock more or less, and the SSS to purchase 329,855,000 shares of stock more or less, of the Belle Corporation in the amount of more or less One Billion One Hundred Two Million Nine Hundred Sixty Five Thousand Six Hundred Seven Pesos And Fifty Centavos (P1,102,965,607.50) and more or less Seven Hundred Forty Four Million Six Hundred Twelve Thousand And Four Hundred Fifty Pesos (P744,612,450.00), respectively, or a total of more or less One Billion Eight Hundred Forty Seven Million Five Hundred Seventy Eight Thousand Fifty Seven Pesos And Fifty Centavos (P1,847,578,057.50), the prosecution presented its principal witnesses in the persons of Arellano, Pascual, Ocier and Capulong.

### **EVIDENCE FOR THE PROSECUTION**

**WILLY NG OCIER** (Ocier) was the Vice Chairman and Director of Belle Corporation on June 24, 1999. He testified that SSI Management, a company created by Roberto Ongpin was the Selling stockholder of Belle shares totaling 650,000,000. [TSN January 9, 2002, p.94] Roberto Ongpin, in his personal capacity, originally gave an option to Mark Jimenez to purchase these 650,000,000 shares of Belle [Ibid., pp. 67- 68] because Roberto Ongpin at that

time granted (sic) to transform Belle Corporation into the foremost gaming company in the Philippines, and he wanted somebody to help him “acquiring (sic) licenses to do Jai-Alai and to do Super Sabong, Bingo, Casino, etc., etc.” [Ibid. pp. 71 and 72] and Mr. Roberto Ongpin whom he held in high regard, told him that Mark Jimenez was a very close friend of FPres. Estrada. [Ibid. p. 84] The option was given as an incentive for Mark Jimenez as a favor to Roberto Ongpin. [Ibid. p. 88] Mark Jimenez was not able to exercise the option because Ongpin was ousted from the Board of Belle on June 15, 1999. [Ibid. p. 90]

After a meeting of the Board of Directors of Belle Corporation on July 20, 1999 (Exh. P), when Dichaves asked Ocier about the option given by Ongpin to Mark Jimenez and if the option can be given to him, Ocier told Dichaves that the option cannot be given anymore because of the fact that the shares are intended to be sold in light of a recent call for unpaid subscription. [TSN, January 7, 2002, p. 17] The Board of Director of Belle Corporation decided to make a call for payment of unpaid subscriptions to raise money to address the debt problem of the Corporation. [TSN, October 1, 2001, p. 79] When asked what can be done in relation to the Belle shares, Ocier explained to Dichaves that he needs the latter’s help in selling the Belle shares to cover for the 75 per cent unpaid subscription and the two of them basically agreed to divide the work wherein Ocier would contact his foreign brokers to sell the shares and Dichaves will contact his local counterparts or contacts if he can sell the shares locally. [TSN, January 7, 2002, p.18]

Ocier further testified that overtime (sic) the market was not very strong, so the foreign brokers took quite a while to make decisions about their action of buying Belle shares. [Id.] In a subsequent meeting with Dichaves, Ocier testified that Dichaves confirmed to him that there was a good chance that GSIS and SSS may be willing to buy the Belle shares and when he asked when the shares can be transacted he was assured by Dichaves that the latter had taken up the matter already with FPres. Estrada and that Dichaves told him that the Former President had already spoken to Carlos Arellano of SSS and Ding Pascual of GSIS about the said matter. [Ibid. p. 19]

After a few weeks, Dichaves called Ocier and told the latter that the transaction may be pushing through but that Dichaves wanted to take up a matter of condition that was proposed for the transaction to push through which was to the effect that Ocier will have to give a commission for the transaction to push through. [Ibid. pp. 20-21] Ocier testified that since the shares involved was approximately 600,000,000 to 650,000,000 and the price of Belle at that time at about P3.00 per share, the total expected proceeds of the sale was almost Two Billion Pesos (P2,000,000,000.00) and the commission that Jaime was asking for amounted to Two Hundred Million Pesos (P200,000,000.00). [Ibid. p. 23]

When asked to whom the commission should be given, Ocier answered that according to Dichaves, the condition was being imposed by FPRES. Estrada. [Ibid. p. 26] When asked for his reaction to the information conveyed by Dichaves that it was FPRES. Estrada that imposed the condition, Ocier testified that his reaction was that he felt that it was quite a big amount of commission to be paid and that normally, in real estate and stock transactions, commissions range between three (3) to five (5) percent only and he told Dichaves that he finds that quite high [Ibid. p. 34], to which Dichaves answered that “that was the condition.” [Ibid. p. 36] When asked what his answer was to the answer of Dichaves that that was the condition, Ocier answered that he was constrained to agree because Dichaves told him that “that was the only way for the transaction to push through.” [Id.] Ocier further testified that on October 21, 1999, Belle shares totaling 447,650,000 were sold by SSI Management to GSIS and SSS through Eastern Securities Development Corporation [Ibid. p. 39; Exh. Q; Q-1; Exh. T] while other Belle Shares were sold through other brokers. [TSN dated January 14, 2002, p. 20]

**CARLOS ALMARIO ARELLANO** (Arellano) was appointed Chairman and President of SSS on July 1, 1998 by FPRES. Estrada. [TSN, November 7, 2001, p. 49] The transaction with Belle was initiated on October 6, 1999. He got a call from FPRES. Estrada and was told: “Gusto ko kayo ni Ding Pascual ay tignan ninyo ang pagbili ng Belle Corporation sa stock market. [Ibid. pp. 75- 77] He thought that the words “tignan ninyo” was an instruction for him. [Ibid. p. 80] After the instruction, he asked the people in the Investment Department of SSS to take a look and review the shares of Belle as an investment item in the portfolio of SSS and also to find out to what extent the SSS can further increase the SSS position in the said stock. [Ibid. p. 82]

As far as the Investment Committee was concerned, they agreed that Belle is still possible investment for the SSS. [Ibid. p. 94] In answer to the instruction of the President he said “Opo, opo.” [Id.] He got a call from FPRES. Estrada the week after and he was asked to see the President at Malacanang. [Ibid. p. 95] At Malacañang, he saw FPRES. Estrada with Jaime Dichaves. While he was there he approached the FPRES. who stood up and took him aside and asked whether this time, he had followed FPRES. instructions to buy Belle shares. He replied: “Tinitignan pa po ng Investment committee namin.” [Ibid. pp. 97, 104] He did not immediately buy the Belle shares because he felt that it was not the proper timing and the volume that was being considered was too much and not yet the proper time. [Ibid. p. 102] When he answered this to the Former President, he recalled that the reaction of the Former President was to tell him “Bilisan ninyo na, bilisan.” [Ibid. p. 107] Upon receiving these instructions, he still did not do anything for a few days after. [Ibid. p. 115] After several days, he received another call from FPRES. Estrada and he repeated “Bilisan mo, bilisan ninyo na. [Ibid. p. 124] As far as he was concerned, it was more serious than previous orders given to him. [Id.] On October 21, the SSS

implemented the transaction. [TSN dated November 7, 2001, p. 110]

**FEDERICO CALIMBAS PASCUAL** (Pascual) was the President of GSIS in 1999, testified that he had a meeting with FPres. Estrada on September 6, 1999 and in that meeting, he was instructed by the FPres. Estrada to buy Belle Shares. It was only in October 9, 1999 when he ordered his people to buy Belle Shares because First: he was hoping that the President was not serious in his September 6, 1999 instruction and he was hoping the President would forget his instruction. [TSN, November 22, 2001, p. 20] Second, because he was not very comfortable with Belle because some people are of the opinion that Belle Shares, because the corporation is involved in jai-alai and gambling, is “speculative flavor.” [Id.]

In another telephone conversation with FPres. Estrada on October 9, 1999, he felt that the President was more serious in his instructions in the sense that, he was away and there was this telephone call and he felt that FPres. Estrada was already agitated. [Ibid. p. 24] In the telephone call, he was asked by FPres. Estrada “bakit hindi ka pa bumibili ng Belle” to which he replied “tatawag ho ako sa head office at papa-aralan ko.” [Ibid. pp. 56-57]

When he returned to the Philippines on October 21, 1999, he learned that GSIS had purchased 351,000,000 Belle Share worth P1,100,000,000.00 as shown by the investment committee confirmation report.

On cross-examination, he testified that his purpose in executing his affidavit was to remove from the minds of the doubting public that he benefited from the Belle Shares. [Ibid. p. 48; Exh. O to O-4] The alleged money making that intervened or supervened in the purchase of Belle Shares was not included in his affidavit because the purpose was to show how GSIS purchased shares of Belle on the instruction of the Former President. [Ibid. p. 54] The purchases of Belle Shares were made when he was abroad. FPres. Estrada gave him the instructions to buy and he also made instructions to his people to buy, that was the chain of events. [Ibid. pp. 68; 74] He authorized the purchase of Belle Shares only if Belle was a qualified share. [Ibid. p. 69] If he did not make that call to the people in GSIS about the Former President’s instruction, there was probably no possibility of GSIS acquiring Belle Shares during that period of time beginning October 13 to October 21. [Ibid. p. 77] Except for the instruction, there was nothing irregular, illegal or anomalous about the transaction and he does not know whether somebody benefited from the purchase of Belle Shares that took place between October 13 to 21. [Ibid, p. 83]

**RIZALDY TADEO CAPULONG** (Capulong) was the Deputy Chief Actuary and Assistant Vice-President of the Securities Trading and Management Department of the Social Security

System (SSS). He headed the Actuary Department which was responsible in making long term and short term projections of the revenues and expenditures of SSS. As AVP of the Securities Trading and Management Department, Capulong was in charge of providing research and operational support to top SSS offices with regard to equities and investment.

Capulong testified that he made the recommendation which cost the SSS P1,300,000,000.00 because per his research, evaluation and verification, it was a profitable transaction. He had gone into the validity and legality of the acquisition of the Belle Shares and he was convinced that they were all proper, legal and beyond reproach. He signed the recommendation and submitted it for approval of the Executive Management Committee and then for the approval of the Social Security Commission. Capulong clarified that it was an approval for allocation not for funding. For SSS to be able to acquire shares of their corporation, it was necessary that there was an approval for an allocation. SSS had the amount of money but it was not reserved for Belle transactions even with the approval of the recommendation. The money will only be identified and allocated at the time of transaction. [TSN dated February 6, 11, 13, and 18, 2002]

#### **EVIDENCE FOR THE DEFENSE**

**REYNALDO PASTORFIDE PALMIERY** (Palmiery) was the Senior Executive Vice-President and the Chief Operating Officer and Member of the Board of Trustees of the Government Service Insurance System (GSIS). Palmiery was the Chairman of the Investment Committee of the GSIS in 1998 to 2000. The Investment Committee discusses the new proposals for investment which were elevated by the Corporate Finance Group of the GSIS. The process is that the Finance Corporate Group first studies and evaluates stocks which are not yet qualified and accredited to be purchased and elevates this to the Investment Committee for discussion, and if it is approved by the Investment Committee then it is elevated to the board for approval.

Palmiery testified that the GSIS had been trading all Belle Shares in 1993. The first acquisition of GSIS then was about 18 million shares, or 5% of the outstanding stocks of Belle Corporation, and that the GSIS booked an aggregate trading gain of P145,859,195.95 on the purchase of Belle Shares alone (Exh. 236 and submarkings).

Palmiery then presented and identified a Joint Counter-Affidavit which the members of the Investment Committee filed with the Office of the Ombudsman. He confirmed the statement contained in the last paragraph of the joint affidavit that the Investment in Belle Shares was made solely on the basis of the compliance with the law and GSIS internal guidelines. Palmiery was not aware of any phone call made by FPres. Estrada to Pascual. He further explained that

the acquisition of the Belles Shares was pursuant to the directive of General Manager Pascual. Palmiery related that he received a call from Pascual and instructed him to review and study the prospects of Belle Corporation with the end objective to purchase shares of stock of the said corporation up to the limit allowed under the existing guidelines of GSIS. The evaluation was pursued and approved.

On cross-examination, Palmiery admitted that under GSIS Resolution No. 284 series of 1992, General Manager Pascual was given the sole authority to trade in stocks listed or traded in the two (2) major stocks exchange, and under GSIS Resolution No. 273, he was granted the continuing authority to buy Belle Shares. Resolution No. 273 was then amended in 1998 by the GSIS providing for the continuing authority for the President and General Manager as well as the Executive Vice President and the Senior Vice President for Corporate Finance to purchase and sell stocks traded in the Stocks Exchange at prevailing prices.

On re-direct examination, Palmiery testified that when General Manager Pascual called and instructed him to purchase Belle Shares the number of shares to be purchased was specified to be within the limits of the GSIS Guidelines which was the number of shares equivalent to one board seat or 10% of the outstanding shares whichever is higher. [TSN dated December 13, 2004 and TSN dated January 24, 2005]

**HON. HERMOGENES DIAZ CONCEPCION** (Concepcion) was a Retired Associate Justice of the Supreme Court and Chairman of the Board of Trustees of the Government Service Insurance System (GSIS).

Concepcion testified that he was familiar with the Belle Resources and Shares of Stocks, and confirmed the veracity and accuracy of the statement in paragraph 10 of his Affidavit. With respect to the acquisition that took place on October 13 to 21, 1999, witness Concepcion explained that the President/General Manager of the GSIS has full authority to buy and sell shares listed in the stock exchange of the amounts within the boundary set forth by the Board of Trustees. So, the President buys and sells these securities without the Board knowing what he did because decisions have to be made sometimes on the spot in order to get a better margin. Paragraph 16 (2) of the Counter-Affidavit was checked with the records of the GSIS, the Committee in charge of the investment, and the amounts made by the GSIS on these shares, P145,859,195.94, was furnished to them. Witness Concepcion explained that during the period from 1993 to 2000, the GSIS would buy shares then sell them, buy shares then sell them, and by that process, the GSIS made P145 Million as profit or actual gain. Witness also stated that paragraph 16 (9) which refers to the purchase of 351,878,000 shares was based on the records of the GSIS.

Concepcion also testified that then President and General Manager Federico Pascual never told them that FPres. talked to him nor discussed to the witness the alleged directive or pressure brought upon him by FPres. Estrada. There was no need to ask Federico Pascual why he bought shares because there is the presumption that our functions are regularly performed. [TSN dated December 8, 2004]

**MERCEDITAS GARCIA GACULITAN** (Gaculitan) was the Corporate Secretary of the Social Security Commission (SSS). Gaculitan testified that before these investments in Belle Resources Corporation were made prior approval of the investment by the Commission en banc were obtained since all purchases and all investments are required to be approved or passed upon by the Social Security Commission. [TSN dated December 13, 2004]

Accused **FORMER PRESIDENT JOSEPH EJERCITO ESTRADA** testified on his own defense. The relevant portions of his testimony are set forth below.

#### **The purchase of Belle Shares according to accused FPres. Estrada**

In the Memorandum for FPres. Estrada, the defense stated that under this indictment, the Prosecution incur the bounden duty to prove:

1. accused Estrada's acts constitutive of directing, ordering and compelling the GSIS and SSS to buy Belle Shares;
2. the purchase were made solely due to the said acts of compulsion by accused Estrada;
3. the extent and parameter of Estrada's acts relative to the questioned purchases;
4. the alleged profit commission is government fund or money; and
5. damages to the government or People of the Philippines.

The Defense claims that the prosecution's evidence itself shows that (1) the transaction complained of was perfectly valid, since accused FPres. Estrada did not direct, order or compel SSS and GSIS to buy Belle Shares and (2) there is no proof that any commission was paid to the accused. [Defense Memorandum, p. 192]

To bolster its claim that the purchase of Belle Shares was a perfectly valid transaction, the Defense pointed to the following portions of Arellano's testimony:

1. That the purchase of Belle Shares was a routine transaction in the regular course of business, for SSS had previously purchased Belle Shares at profit;
2. What was told by FPres. Estrada to Arellano was simply to initiate the acquisition of Belle Shares. How many shares he was ordered to buy and at how much price per share, was never dealt with in the phone conversation;
3. The above notwithstanding, Arellano proceeded on his own volition with the acquisition of the 249 Million Belle Shares.
4. The Decision to purchase was exclusively his and the policy making body of SSS. [Ibid. pp. 193-194, citing TSN, November 8, 2001, pp. 63, 73-74, 75-76]

The Defense argues that the reason why Arellano testified in the manner he did and executed an affidavit implicating FPres. Estrada in the instant plunder case notwithstanding that there was nothing irregular, illegal or anomalous in the October 21, 1999 acquisition of Belle Shares was because his testimonies and affidavit are his last ditch effort to exculpate himself from possible plunder charges where he may be detained without bail considering that plunder is a capital offense. [Ibid. p. 197]

Likewise, the Defense cited the testimony of Capulong who testified that he examined and audited all the acquisition papers and the various confirmation slips and official receipts covering the acquisition and found them to be in order. Hence he had no objection to, but on the contrary, approved the payment of the said acquisition. Said witness also testified that as far as he was concerned, there was nothing illegal or irregular or anomalous in the SSS purchase of Belle Shares in October 21, 1999 and that it was a legal investment and a valid investment that is in the list of investment of SSS. That it is not an irregular investment and it is said that it might be somewhat not ordinary in the sense that in this case there was a call. [Ibid. p. 198, citing TSN, November 14, 2001, p. 53]

Insofar as the acquisition by GSIS of Belle Shares, the Defense argued that the purchase by GSIS was in accordance with investment policy and rules.

The Defense sought to establish that the Belle Shares were qualified under GSIS policy and charter and GSIS may by itself and in accordance with its rules, purchase Belle Shares without the need of any order or compulsion from anybody as shown by the testimony of Pascual, the President of GSIS when he admitted that even way back in 1993, GSIS had been purchasing or dealing with Belle Shares and had already made profits at the extent of around P145,000,000.00 since 1993 up to the present prior to his coming in as the new General Manager of GSIS. [TSN, November 22, 2001, pp. 61 to 62] That the purchase was in accordance with the GSIS policy was established by Pascual's testimony that the trading



department under the Corporate Finance Group investigated and made further inquiries in connection with the shares and concluded that there would be no violation that could have been committed by GSIS in the purchase of the shares. [TSN, December 3, 2001, pp. 14 and 15] Pascual further testified that the price of P3.13 per share was the worth of the shares around the time it was purchased and it was reported to him by his people that the reason why they bought so much was because there was a history of profitability and that they already had a P1,000,000,000.00 turnover plus and he felt that it was “a good buying afterwards.” (sic) [Defense Memorandum, p. 204] Pascual also testified that he had no information if anybody benefited from the purchase of Belle Shares that took place on October 13 to 21 and admitted that GSIS was suffering a paper loss because of the purchase. [Ibid. p. 204-205, citing TSN, November 22, 2001, pp. 83-84]

Defense argued that assuming *arguendo* that there was an instruction from FPres. Estrada for such purchase, such instruction was not too compelling or irresistible to directly cause the execution of the purchase suggestion and that such instruction was immaterial because the GSIS Board which approved the transaction did not receive the alleged instruction of the Former President and that in the same vein, the GSIS decided on the purchase independently, free from any compulsion by an outsider as the instruction given by Pascual was to the effect that a study be conducted and if the Belle Shares are qualified, to buy within the range of their authority. [Defense Memorandum, pp. 205-206, citing TSN, December 3, 2001, p. 93]

As to Pascual’s testimony that it was unusual for FPres. Estrada to call him for the purchase of a (sic) particular shares, the Defense pointed out that as per admission of Pascual, what he meant by unusual was that FPres. Estrada called him when he was out of the country. Defense pointed out however, that as testified by FPres. Estrada, the latter did not know that Pascual was out of the country when he called. [Ibid. p. 209] Defense pointed out that, by Pascual’s admission, the GSIS Board was not pressured into finding that the Belle Shares were okay, above board, and that they were not pressured by anybody into concluding the purchase. [Ibid. p. 214, citing TSN, December 3, 2001, p. 93]

FPres. Estrada testified that he appointed Arellano and Pascual and he knows that Belle Resources is the developer of Tagaytay Highlands because sometimes, he spends his weekend in Tagaytay Highlands. [TSN, April 26, 2006 (pm), p. 10-11] He denied that he instructed or ordered Pascual to buy Belle Shares on September 6, 1999 during a meeting with him. What he told Pascual was to study and make due diligence if Belle Shares will be beneficial to the GSIS. To which Pascual answered “Yes” and that he has this Corporate Finance Group to make the study. As to the testimony of Pascual regarding his telephone

conversation with FPres. Estrada, the latter testified that he did not know that Pascual was abroad and he talked to him not about Belle Shares but about delayed benefits of GSIS members. [Ibid. pp. 17, 24] He denied ordering Pascual to buy Belle Shares. [Ibid. pp. 15-17] He claimed there was nothing irregular about his instruction to Pascual when he only told him to make a serious study and due diligence. [Ibid. p. 22]

As regards Arellano's testimony, FPres. Estrada denied that he ever called Arellano nor did he order him to buy Belle Shares. He remembers that Mr. Jaime Dichaves told him, that being one of the members of the Board of Directors, the latter informed him that Belle Resources are offering their stocks to GSIS and SSS and that Dichaves was looking for investors, local and foreign and he told Dichaves that it will be upon the study of SSS and GSIS who will decide whether they are buying or not. [Ibid. p. 25] As regards the telephone conversation with Arellano, FPres. Estrada testified that they talked in Tagalog and he said to Arellano to study the offer of Belle Resources and if it will be beneficial to the government then why not. To which Arellano answered "Yes, sir," that he would refer the matter to the Investment Committee to give due diligence. [Ibid. pp. 26-27] FPres. Estrada denied that he pressured Arellano and said that he noticed that the testimony of Pascual and Arellano are the same as if they are of the same script. [Ibid. p. 29] FPres. Estrada stated that Pascual or Arellano, admitted buying Belle Shares and they were the ones who decided the amount and how much to buy and they did not inform him anymore. [Ibid. p. 32] As regards the testimonies of Pascual and Arellano, FPres. Estrada testified that it seems they have only one lawyer. He learned that Pascual and Arellano were called by then DOJ Secretary Perez and it was the latter who pressured them to testify against him and they were threatened to be charged with plunder. He also learned that Secretary Perez gave them a lady lawyer but he does not know the relation of Perez to that lady lawyer. [Ibid. p. 37] FPres. Estrada testified that after Arellano testified in Court, the latter called him and apologized because according to him, he could not do anything since he was threatened by Secretary Perez with the words that if they can send the President to jail, what more of him? [Ibid. p. 41]

FPres. Estrada also denied knowledge of the alleged conversation and transaction between Ocier and Dichaves. He testified that Mr. Dichaves was, at that time, one of the members of the Board of Directors of Belle Resources and a business man. [Ibid. p. 42] FPres. Estrada cited instances when he was offered commissions but he rejected them such as the IMPSA and SGS deals. [Ibid. pp. 45-48] His reaction to Arellano's statement to him that the latter was threatened was to say that he understood because the same thing happened to him when he was offered by Secretary Nani Perez that he could go to any country of his choice but he refused. [Ibid. pp. 49-50]

## **FINDINGS OF FACT**

*Re: Sub-paragraph (c) of the Amended Information*

We find that the prosecution has established beyond reasonable doubt that FPres. Estrada directed and instructed Arellano and Pascual for SSS and GSIS respectively to buy Belle Shares.

