

PH, Vietnam urge strong Asean action vs China

By TJ A. Burgonio

NAYPYITAW, Burma—Disturbed by China's provocation in the South China Sea, the Philippines and Vietnam urged the Association of Southeast Asian Nations (Asean) on Sunday to make a united stand to maintain its relevance.

At a summit hosted by Burma (Myanmar), the Philippines and Vietnam pushed for stronger action to confront China's aggressive behavior and some Asean leaders expressed concern over China's provocative moves against the two members of the bloc.

But in their joint statement issued after the summit, the Asean leaders made no direct mention of China, indicating that few were willing to risk their countries' political and economic relationship with the regional powerhouse.

At the retreat session, President Aquino apprised the other Asean leaders of the Philippines' encounters with China in the West Philippine Sea.

Mr. Aquino also informed the body of the evidence the Philippines presented to the United Nations International Tribunal

PH, VIETNAM/ A12



ASEAN TIES President Aquino (right) links arms with his counterparts during the opening of the 24th Asean Summit in Burma (Myanmar). With him are (from left) Laos Prime Minister Thongsing Thammavong, Indonesia President Susilo Bambang Yudhoyono, Cambodia Prime Minister Samdech Hun Sen, Malaysia Prime Minister Najib Razak, Burma President U Thein Sein, Brunei Sultan Hassanal Bolkiah, Vietnam Prime Minister Nguyen Tan Dung, Thailand Deputy Prime Minister Phongsathep Ekanjana and Singapore Prime Minister Lee Hsien Loong. INQSnap this page (not just the logo) to view more photos.

**Asean hails
Bansamoro pact** / A13

Sino-Viet standoff at Paracels hardens

By Amando Doronila

TENSIONS over territorial disputes in the South China Sea flared up on Wednesday as a Chinese flotilla of up to 80 boats and 30 Vietnamese Coast Guard vessels clashed after the Vietnamese tried to stop China from installing a deepwater drilling rig near the Paracel islands, which are controlled by Beijing but claimed by Vietnam.

The collisions were sparked by Beijing's announcement that it was moving the rig into the area. The confrontations are considered the most dangerous between the two countries, with dozens of boats facing off in the area.

The US Department of State called the Chinese decision to park the drilling rig in the area "provocative."

"This unilateral action appears to be part of a broader pattern of Chinese behavior to advance its claims over disputed territory in a manner that undermines peace and stability in the region," state department spokesperson Jen Psaki said on BBC.

"We are also very concerned about the dangerous conduct and intimidation by vessels op-

SINO-VIET/ A12

Vietnam allows big anti-China protest over oil rig / A12

Complete records of Benhur Luy bared

20,000 digital files contain names, details of pork deals

By Nancy C. Carvajal

First of a series

WHEN they came to the INQUIRER on April 27, 2013, the parents of Benhur Luy—Gertrudes and Arturo—gave us a hard drive containing the complete files of their son while in the employ of

their cousin Janet Lim-Napoles as her finance officer.

The Luys, together with Benhur's siblings Arthur and Annabel, came to the INQUIRER to ask for help for their son to expose the plunder of people's money by Napoles and her highly placed clients in the government.

The INQUIRER copied the contents of the hard drive that had 20,103 files held in 2,156 folders during the period 2002 to 2012.

SPECIAL REPORT

COMPLETE/ A23



LUY: Main whistle-blower of pork racket.

Now, Ping warns on revealing Napoles list

By Christian V. Esguerra

FORMER Sen. Panfilo "Ping" Lacson yesterday warned that the 24-member Senate might collapse if Janet Lim-Napoles' affidavit purportedly naming current and former lawmakers involved in the alleged pork barrel scam was made public.

Nevertheless, Lacson said he was willing to submit to the Senate the three sets of documents earlier given to him by Napoles' family: a draft affidavit, narration of events and a list of legislators and other government officials allegedly involved in the racket.

"In my view, the matter involves national security because the Senate might collapse if the documents are released to

NOW, LACSON/ A23

Sea turtles freed; Chinese fishermen held

By Marlon Ramos and Jerome C. Aning

AFTER rejecting China's demand that its nationals be released, the Philippine National Police brought criminal charges against 11 Chinese fishermen caught poaching more than 500 marine turtles in the disputed West Philippine Sea off Palawan

province and freed the turtles. In a report submitted to Camp Crame, the PNP Maritime Group said it also filed charges against five Filipinos who allegedly sold sea turtles to the Chinese poachers.

The maritime police said 555 sea turtles were recovered from the Chinese fishermen's boat, but more than 300 of them

were already dead.

It said 177 of the sea turtles were alive and were freed after an inventory conducted by officials of the Bureau of Fisheries and Aquatic Resources (BFAR) and the Department of Environment and Natural Resources (DENR).

That could present a problem in the prosecution of the Chi-

nese fishermen, as the turtles are required to be presented as evidence at the inquest.

Also recovered from the Chinese fishing vessel were 93 dead turtles, 207 stuffed turtles, two dried turtles and 76 pieces of turtle carapace.

The Chinese and Filipino fishermen were charged on

SEA TURTLES/ A19



ELSA STATUE Actress Nora Aunor looks at the statue of Elsa, the character she portrayed in "Himala." Aunor, Ilocos Norte Gov. Imee Marcos and sculptor Gerry Leonardo led the unveiling of the statue in Paoyay.

Paoyay sees miracle in Nora statue

By Leilanie Adriano
Inquirer Northern Luzon

PAOYAY, Ilocos Norte—If miracles do happen, then a sculpture of a famous actress in character could draw voyagers in this northern Luzon community.

It took sculptor Gerry Leonardo of Philippine High School for the Arts 30 days to build the statue of iconic actress Nora Aunor's character in the award-winning 1982 film "Himala." Leonardo said he

PAOYAY/ A19



WHAT'S INSIDE

NEWS
Angat dam reaches critical level / A2

WORLD
Nigerian army starts hunt for missing girls / A28

LIFESTYLE
Torre de Manila splits heritage sector / C1

ENTERTAINMENT
Angel's birthday surprise makes Luis cry / E3

Give in. Call now.

30 YEARS

Complete records of Benhur Luy bared

From page A1

Napoles knew that Benhur kept complete records of her transactions upon her strict instructions.

Surrendering the laptop containing the business transactions of JLN Corp., where Benhur was finance officer, was the condition set by Napoles and her brother Reynald Lim for his family to be allowed to see Benhur after they allegedly illegally detained him on Dec. 19, 2012.

On March 22, agents of the National Bureau of Investigation's Special Task Force rescued Benhur from the Napoles condominium unit in Pacific Plaza Towers in Taguig City.

What Napoles did not know then was that Benhur had made a backup file on the hard drive where amounts of kickbacks given to lawmakers and other government officials were recorded in detail.

Benhur's parents were accompanied to the INQUIRER by another JLN employee, Merlina Suñas, who also turned whistleblower, his longtime friend Flor Villanueva and Benhur's former lawyer Levito Baligod.

The INQUIRER discovered that close to 200 people, including lawmakers, department heads, a former Supreme Court justice, popular media personalities, heads of government-owned and -controlled corporations, government employees of various agencies, local government officials, lawyers, military officials, show biz personalities, employees of the Senate and the House of Representatives, and private individuals received money from Napoles based on the records of Benhur.



BENHUR Luy and the other whistle-blowers (right) in the pork scam; his mother Gertrudes (top) is shown in file photo when she appeared during a Senate hearing. INQUIRER PHOTOS

Benhur's records showed that transactions of lawmakers were of two categories. One, there were legislators who repeatedly funneled huge funds to Napoles organizations and personally received kickbacks from her. Two, there were legislators who allocated a minimal amount of their pork barrel funds through agents and representatives.

Kickback deliveries

Kickbacks were handed out using various methods—through bank fund transfers, checks, cash delivered to their houses or picked up at the JLN office in Discovery Center in Ortigas, Pasig City, the Benhur records also showed.

Other places indicated as



venues for deliveries of kickbacks were hotels, restaurants and coffee shops.

Some legislators received kickbacks in foreign currency, the files showed.

The INQUIRER found in the computer files records of financial transactions, bank documents, bank transfers, cash and check disbursements, letters of endorsements, memorandums of agreement, acceptance letters, list of properties, money transfers, auditor's reports, private letters, insurance policies, prayers, photographs, project proposals, check disbursements, bank placements, bank deposits, drafts of various communications, special allocation release order numbers,

guests lists and payrolls of JLN employees, including Benhur's.

The hard drive contained JLN Corp. bank account numbers and balances. The records also showed that Napoles controlled 21 foundations—not 20 as earlier reported—and a publishing company, Golden Publishing Corp.

The records further showed that Napoles knew some of the personalities of other equally questionable organizations, which were also beneficiaries of hundreds of millions of pesos from some legislators.

Benhur's records were among the evidence submitted by the National Bureau of Investigation to the Office of the Om-

budsman as part of the evidence in plunder cases filed against Senators Juan Ponce Enrile, Ramon "Bong" Revilla Jr., Jinggoy Estrada and 74 others.

Other sources of scams

Benhur's records showed that apart from the estimated P10-billion Priority Development Assistance Fund (PDAF) allocations and the Malampaya Fund, other public funds were also sources of kickbacks for the lawmakers through Napoles.

The other sources were budget insertions, allocations for hard projects like farm-to-market roads, appropriation funds for calamity, nationwide equip-

ment enhancement programs and department savings.

Budget for members of the Commission on Appointments and media blitz of some government organizations were also financed by Napoles.

It also contained records of Napoles' properties and houses, payments of club shares, bank accounts, security and treasury bonds, and the JLN Corp. minimal payments made to the Bureau of Internal Revenue.

The records also have detailed information on how much and when and how Napoles sent millions of dollars to the United States to purchase properties and finance the lifestyle of her daughter abroad.

The hard drive also contained names of guest lists for Napoles parties like the JLN office anniversary, wedding anniversary and other family celebrations.

It also contained songs for Mass and photos of Benhur with friends.