As can be culled from the testimonial and documentary evidence of the Prosecution, the following circumstances surround the purchase of the Belle Shares by GSIS and SSS.

On July 20, 1999, Ocier and Dichaves discussed the matter of the sale of the 650,000,000 shares of Belle, in the light of a recent call for payment of unpaid subscription which the Board of Directors of Belle Corporation decided to address its debt problems. Ocier explained to Dichaves that he needs the latter's help in selling the Belle Shares to cover for the 75 per cent unpaid subscription. They agreed to divide the task of looking for buyers of these Belle Shares with Ocier looking for foreign buyers and Dichaves to look for local buyers. [TSN, January 7, 2002, p.18]

In a subsequent meeting with Dichaves, the latter confirmed to Ocier that there was a good chance that GSIS and SSS may be willing to buy the Belle shares as Dichaves had taken up the matter already with FPres. Estrada and that Dichaves told him that the Former President had already spoken to Carlos Arellano of SSS and Ding Pascual of GSIS about the said matter. [Ibid, p. 19]

After a few weeks, Dichaves called Ocier and told the latter that the transaction may be pushing through but that a commission will have to be paid as a condition for the purchase to push through. [Ibid. p. 21] As per Ocier's testimony, Dichaves told him that it was FPres. Estrada who imposed the condition. [Ibid. p. 26] Since the shares involved was approximately 600,000,000 to 650,000,000 and the price of Belle at that time was about P3.00 per share, the total expected proceeds of the sale was almost Two Billion Pesos and the commission involved would amount to Two Hundred Million Pesos. [Ibid. p. 23]

Since the payment of the commission was the only way for the transaction to push through, he was constrained to agree to the payment of the commission. [Ibid. p. 36]

On September 6, 1999, at a meeting with FPres. Estrada, Federico Pascual, President of GSIS was instructed by the President to buy Belle Shares. [TSN, November 22, 2001, p. 20]

On October 6 1999, Carlos Arellano got a call from FPres. Estrada and was told: “Gusto ko kayo ni Ding Pascual ay tignan ninyo ang pagbili ng Belle Corporation sa stock market. [TSN, November 7, 2001, p. 77] He thought that the words “tignan ninyo” was an instruction for him. [Ibid. p. 80] After the instruction he asked the people in the Investment Department of SSS to take a look and review the shares of Belle as an investment item in the portfolio of SSS and also to find out to what extent the SSS can further increase the SSS position in the said stock. [Ibid. p. 82]

He got a call from FPres. Estrada the week after and he was asked to see the President at Malacanang. [Ibid. p. 95] At Malacañang he saw FPres. Estrada with Jaime Dichaves. While he was there he approached the President who stood up and took him aside and asked whether this time, he had followed FPres. Estrada’s instructions to buy Belle shares. He replied: “Tinitignan pa po ng Investment committee namin”; [Ibid. p. 97-104] When he answered this to the President, he recalled that the reaction of the President was to tell him “Bilisan ninyo na, bilisan.” [Ibid. p. 107] Upon receiving these instructions, he still did not do anything for a few days after. [Ibid. p. 115]

After several days, he received another call from FPres. Estrada and the latter repeated “Bilisan mo, bilisan ninyo na.” As far as he was concerned, it was more serious than previous orders given to him. [Ibid. p. 124]

October 9, 1999 while Pascual was abroad, he talked by phone to FPres. Estrada who asked him “bakit hindi ka pa bumibili ng Belle” to which he replied “tatawag ho ako sa head office at papa-aralan ko.” [TSN, November 22, 2001, pp. 56-57] He felt that the President was more serious in his instructions in the sense that, he was away and there was this telephone call and he felt that FPres. Estrada was already agitated. [Ibid. p. 24] He ordered the purchase of the Belle Shares on the same day. The President gave him the instructions to buy and he also made instructions to his people to buy, that was the chain of events. [Ibid. pp. 68; 74]

For the period October 13-21, 1999, GSIS bought 351,878,000 Belle Shares and paid P1,102,965,607.50 (Exh. N), and the Social Security System (SSS) bought 329,855,000 Belle Shares for P744,612,450.00 on October 21, 1999. [TSN, February 14, 2005, p.78]

That the purchase of Belle Shares by GSIS and SSS was the result of the instructions of the FPres. Estrada is borne out by the following circumstances:

1. The sequence of events beginning from the time Ocier agreed to the payment of

commission, to the instructions transmitted personally and by telephone calls from FPres. Estrada to Pascual and Arellano, to the actual purchase of Belle Shares by GSIS and SSS.

2. The haste with which GSIS and SSS bought Belle Shares. In the case of GSIS, from October 9, 1999 (when the “agitated instructions” were given) to October 13, 1999 (the date when the first purchases were made) or a period of 4 days. In the case of SSS, a few days after October 13, 1999, ( the date when the “more serious” order was given by FPres. Estrada to Arellano) to October 21, 1999 (the date when the purchases were made) or a period of no more than 8 days. The instructions to buy originated from FPres. Estrada and cascaded to Pascual and Arellano then to GSIS and SSS respectively.
3. The obedience to FPres. Estrada’s instructions despite Arellano’s reluctance to do so because he believed that it was not the proper timing and the volume that was being considered was too much and not yet the proper time. [TSN, November 7, 2001, p. 102] And in the case of Pascual, his reluctance to buy because he was not very comfortable with Belle because some people are of the opinion that Belle Shares, because the corporation is involved in jai-alai and gambling, has speculative flavor. [TSN, November 22, 2001, Ibid. p. 20]
4. The relationship of Pascual and Arellano to FPres. Estrada, who, being the appointees and subordinates of FPres. Estrada, cannot refuse the instruction of their superior.
5. The manner in which the instructions were given. In the case of Arellano, he felt that the third order was more serious than previous orders given to him. [TSN, November 7, 2001, p. 124] And, in the case of Pascual, because he felt that FPres. Estrada was already agitated. [TSN, November 22, 2001, p. 24]

We find no merit to the claim of the Defense that the prosecution’s evidence itself shows that: (1) The transaction complained of was perfectly valid, since accused FPres. Estrada did not direct, order or compel SSS and GSIS to buy Belle Shares and (2) There is no proof that any commission was paid to the accused. [Defense Memorandum, p. 192]

The denial of FPres. Estrada that he instructed Pascual and Arellano to buy Belle Shares cannot overcome the straightforward and direct testimony of Pascual and Arellano attesting to the persistent instructions given by FPres. Estrada which is replete with details. Mere denial by an accused, particularly when not properly corroborated or substantiated by clear and convincing evidence, cannot prevail over the testimony of credible witnesses who testify on affirmative matters. Denial, being in the nature of negative and self-serving evidence, is seldom given weight in law. Positive and forthright declarations of witnesses are often held to be worthier of credence than the self-serving denial of the accused. [People v. Quilang, 312 SCRA, 328, 329]

Neither can We give more weight to the claim of the Defense that the purchase of Belle Shares was a perfectly valid transaction even as it pointed to the following portions of Arellano’s

testimony:

1. That the purchase of Belle Shares was a routine transaction in the regular course of business, for SSS had previously purchased Belle Shares at profit;
2. What was told by FPres. Estrada to Arellano was simply to initiate the acquisition of Belle Shares. How many shares he was ordered to buy and at how much price per share, was never dealt with in the phone conversation;
3. The above notwithstanding, Arellano proceeded on his own volition with the acquisition of the 249 Million Belle Shares.
4. The Decision to purchase was exclusively his and the policy making body of SSS. [Ibid. 193-194, citing TSN, November 8, 2001, pp. 63, 73-74, 75-76]

for prefatory to these actions of the SSS were the instructions given by FPres. Estrada to Arellano and the compliance with said instructions by Arellano. While it is true that the SSS had previously granted authority for additional investment by SSS in Belle Shares prior to and up to 1999, it was only in the 1999 purchases that there was an instruction coming from FPres. Estrada through Arellano to purchase Belle Shares.

The evidence of the Defense show that the 1<sup>st</sup> Indorsement dated September 29, 1999 re: proposal to increase by P450,000,000.00 the investment allocation for Belle to total P1,300,000,000.00 was not signed by Arellano (Exh. 242), contrary to the assertion of the Defense. [In its formal offer of Evidence on p. 45, Defense claimed that Exh. 247 was executed by Arellano. Exh. 247 is the same as Exh. 242]

Neither was there any documentary evidence submitted showing the approval by the Commission of the proposal increasing by 450,000,000 the investment allocation for Belle to total P1,300,000,000.00.

Likewise, the testimony of Capulong - that he examined and audited all the acquisition papers and the various confirmation slips and official receipts covering the acquisition and found them to be in order and hence, he had no objection to, but on the contrary approved the payment of the said acquisition; that as far as he was concerned, there was nothing illegal or irregular or anomalous in the SSS purchase of Belle Shares in October 21, 1999 and that it was a legal investment and a valid investment that is in the list of investment of SSS; that it is not an irregular investment and it is said that it might be somewhat not ordinary in the sense that in this case there was a call [Defense Memorandum, p.198, citing TSN, November 14, 2001, p. 53], in fact corroborates Arellano's statement that indeed there was a call from FPres. Estrada instructing the purchase of Belle Shares.

Moreover, Capulong, in his testimony, stated that Belle Corporation Shares were no longer qualified stocks since Belle had not declared dividends whether in cash or stock in 1997, 1998 and 1999. [TSN, February 14, 2005, p. 75]

He likewise testified that it was former President and Chairman Carlos A. Arellano who directly gave the orders to the brokers to purchase Belle Shares in behalf of the SSS and he (Capulong) had nothing to do directly insofar as the acquisition was concerned since his participation is merely limited to recommend the increase of the funding for the acquisition of the shares. [TSN, February 11, 2002, p. 11]

Capulong further testified that for the month of October, 1999, the SSS bought 389,855,000 shares with a value of P1,031,126,400.00. [Ibid. p. 38] In his subsequent testimony, Capulong testified that on October 21, 1999, the SSS bought 249,679,000 shares at the value of P784,551,150.00 at an average price of P3.14/share. [TSN, February 14, 2005, p. 78] After October 21, 1999, Belle Shares was on a downward trend going down to the P1.00 level by the year 2000. By October 23, 2001, it went below P1.00, then it went down to 70 centavos by February 15, 2001. As of February 11, 2002, it was being traded at 40 to 50 cents. [Ibid. pp. 92-93]

Capulong further testified that out of the 249,679,000 shares which SSS bought on October 21, 1999 for P784,551,150.00, a total of 96,366,000 shares were sold at an average selling price of P1.7736/share resulting in a loss amounting to P127,464,710.00. [TSN, February 18, 2002, pp. 94-95]

The Defense argues that the reason why Arellano testified in the manner he did and executed an affidavit implicating FPRES. Estrada in the instant plunder case notwithstanding that there was nothing irregular, illegal or anomalous in the October 21, 1999 acquisition of Belle Shares was because his testimonies and affidavit are his last ditch effort to exculpate himself from possible plunder charges where he may be detained without bail considering that plunder is a capital offense. [Defense Memorandum, p. 197]

This argument of the Defense are mere allegations and extracted from FPRES. Estrada's testimony that Arellano called him up and explained the circumstances behind Arellano's execution of his Affidavit which are however, uncorroborated.

Neither do we find that the presence of the instruction from FPRES. Estrada is negated by the argument of the Defense that the acquisition by GSIS of Belle Shares, was in accordance with investment policy and rules.

The Defense sought to establish that the Belle Shares were qualified under GSIS policy and charter and GSIS may by itself and in accordance with its rules, purchase Belle Shares without the need of any order or compulsion from anybody as shown by the testimony of Pascual, the President of GSIS when he admitted that even way back in 1993, GSIS had been purchasing or dealing with Belle Shares and had already made profits at the extent of around P145,000,000.00 since 1993 up to the present prior to his coming in as the new General Manager of GSIS. [TSN, November 22, 2001, pp. 61 to 62] That the purchase was in accordance with the GSIS policy was established by Pascual's testimony that the trading department under the Corporate Finance Group investigated and made further inquiries in connection with the shares and concluded that there would be no violation that could have been committed by GSIS in the purchase of the shares. [TSN, December 3, 2001, pp. 14 and 15] Pascual further testified that the average price of P3.14 per share was the worth of the shares around the time it was purchased [TSN, November 22, 2001, pp. 89-90] and it was reported to him by his people that the reason why they bought so much was because there was a history of profitability and that they already had a P1,000,000,000.00 turnover plus and he felt that it was "a good buying afterwards." (sic) [TSN, November 28, 2001, p. 55]

Nowhere in the argument of the Defense does it establish the absence of the instruction of FPres. Estrada to Pascual, other than the self-serving denial of FPres. Estrada.

Moreover, as Pascual testified, the GSIS profits in 1999 did not come from Belle Shares. Furthermore, the fact that GSIS made profits to the extent of around P145,000,000.00 since 1993 did not mean that it made profits from the Belle Shares purchased in 1999. As testified by Pascual, the actual profit of the GSIS in 1999 did not come from Belle Shares but from other stocks and there was no contribution to the profit of GSIS from the Belle Shares acquisition because up to the present they are still holding on to the Belle Shares. [TSN, November 22, 2001, p. 81] Even the evidence of the Defense shows that as of December 29, 2000, the value of Belle Shares had gone down to P0.69/share from the average purchase price of P3.14/share and an allowance for probable loss of P374,052,750.00 had been set up (Exh. 250, J-12).

FPres. Estrada's testimony that he called Pascual to inquire about delayed GSIS benefits is negated by the fact that after the call to Pascual, the latter gave instructions to buy Belle Shares. If benefits were being delayed, why would GSIS spend billions of pesos to buy Belle Shares instead of setting aside these monies to avoid delay in GSIS benefits?

Defense argued that assuming *arguendo* that there was an instruction from FPres. Estrada for such purchase, such instruction was not too compelling or irresistible to directly



cause the execution of the purchase suggestion and that such instruction was immaterial because the GSIS Board which approved the transaction did not receive the alleged instruction of the President and that in the same vein, the GSIS decided on the purchase independently, free from any compulsion by an outsider as the instruction given by Pascual was to the effect that a study be conducted and if the Belle Shares are qualified, to buy within the range of their authority. [Defense Memorandum, pp. 205-206]

Pascual's testimony that when he talked to FPres. Estrada and the latter asked him why he had not bought Belle Shares in an agitated tone; that he did not mention the instruction of FPres. Estrada to others because the instruction was specific to him; that on October 9, 1999 after his telephone conversation with FPres. Estrada, he gave the instruction to GSIS to buy Belle Shares should be afforded stronger weight and more probative value than the arguments of the Defense. As stated earlier, the Prosecution has established that it was the instructions of FPres. Estrada that triggered the instructions of Pascual and Arellano to GSIS and SSS respectively which caused these agencies, in turn to follow the usual procedures established for the purchase of the shares which finally culminated in the purchase of the Belle Shares by GSIS and SSS.

As to Pascual's testimony that it was unusual for FPres. Estrada to call him for the purchase of a (sic) particular shares, the Defense pointed out that as per admission of Pascual, what he meant by unusual was that FPres. Estrada called him when he was out of the country. Defense pointed out however, that as testified by FPres. Estrada, the latter did not know that Pascual was out of the country when he called. [Ibid. p. 209] Defense pointed out that, by Pascual's admission, the GSIS Board was not pressured into finding that the Belle Shares were okay, above board, and that they were not pressured by anybody into concluding the purchase. [Ibid. p. 214, citing TSN, December 3, 2001, p. 93]

We fail to see how the admission of Pascual that it was unusual for FPres. Estrada to call him to inquire about why GSIS had not purchased Belle Shares in an agitated tone and the statement of FPres. Estrada that he did not know that Pascual was out of the country at the time he called Pascual could lead to the conclusion that the GSIS Board was not pressured into finding that the Belle Shares were "okay," "above board" and that they were not pressured by anybody into concluding the purchase. The issue was not whether the GSIS Board was pressured into finding that the Belle Shares purchase was "okay" or "above board," but whether FPres. Estrada pressured Pascual into ordering GSIS to buy Belle Shares.

The testimonies of defense witnesses, Justice Hermogenes D. Concepcion, Jr., the former Chairman of GSIS, and Reynaldo Palmieri, Executive Vice-President of GSIS, did not

disprove that FPres. Estrada gave instructions to Pascual for GSIS to buy Belle Shares since, as admitted by them, they were not aware of such instructions. Nowhere in the testimony of Pascual did he state that he informed these people of the instructions of FPres. Estrada because, as stated by Pascual, the instructions were specific to him so he didn't want to involve his management anymore. [TSN, November 28, 2001, pp. 9- 10]

**The P189,700,000.00 Check No. 6000159271 payable to cash, drawn on International Exchange Bank with Eastern Securities Corporation as drawer**  
[Exh. R-R-4]

After the purchase by GSIS and SSS of the Belle Shares, Ocier caused the preparation of a check by Eastern Securities Development Corporation in the amount of P189,700,000.00 representing the profit commission to be paid from the sale. [TSN, January 14, 2002, p. 33-36]

Ocier identified **International Exchange Bank Check No. 6000159271** dated November 5, 1999, **payable to cash** in the amount of P189,700,000.00 with Eastern Securities Corporation as Drawer. Ocier testified that the check was prepared so that he can hand carry and deliver it to Dichaves as per their agreement when he agreed to pay P 200,000,000.00 commission. [TSN, January 7, 2002, p. 49] When asked who was supposed to get the commission, Ocier answered that according to Jaime Dichaves, President Estrada was supposed to get the commission. [Ibid. p. 55]

Ocier testified that he delivered the check to the residence of Dichaves in No. 19 Corinthian Gardens, Quezon City [TSN, January 9, 2002, p. 13] and he delivered the check because he had a pre-arranged appointment with Dichaves wherein he was supposed to hand the check to Dichaves. [Ibid. p. 15] Mr. Dichaves arranged the appointment because he wanted Ocier to explain in person why the check amount is P189,700,000.00 when the pre-agreed amount was P200,000,000.00. [Ibid. p. 18] Ocier explained that he deducted transaction taxes and brokers' commissions from the amount of P200,000,000.00 and rounded the figure to P189,700,000 of (sic) which Dichaves agreed. Ocier learned later on that the check he delivered to Dichaves was deposited at Far East Bank to the account which he believes belonged to Dichaves. [Ibid. p. 60]

On cross-examination, Ocier admitted that FPres. Estrada was not present when he had his conversation with Dichaves on the Belle shares on July 20, 1999. [TSN, January 14, 2002, pp. 20-29] Neither did he talk to FPres. Estrada after the check for P189,700,000.00 (Exh. R) was issued and cleared nor did he inquire from FPres. Estrada whether he received or was credited in any of his account with the amount stated in the check. [Ibid. pp. 39-40] Ocier likewise testified that he did not have the opportunity to discuss the profit commission, nor the

receipt of the profit commission nor the Velarde account with FPres. Estrada despite the fact that he had constant meetings with FPres. Estrada. [Ibid. p. 60-61]

When Ocier was asked if he could say that Dichaves was instructed by FPres. Estrada regarding the profit commission, Ocier answered that he trusts his cousin Dichaves and whatever the latter tells him he would normally believe. Ocier also testified that the totality of what he stated in his affidavit about the instruction, or the representation made by Dichaves was not corroborated or confirmed by FPres. Estrada or anybody else representing him because it was just between him and Dichaves. [Ibid. pp. 39-45]

Citing Ocier's testimony, Defense argues that such testimony on the subject sales and commission are purely hearsay and does not bind FPres. Estrada. What is clear on the record is that the commission went to Dichaves as gleaned from Ocier's testimony. [Defense Memorandum, p. 221-222]

In an attempt to establish that there was no evidence that FPres. Estrada received any percentage or commission from the sale of Belle Shares, the Defense pointed out that Capulong's testimony indicated that while there was a broker's commission, which was paid to brokers like Abacus Securities Corporation. [Defense Memorandum, pp. 215-216, citing TSN, February 11, 2002, pp. 13-16] In the case of the 389,855,000 Belle Shares bought by SSS for P1,031,126,400.00, the payments went from SSS to the brokers, the buying brokers. [TSN, February 11, 2002, p. 38]

The Court finds that **International Exchange Bank Check No. 6000159271** dated November 5, 1999, **payable to cash** in the amount of P189,700,000.00 with Eastern Securities Corporation as Drawer (Exh. R), was paid as commission in consideration of the purchase of Belle Shares by SSS and GSIS. While the testimony of Ocier to the effect that Dichaves told him that it was FPres. Estrada who imposed the condition for the payment of commission is hearsay insofar as FPres. Estrada is concerned, the said testimony is admissible as proof that such statement was made by Dichaves to Ocier. Testimony of what one heard a party say is not necessarily hearsay. It is admissible in evidence, not to show that the statement was true, but that it was in fact made. If credible, it may form part of the circumstantial evidence necessary to convict the accused. [Bon vs. People, 419 SCRA 103]

As regards the argument that Capulong's testimony indicated that while there was a broker's commission, this was paid to brokers such as Abacus Securities Corporation and that the purchase price of P 1,031,126,400.00 for 389,855,000 Belle Shares went from SSS to the buying brokers, again, we find this argument of the Defense to be unavailing. The issue is not

whether FPres. Estrada received Broker's commission or received the payment from SSS, but whether he received the commission mentioned by Dichaves to Ocier as consideration for the purchase of Belle Shares by GSIS and SSS.

Having found that a commission was paid in consideration of the purchase of Belle Shares by SSS and GSIS, the next issue that this Court must determine is whether the commission went to FPres. Estrada or Dichaves.

### **The paper trail for International Exchange Bank Check No. 6000159271**

#### **First: Far East Bank and Trust Co. (Cubao-Araneta Branch)**

In tracking the check (Exh. R), Prosecution presented Ms. Yolanda de Leon, (De Leon), Senior Manager of BPI (Cubao-Araneta Branch) formerly Far East Bank and Trust Co. [BPI merged with Far East Bank sometime in 2000] De Leon testified that Dichaves was one of the valued clients of the Bank and that Jaime Dichaves and Abby Dichavez had joint current and savings accounts with then Far East Bank and Trust Company in 1999. The Current Account had the No. 0007-05558-7 and the Savings Account had the No. 0107-38639-9 (C/A No. 0007-05558-7 and S/A No. 0107-38639-9). [TSN, February 4, 2002, pp. 23-24; (Exhs. BB and Z)] She identified the microfilm copy of **International Exchange Bank Check No. 6000159271** [Ibid. p. 39-41; Exh. DD] dated November 5, 1999 in the amount of P189,700,000.00 as the check that was deposited to the savings account of Dichaves on November 5, 1999 as evidenced by the microfilm of the deposit slip [Ibid. pp. 42-44; Exh. EE] and the bank statement of account for S/A No. 0107-38639-9 dated November 30, 1999. [Ibid. pp. 48-49; Exh. FF, FF-1]

She testified that on November 9, 1999, the amount of P189,700,000.00 was auto-transferred from S/A No.0107-38639-9 to C/A No.0007-05558-7 as appearing in the Statement of Accounts for S/A No. 0107-38639-9 and C/A No. 0007-05558-7. [Id.; Exh. FF-2; Exh. GG, GG-1] She also testified that Jaime Dichaves drew a check against C/A No. 0007-05558-7 in the amount of P189,700,000.00 as evidenced by **Far East Bank and Trust Co. Check No. 3165579**, a microfilm copy of which she identified. [Ibid. p. 52-53; Exh. HH] She testified that at the dorsal portion of the microfilm copy of Check No. 3165579, there appears an account number 160-625015 [Ibid. p. 56; Exh. HH-4] but she could not identify the bank that the account belongs because the bank indorsement of the other bank was not clearly visible. She further testified that both C/A No. 0007-05558-7 and S/A No. 0107-38639-9 were closed as of February 29, 2000 and March 31, 2000 respectively. [Ibid. p. 57; Exhs. II and JJ]

On cross-examination, De Leon testified that she had no hand in the preparation of the Statement of Accounts marked as Exhs. FF, ZZ, II and JJ. [Ibid. p. 84]

The Court finds that **International Exchange Bank Check No. 6000159271** dated **November 5, 1999** was deposited to **Far East Bank and Trust Co.** S/A No. 0107-38639-9 of Jaime Dichaves and auto-transferred to C/A No.0007-05558-7 of Jaime Dichaves who drew from the latter account, **Far East Bank and Trust Co. Check No. 3165579** for **P189,700,000.00**.

**Second: EPCIB Greenhills-Ortigas Branch to EPCIB Binondo Branch  
S/A 0160-62501-5 with the Account Name Jose Velarde**

The prosecution's evidence on the deposit of **Far East Bank Araneta Check No. 3165579** which was the subject of an inter-bank deposit from EPCIB Greenhills Ortigas Branch to EPCIB Binondo Branch Account No. 0160-62501-5 in the name of Jose Velarde consisted in the testimony of Ms. Glyzelyn Bejec, the Teller who processed the Deposit Receipt marked as Exhibit I<sup>5</sup>. She testified that as of November 8, 1999, she was assigned to the EPCI Bank Greenhills Ortigas Branch as Customer Service Assistant Teller with Teller Identification No. 8. Her basis for indicating the number "0160-62501-5" in the Deposit Receipt was the Account Information Slip which is filled in by the depositor or the representative of the depositor. [TSN, May 6, 2002, pp. 46-47; 61]

After she was given the Account Information Slip together with the four checks, she first verified the face of the check as to the date, the amount in words and figures, after which she stamped the non-negotiable endorsement at the back of each check, and also, she wrote down the account number indicated on the Account Information Slip given to her. She wrote down the account no. 0160-62501-5 at the dorsal portion of the check after which she deposited the checks to the Account No. indicated in the Account Information Slip. [Ibid. p. 65; 68]

She explained that the deposit process involved first, encoding the account number given in the Account Information Slip, after which she swiped each check on the check reader and encoded the amount on each check and after that a deposit receipt was generated. After she had encoded the account number and the amounts of the four (4) checks that she processed for deposit the account name that reflected in the computer was "Jose Velarde." [Ibid. p. 69-70]

The checks that she processed for deposit were forwarded to their distributing for safekeeping and microfilming the next day. When she was shown the certified copy of **Far East Bank Check No. 3165579** in the amount of P189,700,000.00 from the Philippine Clearing House Corporation, she testified that this was the same check she processed and she identified

the dorsal portion where she wrote Account No. 160-625-015 (sic). Her other means of identifying the check was her Teller ID no.8 which appears at the check (Exh U<sup>4</sup>-1) and she identified the account holder of the check as Jaime C. Dichaves or Abe (sic) C. Dichaves and she attested that the check is payable to cash. She testified that the Bank accepts checks even if not endorsed by the depositor she accepted the check even without endorsement because it was given to her by the Branch Manger for deposit. [Ibid. p. 72-84]

On cross-examination she testified that she threw away the Account Information Slip because the deposit receipt had been generated or the transaction has been validated in the deposit receipt. [Ibid, p. 89]

To corroborate the testimony of Ms. Bejec, the prosecution presented Ms. Teresa Barcelona, the Branch Manager of the EPCIB Greenhills-Ortigas Branch during the period November, 1999. She identified inter-bank deposit receipt dated 8 November 1999 which was previously marked as Exh. I<sup>5</sup> issued by the EPCIB Greenhills-Ortigas Branch for deposit to account number 0160-62501-5 with the account name Jose Velarde. The transaction is an inter-bank deposit of four (4) checks to the account of Jose Velarde maintained at the Binondo Branch. [TSN, May 15, 2002, p. 80] The total amount of the four (4) checks is P263,292,303.65 of which one check is issued by **Far East Bank and Trust Co. Araneta Branch with Check No. 3165579** amounting to P189,700,000.00. [Ibid. p. 81; Exh. U<sup>4</sup>-1]

The person who transacted the inter-bank deposit with the EPCIB Greenhills Ortigas Branch was Ms. Baby Ortaliza who transacted personally with the witness and it was Ms. Baby Ortaliza who received the third copy of the deposit receipt for the account holder. [Ibid. p. 82] This transaction was processed by Teller Glezelyn Bejec as her Teller ID appears in the deposit receipt. [Id.]

The Defense argued that Bejec stated that the checks were handed to her by the Branch Manager, Teresa Barcelona and not by the person who made the deposit, and that the depositor did not appear before her. Not one of the bank personnel or any other witness presented by the prosecution testified that FPres. Estrada had any participation in the opening of Current Account No.000110-525495-4 (sic) and Savings Account No. 0160-62501-5 in the name of Jose Velarde, nor its closing. Not one of the prosecution witnesses testified as to the source of the funds deposited in the said accounts. Nor was there any witness who could identify any of the persons who issued the checks deposited under the said account and under what circumstances the same were issued. In short, there is no proof that FPres. Estrada “willfully, unlawfully and criminally amassed, accumulated and acquired ill-gotten wealth in the amount of P 3.2 Million (sic).” Neither is there proof that this money came from “commissions,

gifts, percentages, kickbacks or any form of pecuniary benefits given to him” as the source of said money have not been identified or traced. There is no evidence to show that he had enriched himself at the expense of the Filipino people. [Defense Memorandum, pp. 242-243]

At any rate, Defense argues that the documents submitted as exhibits by the prosecution only tend to prove what checks were deposited to the said Account No.0160-62501-5 of Equitable PCI Bank in the name of Jose Velarde. [Ibid. p. 242]

The Court finds that the **Far East Bank and Trust Co. Araneta Branch Check No. 3165579** amounting to P189,700,000.00 drawn by Dichaves was deposited to EPCIB S/A No. 0160-62501-5 account of Jose Velarde as part of the deposit to said account totaling P263,292,303.65 (Exh. I<sup>5</sup>; U<sup>4</sup>-1; 127-L).

### **The link between FPres. Estrada and the Jose Velarde Account**

In discharging its burden of proof to establish that the Jose Velarde Account belong to FPres. Estrada, the prosecution relied on the following:

1. The testimony of Clarissa Ocampo that she saw Fpres. Estrada signed “Jose Velarde” on the Debit-Credit instruction for S/A 0160-62501-5 (Exh. E<sup>5</sup>);
2. The admission of FPres. Estrada [TSN, May 24, 2006, p. 23] that he signed “Jose Velarde” on Exh. E<sup>5</sup>;
3. The many bank transactions of Baby Ortaliza involving the personal accounts of FPres. Estrada and his family, the personal account of Loi Estrada and the Jose Velarde Account;
4. The use of the Jose Velarde Current Account for the purchase of the Boracay Mansion;
5. The funding that the Jose Velarde Account received from the Urban Bank Special Trust Account of FPres. Estrada’s son, Jose Victor Ejercito; and
6. The customary signing of FPres. Estrada as “Jose.”

### **The signatures of FPres. Estrada as “Jose Velarde” in the Investment Management Agreement (IMA), Signature Cards, Investment Guidelines, Directional Letters, and Debit-Credit Authority for EPCIB CA/SA 0160-62501-5 of Jose Velarde**

Clarissa Ocampo testified that after explaining the documents being presented for his

signature, she and Atty. Curato saw FPres. Estrada signed as “Jose Velarde” on the three (3) copies of the Investment Management Agreement (IMA) [Exh. W<sup>4</sup> to Y<sup>4</sup> ; TSN November 13, 2002, pp. 70 -73], two (2) signature cards (Exh. Z<sup>4</sup>; A<sup>5</sup>) which he signed three (3) times [TSN, November 13, 2002, pp. 78-80], one (1) copy of the Investment Guidelines (Exh. B<sup>5</sup>; Ibid. pp. 82-84), two (2) copies of the Directional Letters (Exh. C<sup>5</sup> to D<sup>5</sup>; Ibid. pp. 87-89), and one (1) copy of the Debit-Credit Authority (Exh. E<sup>5</sup>). [Ibid. pp. 92-93] Her testimony regarding the Debit-Credit Authority in particular was as follows:

OMB. MARCELO

Q After these two exhibits marked as Exhibit C to the 5<sup>th</sup> power and D to the 5<sup>th</sup> power were signed by the former President and handed by you to Atty. Curato what happened next?

A I was preparing to go and then I recalled that there was an envelope that was given to me by the banking side which contained the funding medium and so I looked at it, I pulled out the document inside the envelope, I read it and then I gave it to the President for signing.

Q After giving it to the President what happened next?

A Actually, I explained to him that the letter of instruction which is a debit/credit authority, I told him that the banking side gave it to me which authorizes the bank to actually debit or draw 500 Million from his account so I was pointing at the account number in the debit/credit authority so debit his account draw 500 Million and credit the same amount to trust for funding of his loan to Wellex sir.

Q What was his reaction to your explanation?

A He was nodding his head sir.

Q After he nodded his head what happened?

A He signed the document and I saw him signed.

OMB. MARCELO

Q What was the signature affixed by the former President?

A He signed as Jose Velarde.

Q After the former President signed this document as Jose Velarde what happened, if any?

A I got the document and then I looked at it and I passed it on to Atty. Curato.” [TSN, November 13, 2002, pp. 92-93]

On May 24, 2006, FPres. Estrada testified as follows:

Q **Ms. Ocampo and Atty. Curato testified before this court that you signed as Jose Velarde in the documents that you have just identified awhile ago and you signed as Jose Velarde, what can you say as to that testimony?**

A **THAT IS TRUE. “PINIRMAHAN KO PO IYAN DAHIL PO SA PAKIUSAP NI MR. JAIME DE CHAVES (SIC) NA OKAY NA RAW PO YONG INTERNAL ARRANGEMENT SA BANGKO AT PARA PALABASIN NA AKO ANG MAY ARI NG JOSE VELARDE ACCOUNT PARA MASIGURO PO NA YONG KANILANG**



**PINAUTANG, IPAUTANG SA WELLEX GROUP OF COMPANIES NI MR. WILLIAM GATCHALIAN AY SIGURADONG BABAYARAN. AYAW PO NILA SANANG PAUTANGIN SI MR.GATCHALIAN BAKA HINDI DAW PO MAKABAYAD SA TAKDANG PANAHO.** [TSN, May 24, 2006, p. 23; Emphasis Supplied]

William Gatchalian is a big businessman. isang malaking negosyante at siya po ay may ari ng Wellex group of companies at siya rin po ay isa sa tumulong sa aming partido noong nakaraang 1998 presidential election. [Ibid, p. 25]

Q Now, you were requested by Mr. Jaime de Chaves (sic) to make it appear that you own the Jose Velarde account and that there was an internal arrangement between you and Mr. de Chaves (sic) I ask you now Mr. President, when did you agree to such request and arrangement?

A Hindi lang po dahil doon sa internal arrangement. Hindi lang po dahil gusto kong tulungan si Mr. William Gatchalian kundi higit po sa lahat ay nakita ko ang kapakanan noong mahigit na tatlong libong (3000) empleyado na kung sakaling hindi mapapautang si Mr. William Gatchalian, maaring magsara ang kanyang mga kumpanya at yong mga taong, mahigit tatlong libong (3,000) empleyado kasama na yong kanilang mga pamilya ay mawawalan ng trabaho. AT INISIP KO RING NA WALA NAMING (SIC) GOVERNMENT FUNDS NA INVOLVE KAYA HINDI NA PO AKO NAGDALAWANG ISIP NA PIRMAHAN KO.” [Ibid. p. 26-27; Emphasis Supplied]

In the Debit-Credit Authority signed by FPRES. Estrada as Jose Velarde for EPCIB S/A No. 0160-62501-5, the following words expressly appear:

. . . **my SA/CA No.0160-62501-5** maintained with your branch in the amount of P500,000,000.00 and credit my Trust Account No. 101-78056-1 representing my initial contribution (Exh. E<sup>5-3</sup>). [Emphasis Supplied]

**Lucena “Baby” Ortaliza and the bank accounts of FPRES. Estrada and the Jose Velarde Account**

To establish the close relationship and trust of FPRES. Estrada and his family on Lucena “Baby” Ortaliza, the prosecution presented REMEDIOS AXALAN AGUILA, Personnel officer of the Office of the Vice- President (OVP).

She testified that Ortaliza was appointed VP Staff Officer II from January 2, 1996 to June 30, 1998 by FPRES. Estrada. Being in the immediate staff of the Vice-President, she has the trust and confidence of the Vice-President and she can report anywhere, anytime as may be directed by the Vice-President. [TSN, May 22, 2002, pp. 21-24]

Likewise, the Prosecution presented Linda P. Sison, Presidential Officer VI, Chief Personnel Data Bank, Office of the President. She testified that Ortaliza was employed in the office of the President on July 1, 1998 and appointed Presidential Staff Officer VI by FPRES.

Estrada. She was assigned to the internal house affairs office which normally attends to the needs of the President and members of the family. She resigned effective September 30, 2000 as “Private Secretary VI” in a letter of resignation dated October 4, 2000. [Ibid. pp. 47-48]

To establish that Baby Ortaliza transacted for the bank accounts of FPres. Estrada and his family the Prosecution presented Salvador Serrano, Vice-President, Centralized Operations and Control Division of Security Banking Corporation. He identified the Investment Savings Account Agreement of FPres. Estrada [Exh. C<sup>14</sup>-C<sup>14</sup>-8] in the amount of P10,000,000.00 with Security Bank San Juan Branch where, above the typewritten name “Joseph E. Estrada” under the word “Conforme” appears the signature of Baby Ortaliza and he was told by the New Accounts Clerk of the San Juan Branch that Baby Ortaliza is the representative of FPres. Estrada. [TSN, May 8, 2002, pp. 79-81; 87-90; 128-129]

The witness also identified the purchase of T-Bills by FPres. Estrada evidenced by Confirmation Sale No. 81046 (Exh. C<sup>14</sup>-9 to C<sup>14</sup>-16) value date April 10, 1997 where there appears the signature of Baby Ortaliza above TS No. 96848. [TSN, May 8, 2002, p. 114]

The Prosecution also presented Ms. Pamela Moran who testified that Ms. Ortaliza was the only one person transacting the accounts of FPres. Estrada when she was in charge of the New Accounts Section of the Security Bank San Juan Branch. [TSN, May 15, 2002, p. 146; pp.149-152]

The Prosecution further presented Patrick Dee Cheng of Citibank who testified that in the Hold-All-Mail Agreement signed by Ms. Luisa P. Ejercito, her designated representative was Ms. Lucena “Baby” Ortaliza. [TSN, October 7, 2002; pp. 80-83; Exhs. B<sup>11</sup>; C<sup>11</sup> and sub-markings]

The Prosecution presented Ms. Marie Rose Ancheta Claudio who was Branch Manager of Urban Bank Greenhills Branch from 1998. [TSN, March 26, 2003, p. 92] She identified the Letter of Authority dated November 23, 1999 addressed to Urban Bank Greenhills Branch (Exh. I<sup>19</sup>) for issuance of three (3) Managers’ Checks in the amounts of P42,716,554.22, P10,875,749.43 and P 54,161,496.52, where the words “Received By: Baby Ortaliza” appeared. As per the witness, however, it was not Baby Ortaliza who received the check as she herself gave the Manager’s Checks directly to the client, Joseph Victor G. Ejercito. [TSN, March 26, 2003, p. 168]

Having presented evidence that Baby Ortaliza transacted for FPres. Estrada and family with the Banks where FPres. Estrada and Family had accounts, the prosecution then presented

evidence of the transactions by Ortaliza in relation to the Jose Velarde Account to establish that FPres. Estrada owns the Jose Velarde accounts.