Apart from the hard drive, Benhur also provided additional documents to the INQUIRER to support the information retrieved from the hard drive.

Benhur, speaking through his lawyer Raji Mendoza, explained that those who transacted with Napoles involved "rebates or commission."

Benhur, through Mendoza, was informed of the INQUIRER's decision to release the content of the hard drive.

"We hope that the release of the records of my client will be the catalyst that will challenge public officials to be more circumspect in the use of public funds," Mendoza said.

Now, Lacson airs warning on revealing Napoles list

From page A1

the public," he said in Filipino in a radio interview over dzBB.

Based on the documents, Lacson said at least two Aquino administration officials had been linked to the alleged diversion of Priority Development Assistance Fund allocations to bogus non-government organizations.

"But it was not clear what their participation was," he said, citing the lack of supporting documents on how much the officials supposedly pocketed and other details.

If required by the Senate, Lacson said he would make his copies of Napoles' documents available. But citing "national security implications," he said he would request that they be revealed in an executive session.

"You can just imagine that if this list is made public and public trust in the Senate is eroded further, wouldn't it have a national security implication?"

Vast coverage

"The narration started in 2000, so you can just imagine the span ... The coverage was very vast and the period was very long," said Lacson, who was named by President Aquino last December as presidential assistant for the reconstruction of typhoon-devastated Eastern Visayas.

Lacson said that while he was willing to appear before the Senate, the "best person" to summon was still Napoles.

"Why invite some other people and not the source of all the documents and information?" he said. If the Senate so desires, the hearing could even be held at Ospital ng Makati, where Napoles is confined, he said.

The Senate blue ribbon committee is set to hold a caucus today on Napoles' affidavit, which Justice Secretary Leila de Lima has so far refused to make public.

Senate Majority Leader Alan Peter Cayetano said he would submit to the committee today a letter asking that it subpoena documents that would support the alle-



LACSON

gations contained on the Napoles list.

"The problem with the Napoles list is it will not really tell you much," he said over dzBB, insisting that "all documents" pertaining to the pork barrel scam should be released.

Asked whether the committee headed by Sen. Teofisto Guingona III would likely decide in favor of getting the list, he said: "I don't think there's any other choice. It's just a matter of time."

Gag order

Cayetano, who was confident that he was not mentioned on the list, warned against Napoles' revelations, describing her as "very intelligent and very manipulative."

"Meaning, she knows how to cook up schemes and scams," he said. "So there's a big possibility... that she's just using this to muddle to issue against her."

Lawyer Romulo Macalintal in a statement yesterday raised the possibility that the President would invoke executive privilege and not allow De Lima to disclose the contents of the Napoles list to the committee.

"If the President or the executive secretary invokes the privilege and states the reasons therefor and why such privilege must be respected, then the Senate cannot compel De Lima to appear in its hearing to disclose the contents of the alleged Napoles list," Macalintal said.

The lawyer cited the Supreme Court's decision regarding Executive Order No. 464 in April 2006, in which the tribunal concluded that while Congress has a right to information in aid of legislation, Malacañang may withhold such information "on the ground that it is privileged."

EO 464, issued by President Gloria Macapagal-Arroyo in September 2005, prevented executive officials from appearing in congressional committee hearings investigating alleged scandals against her administration, among them the "Hello, Garci," "NBN-ZTE" and fertilizer fund scams.

With a report from Jerome Aning

THE PURE ESSENTIALS OF WATCHMAKING, ELEVATED TO THE LEVEL OF ART.

GS
Grand Seiko

SEIKO

DEDICATED TO PERFECTION

GRAND SEIKO. With our unique Spron* 530 alloy for the mainspring, the Grand Seiko Hi-Beat 36000 delivers precision of -3 to +5 seconds a day with a power reserve of 55 hours. It is a masterpiece of traditional craftsmanship from Grand Seiko, where the pure essentials of watchmaking are elevated to the level of art. seikowatches.com

*Spron is a registered trademark of Seiko Instruments Inc.

Always ask for a SEIKO WORLDWIDE guarantee card

Seiko Boutique offer Exclusive quality service w/longest warranty

THE BEST SERVICE FOR SEIKO & ALBA WATCHES AT THIS SEIKO BOUTIQUE

• MAKATI: G1-125 Glorietta 1, Ground Floor, Ayala Center, Makati City

Tel.: (632) 621-1522

need a job?
LOG ON TO
www.jobmarketonline.com

PHILIPPINE DAILY INQUIRER

ED NEWS. FEARLESS VIEWS



WHEN IN DROUGHT The potable water supply of more than 10 million residents in Metro Manila takes precedence over irrigation with the drop in Angat Dam's water level, which fell further to 179.67 meters (inset). This has led to the stopping of the supply of water for the irrigation of some 27,000 hectares of farmlands in Bulacan and Pampanga provinces. (See story on Page A2.) INQSnap this page (not just the logo) to view more photos.

Luy's records at a glance

Even P3,000 lanzones entered in pork books

By Nancy C. Carvajal

Second of a series

BY THE TIME the pork barrel scam was exposed last year, the public funds described in the digital records of Benhur Luy as proceeds of "sales" far exceeded the estimated P10 billion that allegedly landed in the various bank accounts of Janet Lim-Napoles, her companies and their subsidiaries.