Thus, the prosecution presented Teresa A. Barcelona who testified that Baby Ortaliza transacted with her personally for the deposit of P 143,000,000.00 (Exh. M<sup>5</sup> and submarkings) into the Jose Velarde S/A No. 0160- 62501-5 account and it was Baby Ortaliza who received the copy of the deposit receipt for the account holder. [TSN, May 15, 2002, pp. 76-80]

Likewise, Baby Ortaliza transacted with her personally for the deposit of the amount of P263,292,303.65 [Exh. I<sup>5</sup> and submarkings] to the Jose Velarde S/A 0160-62501-5 account and it was Baby Ortaliza who received the copy of the deposit receipt for the account holder. [TSN, May 15, 2002, pp. 80-82] Baby Ortaliza also transacted with her for the deposit of the amount of P40,000,000.00 (Exh. N<sup>5</sup> and submarkings) to the Jose Velarde S/A 0160-62501-5 account and it was Baby Ortaliza who received the copy of the deposit receipt for the account holder. [TSN, May 15, 2002, pp. 83-85] Baby Ortaliza transacted with her for the deposit of P163,500,000.00 (Exh. Q<sup>5</sup> and submarkings) to the Jose Velarde S/A 0160-62501-5 account and it was Baby Ortaliza who received the copy intended for the account holder. [TSN, May 15, 2002, pp. 89-92]

The prosecution further presented Melissa P. Pascual former bank Teller of EPCIB Virra Mall Branch who testified that she personally processed various checks (Exhs. V<sup>15</sup>; W<sup>15</sup>; X<sup>15</sup>; Y<sup>15</sup>; A<sup>16</sup>, inclusive of submarkings) deposited by Ms. Ortaliza to the Jose Velarde S/A 0160-62501-5.

She was sure it was Baby Ortaliza who deposited these checks because their branch is so small that everytime she comes to their branch, her voice is too loud so she would catch her attention. She would see Ortaliza give the checks to her officer which the officer would give to her for validation, for processing. [TSN, December 9, 2002, pp. 21-23; 35; 37-39]

**The purchase of the “Boracay Mansion” for P142 Million from money which came from the EPCIB C/A-0110- 25495-4 of Jose Velarde**

The prosecution presented evidence to show that the purchase of the Boracay Mansion was initiated by a check No. 0110-714951 dated October 5, 1999 issued by Jose Velarde from his EPCIB C/A No. 0110-25495-4 in the amount of P 142,000,000.00 payable to Jose Luis J. Yulo (hereafter Yulo) (Exh. G<sup>16</sup>) who deposited the same to his BPI C/A No. 0383-0748-27 which was a joint account with Ma. Carmen L. Yulo. [TSN, December 9, 2002, p. 114-125; Exh. F<sup>16</sup>] Subsequently, on October 8, 1999, Yulo issued BPI Check No. 0002129 (Exh. U<sup>16</sup>; T<sup>16</sup>)

from his BPI Current Account which was deposited to the account of St. Peter Holdings Corporation which, in turn, the latter used to buy three Managers' Checks, one for P86,766,960.00 payable to Vicente AS Madrigal and/or Gerardo Madrigal as sellers of the Boracay Property (Exh. V<sup>16</sup>; W<sup>16</sup>); another for P53,931,535.60 payable to Mercedes A. Reyes (broker) (Exh. X<sup>16</sup>) and the third for P1,301,504.40 payable to Vicente AS Madrigal and/or Gerardo AS Madrigal for payment of documentary stamps (Exh. Y<sup>16</sup>). [TSN December 16, 2002, pp. 29-51] To establish that the Boracay Property was, in reality, owned by FPres. Estrada, Prosecution presented a tag in the carpet indicating the name: "Pres. J. Estrada" (Exh. H<sup>19-H-2</sup>) [TSN, March 19, 2003]; a "Locator Slip" which bears the words "Approved By; MS.LAARNI N. ENRIQUEZ," (Exh. H<sup>19</sup>) a school correspondence for FPres. Estrada's child with Laarni Enriquez, namely: Ejercito, Ma. Jerika Larize (Exh. H<sup>19-a</sup>), and portion of the testimony of Chavit Singson where he mentioned that FPres. Estrada's new house in New Manila was called Boracay. [TSN, July 24, 2002, pp. 129-134] However, Jose Luis Yulo, whom the prosecution portrayed as the dummy of FPres. Estrada in the purchase of the Boracay Mansion was not charged as an accused in this case which presented a legal issue as to the propriety of attachment covering the said property during the pendency of this criminal case.

#### **The funding of the Jose Velarde Account from the Urban Bank Account of Jose Victor Ejercito**

The prosecution presented Marie Rose Ancheta Claudio who testified that JV Ejercito was the owner of Special Account No. (SPAN) 858 with Urban Bank pursuant to a Trust Agreement executed between JV Ejercito and Urban Bank Trust Dept. [TSN, March 26, 2003, pp. 98-99] Ma. Aileen C. Tiongson testified that Urban Bank Manager's Check No. 43222 (Exh. W<sup>19</sup>) for P75, 000,000.00 came from a pre-terminated placement of SPAN 858. [TSN, April 2, 2003, pp. 20-21] This Urban Bank Manager's Check No. 43222 was subsequently replaced by four (4) Manager's Checks Nos. 39975, 39976, 39977 and 39978 (Exhs. B<sup>15-2</sup>, B<sup>15-4</sup>, B<sup>15-6</sup> and B<sup>15-8</sup>) in the respective amounts of P70,000,000, P2,000,000.00, P2,000,000.00 and P1,000,000.00 (Exhs. B<sup>15-2-9</sup>).

Subsequently, on January 24, 2000, these four (4) checks were deposited to EPCIB S/A No. 0160-62501-5 of Jose Velarde (Exh. B<sup>15</sup>; Exh. 127-N).

Likewise, as mentioned earlier, three (3) Urban Bank Manager's Checks for the amounts of P10,875,749.43, P42,716,554.22 and P54,161,496.52 (Exh. I<sup>5-17</sup>, I<sup>5-18</sup> and O<sup>5-2</sup>), received by JV Ejercito were deposited to EPCIB S/A No. 0160-62501-5 of Jose Velarde (Exh. I<sup>5</sup>).

#### **Prosecution's Evidence to show that it was customary for FPres. Estrada to sign as "Jose"**

Prosecution presented Marianito M. Dimaandal who identified various official documents which showed the signature of FPres. Estrada as reading “Jose” instead of “Joseph” (Exhs. X<sup>19</sup> to R<sup>20</sup>). [TSN March 31, 2003, pp.40-47]

Based on the forgoing testimonial and documentary evidence, it is the contention of the Prosecution that it has established that FPres. Estrada is the real and beneficial owner of EPCIB Savings Account No. 0160-62501-5 and Current Account No. 0110-25495-4 in the name of Jose Velarde.

### **The theory of the defense on the Jose Velarde Account**

In attempting to prove that the Jose Velarde account was owned by Jaime Dichaves and not by FPres. Estrada, the defense presented Romuald Dy Tang and Beatriz Bagsit as their witnesses in addition to FPres. Estrada.

Romuald Dy Tang testified that in 1999, he was connected with EPCI Bank as its SVP and Treasurer. The Chairman, Mr. George L. Go referred Mr. Dichaves to him because Go told him that Dichaves wanted to open a current account under an alias instead of his name. Mr. Dichaves also called him up and told him the same. He knows Mr. Dichaves because the wife of Jaime Dichaves is the sister of his sister-in-law. In effect, the wife of his brother and Jaime’s wife are sisters. What he knows is Dichaves has a lot of business, substantial business and one of his major businesses is plaster glass. [TSN, May 4, 2005, pp.11,15, 17, 18]

When he was called by Dichaves over the phone, the latter told him that Mr. Go referred him to Dy Tang to open an alias account for him. Based on that, Dy Tang told Dichaves to prepare a letter for records indicating his intention and Dichaves sent him a letter saying that he is opening an account under the name Jose Velarde and everything should be so...for safekeeping. [Ibid. p. 20] Dy Tang identified the letter dated August 25, 1999(Exh. 127 to 127 B-1). [Ibid. pp. 20-21] The letter was given to him on the day Dichaves went to his office to get the signature cards. [Id.] He gave the signature card personally to Dichaves and he did not see Dichaves sign the signature card because he was late for an appointment and both of them had prepared for such appointment and so Dy Tang gave the signature card to Dichaves and told him to return the same. [Ibid, p.22] He opened two accounts one savings and one current. It was a combo account. The signature card was returned after about a month or so, after a follow up with him and after he followed several procedures. [Id.] Both he and Betty Bagsit were jointly assisting Mr. Dichaves. Ms. Bagsit had to assist because if he will be the only one and he travels quite often, Mr. Dichaves will not have anybody to attend to his account. At that time

Betty Bagsit was based in the Pacific Star branch in Makati and the Jose Velarde Account was a Binondo Account where the ledgers of the Velarde Account were kept. [Ibid., pp. 26-28] He testified that all the fixed (time) deposits of Dichaves were moved in the branch of Bagsit in Pacific Star. [Id.]

In his sworn statement with the Ombudsman on March 23, 2001 (Exh. 327-327-C), Dy Tang stated that he received a letter from Dichaves advising them that all transaction for the Jose Velarde account should be coursed through him. He instructed Mr. Ceferino Ang, Vice President and Manager of Binondo Branch to cause the opening of the account. He knows Mr. Dichaves personally because he was referred by Mr. George Go to him and because he is the brother-in-law of Dy Tang's brother. He went to the office to pick up the forms for the opening of the account sometime in late August 1999. Mr. Jaime Dichaves opened the account but **Dy Tang does not know if he opened it for himself or another person.** He gave the signature cards for Dichaves to fill up. **The accomplished signature cards were given to him by Mr. Go. He was not present when the depositor affixed his specimen signature in the said signature card as it was given to him accomplished by Mr. Go.**

Beatriz L. Bagsit came into Equitable Bank as head of Pacific Star branch with rank of AVP and when they acquired PCI Bank in 1999, she was promoted to 1<sup>st</sup> VP and the division head who handled the Makati area. [TSN, April 13, 2005, p. 63]

She retired from the bank because of politics in the bank and the Jose Velarde case was coming up. She was the one handling the Jose Velarde account which was being handled also by Mr. Jaime Dichaves. [Ibid. p. 65] The Jose Velarde account started at Binondo Branch. It was opened there and when her superiors transferred to Makati, they called her to handle the account of Jose Velarde and she was introduced to Mr. Dichaves by their Executive Vice-President, Romy Dy Tang for her to handle the account personally. [Ibid. p. 66]

There is no Jose Velarde who owns an account with their bank. Her basis for saying that Jose Velarde account belongs to Mr. Jaime Dichaves is that there was a letter that was given to her that came from Mr. Dichaves when the account was opened in Binondo. When the account was opened in Binondo, she was not handling the management of the same. The Jose Velarde account was never transferred to Makati. It was just the handling that was transferred sometime in November, 1999. [Ibid, pp. 68-70]

Based on the letter (Exh. 127) it would appear that the Jose Velarde account belonged to Jaime Dichaves because it was Mr. Jaime Dichaves who issued the letter stating that all banking transaction of Jose Velarde should be coursed to him. The letter was shown to her by

Mr. Dy Tang in November, 1999. She does not remember the exact date when she was told by Dy Tang to handle the account of Mr. Dichaves in the name Jose Velarde. She was first informed about it in Dy Tang's office and after that there was a time when Dichaves went to Dy Tang's office and that was the time she was introduced to Dichaves. She first met Mr. Dichaves in January, 2000. After she was introduced to Dichaves, there were times when he would call her for a transaction and there were times he went to her office. Sometimes Dichaves will tell her that he will be sending somebody to get the MC which he wants her to prepare and sometimes he would ask for the balance. [Ibid, pp. 72-96] Mr. Dichaves came to her office twice or thrice only. One is when he visited Mr. Dy Tang, the other one is when he just passed by, just to check the account of Jose Velarde and he gave her instruction that he will be sending representative to prepare an MC for him that was after the February 4, 2000 transaction. [TSN, April 18, 2005, p. 59]

She does not know if Dichaves has an account in her area, she thinks there is none but she does not know with other branches. The records she had access to regarding the Jose Velarde Account were the signature card and the copy of the letter. The name "Dichaves" does not appear in the signature card. [TSN, April 13, 2005, p. 76-84]

She saw the debit-credit authorization on her table and she kept it and did not give it to anybody. [Ibid. p. 116] After Clarissa Ocampo was presented at the impeachment proceedings, Clarissa called her and she told Clarissa "Kissa, hindi sa akin galing yong debit/credit" because Clarissa was asking her if she was at the bank working and she told Clarissa that the bank was really bleeding and she took the opportunity to tell her "Kissa, hindi sa akin galing yon. Saan ba galing yon?". [Ibid. p. 118] She testified that Clarissa was just surprised and asked her "saan ba galing yon?". Where did it come from? She answered she didn't know but it didn't come from her. That's all she told Clarissa. After that there was a follow-up from Atty. Curato asking her if she did not really issue the authorization and she told him "No talaga eh. Sabi ko, hanapin natin kung saan talaga galing." She testified that later on, it was confirmed that it came from the Trust Department. [Ibid. p. 118-119] She testified that the Prefix Number for a Binondo Account was 0110 but she could not remember the Prefix Number for the Pacific Star Branch. [Ibid. p. 93] In her computation, the credits to the EPCIB Jose Velarde S/A No.0160-62501-5 totaled P2,168,523,085.00 excluding centavos and credit memos. [TSN, April 18, 2005, p. 98]

The Court finds that the FPres. Estrada is the real and beneficial owner of EPCIB combo account C/A No. 0110-25495-4 and S/A No. 0160-62501-5 in the name of Jose Velarde.

The eyewitness account of Prosecution witness Clarissa Ocampo that she saw FPres. Estrada signed the name Jose Velarde in the various documents presented to him and

explained to him was undisputed by FPres. Estrada and constitutes direct evidence that FPres. Estrada signed as Jose Velarde.

Another direct evidence that FPres. Estrada is Jose Velarde is the **admission of FPres. Estrada that he signed as Jose Velarde** in the documents presented to him by Clarissa Ocampo. One of such documents was the Debit-Credit Authority (Exh. E<sup>5</sup>) which read: "...my SA/CA No.0160-62501-5 maintained with your branch in the amount of P500,000,000.00 and credit my Trust Account No. 101-78056-1 representing my initial contribution." Such admission constitutes an admission that he and Jose Velarde are one and the same person. Being a judicial admission, no proof is required and may be given in evidence against him (Rule 129, SEC.4; Rule 130, SEC. 26). Being an admission against interest, it is the best evidence which affords the greatest certainty of the facts in dispute. The rationale for the rule is based on the presumption that no man would declare anything against himself unless such declaration was true. Thus, it is fair to presume that the declaration corresponds with the truth, and it is his fault if it does not. [Rufina Patis Factory vs Alusitain, 434 SCRA 429]

The evidence of the Prosecution which showed that Baby Ortaliza - a trusted person of FPres. Estrada and who enjoyed the confidence of FPres. Estrada and Loi Ejercito - transacted the various personal bank accounts of FPres. Estrada and Loi Ejercito as well as the Jose Velarde accounts, also constitutes corroborative evidence that the Jose Velarde Accounts are owned by FPres. Estrada and not by Dichaves, since Baby Ortaliza has been entrusted by FPres. Estrada to handle his own personal bank accounts and there is no evidence that Dichaves and Baby Ortaliza are related in any way to each other.

The evidence of the Prosecution that the Boracay Mansion was purchased from funds coming from the Jose Velarde accounts is yet another corroborative evidence that proved that the Jose Velarde accounts are owned by FPres. Estrada. The documents found in the Boracay Mansion show that the beneficial owner of the Boracay Mansion is FPres. Estrada and is used by Laarni Enriquez whose relation to FPres. Estrada was never denied.

Likewise, the evidence of the Prosecution which showed that three (3) Urban Bank Manager's Checks for the amounts of P10,875,749.43, P42,716,554.22 and P54,161,496.52 (Exh. I<sup>5</sup>-17, I<sup>5</sup>-18 and O<sup>5</sup>-2), received by JV Ejercito as well as the four (4) Urban Bank Manager's Checks totaling P75,000,000.00 (Exhs. B<sup>15</sup>-2, B<sup>15</sup>-4, B<sup>15</sup>-6 and B<sup>15</sup>-8) were deposited to EPCIB S/A No. 0160-62501-5 of Jose Velarde constitutes corroborative evidence that, as between FPres. Estrada and Dichaves, it can be inferred that JV Ejercito, being the son of FPres. Estrada, would contribute to the account of his father but not if the account were owned by Dichaves in the absence of proof that JV Ejercito was under obligation to deposit to



the said account if the same was owned by Dichaves.

The evidence of the Prosecution that it was customary for FPres. Estrada to sign as “Jose” shows that FPres. Estrada would sign as “Jose” and further shows that, to the naked eye, the signature of FPres. Estrada as “Jose” appearing in the various official documents signed by FPres. Estrada is similar to the signature of “Jose” appearing in “Jose Velarde.”

As to the reliance of the Defense on the testimonies of Dy Tang and Bagsit to prove that the Jose Velarde accounts belong to Jaime Dichaves, We find that such reliance is misplaced.

Dy Tang testified that after Mr. George Go referred Dichaves to him, he told Dichaves to prepare a letter for records indicating his intention and Dichaves sent him a letter saying that he is opening an account under the name Jose Velarde and everything should be so...for safekeeping. [TSN, May 4, 2005, p. 20] Dy Tang identified the letter dated August 25, 1999. [Ibid. pp. 20-21; Exh. 127 to 127 B-1]

The Letter of Dichaves dated August 25, 1999 reads as follows:

Dear Romy,

May I request that a savings account and a current account be opened with your Juan Luna branch for Jose Velarde c/o the undersigned.

All other banking transactions of Jose Velarde shall be coursed through the undersigned.

Very truly yours,

(sgd)  
Jaime Dichaves

The Letter of Dichaves does not prove that he is the owner of the Jose Velarde Account. Assuming *ex gratia argumenti* that the Jose Velarde Account is owned by Dichaves, why did he not deposit the International Exchange Bank Check No. 6000159271 dated November 5, 1999, payable to cash in the amount of P189,700,000.00 drawn by Eastern Securities Corporation directly to the Jose Velarde Account? If Dichaves owned the Jose Velarde Account, why did he take the circuitous route of depositing the International Exchange Bank into his Far East Bank Savings Account, then auto transfer the amount to his Current Account, then issue his personal check payable to cash for P189,700,000.00 which was ultimately deposited to the Jose Velarde Account?

It could not be because he did not want evidence to prove that the International

Exchange Bank check was deposited to his account because he, in fact, deposited that check to his personal account.

The only logical conclusion is that Dichaves did not want evidence to show that the International Exchange Bank check of Eastern Securities Corporation was deposited to the Jose Velarde Account because such deposit would confirm that FPRES. Estrada, once proven to own the Jose Velarde Account, received the P189,700,000.00 commission arising from the purchase by SSS and GSIS of Belle Shares.

Dichaves' act of covering the paper trail of the International Exchange Bank check of Eastern Securities Corporation, albeit unsuccessfully, militates against the claim of the Defense that Dichaves owns the Jose Velarde Account.

In his Sworn Statement dated March 23, 2001 (Exh. 327), Dy Tang stated that Jaime Dichaves opened the account but Dy Tang does not know if he opened it for himself or another person. He gave the signature card for Dichaves to fill up. The signature card was returned after about a month or so, after a follow up with him and after he followed several procedures. [TSN dated May 4, 2005, p. 22] The signature card was given to him by George L. Go already accomplished. He was not present when the depositor affixed his specimen signature in the said signature card as it was given to him accomplished by George L. Go.

In the signature card, it appears that it was opened on August 26, 1999 but it was received only on October 7, 1999. Likewise, the signature card bore the signature "Jose Velarde" three times (Exh. G<sup>19</sup>, G<sup>19</sup>-6).

In his testimony, Dy Tang testified that he doesn't think that it would be Dichaves signing as Jose Velarde because when Mr. Dichaves called him about his discussion with Mr. Go to open an account, Dichaves told him that he was going to open an account under an alias account. [TSN, May 4, 2005, p. 44] Nowhere did Dy Tang testify that Dichaves is the owner of the Jose Velarde account.