The amount was culled by the INQUIRER from more than 500 special allotment release orders (Saros) for more than 100 lawmakers, including former and current members of the Senate and the House of Representatives, on the hard disk drive (HDD) containing records of Napoles' business transactions.

The funds were from projects for the Department of Transportation and Communications, Department of Agriculture (DA), Department of Agrarian Reform, fertilizer projects, GMA rice inputs, insertions, farm-to-market road projects and the Malampaya gas fund intended

SPECIAL REPORT

The Benhur Luy files

Next: List of senators in scam

LUY'S/A6



EMOTIONAL WIN A teary-eyed Jamie Herrell of Cebu City waves to supporters after being crowned Miss Philippines-Earth 2014 at the Mall of Asia arena on Sunday night. (See story on Page A2.)

MARIANNE BERMUDEZ

9 Chinese poachers charged in Palawan

By Jerome C. Aning

PALAWAN prosecutors yesterday charged nine of the 11 Chinese fisherman caught poaching marine turtles off Hasa-Hasa Shoal (Half Moon Shoal) in the West Philippine Sea last week, according to the Department of Justice (DOJ).

Two of the 11 poachers were found to be minors and were not charged in accordance with Philippine laws.

The two minors will be turned over to the Department

of Social Welfare and Development (DSWD) in Palawan province and to the Department of Foreign Affairs (DFA), then released, as required by law.

Reports reaching the DOJ in Manila said Palawan Prosecutor Allen Ross Rodriguez found probable cause to file charges against the nine Chinese fishermen for poaching in Philippine waters, taking endangered species and violating Philippine wildlife laws.

Bail of P30,000 was set for

9 CHINESE/A4

P-Noy: PH-US pact a deterrent to China

By TJ A. Burgonio

NAYPYIDAW, Burma—China might think twice about deploying an oil rig in the West Philippine Sea because of a new security agreement between the Philippines and the United States, President Aquino said on Sunday night.

Mr. Aquino was referring to

China's moving a deepwater drilling rig to the East Sea, the waters within Vietnam's 370-kilometer exclusive economic zone, sparking confrontations between dozens of Chinese and Vietnamese ships last week.

Security analysts said China's decision to park the rig in the East Sea might have been its

P-NOY/A4

Senate tells 2 Cabinet men on list, says Ping De Lima to turn over Janet list

By Christine O. Avendaño, Jerome C. Aning and Leila B. Salaverria

THE SENATE yesterday ordered Justice Secretary Leila de Lima to hand over in the next two days a list that Janet Lim-Napoles gave to her purportedly containing the names of past and present lawmakers involved in the alleged P10-billion pork barrel scam.

"Since it's a subpoena, I will comply," De Lima said in a text message to reporters, who asked her about the summons issued upon the request of Sen. Teofisto

SENATE/A6

By Jocelyn R. Uy

THE NUMBER of high-ranking officials linked to the pork barrel scam keeps adding up and now includes two secretaries in President Aquino's Cabinet.

Based on the separate lists provided by alleged pork barrel mastermind Janet Lim-Napoles and whistle-blower Benhur Luy, up to 21 former and incumbent

senators were involved in the alleged diversion of state funds to kickbacks and ghost projects, former Sen. Panfilo Lacson said at the weekly Kapihan sa Diamond Hotel in Manila yesterday.

"There are two Cabinet secretaries, but obviously their alleged participation happened when they were still congressmen ... before they became

members of the Cabinet but I don't know when," said the former head of the Philippine National Police.

Lacson, the presidential assistant on the rehabilitation of typhoon-wrecked Eastern Visayas, said he also had a "glimpse" of Luy's list. He noted this was as reliable as the document provided to him by

2 CABINET/A6

NBA game: 60 seconds took 18 minutes



THE SEVENTH game of the play-off series between the Nets and the Toronto Raptors was about two and a half hours old and seemingly just about finished.

But then the game's final minute kicked in, and play inched ahead slowly, as if mired in a congressional filibuster.

The final minutes of any game governed by a clock can turn into

torture, especially tight ones like the one on May 4 when the Nets' double-digit lead shrank to a point with 8.8 seconds left.

In the NBA, strategic fouls, tactical adjustments and commercials—not to mention the myth of the 20-second timeout—can transform the final moments into a subject worthy of a reinvestigation into

NBA GAME/A7



Priscilla Opens to a Standing Ovation at Resorts World Manila

The country's premier lifestyle hub, Resorts World Manila (RWM) lit up with glitz and glam when its fifth major production, Priscilla, Queen of the Desert, premiered to a standing ovation at the Newport Performing Arts Theater (NPAT) last May 9 (Friday).

Theater fans flocked to the integrated resort to witness the fabulous, Tony Award-winning musical headlined by (from left), Red Concepcion, Leo Tavarro Valdez, and Jon Santos. The production also features other stage luminaries such as Bituin Escalante, Lani Ligot, Timmy Canlas, Pinky Marquez, and the First Lady of Philippine Theater, Menchu Lauchengco-Yulo. At the helm is veteran director Jaime del Mundo.

Priscilla, Queen of the Desert offers an all-out retro party complete with fabulous costumes, over-the-top headdresses, and a parade of dance-floor favorites including "It's Raining Men," "Finally," "I Love the Night Life," "Color My World," "Shake Your Groove Thing," and "I Will Survive".

Tickets are now on sale at RWM Box Office, located near the main casino entrance, and all TicketWorld and TickedNet outlets. For ticket inquiries, you may call (02) 908-8000 local 7700 or visit www.rwmanila.com.

WHAT'S INSIDE

SPORTS Clippers level series vs OKC / A13	METRO 1 of 2 thrill killers identified; hunt on / A15	WORLD Rebels in Ukraine claim victory in vote / A18	BUSINESS Pagcor, gaming firms strike tax deal / B1	LEARNING Teaching writing via reading / E1
---	---	---	--	--

P-Noy admits seeing 2 Napoles lists

By TJ A. Burgonio

NAYPYIDAW, Burma—President Aquino has let the cat out of the bag: He has seen two lists of alleged pork barrel scam players purportedly from Janet Lim-Napoles.

“They don’t agree with each other exactly, and they are supposed to have come from Mrs. Napoles,” he told reporters at a hotel here on Sunday night before flying back to Manila.

The President said he was “taken aback” that the two lists differed on the number of players involved and that the second was unsigned.

He wondered aloud: “*Ano ba talaga, Ate?* (Which one is the real thing, Sis?)”

Evidence

“Will I ask her why she changed? And I don’t want to talk to her. She can talk to the people who will be in a position to evaluate evidence and that means primarily lawyers,” he said.

“There are some alleged [aliases], and there are many who are not,” he said when asked if political allies were on the list.

“You know, when I say there’s a discrepancy, I’m saying that the numbers fluctuate.”

Mr. Aquino said the list handed by Napoles’ family to Presidential Assistant Panfilo Lacson was another list, and that even this had a “substantial detail” that differed from the two he had seen.

Fearing for her life, Napoles surrendered in August last year to the President, who accompanied her late in the night to the Philippine National Police headquarters at Camp Crame.

The President indicated that Napoles or her camp transmitted the first list to him at a time when she “didn’t want to talk” to Justice Secretary Leila de Lima. He gave this list to De Lima.

The second list was personally handed by Napoles to De Lima after a five-hour-long talk on April 22, during which the alleged scam mastermind vowed to tell all and offered to turn state witness.

Work in progress?

De Lima told reporters hours later that the businesswoman signed the affidavit in the presence of her lawyer. But Mr.

Aquino said that this list given to De Lima was unsigned.

“Are you saying supposedly signed? My understanding is that it is still a work in progress. The way she was narrating certain things, she will show some alleged evidence to it, then she’d go off on tangents,” he said.

“Is it safe to reveal? Even that by itself you have to resolve first. Why are there differences from the information you are getting from one witness who is supposed to be narrating facts?” he said.

“So one cannot escape the suspicion that instead of trying to clarify matters, [they] are trying to cloud the whole issue. That makes the process much more difficult at arriving at the truth,” he added.

Conflicting

Mr. Aquino did not discount the possibility that there was a plan to deluge the government with so many details requiring thorough verification that could last until 2016, when he steps down from office.

“By the time you’re ready, our time is up. We’re conscious that

this could be also the objective,” he said.

Other lists

It has now become clear why De Lima has so far rejected rising public clamor for her to make the list she got from Napoles public: It’s unsigned and conflicts with other such lists.

Lacson has fanned calls for its disclosure after he bared there were 12 senators, which he later changed to 16, in the list given him by Napoles’ family in March.

Senators Jinggoy Estrada and Ramon Revilla Jr., decrying that they, along with Sen. Juan Ponce Enrile, were being singled out for prosecution over the scam, have also called for the disclosure of the list.

Accused of receiving kickbacks from the pork barrel racket, the three senators are fighting indictment for plunder with the Sandiganbayan.

As to whether Napoles could qualify as a state witness is a matter that the executive department would leave to Ombudsman’s decision, the President said.

Senate orders De Lima to turn over Janet list

From page A1

Guingona III, the chair of the blue ribbon committee, and approved by Senate President Franklin Drilon.

De Lima was ordered to turn over to Guingona’s panel by Thursday the document she received from Napoles during a five-hour “tell-all” meeting at the Ospital ng Makati on April 22.

Saying she was still “vetting” the document, De Lima had refused to release the document from the alleged mastermind of the racket involving the diversion to ghost projects and kickbacks of the congressional Priority Development Assistance Fund (PDAF).

Former Sen. Panfilo Lacson said he would also submit to Guingona within the week a document prepared by Napoles, which her husband Jaime, a former Marine major, gave to him in March.