As appears in the signature card, the signature of Jose Velarde is almost identical to the signature of Jose Velarde appearing on the three (3) copies of the Investment Management Agreement [Exh. W<sup>4</sup> to Y<sup>4</sup>; TSN November 13, 2002, pp. 70-73], two (2) signature cards (Exh. Z<sup>4</sup> to A<sup>5</sup>) which he signed three (3) times [TSN, November 13, 2002, pp. 78-80] one (1) copy of the Investment Guidelines [Exh. B<sup>5</sup>; Ibid. pp. 82-84]; two (2) copies of the Directional Letters [Exh. C<sup>5</sup> to D<sup>5</sup>; Ibid. pp. 87-89], and one (1) copy of the debit-credit authority [Exh. E<sup>5</sup>; Ibid. pp. 92-93], which FPRES. Estrada signed as Jose Velarde as testified by Clarissa Ocampo and as admitted by him. Under Section 22, Rule 132 of the Rules of Court, the court is authorized, by itself, to make a comparison of the disputed handwriting with writings admitted or treated as

genuine by the party against whom the evidence is offered or proved to be genuine to the satisfaction of the judge. [Cogtong vs. Kyoritsu International Et. Al., GR No. 160729, July 27, 2007]

As regards the testimony of Beatriz Bagsit, her basis for saying that Jose Velarde accounts belongs to Mr. Jaime Dichaves is that there was a letter that was given to her that came from Mr. Dichaves when the accounts were opened in Binondo. When the accounts were opened in Binondo, she was not handling the management of the same. Based on the letter, she testified that it would appear that the Jose Velarde accounts belonged to Jaime Dichaves because it was Mr. Jaime Dichaves who issued the letter stating that all banking transaction of Jose Velarde should be coursed to him. [TSN, April 13, 2005, p. 68-72]

The testimony of Bagsit does not establish that it is Dichaves who owns the Jose Velarde accounts as her opinion was based simply on the letter issued by Dichaves. As against the inference that Dichaves owned the Jose Velarde accounts based on the letter of Dichaves, the Prosecution's evidence showing that FPres. Estrada signed as Jose Velarde in the various documents given to him for signature must be given more weight to establish the fact that the Jose Velarde accounts belong to FPres. Estrada.

Moreover, there was a glaring inconsistency in the testimonies of Defense witness Dy Tang and Bagsit when Dy Tang testified that all the fixed (time) deposits of Dichaves were moved in the branch of Bagsit in Pacific Star, while Bagsit testified that she does not know if Dichaves has an account in her area, she thinks there is none but she does not know with other branches. [TSN, May 4, 2005. pp. 26-28; TSN, April 13, 2005, p. 76]

As regards the statement of Bagsit that the Debit-Credit authority did not come from her and that later, it was found to have come from the Trust Department, We find the testimony of Clarissa Ocampo that the Debit-Credit Authority came from Bagsit as being more credible. First, because the debit-credit authority deals with S/A 0160-62501-5 which is under the Banking Department and not the Trust Department; and Second, because as testified by Bagsit, she found the Debit- Credit Authority on her table after it was signed but she kept it and did not give it to anybody. The Court likewise notes that Bagsit was not involved with the EPCIB Binondo Branch but she remembers the prefix for Binondo accounts as No. 0110, yet, she could not remember the prefix for accounts with the Pacific Star Branch of EPCIB which she headed since 1999.

In the attempt to downplay the effect of FPres. Estrada signing as Jose Velarde in the Debit-Credit Authority, the defense argued that the said debit-credit authority was not

implemented “precisely because the signature of accused Estrada did not match with that of the real Jose Velarde (who turned out to be Jaime Dichaves) [Defense Memorandum, p. 251] and “probably because the bank officers got to realize that accused President Estrada was not really the owner of the account.” [Ibid., p. 263]

Besides being speculative, the arguments of the Defense are mere allegations which are not supported by its own evidence.

The evidence of the Defense shows that prior to February 4, 2000, the account balance of S/A 0160-62501-5 of Jose Velarde was P142,763,773.67. (Exh. 127-O) There was therefore not enough funds in the account to transfer to the Trust Account. Thus, the Debit-Credit Authority could not be implemented.

Subsequently, a credit memo for P506,416,666.66 was issued in favor of the said Jose Velarde S/A 0160-62501-5 account. As per the testimony of defense witness, Beatriz Bagsit, the amount of P 506,416,666.66 represented the principal and interest of a preterminated placement of S/A 0160-62501-5. The placement was not in the name of Dichaves but in the name of an account number, i.e. Account No. 0160-62501-5 and behind that account is Jose Velarde. [TSN, April 18, 2005, p. 37] Eventually the P500,000,000.00 was withdrawn from the savings account in exchange for an MC payable to trust. [Ibid. pp. 30, 31]

Consequently, while the funding for the P500,000,000.00 did not come via the debit-credit authority, nonetheless, the funding of the P500,000,000.00 came from S/A 0160-62501-5 of Jose Velarde.

Moreover, the debit-credit authority was not implemented because Bagsit kept the debit-credit authority and did not give it to anybody. [TSN, April 13, 2005, p. 116]

Neither does the non-implementation of the Debit-Credit Authority which FPres. Estrada signed as Jose Velarde disprove the fact that FPres. Estrada admitted that S/A 0160-62501-5 in the name of Jose Velarde is his account when he admitted affixing his signature on the Debit-Credit Authority as Jose Velarde.

The so-called “internal arrangements” with the bank, involved the use of S/A 0160-62501-5 which had been in existence since August 26, 1999 as the funding source of the P500,000,000.00 to be placed in the Trust account for lending to Gatchalian. The fact that the P500,000,000.00 funding was not effected by a debit-credit transaction but by a withdrawal of P500,000,000.00 from the said S/A 0160-62501-5 proves that the money lent to Gatchalian was

the personal money of FPres. Estrada through the Jose Velarde account of which he is the owner. As explained by FPres. Estrada, "William Gatchalian is a big businessman. Isang malaking negosyante at siya po ay may ari ng Wellex group of companies at siya rin po ay isa sa tumulong sa aming partido noong nakaraang 1998 presidential election." [TSN, May 24, 2006, p. 23]

FPres. Estrada further testified: "Hindi lang po dahil doon sa internal arrangement. Hindi lang po dahil gusto kong tulungan si Mr. William Gatchalian kundi higit po sa lahat ay nakita ko ang kapakanan noong mahigit na tatlong libong (3000) empleyado na kung sakaling hindi mapapautang si Mr. William Gatchalian, maaring magsara ang kanyang mga kumpanya at yong mga taong, mahigit tatlong libong (3,000) empleyado kasama na yong kanilang mga pamilya ay mawawalan ng trabaho. AT INISIP KO RING NA WALA NAMING (SIC) GOVERNMENT FUNDS NA INVOLVE KAYA HINDI NA PO AKO NAGDALAWANG ISIP NA PIRMAHAN KO." [Ibid. p. 26-27; Emphasis Supplied]

Moreover, as pointed out by the Prosecution, there was no need for the internal arrangement since the loan to Gatchalian could have been extended by EPCIB directly considering that Gatchalian had put up sufficient collateral for the loan.

From the foregoing, the ineluctable conclusion is that the so-called internal arrangement which allegedly prompted FPres. Estrada to sign the various documents presented to him by Clarissa Ocampo is a futile attempt to escape the consequence of his admission that he signed as Jose Velarde which leads to the legal and indisputable conclusion that FPres. Estrada is the owner of the Jose Velarde Accounts.

### **THE DAMAGE AND PREJUDICE TO THE FILIPINO PEOPLE**

As stated earlier, SSS and GSIS used the funds belonging to its millions of members to buy Belle Shares upon instruction of FPres. Estrada who benefited for his personal gain from the P189,700,000.00 commission paid in consideration of the purchase of the Belle shares by SSS and GSIS . The money paid by GSIS and SSS for the Belle Shares are public funds which belong to the millions of GSIS and SSS members. The amount of P189,700,000.00 deposited to the Jose Velarde account of FPres. Estrada are public funds which came from the proceeds of the sale received by SSI Management through Eastern Securities from GSIS and SSS. The Billions of Pesos that could have otherwise been used to pay benefits to SSS and GSIS members were diverted to buying Belle Shares to comply with FPres. Estrada's instructions in order that FPres. Estrada could receive his P187,900,000.00 commission to the damage and prejudice of the millions of GSIS and SSS members who were deprived of the use of such

funds and worse, who now stand to suffer the loss amounting to millions of pesos since the Belle shares are presently priced less than their acquisition cost. [From an average price of P3.14 per share to P0.69 per share as of December 29, 2000 (Exh. 250-J-2) and between P0.40 to P 0.50 per share as of February 11, 2002]

The Court finds that FPres. Estrada took advantage of his official position, authority, relationship, connection and influence to unjustly enrich himself at the expense and to the damage and prejudice of the Filipino people and the Republic of the Philippines: a) by instructing, directing and ordering, for his personal gain and benefit, by way of receiving commission, the Government Service Insurance System (GSIS) through its President Mr. Federico Pascual and the Social Security System (SSS) through its President, Mr. Carlos Arellano, to purchase shares of stock Belle Corporation, as a consequence of which, during the period October 13 to 21, 1999 GSIS bought 351,878,000 shares of Belle Corporation and paid One Billion One Hundred Two Million Nine Hundred Sixty Five Thousand Six Hundred Seven Pesos And Fifty Centavos (P1,102,965,607.50) while SSS, on October 21, 1999, bought 249,679,000 shares at the value of P784,551,150.00 at an average price of P3.14/share [TSN, February 14, 2005, p.78] or a combined total of at least One Billion Eight Hundred Eight Seven Million Five Hundred Sixteen Thousand Seven Hundred Fifty Seven Pesos And Fifty Centavos (P1,887,516,757.50); b) by accepting and receiving, a commission in the amount of One Hundred Eighty Nine Million Seven Hundred Thousand Pesos [P189,700,000.00] as consideration for the purchase by GSIS and SSS of the shares of stock of Belle Corporation pursuant to his instructions which amount was deposited in the Equitable-PCI Bank S/A 0160-62501-5 under the account name "Jose Velarde" of which FPres. Estrada is the real and beneficial owner; c) by depriving the millions of members of GSIS and SSS of the use of public funds in the amount of at least One Billion Eight Hundred Eight Seven Million Five Hundred Sixteen Thousand Seven Hundred Fifty Seven Pesos And Fifty Centavos (P1,887,516,757.50) for payment of their benefits in order that he can receive his commission of One Hundred Eighty Nine Million Seven Hundred Thousand Pesos (P189,700,000.00) which likewise constitute public funds for his personal benefit and enrichment thus causing damage and prejudice to the Filipino people and the Government.

#### **RE: SUB-PARAGRAPH D OF THE AMENDED INFORMATION**

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(d) by unjustly enriching himself FROM COMMISSIONS, GIFTS, SHARES, PERCENTAGES, KICKBACKS, OR ANY FORM OF PECUNIARY BENEFITS, IN CONNIVANCE WITH JOHN DOES AND JANE DOES, in the amount of MORE OR LESS THREE BILLION TWO HUNDRED THIRTY THREE MILLION ONE HUNDRED FOUR THOUSAND

AND ONE HUNDRED SEVENTY THREE PESOS AND SEVENTEEN CENTAVOS [P3,233,104,173.17] AND DEPOSITING THE SAME UNDER HIS ACCOUNT NAME "JOSE VELARDE" AT THE EQUITABLE-PCI BANK.

The prosecution presented the following witnesses to prove the enormous amounts of deposits to the Jose Velarde Account and the person who transacted with the bank in relation thereto.

**TERESA ARRASTIA BARCELONA** was the Manager of Equitable PCI Bank in Greenhills-Ortigas Branch specifically located at the Ground Floor of the Equitable Building along Ortigas Avenue corner Roosevelt, San Juan, Metro Manila, which was within the vicinity of the business and commercial areas of Greenhills.

Witness Barcelona then related and identified twelve (12) Equitable PCI Bank Deposit Receipts (Exhs. I<sup>5</sup> and M<sup>5</sup> to W<sup>5</sup>) dated as follows:

1. October 20, 1999;
2. November 8, 1999;
3. November 22, 1999;
4. November 24, 1999;
5. November 25, 1999;
6. December 20, 1999;
7. December 21, 1999;
8. December 29, 1999;
9. January 4, 2000;
10. May 10, 2000;
11. June 6, 2000; and
12. July 25, 2000.

These deposit receipts allegedly show various deposits made to Account No. 0160-62501-5 under the Account Name Jose Velarde maintained at the Equitable PCI Bank Binondo Branch. The transactions to the said account were allegedly inter-branch deposits or deposits made from one branch of Equitable PCI Bank for an account maintained at another branch of the said bank. The aforementioned deposit receipts show that the deposits to the adverted account were transacted at the Equitable PCI Bank Greenhills-Ortigas Branch.

In the Equitable PCI Bank Deposit Receipt dated October 20, 1999, there were allegedly nine (9) checks deposited to the Jose Velarde Account. The total amount of the checks

deposited was P143,000,000.00. The teller who processed the checks was Glyzelyn Bejec.

In the Equitable PCI Bank Deposit Receipt dated November 8, 1999, four (4) checks were deposited to the Jose Velarde Account in the total amount of P263,292,303.65. The checks deposited were as follows: a Far East Bank and Trust Co. Araneta Branch Check with Check No. 3165579 amounting to P189,700,000.00; an HSBC Head Office Check with Check No. 0022012 amounting to P20,000,000.00; a Union Bank Head Office Check with Check No. 034181 amounting to P10,875,749.43; and another Union Bank Head Office Check with Check No. 034182 amounting to P42,716,554.22. These checks were likewise processed by Glyzelyn Bejec on November 8, 1999 at 4:01 p.m.

In the Equitable PCI Bank Deposit Receipt dated November 22, 1999, three (3) checks for the total amount of P40 Million were deposited to the Jose Velarde Account. These checks were processed by the bank's teller Joan Mok.

In the Equitable PCI Bank Deposit Receipt dated November 24, 1999, a check of P54,161,496.52 was deposited to the Jose Velarde Account. The check was processed by the bank's teller Leonora Royo on November 24, 1999 at 9:26 a.m.

In the Equitable PCI Bank Deposit Receipt dated November 25, 1999, three (3) checks for the total amount of P20,000,000.00 were deposited to the Jose Velarde Account. These checks were processed by the bank's teller Glyzelyn Bejec.

In the Equitable PCI Bank Deposit Receipt dated December 20, 1999, three (3) checks for the total amount of P163,500,000.00 were deposited to the Jose Velarde Account. These checks were processed by the bank's teller Lagrimas Claveria on December 20, 1999 at 4:12 p.m.

In the Equitable PCI Bank Deposit Receipt dated December 21, 1999, a check of P5,000,000.00 was deposited to the Jose Velarde Account. The check was processed by the bank's teller Glyzelyn Bejec.

In the Equitable PCI Bank Deposit Receipt dated December 29, 1999, two (2) checks for the total amount of P2,500,000.00 were deposited to the Jose Velarde Account. These checks were processed by the bank's teller Glyzelyn Bejec.

In the Equitable PCI Bank Deposit Receipt dated January 4, 2000, seven (7) checks for



the total amount of P70,500,000.00 were deposited to the Jose Velarde Account. These checks were processed by the bank's teller Joan Mok on January 4, 2000 at 2:31 p.m.

In the Equitable PCI Bank Deposit Receipt dated May 10, 2000, four (4) checks for the total amount of P23,000,000.00 were deposited to the Jose Velarde Account. These checks were processed by the bank's teller Joan Mok on May 10, 2000 at 4:30 p.m.

In the Equitable PCI Bank Deposit Receipt dated June 6, 2000, two (2) checks for the total amount of P42,945,000.00 were deposited to the Jose Velarde Account. These checks were processed by the bank's teller Joan Mok on June 6, 2000 at 3:39 p.m.

Lastly, in the Equitable PCI Bank Deposit Receipt dated July 25, 2000, a check of P40,000,000.00 was deposited to the Jose Velarde Account. This check was processed by the bank's teller Glyzelyn Bejec on July 25, 2000 at 11:43 a.m.

It was Baby Ortaliza who personally transacted the above-mentioned checks with Barcelona whom she identified in a photograph (Exh. X<sup>5</sup>). Barcelona related that Baby Ortaliza would hand over the checks to be deposited together with the account information slip or passbook of Jose Velarde to her and that, after the validation, Barcelona would hand over a copy of the deposit receipt to Baby Ortaliza. [TSN dated May 13, 2002 and TSN dated May 15, 2002]

**JOANNE GENEVIE RANIAGA MOK** was a Customer Service Assistant Teller of Equitable PCI Bank Greenhills-Ortigas Branch since July 1997. She received deposits and processed withdrawals made with the bank.

Mok related and identified four (4) Equitable PCI Bank deposit receipts which pertained to various checks deposited to the Jose Velarde Account with Account No. 0160-62501-5: Deposit Receipt dated November 22, 1999 (Exh. N<sup>5</sup>); Deposit Receipt dated January 4, 2000 (Exh. T<sup>5</sup>); Deposit Receipt (Exhibit U<sup>5</sup>) dated May 10, 2000; and Deposit Receipt (Exhibit V<sup>5</sup>) dated June 6, 2000. Mok testified that she personally processed the checks deposited to the said account.

In the Deposit Receipt dated November 22, 1999, there were three (3) checks deposited with the total amount of P40 Million. In the Deposit Receipt dated January 4, 2000, there were seven (7) checks deposited with the total amount of P70,500,000.00. In the Deposit Receipt dated May 10, 2000, there were four (4) checks deposited with the total amount of P23,000,000.00. Lastly, in the Deposit Receipt dated June 6, 2000, there were two (2) checks

deposited with the total amount of P44,945,000.00

Mok further related that she prepared 3 copies of the deposit receipts and that after processing the deposit receipts she threw away the Account Information slip. [TSN dated May 20, 2002 and TSN dated October 28, 2002]

**GLYZELYN HERMOZURA BEJEC** was a Customer Service Assistant Teller of Equitable PCI Bank Greenhills-Ortigas Branch. She processed deposit and withdrawal transactions of the bank.

Bejec related and identified the deposit receipts of Equitable PCI Bank (Exhs. I<sup>5</sup>, M<sup>5</sup>, P<sup>5</sup>, R<sup>5</sup>, S<sup>5</sup> and W<sup>5</sup>) which pertained to various checks she personally processed and credited to the Jose Velarde Account with Account No. 0160-62501-5. In the Deposit Receipt dated November 8, 1999, the total amount of deposit was P263,292,303.65. In the Deposit Receipt dated October 20, 1999, there were nine (9) checks deposited in the total amount of P163,000,000.00. In the Deposit Receipt dated November 25, 1999, there were three (3) checks deposited in the total amount of P20,000,000.00. In the Deposit Receipt dated December 21, 1999, the total amount of deposit was P5,000,000.00. In the Deposit Receipt dated December 29, 1999, there were two (2) checks deposited in the total amount of P2,500,000.00. Lastly, in the Deposit Receipt dated July 25, 2000, a check was deposited in the amount of P40,000,000.00.

On cross examination, Bejec testified that there were Account Information Slips when the checks were presented but she already threw away the said slips. It was the policy of the bank to throw away the Account Information Slips when the deposit receipt had been generated. [TSN dated May 6, 13, and 20, 2002]

**LEONORA BACSAFRA ROYO** was the Customer Service Assistant for new accounts of Equitable PCI Bank Greenhills-Ortigas Branch since March of 1993. She testified that she was the teller who processed the Deposit Receipt (Exh. O<sup>5</sup>) dated November 24, 1999 and that she prepared three (3) copies of the same since it was an inter-branch check deposit transaction. The deposit receipt shows that an Urban Bank Head Office Branch Manager's Check No. 0000037661 dated November 23, 1999 amounting to P54,161,496.52 was deposited to the Jose Velarde Account No. 0160-62501-5 maintained at the Equitable PCI Bank Binondo Branch. Teresa Barcelona, the branch manager, handed to Royo for processing the Urban Bank Manager's Check as well as the accomplished account information slip. [TSN dated October 30, 2002]

**ANTONIO MARTIN SAGRITALO FORTUNO** was the Bank Operations Officer of Equitable PCI Bank, Pacific Star Branch since January 28, 2002. The witness averred that he handled the opening of accounts; supervised the investment section; the foreign telegraphic transfer as well as the domestic telegraphic transfer and the safekeeping of the records of deposits; and the transactions which transpired in their branch. Witness Fortuno brought with him to Court the documents contained in the subpoena which he requested from the PCHC. These documents were the seventeen (17) microfilm copies of the checks that were deposited to the Jose Velarde account from the PCHC; the nine (9) deposit slips or deposit receipts that were deposited to the account of Jose Velarde together with the five (5) cash deposits; and the detailed report of transfers and debit, credit memos or the DRTM from October 19, 1999 to January 24, 2000.