Lacson told a news forum yesterday that he also had seen the digital files of whistle-blower Benhur Luy. From the two lists, he figured that at least 21 past and current senators were involved in the alleged racket. (See *story page A?*)

Guingona told reporters at a news conference that he wanted to get hold of these documents before deciding his committee’s next action but added that reopening the inquiry into the pork barrel scam would be a “natural consequence.”

“In the spirit of transparency, it’s time that the list should be brought out,” said Guingona. He added that he intended to make the list public. “I don’t see any reason why I would put it in the drawer and hide it,” he said.

Leave no stone unturned

After 10 hearings, Guingona announced on April 1 that his panel had prepared a report recommending the filing of plunder charges against Napoles, as well as Senators Juan Ponce Enrile, Jinggoy Estrada and Bong Revilla.

This was hours after the Office of the Ombudsman said it had found merit in filing plunder charges in the Sandiganbayan against the three senators, Napoles and six other individuals. The senators have denied wrongdoing.

Majority Leader Alan Peter Cayetano had requested the production of the Napoles documents to help the Senate in its “search for the truth—to cast no shadow of doubt on our institution and leave no stone unturned.”

However, Guingona did not act on Cayetano’s request for the issuance of subpoenas that would compel the Commission on Audit, Department of Budget and Management, Department of Agriculture and Department of Agrarian Reform to release records and documents pertaining to the racket.

‘Scattered’ lists

In a news conference, Cayetano questioned why Napoles had “scattered lists with different names.” He said that “if her purpose is to tell all, she’s destroying her own credibility.”

He urged President Aquino to order the release of such documents as the special allotment release orders, notices of cash allocations and audit reports that could shed light on government officials and lawmakers involved.

Cayetano said that the emer-

gence of several purported Napoles lists was meant to sow confusion. “History in past governments has shown that ... if you can’t explain, you confuse.”

Attack dogs

Sen. Miriam Defensor-Santiago said the committee should call to its hearing Napoles, Lacson and Sandra Cam, the president of the Whistle-blowers Association who likewise claimed she has a Napoles list.

Santiago said the three “might be acting in concert as attack dogs, for one or all three senators indicted for plunder.”

Napoles in her appearance before the committee last November denied knowledge of the scam. She is under detention for the allegedly holding Luy hostage for three months. She has been hospitalized for over a month for treatment of a cancerous uterus.

At the Senate session yesterday, Estrada stood up to appeal to Sandiganbayan justices to give him “fairness and justice” in the event the plunder charge against him is filed. The offense carries a penalty of life imprisonment and is nonbailable, once the court agrees there is merit in pursuing the Ombudsman’s case.

De Lima earlier said she was still “validating” the list provided by Napoles to determine who among those named could be prosecuted.

Lawyer Romulo Macalintal said that since De Lima had given assurances that the Napoles list would not be sanitized or no names would be deleted nor added, “then there is no need to make any verification as to the veracity of the information contained in the said list.... It should rise and fall on its own merit and let Napoles answer for it.”

Exterminate the termites

The independent bloc in the House also wants the House leadership to compel Napoles and De Lima to make the list public. The group, led by Leyte Rep. Ferdinand Martin Romualdez, yesterday urged the House leadership to hold a caucus to address the “reputation crisis” plaguing the chamber.

But Speaker Feliciano Belmonte Jr. noted that very few incumbent members had been mentioned in the controversy. “The House is not at all in focus. The focus is on the senators. They should be allowed to address their own problem,” Belmonte said in a text message.

Termites

Buhay Rep. Lito Atienza, in a press briefing, warned: “The Senate will collapse if the list is not brought out because termites will just keep on eating away at it and its foundation will weaken. If a person is sick, the bacteria must be removed.”

“It is safe to have the termites exterminated to save the entire house. What must fall, must fall,” said Navotas Rep. Toby Tiangco, the United Nationalist Alliance secretary general, in a statement.

Also yesterday, Napoleon Arenas, counsel of the Pangasinan Press Club, asked the Supreme Court to compel De Lima to release her list, citing the people’s right to know and in the interest of public accountability and transparency. *With a report from Gabriel Cardinoza, Inquirer Northern Luzon*

Luy’s records at a glance

From page A1

for typhoon victims.

The digital records of Benhur Luy, Napoles’ finance officer before he turned whistle-blower, were made available to the INQUIRER when his family visited the INQUIRER on April 27, 2013. The records showed Napoles had access to not less than P1 billion kept in placements, foreign currency and savings accounts.

Napoles’ husband, Jaime, a former Marine major, contrary to reports that he was not a part of his wife’s activities, received a commission of P200,000 from a DA project in 2005.

The records were so meticulous they covered anywhere from purchases of lanzones and McDonald burgers to a car for boxing icon Manny Pacquiao’s rumored girlfriend.

The Benhur Luy files also showed:

- Napoles purchased \$4.1 million in one day in 2006 and sent it abroad to buy properties and finance activities of her daughter who was residing overseas.
- The money used to purchase the foreign currency, including British pounds, was withdrawn from bank accounts

of nongovernment organizations (NGOs) controlled by Napoles, which were depositories of projects funded by the congressional Priority Development Assistance Fund (PDAF).