Fortuno related and identified the seventeen (17) microfilm copies of checks that were deposited to the Jose Velarde account from various banks as well as the deposit receipts and the DRTMs.

The original of the checks were allegedly returned to the issuing bank after having been negotiated. The first check deposited to the Jose Velarde account was a cashier's check from PS Bank Head Office with Check No. 000031436 amounting to P20,000,000.00 and dated October 18, 1999 (Exhs. R<sup>14</sup>; R<sup>14</sup>-1; and R<sup>14</sup>-2). Fortuno narrated that this check was presented to the teller of the bank and then the teller validated the deposit slip which was attached to the check. The amount of the check was consequently credited to the Jose Velarde account with an Account No. 0160-62501-5. The witness, however, cannot tell who purchased this cashier's check. The second check deposited to the Jose Velarde account was also a cashier's check from PS Bank Head Office with Check No. 000031437 amounting to P20 Million and dated October 18, 1999 (Exhs. S<sup>14</sup>; S<sup>14</sup>-1; S<sup>14</sup>-2; S<sup>14</sup>-3; and S<sup>14</sup>-4). This check allegedly passed the same procedure as the first check before the amount of the check was credited to the Jose Velarde account. The witness further related that the Jose Velarde account was maintained at the Binondo Juan Luna branch and that the deposits were made in the Pacific Star.

The first deposit receipt (Exhs. T<sup>14</sup>; T<sup>14</sup>-1; T<sup>14</sup>-2; T<sup>14</sup>-3; and T<sup>14</sup>-4) was dated October 19, 1999. This deposit receipt allegedly shows that there were two (2) checks deposited to the Jose Velarde Account for the total amount of P30,000,000.00, one for P20 Million and the other for P10 Million. The witness specified that this deposit receipt indicated the account name Jose Velarde; the branch name as Pacific Star branch; the account number 0160-62501-5; the date and time of deposit which was on October 19, 1999 at 12:55 in the afternoon; and the checks deposited which were from the Security Bank Corporation Main Office with Check No.

000363859 for P20,000,000.00 and Check No. 000363858 for P10,000,000.00. He added that the checks were dated October 18, 1999.

The second deposit receipt (Exhs. U<sup>14</sup>; U<sup>14</sup>-1; U<sup>14</sup>-2; U<sup>14</sup>-3; and U<sup>14</sup>-4) was also dated October 19, 1999. This deposit receipt allegedly shows that there were two (2) checks deposited to the Jose Velarde Account for the total amount of P30,000,000.00, one for P20,000,000.00 and the other for P10,000,000.00. The witness specified that this deposit receipt contained the account name Jose Velarde; the branch name as Pacific Star branch; the account number 0160-62501-5; the date and time of deposit which was on October 19, 1999 at 12:53 in the afternoon; and the checks deposited, the first check was from the Security Bank Corporation Main Office with Check No. 000363857 for P20,000,000.00, and the other check was from PSB Head Office with Check No. 0000031438 for P10,000,000.00. These checks were dated October 18, 1999.

The third deposit receipt (Exhibits V<sup>14</sup>; V<sup>14</sup>-1; V<sup>14</sup>-2; V<sup>14</sup>-3; and V<sup>14</sup>-4) was likewise dated October 19, 1999. This deposit receipt allegedly shows that there were two (2) checks deposited to the Jose Velarde Account for the total amount of P50,000,000.00, one for P20,000,000.00 and the other for P30,000,000.00. Witness Fortuno identified the account name as Jose Velarde; the branch name as Pacific Star branch; the account number 0160-62501-5; the date and time of deposit which was on October 19, 1999 at 12:49 in the afternoon; and the checks deposited, the first check was from the Global Bank Head Office with Check No. 0000107383 for P30,000,000.00, and the other check was also from the Global Bank Head Office with Check No. 00017385 for P20,000,000.00. These checks were both dated October 18, 1999.

The fourth deposit receipt (Exhibits W<sup>14</sup>; W<sup>14</sup>-1; and W<sup>14</sup>-2) was dated November 3, 1999. This deposit receipt allegedly shows that a check deposit was made to the Jose Velarde Account for P5,000,000.00. Witness Fortuno identified the account name as Jose Velarde; the branch name as Pacific Star branch; the account number 0160-62501-5; the date and time of deposit which was on November 3, 1999 at 11:03 in the morning; and the check deposited which was from Westmont Bank in Ayala Avenue with Check No. 000187472 for P5,000,000.00. The said check was dated October 26, 1999.

The fifth deposit receipt (Exhibits X<sup>14</sup>; X<sup>14</sup>-1; and X<sup>14</sup>-2) was also dated November 3, 1999. This deposit receipt allegedly shows that a check deposit was made to the Jose Velarde Account for P5,000,000.00. The particulars of this deposit receipt were the same as the fourth deposit receipt except for the time of deposit, which was at 11:04 in the morning, and the check deposited which was from Westmont Bank in Ayala Avenue with Check No. 000187471 for

P5,000,000.00. The said check was likewise dated October 26, 1999.

The sixth deposit receipt (Exhs. Y<sup>14</sup>; Y<sup>14</sup>-1; and Y<sup>14</sup>-2) was dated December 17, 1999. This deposit receipt allegedly shows that a check deposit was made to the Jose Velarde Account for P50,000,000.00. The check deposited was allegedly from Equitable PCI Bank in Divisoria - M. De Santos branch with Check No. 0783236 for P50,000,000.00.

The seventh deposit receipt (Exhs. Z<sup>14</sup>; Z<sup>14</sup>-1; Z<sup>14</sup>-2; Z<sup>14</sup>-3; and Z<sup>14</sup>-4) was dated January 11, 2000. This deposit receipt allegedly shows that there were two (2) checks deposited to the Jose Velarde Account for the total amount of P26,325,055.65, one for P20,000,000.00 and the other for P6,325,055.65. Witness Fortuno identified the account name as Jose Velarde; the branch name as Pacific Star branch; the account number 0160-62501-5; the date and time of deposit which was on January 11, 2000 at 12:39 in the afternoon; and the checks deposited, the first check was from Equitable PCI Bank in Divisoria – M. De Santos branch with Check No. 0111-795-117 for P20 Million, and the other check was from Bank of Commerce in Port Area with Check No. 0030474 for P6,325,055.65. The Equitable PCI Bank check was dated January 6, 2000 while the Bank of Commerce check was dated January 11, 2000.

The eight deposit receipt (Exh. A<sup>15</sup>) was dated January 19, 2000. This deposit receipt with an account information slip (Exh. A<sup>15</sup>-1) allegedly shows that a cash deposit of P25,000,000.00 was made to the Jose Velarde Account. Witness Fortuno testified that the account name Jose Velarde as well as the account number were specified in the account information slip.

Last for the deposit receipt (Exh. B<sup>15</sup>) was dated January 24, 2000. This deposit receipt allegedly shows that there were four (4) checks deposited to the Jose Velarde Account for the total amount of P75,000,000.00. The account name Jose Velarde as well as the account number were specified in an account information slip (Exh. B<sup>15</sup>-1) for this deposit receipt. The four (4) checks deposited (Exhs. B<sup>15</sup>-2; B<sup>15</sup>-3; B<sup>15</sup>-4; B<sup>15</sup>-5; B<sup>15</sup>-6; B<sup>15</sup>-7; B<sup>15</sup>-8; and B<sup>15</sup>-9) were allegedly manager's checks from the head office of Urban Bank and all dated January 18, 2000. Witness Fortuno testified that the first check with Check No. 00039976 was for P2,000,000.00; the second check with Check No. 00039975 was for P70,000,000.00; the third check with Check No. 00039978 was for P1,000,000.00; and the fourth check with Check No. 00039977 was for P2,000,000.00.

Fortuno continued on his direct-examination and testified as to the Detailed Report of Transfers and Credit Memorandums (DRTM) dated October 19, 1999; DRTM dated November

3, 1999; DRTM dated December 15, 1999; DRTM dated December 17, 1999; DRTM dated January 11, 2000; DRTM dated January 19, 2000; and DRTM dated January 24, 2000. The witness explained that these DRTM reflects the inter-branch transactions which were done at the Equitable PCI Bank Pacific Star branch. These DRTM allegedly show the summary of the transactions made particularly to the Jose Velarde Account with Account No. 0160-62501-5.

The witness testified that the DRTM dated December 15, 1999 (Exhs. C<sup>15</sup> and C<sup>15</sup>-1) reflects the summary of four (4) cash deposits to the Jose Velarde Account. The first cash deposit was for P25,900,000.00; the second cash deposit was for P37,126,467.83; the third cash deposit was for P38,325,629.67; and the fourth cash deposit was for P43,647,902.50. The DRTM dated October 19, 1999 (Exhs. D<sup>15</sup> and D<sup>15</sup>-1) reflects the summary of four (4) deposits to the Jose Velarde Account. The first deposit was for P30,000,000.00; the second deposit was for P30,000,000.00; the third deposit was for P40,000,000.00; and the fourth deposit was for P50,000,000.00. The total amount of deposits for October 19, 1999 was P150,000,000.00. The DRTM dated November 3, 1999 (Exhs. E<sup>15</sup> and E<sup>15</sup>-1) reflects the summary of two (2) check deposits to the Jose Velarde Account. Each of these check deposits was for P5,000,000.00 for the total amount of P10,000,000.00. The DRTM dated December 17, 1999 (Exhs. F<sup>15</sup> and F<sup>15</sup>-1) reflects a deposit to the Jose Verlarde Account for P50,000,000.00. The DRTM dated January 11, 2000 (Exhs. G<sup>15</sup> and G<sup>15</sup>-1) reflects the summary of two (2) deposits to the Jose Velarde account for the total amount of P26,325,055.65. The first deposit was for P20,000,000.00 and the second deposit was for P6,325,055.65. The DRTM dated January 19, 2000 (Exhs. H<sup>15</sup> and H<sup>15</sup>-1) shows a cash deposit to the Jose Velarde Account for P25,000,000.00. Lastly, the DRTM dated January 24, 2000 (Exhs. I<sup>15</sup> and I<sup>15</sup>-1) reflects a check deposit to the Jose Velarde Account for P75,000,000.00.

Fortuno claimed that the head of the branch of the bank at the time the foregoing deposits were made was Beatriz Bagsit. He added that the total amount of cash and check deposits for the period of October 19, 1999 to January 24, 2000 aggregated to P481,325,055.65.

On cross examination, Fortuno clarified that the Equitable PCI Bank Pacific Star branch had no specimen signatures of Jose Velarde. He also admitted that he had no personal knowledge on any matter relating to the Jose Verlade Account nor does he know the persons who made the cash and check deposits. He testified that none of the names of FPres. Estrada and Jinggoy Estrada appear in the deposit slips or checks he exhibited and identified. [TSN dated November 25, 2002 and TSN dated November 27, 2002]

**MICHELLETTE SOLIDUM LEGASPI** was the Branch Head of Equitable PCI Bank Greenhills-Virra Mall Branch on December 19, 1997 until July 26, 2002. The branch was near North Greenhills Subdivision, San Juan. It was less than 100 meters away from the Buchanan gate or perpendicular to Eisenhower Street of the subdivision. Polk Street was one of the streets of North Greenhills where the residence of former President Estrada was located. [TSN dated December 2, 2002, pp. 39-48]

The Virra Mall Branch was merged with the Greenhills Shopping Center Branch on July 26, 2002. All the bank records and documents of the branch were forwarded to the warehouse of the head office.

Legaspi brought a Certification (Exhibit T<sup>15</sup>) dated November 27, 2002, accomplished and executed by Judy L. Go, Vice-President and Branch Head, Juan Luna Binondo Center, Equitable PCI Bank which certified that Savings Account No. 016062501-5 and Current Account No. 011025495-4 were both under the name of Jose Velarde. [Ibid, pp. 49-56]

Legaspi then identified seven (7) Electronic Clearing Systems Reports with attached documents which were microfilm copies of certain checks. She explained that the Electronic Clearing systems Report was the summary of all checks received and processed at Greenhills-Virra Mall Branch and then sent to PCHC for clearing. The microfilm copies of the checks supported the summary of the Electronic Clearing systems Report. The documents were handed over to Legaspi by their Legal Department.

The Electronic Clearing Systems Report showed the batch sent by the branch to PCHC for clearing. The report bore the routing number of the branch and the identification of the checks that were sent to the Philippine Clearing House Corporation (PCHC).

For the September 10, 1999 Report (Exhibit U<sup>15</sup>, with sub markings), ten (10) checks were processed by the branch. The microfilm copies of the checks bore the Account No. 016062501-5 which meant that the checks were deposited to the said account. Legaspi explained that the account number was found at the back of the checks. The back of the microfilm checks also bore a certification from the PCHC that the item was a photocopy of the original clearing document processed by PCHC.

The following microfilm copies were presented: Allied Bank Check No. 00080546 for P10,000,000.00; Check No. 0080566 for P10,000,000.00; Check No. 0080548 for P10,000,000.00; Check No. 0080542 for P10,000,000.00; Check No. 0080543 for

P10,000,000.00; Check No 0084547 for P5,000,000.00; Check No. 0080544 for P5,000,000.00; Westmont bank Ayala Branch Check No. 000181135 for P5,000,000.00; Metrobank Check No. 0091780568 for P5,000,000.00; Far East Bank Check No. 3165562 for P20,000,000.00 with Jaime Dichavez or Abbie Dichavez as account holder.

Attached to the report was a document entitled Detailed Report of Transfer and/or Credit and Debit memo (U<sup>15</sup>-12) of Greenhills, Virra Mall Branch as of September 10, 1999. On the report, an inter-branch transaction on September 10, 1999 was made for Account No 016062501-5 for P90,000,000.00. The report was secured by the bank's Legal Department pursuant to the subpoena.

For the September 30, 1999 Electronic Clearing Systems Report (Exhibit V<sup>15</sup>, with submarkings), two checks were deposited to Account No 016062501-1. These were Equitable Bank Binondo Branch Check No. 0811277 for P8,300,000.00 and Allied Bank Check No. 0080550 for P20,000,000.00. The dorsal side of the Equitable check bore the account name Jose Velarde and Account No. 016062501-1.

Another attached document was the transaction journal log report (Exhibit V<sup>15</sup>-4) which showed the two deposits. Reflected on the journal log was the amount P995,371.66 indicating the last balance of the Account as of September 29, 1999. A late Deposit Transactions Report of the Branch as of September 30, 1999 reflected that the two checks deposited were late deposit transactions so that they were considered the following day transactions. A Detailed Report of Transfer and/or Memo of Greenhills, Virra Mall dated September 30, 1999 also reflected the two checks.

The third Electronic Clearing Systems Report (Exhibit W<sup>15</sup>, with sub markings) presented was dated October 6, 1999. The details contained the following: Equitable Bank Manager's check in the amount of P300,000,000.00 deposited to Account No. 016062501-5. The journal log reported the P300,000,000.00 deposit on October 5, 1999. A detailed report of Transfer Memo (Exhibit W<sup>15</sup>-4) of the branch dated October 6, 1999 showed that a P300,000,000.00 check deposit to Account No. 016062501-5.

The next Electronic Clearing Systems Report (Exhibit X<sup>15</sup>, with sub markings) was dated November 26, 1999 and showed that three checks were processed by the branch. These checks were: Equitable Bank Check No. 0811579 for P20,000,000.00, Check No. 0811580 for P20,000,000.00 and Check No. 0811582 for P60,000,000.00. The dorsal portions of the checks bore the account number 01602501-5 where the checks were deposited. The Detailed Report of Transaction Memo (Exhibit X<sup>15</sup>-5) dated November 26, 1999 also showed these three



transactions. Since the checks were deposited beyond the clearing cut-off time, the late deposit transactions report ( Exhibit X<sup>15</sup>-6) was also presented.

The Electronic Clearing Systems Report (Exhibit Y<sup>15</sup>, with sub markings) dated November 29, 1999 showed a Westmont Bank check No. 0000187474 deposit for P25 Million which against bore the account No. 016062501-5. A detailed Report Transfer Memo (Exhibit Y<sup>15</sup>-3) was presented to show this interbranch transaction. The late transaction report dated November 29 for the P25,000,000.00 check deposit was also presented. [Ibid, pp. 51-137]

Electronic Clearing System Report (Exhibit Z<sup>15</sup>, with sub markings) dated December 1, 1999 showed a Metrobank Magdalena Center Check No. 035400 for P53,000,000.00. The detailed report transfer (Exhibit Z<sup>15</sup>-3) reflected that the P53,000,000.00 check was deposited to Account No. 016062501-5.

The last Electronic Clearing Systems Report (Exhibit A<sup>16</sup>, with sub markings) dated December 2, 1999 showed that Equitable PCI Binondo Branch Check No. 0811596 for P50,000,000.00, Check No. 0811597 for P50,000,000.00 and Allied bank Check No. 0176625 for P20,000,000.00 were processed. Attached were two transaction journals (Exhibit A<sup>16</sup>-5) dated December 1, 1999 showing these inter-branch transactions.

Legaspi explained that they were unable to produce the deposit slips representing the inter-branch deposits made to the account of Jose Velarde because all the documents pertaining to the Virra Mall branch were forwarded to the warehouse. They were still in the process of retrieving the other documents pertaining to the deposit slips. [TSN dated December 4, 2000, pp. 11-23]

Legaspi testified that the transactions were made by Baby Ortaliza whom she identified in a photograph (Exht X<sup>5</sup>). [Ibid, pp. 24-30]

On cross examination, Legaspi testified that she was certain that the deposit receipts were actually accomplished and saw Baby Ortaliza several times transacting at the branch. [Ibid, pp. 31-34]

**MELISSA PORTO PASCUAL** was a bank teller of Equitable PCI Bank Greenhills Virra Mall Branch from April 1, 1999 to January of 2002. She processed cash deposits, check deposit deposits, withdrawals and encashment during that time.

The witness then related and identified microfilm copies of checks which she claimed

that she personally processed for inter-branch deposits. These checks were: Equitable PCI Bank Check (Exh. V<sup>15</sup>-2 and submarkings) No. 0811277 dated September 26, 1999 with the amount of P80,300,000.00; Allied Bank Check (Exh. V<sup>15</sup>-3 and submarkings) No. 0080550 dated September 15, 1999 with the amount of P20,000,000.00; Equitable PCI Bank Check (Exh. W<sup>15</sup>-2 and submarkings) No. 0241001331 dated September 13, 1999 with the amount of P300,000,000.00; Equitable PCI Bank Check (Exh. X<sup>15</sup>-2 and submarkings) No. 0811579 dated November 23, 1999 with the amount of P20,000,000.00; Equitable PCI Bank Check (Exh. X<sup>15</sup>-3 and submarkings) No. 0811580 dated November 23, 1999 with the amount of P20,000,000.00; Equitable PCI Bank Check (Exh. X<sup>15</sup>-4 and submarkings) No. 0811582 dated November 23, 1999 with the amount of P60,000,000.00; Westmont Bank Check (Exh. Y<sup>15</sup>-2 and submarkings) No. 0000187474 dated November 27, 1999 with the amount of P25,000,000.00; and Allied Bank Check (Exh. A<sup>16</sup>-4 and submarkings) No. 0176625 dated December 1, 1999 with the amount of P20,000,000.00.

The foregoing checks were deposited by Baby Ortaliza to the Jose Velarde Account with Account No. 0160-62501-5 which was maintained at Equitable PCI Bank Binondo Branch. Pascual described the physical appearance of Baby Ortaliza and identified her in a photograph (Exh. X<sup>5</sup>).

To corroborate her claim that she personally processed the aforementioned checks, witness Pascual further related and identified the Electronic Clearing System Report (Exhs. U<sup>15</sup> to Z<sup>15</sup>-3) dated November 26, 1999; the Electronic Clearing System Report dated October 6, 1999; the Journal Report dated October 5, 1999; the Electronic Clearing System Report dated September 30, 1999; the Electronic Clearing System Report dated November 29, 1999; the Electronic Clearing System Report dated December 2, 1999; and the Journal Report dated December 1, 1999. [TSN dated December 9, 2002]

**LAMBERTO BAJACAN DEL FONSO** (Del Fonso) was the Assistant Vice President and Department Head of the Branch Monitoring and Administration Department of Equitable PCI Bank since 1997.

Del Fonso identified the bank statements relative to the Jose Velarde Savings Account No. 0160-62501-5 for the period beginning August 1, 1999 to November 30, 2000 (Exhs. D<sup>19</sup> to D<sup>19</sup>-13, inclusive of submarkings) and to Current Account No. 0110-25495-4 for the period beginning August 1, 1999 to October 31, 2000 (Exhs. E<sup>19</sup> to E<sup>19</sup>-14). As to Savings Account No. 0160-62501-5, he testified that the account was closed on November 13, 2000 (Exh. D<sup>19</sup>-13). As to Current Account No. 0110-25495-4, witness Del Fonso identified a transaction for

October 6, 1999 (Exh. E19-2) for an automatic transfer of the amount of P29,304,219.69 from the savings account. On the same day, there was an Inward Check deposit amounting to P142 million. For the other months, there were either minimal transactions or none at all.

With respect to the account holder – Jose Velarde, Del Fonso testified that he had no address indicated in the accounts as the same were simply “c/o EBC” or “care of Equitable Banking Corporation” through its Head Office in Binondo, Manila. He clarified that this was allowed as a special arrangement, although he did not know and neither had he met Jose Velarde. [TSN dated January 22, 2003]

**RENE COLIN DACIO GRAY** was head of the Cash Department of Urban Bank sometime on January 2000. He presented and identified a Manager’s Check No. 43222 dated January 17, 2000 (Exh. W<sup>19</sup>) issued by Urban Bank Greenhills Branch which totalled Seventy Five Million Pesos (P75,000,000.00). Gray related that the Chairman of Urban Bank, Arsenio Bartolome, asked him to divide this check into four (4) checks - Urban Bank Check Nos. 39975, 39976, 39977 and 39978 (Exhs. B<sup>15</sup>-2, B<sup>15</sup>-4 B<sup>15</sup>-6 B<sup>15</sup>-8) all dated January 18, 2000. [TSN, March 31, 2003, pp. 8-31]

**AURORA CHUMACERA BALDOZ** (Baldoz) was the Vice-President of the Receivership and Liquidation Group 2 of the Philippine Deposit Insurance Corporation (PDIC) since March 24, 1994. As such, she actually administered the receivership, take-over and liquidation of banks that the Monetary Board orders for closure. She testified that she became familiar with Urban Bank because it was her group that implemented the take-over of the said bank on April 26, 2000.

Baldoz presented and identified documents relative to Account No. 858 (Exh. M<sup>19</sup>) of the Urban Bank, particularly, the Letter of Authority dated November 23, 1999 (Exh. I<sup>19</sup>); Letter of Authority dated January 29, 2000 (Exh. J<sup>19</sup>); Letter of Authority dated April 24, 2000 (Exh. K<sup>19</sup>); as well as Urban Bank Check No. 052093 dated April 24, 2000 in the amount of P107,191,780.85, and a Signature Card of Savings Account No. 0116-17345-9 (Exh. L<sup>19</sup>). Baldoz further identified a Certification (Exh. N<sup>19</sup>) that she issued to the fact that as receiver of Urban Bank, PDIC found no bank records showing any account under the name of Jose Velarde, Joseph E. Estrada, Laarni Enriquez, Guia Gomez, Rowena Lopez, Peachy Osorio, Joy Melendrez, Kevin or Kelvin Garcia, 727, 737, 747, 757, and 777. She further certified (Exh. N<sup>19</sup>-2) that Accounts “A/C 858” and “T/A 858” did not appear in the Registry of Deposits of Urban Bank and were not part of the deposit liabilities of the said bank. [TSN dated March 24, 2003]

**MARIE ROSE ANCHETA CLAUDIO** (Claudio) was the Vice-President of Urban Bank and the Manager of Urban Bank San Juan Branch. She was part of the senior management of Urban Bank, particularly its business development committee which handled the business aspect of the bank. As area manager, she was in-charge of supervising four (4) branches of Urban Bank. On the other hand, as branch manager, she handled the accounts of the Greenhills branch clients in terms of deposits, loans and other products and it was in the course of her duties as such that she became familiar with Trust Account No. 858 or Special Private Account No. (SPAN) 858.

Claudio testified that it was Arsenio Bartolome, then the Chairman of Urban Bank, who asked her to open Trust Account No. 858 and to accept a deposit of Ten Million Pesos (P10,000,000.00). The deposit was accordingly processed based on Trading Order No. 776313 (Exh. Q<sup>19</sup>) dated January 6, 1999. She came to know that the owner of the account was Joseph Victor Ejercito when she was asked to take hold of a Trust Agreement (Exh. R<sup>19</sup>) from the Head Office about two (2) to three (3) weeks after she accepted the cash. Claudio further testified that the Head Office gave it to her to be given in turn to the client for signature. She added that she personally delivered the document along with a signature card to the office of Joseph Victor Ejercito. A few weeks after she left the documents it in his office, she came back and picked them up and gave them back tot her Head Office. She also testified that she was familiar with the signature of Joseph Victor Ejercito because he was a client of the bank.

Also in connection with Trust Account No. 858, Claudio handled the acceptance of all deposits to the said account through Trading Orders. Thus, she became familiar with Trading Order No. 035006-A (Exh. S<sup>19</sup>) dated January 27, 1999 in the amount of Fifty Million Pesos (P50,000,000.00). For effecting withdrawals from the said account, Claudio explained that trading orders, manager's checks and letters of authorities were required. She added that she was familiar with some withdrawals, particularly those covered by Trading Order No. 060851 (Exh. T<sup>19</sup>) dated September 30, 1999 in the amount of Forty Two Million Pesos Three Hundred Sixty Thousand Eight Hundred Ninety Nine Pesos and Seventeen Centavos (P42,360,899.17) and with maturity value of Forty Million Seven Hundred Sixteen Thousand Five Hundred Fifty Four Pesos and Twenty Two Centavos (P42,716,554.22) (Exh. T<sup>19-2</sup>), which she approved and which was covered by Manager's Check No. 0000034182 dated November 8, 1999 (Exh. I<sup>5-18</sup>).

Claudio also identified a withdrawal from the account through Trading Order No. 804490 (Exh. U<sup>19</sup>) with deal date November 5, 1999 with a maturity value of Ten Million Eight Hundred Seventy Five Thousand Seven Hundred Forty Nine Pesos and Forty Three Centavos (P10,875,749.43) covered by Urban Bank Manager's Check No. 34181 (Exh. I<sup>5-17</sup>) that was

processed by branch accountant Aileen Tiongson and which she approved. Lastly, Claudio identified Trading Order No. 808554 (Exh. V<sup>19</sup>) with a net maturity value of Fifty Four Million One Hundred Sixty One Thousand Four Hundred Ninety Six Pesos and Fifty Two Centavos covered by Urban Bank Manager's Check No. 0000037661 (Exh. O<sup>5</sup> with submarkings). Witness Claudio verified that she gave the three (3) manager's checks for withdrawals to Joseph Victor Ejercito. [TSN dated March 26, 2003]

**MA. AILEEN CANDELARIA TIONGSON** (Tiongson) was the Branch Accountant of Urban Bank San Juan Branch from December 18, 1999 to March, 2000. Among her duties was to ensure that all transactions of the bank and all policies in the branch were properly implemented. Her duties also included checking trading orders prepared by the account officer for traditional and non-traditional products, facilitating the issuance of certificates of deposits, and processing the issuance of manager's checks for withdrawal transactions. Tiongson clarified that non-traditional products included trust products or investment placements under trust agreements.

Tiongson testified that she was familiar with Account No. 858 because she processed some of the transactions of the client like the issuance of manager's check. She added that she was familiar with Manager's Check Bearing No. 43222 (Exh. W<sup>19</sup>) dated January 17, 2000 in the amount of P75 Million payable to cash. She added that the source of the manager's check was the pre-terminated placement of Account No. 858. With respect to the said check, Tiongson testified that the placing of "payable to cash" in a manager's check is not a regular procedure in the bank because a manager's check should be payable to a specified person. [TSN dated April 2, 2003]

**GUILLERMO ARAZA BRIONES** (Briones) was the Deputy Receiver / Liquidator of the Philippine Deposit Insurance Corporation (PDIC) assigned to Urban Bank at the time it was under receivership.

Briones testified that as Deputy Receiver, he took charge of all the assets and affairs of the bank and also acted as custodian of the said records. In such capacity, he came across Account No. 858 as he was instructed by PDIC Vice President Aurora Baldoz to look for documents pertaining thereto. He collated the documents and consequently prepared an inventory list (Exh. V<sup>20</sup> – V<sup>20</sup>-4). Briones identified and verified the following entries therein: (1) entry A-2 as referring to Trading Order No. 020385 (Exh. T<sup>19</sup>) dated January 29, 1999; (2) entry A-21 referring to Manager's Check No. 43222 dated January 17, 2000 in the amount of seventy-five million pesos (P75,000,000.00) (Exh. W<sup>19</sup>); (3) entry B-3 referring to Trading Order No. 035006 dated January 27, 1999 (Exh. S<sup>19</sup>); (4) entry B-25 referring to Trading Order No.

808554 dated November 22, 1999 (Exh. V<sup>19</sup>); (5) entry C-22 and C-23 referring to Trading Order No. 060851 dated September 30, 1991 (Exh. P<sup>19</sup>); (6) entry D-34 referring to Trading Order No. 804490 dated November 5, 1999 (Exh. B<sup>20</sup>-3); and entries E-3, E-4, and E-5 referring to letters of authority dated November 23, 1999 (Exh. I<sup>19</sup>), January 17, 2000 (Exh. J<sup>19</sup>), and April 24, 2000 (Exh. K<sup>19</sup>). After collating the documents, he submitted them to Aurora Baldoz. [TSN dated April 9, 2003]

**EMMANUEL ENRIQUEZ BARCENA** was the Assistant Vice President for Operations of the PCHC during the time material in these cases. He assisted the Vice President for Operations, Arturo M. De Castro, in supervising the check processing operations of the corporation; he made sure that the checks delivered by the banks were credited to the clearing account with the Bangko Sentral ng Pilipinas (BSP) and correspondingly debited to the accounts of the drawee banks; and he was also responsible for the accuracy of the reports generated and furnished to the “clearing participants” and BSP to the delivery of checks by the banks. The witness related that the clearing participants are the commercial and thrift bank members of the corporation with authority from the BSP to accept demand deposits and participate in the clearing operations. These banks send local checks to the clearing house by batches and the clearing house receive these checks and feed the same in a reader sorter which capture the drawee bank’s information. Thereafter, the checks are “sprayed with a tracer bond” and “microfilmed” to identify the source of the check. The checks are then tallied against the batch control ticket and the net results, known as the “clearing summary report”, are reported to the BSP to serve as basis “for debiting or crediting the clearing account” of the bank concerned.

The witness then related and identified several checks which were sent to PCHC and undergone the clearing process. He was particular with the signatures of Arturo De Castro, the Vice President of PCHC, Francisco Gementiza, the Microfilm Custodian of PCHC, and Edgar Gamboa, the Assistant of the Microfilm Custodian of PCHC. These checks were Allied Bank Check No. 0176610 with the amount of P5 Million; Allied Bank Check No. 0176611 with the amount of P10 Million; Westmont Bank Check No. 0187473 with the amount of P25 Million; Urban Bank Check No. 037661 dated November 23, 1999 with the amount of P54,161,496.52; Far East Bank Gift Check with the amount of P500,000.00; Allied Bank Check No. 0176621 with the amount of P10 Million; Allied Bank Check No. 0176620 dated December 20, 1999 with the amount of P10 Million; Allied Bank Check No. 0176622 dated December 20, 1999 with the amount of P5 Million; Allied Bank Check No. 0176619 dated December 20, 1999 with the amount of P5 Million; UCPB Check No. 018706 dated December 28, 1999 with the amount of P20 Million; UCPB Check No. 018707 dated December 28, 1999 with the amount of P20 Million; FEBTC Check No. 0580312 dated May 8, 2000 with the amount of P3 Million; Allied

Bank Check No. 0209702 dated May 2, 2000 with the amount of P10 Million; Allied Bank Check No. 0209706 dated May 2, 2000 with the amount of P5 Million; Allied Bank Check No. 0209703 dated May 2, 2000 with the amount of P5 Million; Metrobank Check No. 0830000304 dated June 3, 2000 with the amount of P22,945,000.00; Metrobank Check No. 3010003358 dated June 6, 2000 with the amount of P20 Million; Asian Bank Check No. 0022012 dated November 5, 1999 with the amount of 20 Million; Urban Bank Check No. 034181 dated November 8, 1999 with the amount of P10,875,749.43; Urban Bank Check No. 034182 dated November 8, 1999 with the amount of P42,716,554.22; Allied Bank Check No. 0176604 dated September 30, 1999 with the amount of P10 Million; Allied Bank Check No. 0176601 dated September 30, 1999 with the amount of P10 Million; Allied Bank Check No. 0176602 dated September 30, 1999 with the amount of P10 Million; Allied Bank Check No. 0176605 dated September 30, 1999 with the amount of P10 Million; Metrobank Check No. 0660139670 dated October 18, 1999 with the amount of P30 Million; Metrobank Check No. 0660139681 dated October 18, 1999 with the amount of P13 Million; Metrobank Check No. 0732114979 dated October 15, 1999 with the amount of P10 Million; Global Bank Check No. 0107387 dated October 18, 1999 with the amount of P25 Million; Global Bank Check No. 0107388 dated October 18, 1999 with the amount of P25 Million; Metrobank Check No. 0385384 dated November 24, 1999 with the amount of P10 Million; Metrobank Check No. 0385385 dated November 24, 1999 with the amount of P5 Million; Allied Bank Check No. 0176615 dated November 24, 1999 with the amount of P5 Million; Equitable PCI Bank Check No. 0783278 dated December 17, 1999 with the amount of P160 Million; Equitable PCI Bank Check No. 0783284 dated December 20, 1999 with the amount of P2 Million; Equitable PCI Bank Check No. 0783282 dated December 20, 1999 with the amount of P1.5 Million; Allied Bank Check No. 080519 dated December 20, 1999 with the amount of P5 Million; Equitable PCI Bank Check No. 006975 dated December 24, 1999 with the amount of P1.5 Million; Westmont Bank Check No. 0189619 dated December 23, 1999; PS Bank Check No. 031436 dated October 18, 1999 with the amount of P20 Million; PS Bank Check No. 031437 dated October 18, 1999 with the amount of P20 Million; Security Bank Check No. 0363859 dated October 18, 1999 with the amount of P20 Million; Security Bank Check No. 0363858 dated October 18, 1999 with the amount of P10 Million; Security Bank Check No. 0363857 dated October 18, 1999 with the amount of P20 Million; PS Bank Check No. 031438 dated October 18, 1999 with the amount of P10 Million; Global Bank Check No. 0107385 dated October 18, 1999 with the amount of P20 Million; Global Bank Check No. 0107383 dated October 18, 1999 with the amount of P30 Million; Westmont Bank Check No. 0187472 dated October 26, 1999 with the amount of P5 Million; Westmont Bank Check No. 0187471 dated October 26, 1999 with the amount of P5 Million.

Witness Barcena then related and identified in the foregoing manner Equitable PCI Bank Check No. 0783236 dated December 17, 1999 with the amount of P50 Million; Equitable PCI

Bank Check No. 0111-795117 dated January 6, 2000 with the amount of P20 Million; Bank of Commerce Check No. 0030474 dated January 10, 2000 with the amount of P6,925,055.65; Urban Bank Check No. 039975 dated January 18, 2000 with the amount of P70 Million; Urban Bank Check No. 039976 dated January 18, 2000 with the amount of P2 Million; Urban Bank Check No. 039977 dated January 18, 2000 with the amount of P2 Million; Urban Bank Check No. 039978 dated January 18, 2000 with the amount of P1 Million; Allied Bank Check No. 0080566 dated August 31, 1999 with the amount of P10 Million; Allied Bank Check No. 0080454 dated August 31, 1999 with the amount of P10 Million; Allied Bank Check No. 0080548 dated August 31, 1999 with the amount of P10 Million; Allied Bank Check No. 0080542 dated August 31, 1999 with the amount of P10 Million; Allied Bank Check No. 0080543 dated August 31, 1999 with the amount of P10 Million; Allied Bank Check No. 0080547 dated August 31, 1999 with the amount of P5 Million; Allied Bank Check No. 0080544 dated August 31, 1999 with the amount of P5 Million; Westmont Bank Check No. 00181135 dated August 31, 1999 with the amount of P5 Million; Metrobank Check No. 0091780568 dated September 1, 1999 with the amount of P5 Million; and FBTC Check No. 3165582 dated September 8, 1999 with the amount of P20 Million.

In another set of documentary evidence for the prosecution, the witness similarly related and identified Equitable PCI Bank Check No. 0811277 dated September 26, 1999 with the amount of P8,300,000.00; Allied Bank Check No. 0080550 dated September 15, 1999 with the amount of P20 Million; Equitable PCI Bank Check No. 001331 dated September 30, 1999 with the amount of P300 Million; Equitable PCI Bank Check No. 0811579 dated November 23, 1999 with the amount of P20 Million; Equitable Bank Check No. 0811580 dated November 23, 1999 with the amount of P20 Million; Equitable PCI Bank Check No. 0811582 dated November 23, 1999 with the amount of P60 Million; Westmont Bank Check No. 0187474 dated November 27, 1999 with the amount of P25 Million; Metrobank Check No. 0385400 dated November 29, 1999 with the amount of P53 Million; Equitable PCI Bank Check No. 0811596 dated December 15, 1999 with the amount of P50 Million; Equitable PCI Bank Check No. 0811597 dated December 1, 1999 with the amount of P50 Million; and Allied Bank Check No. 0176625 dated December 1, 1999 with the amount of P20 Million.

Witness Barcena continued on his direct examination and related and identified FEBTC Check No. 3165579 dated November 8, 1999 with the amount of P189,700,000.00; BPI Family Bank Check No. 0006623 dated July 25, 2000 with the amount of P40 Million; Equitable PCI Bank Check No. 0742099 dated August 15, 1999 with the amount of P10 Million; Metrobank Check No. 0091780523 dated August 15, 1999 with the amount of P31 Million; Metrobank Check No. 0385379 dated August 19, 1999 with the amount of P20 Million; Metrobank Check No. 0830416015 dated July 29, 2000 with the amount of P22 Million; and Allied Bank Check



No. 0080549 dated August 25, 1999 with the amount of P20 Million.

Lastly, the witness then presented and identified a Detail List dated November 9, 1999 of PCHC which contained a listing of incoming checks of the participating bank in Greater Manila Area.

On cross examination, witness Barcena clarified that the checks forwarded to PCHC pertained to checks that were not yet acted by the drawee bank as to whether the same were honored or dishonored. [TSN dated January 13, 2003; TSN dated January 15, 2003; and TSN dated January 20, 2003]

### **EVIDENCE FOR THE DEFENSE**

The defense presented **BEATRIZ LEGASPI BAGSIT**, the Vice President and Division Head in the Makati Area of Equitable PCI Bank, and **ROMUALD DY TANG**, Treasurer and Executive Vice President of Equitable PCI Bank. The gists of their testimonies were already discussed in relation to sub-paragraph (c) above. **FPRES. ESTRADA** also denied on the witness stand that he owned the Jose Velarde account.

### **FINDINGS OF FACT**

*Re: Sub-paragraph (d) of the Amended Information*

To reiterate, the crime of plunder is committed through a combination or series of overt or criminal acts [or “predicate acts”] described in Section 1 (d) of R.A. No. 7080 as amended. The prosecution presented overwhelming evidence that there were numerous deposits of astoundingly large sums of money into the Jose Velarde account. However, the prosecution failed to prove the predicate act/s as defined under Section 1(d) of R.A. No. 7080 through which the said deposits could have been acquired or amassed, except for the amount of P189,700,000.00, representing illegal commissions from the sales of Belle shares and the money collected from illegal gambling. It is not per se the accumulation of wealth which is proscribed by the Anti-Plunder Law. The acquisition of wealth of not less than P50,000,000.00 must be linked to the commission of overt or criminal acts falling within the ambit of the said law. All that the prosecution has succeeded in showing is that the Jose Velarde account is the repository or receptacle of vast wealth belonging to FPRES. Estrada.