- JLN Corp. paid P11,852.50 in annual income tax for 2005; Jo-Chris Trading, P3,450; and JC World Travel P5,345.

- Napoles paid for the Mazda car of Krista Ranillo, rumored ex-girlfriend of Sarangani Rep. Manny Pacquiao and daughter of former actor Mat Ranillo.

- For every inspection of the Department of Transportation and Communications, which sometimes happened twice a month from 2004 to 2006, the inspector received P20,000 “SOP”

- Energy and Regulatory Commission Chair Zenaida Ducut, before and after she was appointed as ERC head by then President Gloria Macapagal-Arroyo, served as the top agent of Napoles both in the Senate and the House.

- Ducut’s media blitz when she was appointed as ERC chief was paid for by Napoles.

- Lawmakers asked Napoles for kickback advances charged to future projects

- Napoles gave a check for P345,000 to Mario Lim as donation for a classroom in China.

- Napoles’ transactions were a family affair for some lawmakers. Regular clients were father and son, mother and son, wife and husband, siblings, brothers, cousins and in-laws.

- Pauline Labayen, a senior staff member of Sen. Jinggoy Estrada, signed communications to regional directors of the Department of Public Works and Highways informing them of allocations for farm-to-market roads funded by PDAF.

- Local government units (LGUs) were regular conduits of PDAF projects chosen by lawmakers.

- Favored heads of LGUs also repeatedly designated Napoles NGOs as beneficiaries.

- A P3,000 purchase of lanzones by Catherine May Santos, a member of the staff of Sen. Ferdinand Marcos Jr., was entered in the pork books.

- Livelihood starter kits like beauty kits, soap and costume jewelry making modules, dressmaking, hairdressing, silk screen printing, security, technical, medical and farm kits were the favorite products of the Napoles NGOs for ghost deliveries.

2 Cabinet men on Napoles list, says Ping

From page A1

Napoles through her husband Jimmy on March 27.

Comparing the two lists, he observed that two senators mentioned in Napoles’ paper did not appear in Luy’s list.

“Of course, the most reliable source of information is Mrs. Napoles and of course Benhur,” he said.

“Remember that the hard drive is in his possession, so we can say that both are reliable,” he said, referring to Luy’s digital files containing Napoles’ entire business transactions involving the Priority Development Assistance Fund (PDAF).

Hard disk drive

Detailed records of the amounts of kickbacks given to lawmakers and other government officials are in Luy’s hard disk drive (HDD).

Lacson said that if the two lists were combined, there were

21 past and present senators linked to the PDAF scam, revising his earlier count of 16. Of the 21, he said 12 were incumbent, including Senators Juan Ponce Enrile, Jinggoy Estrada and Bong Revilla who have all been indicted for plunder.

Over the weekend, he warned that the 24-member Senate might collapse if Napoles’ affidavit was made public.

Lacson said he was prepared to turn over the three sets of documents in his possession—the list, a draft affidavit and the narration of events spanning 10 years from 2000—to the Senate and Justice Secretary Leila de Lima.

“But I can only attest to the probable authenticity but as to the truthfulness of what is contained in those three sets of documents, I cannot testify,” he said.

Lacson said he talked to Sen. Teofisto Guingona III yesterday

hours before the chair of the Senate blue ribbon committee announced that De Lima and Lacson had been ordered to surrender the purported Napoles documents.

“I asked him how he would like to proceed. I told him that if you will subpoena me, I will show up. If you will say that I turn over the documents, [I will] and I will leave the disposition [of the documents] to you,” Lacson said.

Compare notes

He also said he was planning to meet with De Lima within the week so that they could compare notes and eventually turn over the documents to the justice secretary.

De Lima said she secured the Napoles papers during a five-hour “tell-all” meeting on April 22 during which the detained businesswoman said she wanted to turn state witness and that she feared for

her life. In November, Napoles told the senate panel she knew nothing of the PDAF scam.

In a text message to the INQUIRER yesterday, Lacson said he informed Mr. Aquino last week before he left for Burma (Myanmar) about the list of lawmakers tagged in the racket.

Surprised, not worried

“He seemed surprised but not worried,” Lacson said. Mr. Aquino then “reiterated his position” that the inquiry should “proceed where the evidence will lead the investigation,” he said. (See *story Page A?*)

On the two Cabinet secretaries, Communications Secretary Herminio Coloma pointed out during a news briefing that the allegation pertained to their previous stint as members of Congress, “not to their term as members of the Cabinet.” *With a report from Christian V. Esguerra*

Pollsters need freedom, says SWS head

DAVAO CITY—Social Weather Stations (SWS) president Mahar Mangahas said that beyond the need for resources and technical expertise, researchers doing opinion polls and social surveys need freedom most of all in order to thrive.

Calling opinion polls “history from below,” Mangahas said

this kind of research brings out the democratic feeling of people, but it will only thrive in areas where political leaders, in some way or another, are “not afraid to listen to what the people have to say.”

“The technology of doing surveys is not very difficult,” said Mangahas, who was here on Fri-

day for the launch of the City-Wide Survey Series, an opinion poll and social survey initiated by the Ateneo de Davao University (ADDU) research council. “But what’s difficult is having the sociopolitical atmosphere that allows it to happen.”