### **RULING OF THE COURT**

## ON THE CHARGE OF PLUNDER

### *Elements of the Offense of Plunder*

Having reached the foregoing Findings of Fact after a meticulous and laborious study of the voluminous testimonial and documentary evidence of both the prosecution and the defense on the four (4) sub-paragraphs of the Amended Information, the Court is now called upon to apply the Anti-Plunder Law to the facts of this case. The accused are charged with plunder as defined and penalized under Republic Act No. 7080, as amended, entitled “An Act Defining And Penalizing The Crime Of Plunder, As Amended” (July 12, 1991). Particularly, Section 2 of the said law provides as follows:

**Section 2. Definition of the Crime of Plunder; Penalties.-** Any public officer who, by himself or in connivance with members of his family, relatives by affinity or consanguinity, business associates, subordinates or other persons, amasses, accumulates or acquires ill gotten-wealth through a combination or series of overt criminal acts as described in Section 1 (d) hereof in the aggregate amount or total value of at least Fifty Million Pesos (P50,000,000.00) shall be guilty of the crime of plunder and shall be punished by *reclusion perpetua* to death. Any person who participated with the said public officer in the commission of an offense contributing to the crime of plunder shall likewise be punished for such offense. In the imposition of penalties, the degree of participation and the attendance of mitigating and extenuating circumstances, as provided by the Revised Penal Code, shall be considered by the court. The Court shall declare any and ill-gotten wealth and their interests and other incomes and assets including the properties and share of stocks derived from the deposit or investment thereof forfeited in the favor of the State. (As to the penalty, this section is amended by Republic Act No. 9346 prohibiting the imposition of the death penalty in the Philippines. RA 9346 was signed into law on June 24, 2006. In view of its provisions, the penalty for the crime of plunder is now *reclusion perpetua* pursuant to Section 2 (a) of RA 9346. In addition, the convicted person shall be eligible for parole under Act. No. 4103, otherwise known as the Indeterminate Sentence Law, as amended.)

Section 1 (d) of the same statute cited in Section 2 above reads:

d) Ill-gotten wealth means any asset, property, business enterprise or material possession of any person within the purview of Section Two (2) hereof, acquired by him directly or indirectly through dummies, nominees, agents, subordinates and/or business associates by any combination or series of the following means or similar schemes:

1) Through misappropriation, conversion, mis-use, or malversation of public funds or raids on the public treasury;

2) By receiving, directly or indirectly, any commission, gift, share, percentage, kickbacks or any other form of pecuniary benefit from any person and/or entity in connection with any government contract or project or by reason of the office or position of the public officer concerned;

3) By the illegal or fraudulent conveyance or disposition of asset belonging to the National Government or any of its subdivision, agencies or instrumentalities

or government-owned or –controlled corporations and their subsidiaries;

4) By obtaining, receiving or accepting directly or indirectly any shares of stock, equity or any other form of interest or participation including promises of future employment in any business enterprise or undertaking;

5) By establishing agricultural, industrial or commercial monopolies or other combinations and/or implementation of decrees and orders intended to benefit particular persons or special interests; or

6) By taking undue advantage of official position, authority, relationship, connection or influence to unjustly enrich himself or themselves at the expense and to the damage and prejudice of the Filipino people and the Republic of the Philippines.

RA No. 7080, as amended, enunciates a rule of evidence in Section 4 thereof which is quoted hereunder:

Section 4. Rule of Evidence. – For purpose of establishing the crime of plunder, it shall not be necessary to prove each and every criminal act done by the accused in furtherance of the scheme or conspiracy to amass, accumulate or acquire ill-gotten wealth, it being sufficient to establish beyond reasonable doubt a pattern of overt or criminal acts indicative of the overall unlawful scheme or conspiracy.

The case of *Joseph Ejercito Estrada v. Sandiganbayan* (G.R. No. 148560, promulgated November 19, 2001), which upheld this Court's Resolution dated July 9, 2001 denying accused Former President Estrada's Motion to Quash the information in this case, enumerates the elements of the crime of plunder, as follows:

(1) That the offender is a public officer who acts by himself or in connivance with members of his family, relatives by affinity or consanguinity, business associates, subordinates or other persons;

(2) That he amassed, accumulated or acquired ill-gotten wealth through a combination or series of the following overt or criminal acts described in Section 1 (d) of R.A. No. 7080 as amended; and

(3) That the aggregate amount or total value of the ill-gotten wealth amassed, accumulated or acquired is at least P50,000,000.00.

The terms "Combination" and "Series" were likewise defined in the above-cited case as follows:

Thus when the Plunder Law speaks of "**combination**," it is referring to at

least two (2) acts falling under different categories of enumeration provided in Sec. 1, par. (d), e.g., raids on the public treasury in Sec.1, par. (d), subpar. (1), and fraudulent conveyance of assets belongings to the National Government under Sec.1, par. (d), subpar. (3).

On the other hand, to constitute a “**series**”, there must be two (2) or more overt or criminal acts falling under the same category of enumeration found in Sec. 1, par. (d), say, misappropriation , malversation and raids on the public treasury, all of which fall under Sec. 1, par. (d), subpar. (1). Verily, had the legislature intended a technical or distinctive meaning for “combination” and “series,” it would have taken greater pains in specifically providing for it in the law. (emphasis supplied)

### ***The Charges in the Amended Information in Relation to Accused***

The import of the charges in the Amended Information was carefully discussed by the Honorable Supreme Court in the case of *Jose “Jinggoy” Estrada vs. Sandiganbayan* [G.R. No. 148965, February 26, 2003, 377 SCRA 538, 553-556], as penned by now the Honorable Chief Justice Reynato S. Puno, in this wise:

For better focus, there is a need to examine again the allegations of the Amended Information *vis-à-vis* the provisions of R.A. No. 7080.

The Amended Information, in its first two paragraphs, charges petitioner and his other co-accused with the crime of plunder. The first paragraph names all the accused, while the second paragraph describes in general how plunder was committed and lays down most of the elements of the crime itself. **Sub-paragraphs (a) to (d) describe in detail the predicate acts that constitute the crime and name in particular the co-conspirators of former President Estrada in each predicate act. The predicate acts alleged in the said four sub-paragraphs correspond to the items enumerated in Section 1 (d) of R.A. No. 7080.** Sub-paragraph (a) alleged the predicate act of receiving, on several instances, money from illegal gambling, in consideration of toleration or protection of illegal gambling, and expressly names petitioner as one of those who conspired with former President Estrada in committing the offense. This predicate act corresponds with the offense described in item [2] of the enumeration in Section 1 (d) of R.A. No. 7080. Sub-paragraph (b) alleged the predicate act of diverting, receiving or misappropriating a portion of the tobacco excise tax share allocated for the province of Ilocos Sur, which act is the offense described in item [1] in the enumeration in Section 1 (d) of the law. This sub-paragraph does not mention petitioner but instead names other conspirators of the former President. Sub-paragraph (c) alleged two predicate acts - that of ordering the Government Service Insurance System (GSIS) and the Social Security System (SSS) to purchase shares of stock of Belle Corporation, and collecting or receiving commissions from such purchase from the Belle Corporation which became part of the deposit in the “Jose Velarde” account at the Equitable-PCI Bank. These two predicate acts fall under items [2] and [3] in the enumeration of R.A. No. 7080, and was allegedly committed by the former President in connivance with John Does and Jane Does. Finally, sub-paragraph (d) alleged the predicate act that the former President unjustly enriched himself from commissions, gifts, kickbacks, in connivance with John Does and Jane Does, and deposited the same under his account name “Jose Velarde” at the Equitable-PCI Bank. This act corresponds to the offense under item [6] in the enumeration of Section 1 (d) of R.A. No. 7080.

From the foregoing allegations of the Amended Information, it is clear that all the accused named in sub-paragraphs (a) to (d), thru their individual acts, **conspired with former President Estrada** to enable the latter to amass, accumulate or acquire ill-gotten wealth in the aggregate amount of P4,097,804,173.17. As the Amended Information **is worded**, however, it is not certain whether the accused in sub-paragraphs (a) to (d) **conspired with each other** to enable the former President to amass the subject ill-gotten wealth. In light of this lack of clarity, petitioner cannot be penalized for the conspiracy entered into by the other accused with the former President as related in the second paragraph of the Amended Information in relation to its sub-paragraphs (b) to (d). We hold that petitioner can be held accountable **only** for the predicate acts he allegedly committed as related in sub-paragraph (a) of the Amended Information which were allegedly done in conspiracy with the former President whose design was to amass ill-gotten wealth amounting to more than P4 billion.

We hasten to add, however, that the respondent Ombudsman cannot be faulted for including the predicate acts alleged in sub-paragraphs (a) to (d) of the Amended Information in one, and not in four, separate Informations. A study of the history of R.A. No. 7080 will show that the law was crafted to avoid the mischief and folly of filing multiple informations. The Anti-Plunder Law was enacted in the aftermath of the Marcos regime where charges of ill-gotten wealth were filed against former President Marcos and his alleged cronies. Government prosecutors found no appropriate law to deal with the multitude and magnitude of the acts allegedly committed by the former President to acquire illegal wealth. They also found out that under the then existing laws such as the Anti-Graft and Corrupt Practices Act, the Revised Penal Code and other special laws, the acts involved different transactions, different time and different personalities. Every transaction constituted a separate crime and required a separate case and the over-all conspiracy had to be broken down into several criminal and graft charges. The preparation of multiple Informations was a legal nightmare but eventually, thirty-nine (39) separate and independent cases were filed against practically the same accused before the Sandiganbayan. R.A. No. 7080 or the Anti Plunder Law was enacted precisely to address this procedural problem. This is pellucid in the Explanatory Note to Senate Bill No. 733...

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. . . In the case at bar, the different accused and their different criminal acts have a commonality—to help the former President amass, accumulate or acquire ill-gotten wealth. Sub-paragraphs (a) to (d) in the Amended Information alleged the different participation of each accused in the conspiracy. The **gravamen of the conspiracy charge**, therefore, is **not** that each accused agreed to receive protection money from illegal gambling, that each misappropriated a portion of the tobacco excise tax, that each accused ordered the GSIS and SSS to purchase shares of Belle Corporation and receive commissions from such sale, nor that each unjustly enriched himself from commissions, gifts and kickbacks; **rather, it is that each of them, by their individual acts, agreed to participate, directly or indirectly, in the amassing, accumulation and acquisition of ill-gotten wealth of and/or for former President Estrada.**

In the American jurisdiction, the presence of several accused in multiple conspiracies commonly involves two structures: (1) the so-called “wheel” or “circle” conspiracy, in which there is a single person or group (the “hub”) dealing individually with two or more other persons or groups (the “spokes”); and (2) the “chain” conspiracy, usually involving the distribution of narcotics or other contraband, in which there is successive communication and cooperation in much the same way as with legitimate business operations between manufacturer and wholesaler, then wholesaler and retailer, and then retailer and consumer.

From a reading of the Amended Information, the case at bar appears similar to a “wheel” conspiracy. The hub is former President Estrada while the spokes are all the accused, and the rim that encloses the spokes is the common goal in the overall conspiracy, i.e., the amassing, accumulation and acquisition of ill-gotten wealth.

Throughout the trial before this Court, the prosecution’s task was to establish, with the required burden of proof, the commission of the crime of plunder by the principal accused former President Joseph Ejercito Estrada in conspiracy with his co-accused “during the period from June, 1998 to January, 2001” by “willfully, unlawfully and criminally” amassing, accumulating and acquiring by himself directly or indirectly ill-gotten wealth in the aggregate amount of Four Billion Ninety Seven Million Eight Hundred Four Thousand One Hundred Seventy-Three Pesos and Seventeen Centavos ( P4,097,804,173.17), more or less and thereby unjustly enriching himself or themselves at the expense and to the damage of the Filipino people and the Republic of the Philippines, through “ANY OR A COMBINATION OR A SERIES OF OVERT CRIMINAL ACTS, OR SIMILAR SCHEMES OR MEANS” described in paragraphs (a) to (d) in the Amended Information.

After a thorough evaluation of the established facts, we hold that the prosecution has proven beyond reasonable doubt the elements of plunder as follows:

(a) The principal accused Joseph Ejercito Estrada, at the time of the commission of the acts charged in the Amended Information was the President of the Republic of the Philippines;

(b) He acted in connivance with then Governor Luis “Chavit” Singson, who was granted immunity from suit by the Office of the Ombudsman, and with the participation of other persons named by prosecution witnesses in the course of the trial of this case, in amassing, accumulating and acquiring ill-gotten wealth as follows:

(i) by a series of acts of receiving bi-monthly collections from “jueteng”, a form of illegal gambling, during the period beginning November 1998 to August 2000 in the aggregate amount of Five Hundred Forty Five Millionh Two Hundred Ninety One Thousand Pesos (P545,291,000.00), Two Hundred Million Pesos (P200,000,000.00) of which was deposited in the Erap Muslim Youth Foundation; and

(ii) by a series consisting of two (2) acts of ordering the GSIS

and the SSS to purchase shares of stock of Belle Corporation and collecting or receiving commission from the sales of Belle Shares in the amount of One Hundred Eighty Nine Million Seven Hundred Thousand Pesos (P189,700,000.00) which was deposited in the Jose Velarde account.

In *Jose “Jinggoy” E. Estrada v. Sandiganbayan* (G.R. No. 148965, February 26, 2002, 377 SCRA 538, 549) the Supreme Court ruled as follows:

Contrary to petitioner’s posture, the allegation is that he received or collected money from illegal gambling “on several instances.” The phrase “on several instances” means the petitioner committed the predicate act in series. To insist that the Amended Information charged the petitioner with the commission of only one act or offense despite the phrase “several instances” is to indulge in a twisted, nay, “pretzel” interpretation.

In the same case (*Jose “Jinggoy” E. Estrada v. Sandiganbayan, supra.*), it was held: ...Sub-paragraph (c) alleged two predicate acts—that of ordering the Government Service Insurance System (GSIS) and the Social Security System (SSS) to purchase shares of stock of Belle Corporation, and collecting or receiving commissions from such purchase from Belle Corporation which became part of the deposit in the “Jose Velarde” account at the Equitable PCI Bank. **These two predicate acts fall under items [2] and [3] in the enumeration of R.A. No. 7080, and was allegedly committed by the former President in connivance with John Does and Jane Does.** (emphasis supplied)

This Court finds that the prosecution failed to prove, beyond reasonable doubt, who among the accused benefited from the misappropriation of the excise tax share of Ilocos Sur and in what amounts, as charged sub-paragraph b. The prosecution likewise failed to offer evidence on the alleged illegal sources of the numerous deposits in the Jose Velarde account which belongs to FPres. Estrada, except for the commission received from the sale of Belle shares to GSIS and SSS and the money collected from illegal gambling. The Anti-Plunder Law requires the prosecution to prove the series or combination of overt or criminal acts through which ill-gotten wealth deposited in the Jose Velarde account was amassed, accumulated or acquired. The prosecution failed to discharge this burden of proof.

However, the two different series of predicate acts outlined above (particularly, first, the regular and methodical acquisition of ill-gotten wealth through collections from illegal gambling and second, the receipt of unlawful commissions from the sales of Belle shares twice), whether taken separately or independently of the other or in combination with each other, unquestionably constitute the crime of plunder as defined by Section 2, in relation to Section 1

(d) of RA 7080 as amended.

The case of *Estrada v. Sandiganbayan* (G.R. No. 148560, November 19, 2001) ruled:

xxx As Senate President Salonga explained, of there are 150 constitutive crimes charged, it is not necessary to prove beyond reasonable doubt all of them. If a pattern can be shown by proving for example, 10 criminal acts, then that would be sufficient to secure conviction.

The State is thereby enabled by this device to deal with several acts constituting separate crimes as just one crime of plunder by allowing their prosecution by means of a single information because there is a common purpose for committing them, namely, that of “amassing, accumulating or acquiring wealth through such overt or criminal acts.” The pattern is the organizing principle that defines what otherwise would be discreet criminal acts into the single crime of plunder. (369 SCRA 394, 475-476)

A pattern was established by the carefully planned system of jueteng money collection on a regular bi-monthly basis from the different provinces nationwide to enrich FPres. Estrada with the connivance and/or participation of Gov. Singson, Yolanda Ricaforte, Emma Lim, Carmencita Itchon, SPO2 Artates, Jamis Singson and other jueteng collectors referred to in the Amended Information as “John Does” and “Jane Does.” The Court notes that Gov. Singson in the course of his testimony mentioned certain persons who collected jueteng money aside from himself and his employees; namely, Anton Prieto, Bonito Singson, Bong Pineda, Charing Magbuhos, Celso de los Angeles, Jesse Viceo, Romy Pamatmat and a certain Sanchez of Batangas. As proven, the collections in “several instances” from illegal gambling money went way beyond the minimum of P50,000,000.00 set by the Anti-Plunder Law. These repeated collections of jueteng money from November 1998 to August 2000 would fall within the purview of a “series” of illegal acts constituting plunder. The said series of acts, on its own, would have been sufficient to convict the principal accused, FPres. Estrada. However, this Court also finds that FPres. Estrada is criminally liable for plunder for receiving commissions from the purchase of Belle Shares by the GSIS and by the SSS in grave abuse of his power on two (2) separate occasions as charged in sub-paragraph (b) of the Amended Information. Clearly, the receipt of these commissions on two (2) occasions likewise meets the definition of a series of two (2) similar unlawful acts employing the same scheme to accumulate ill-gotten wealth.

It is unnecessary to indulge in an exposition of whether the two series of acts falling under sub-paragraphs (a) and (c) of the Amended Information, proven in the course of the trial could have amounted to two (2) counts of plunder. It would be a purely academic exercise, as the accused cannot be convicted of two offenses or two counts of plunder on the basis of a single Information, clearly charging him of only one count of plunder, because that would violate



his constitutional rights to due process, given the severity of the crime charged in this case.

The predicate acts alleged in sub-paragraphs (a) and (c) of the Amended Information, which formed two (2) separate series of acts of a different nature, were linked by the fact that they were plainly geared towards a common goal which was the accumulation of ill-gotten wealth for FPRES. Estrada and that they shared a pattern or a common method of commission which was the abuse or misuse of the high authority or power of the Presidency. (*U.S. v. Hively*, 437 F3d 752)

In sum, the Court finds that prosecution has proven beyond reasonable doubt the commission by the principal accused former President Joseph Ejercito Estrada of the crime of plunder but not so in the case of former Mayor Jose Jinggoy Estrada and Atty. Edward Serapio.

**WHEREFORE**, in view of all the foregoing, judgment is hereby rendered in Criminal Case No. 26558 finding the accused, Former President Joseph Ejercito Estrada, **GUILTY** beyond reasonable doubt of the crime of **PLUNDER** defined in and penalized by Republic Act No. 7080, as amended. On the other hand, for failure of the prosecution to prove and establish their guilt beyond reasonable doubt, the Court finds the accused Jose "Jinggoy" Estrada and Atty. Edward S. Serapio **NOT GUILTY** of the crime of plunder, and accordingly, the Court hereby orders their **ACQUITTAL**.

The penalty imposable for the crime of plunder under Republic Act No. 7080, as amended by Republic Act No. 7659, is *Reclusion Perpetua* to Death. There being no aggravating or mitigating circumstances, however, the lesser penalty shall be applied in accordance with Article 63 of the Revised Penal Code. Accordingly, accused Former President Joseph Ejercito Estrada is hereby sentenced to suffer the penalty of ***Reclusion Perpetua*** and the accessory penalties of civil interdiction during the period of sentence and perpetual absolute disqualification.

The period within which accused Former President Joseph Ejercito Estrada has been under detention shall be credited to him in full as long as he agrees voluntarily in writing to abide by the same disciplinary rules imposed upon convicted prisoners.

Moreover, in accordance with Section 2 of Republic Act No. 7080, as amended by Republic Act No. 7659, the Court hereby declares the forfeiture in favor of the government of the following:

(1) The total amount of Five Hundred Forty Two Million Seven Hundred Ninety One Thousand Pesos (P545,291,000.00), with interest and income earned, inclusive of the amount of Two Hundred Million Pesos (P200,000,000.00), deposited in the name and account of the Erap Muslim Youth Foundation.

(2) The amount of One Hundred Eighty Nine Million Pesos (P189,000,000.00), inclusive of interests and income earned, deposited in the Jose Velarde account.

(3) The real property consisting of a house and lot dubbed as "Boracay Mansion" located at #100 11<sup>th</sup> Street, New Manila, Quezon City.

The cash bonds posted by accused Jose "Jinggy" Estrada and Atty. Edward S. Serapio are hereby ordered cancelled and released to the said accused or their duly authorized representatives upon presentation of the original receipt evidencing payment thereof and subject to the usual accounting and auditing procedures. Likewise, the hold-departure orders issued against the said accused are hereby recalled and declared functus officio.

**SO ORDERED.**

SGD.

**TERESITA J. LEONARDO-DE CASTRO**

Presiding Justice  
Chairperson

SGD.

**FRANCISCO H. VILLARUZ, JR.**

Associate Justice

SGD.

**DIOSDADO M. PERALTA**

Associate Justice

**ATTESTATION**

I attest that the conclusions in the above Decision were reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

SGD.

**TERESITA J. LEONARDO-DE CASTRO**

Presiding Justice  
Chairperson

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**CERTIFICATION**

Pursuant to Article VIII, Section 13, of the Constitution, and the Division Chairman's Attestation, it is hereby certified that the conclusions in the above Decision were reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

SGD.

**TERESITA J. LEONARDO-DE CASTRO**

Presiding Justice