Mangahas said the support of the city government, in

terms of giving researchers a very friendly atmosphere, was “extremely important in this work anywhere in the world.”

“Freedom is the most important thing that one needs to do this research, that’s why we started in 1986, because we had freedom after democracy was restored, and we had it first in

the Philippines of all the countries in Southeast Asia,” he said, referring to the SWS, the country’s leading opinion poll firm known for its high level of accuracy and independence.

He said there should be more localized opinion polls not only in Davao City but in different areas in Mindanao to find out

what people think about the different aspects of their lives.

Mangahas referred to opinion polls as “history from below,” adding that opinion polls could bring about democratic feelings, by gauging the sentiments and social conditions of the people. *Germelina Lacorte, Inquirer Mindanao*

PH, Indonesia sign model border pact



By TJ A. Burgonio

PRESIDENT Aquino and visiting Indonesian President Susilo Bambang Yudhoyono yesterday held up a new maritime boundary agreement between Indonesia and the Philippines as a rules-based model for resolving territorial disputes in the South China Sea.

On the final day of the outgoing Indonesian president's two-day state visit, the two leaders witnessed the signing by their foreign ministers of an agreement defining the limits of their countries' exclusive economic zones (EEZ) in the Mindanao Sea and Celebes Sea, ending a long-standing sea border dispute after two decades of negotiations.

They also signed agreements on cooperation on counterterrorism and higher education and vowed to forge closer ties.

Yudhoyono, who spoke out against "gunboat diplomacy" at the Association of Southeast Asian Nations (Asean) Leaders' Summit in Burma (Myanmar) a few weeks ago, hailed the agreement as a model for resolving territorial disputes.

"This, indeed, is a model. A PH, INDONESIA / A15

BORDERLESS COOPERATION President Aquino and Indonesian President Susilo Bambang Yudhoyono (fourth from left) witness the signing of an agreement that resolves a sea border dispute between the two countries after 20 years of negotiations. INQSnap this page (not just the logo) to view more photos. REUTERS

Luy confirms PDI files

Cardinal reminds gov't: Don't forget poor

By Paolo G. Montecillo and Ben O. de Vera

ENSURING that both the rich and poor benefit from the growing wealth in the Asia Pacific will be the biggest challenge for the region's leaders.

This was the key message at the end of the World Economic Forum on East Asia yesterday, an event which the Philippines was hosting for the first time. More than 700 government and civil society experts from 40 countries converged in Manila for the three-day conference, which government drumbeaters have billed as the country's "coming-out party."

"First, I think the challenge is how to deal with the fair distribution of wealth," said Takeshin Niinami, the head of Japanese retail chain Lawson Inc. who cochaired the WEF East Asia.

"This region has been transforming into a second stage of economic growth," Niinami said.

CARDINAL/ A16

Ex-finance chief bats for opening up economy / A16

Benhur issues statement through his new lawyer

By Nancy C. Carvajal

Thirteenth of a series

BENHUR Luy, the principal whistle-blower in the P10-billion pork barrel scam, has confirmed the INQUIRER reports based on his accounting files published by the paper for the past 12 days.

He also confirmed the INQUIRER's account of how it came into possession of the hard disk drive containing his files.

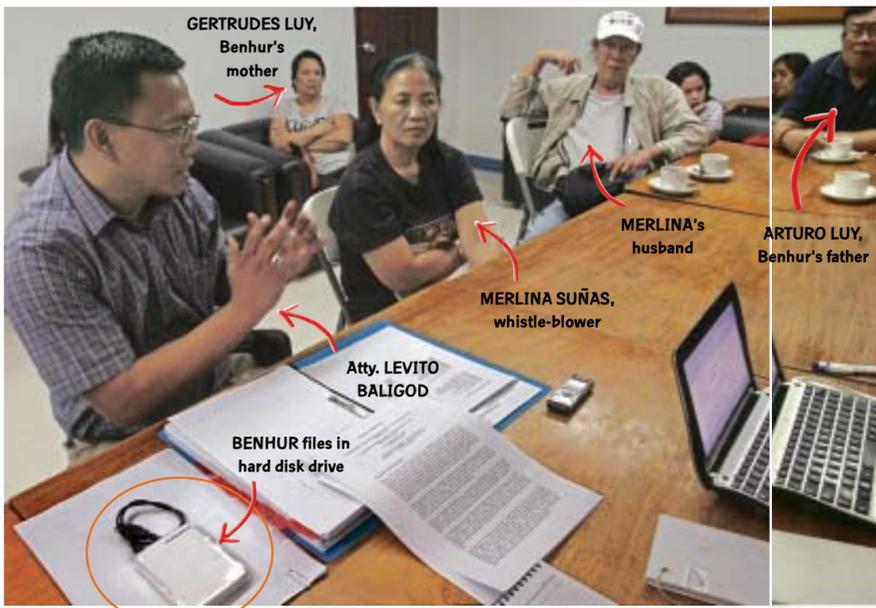
More than a month after Luy, was rescued by the special task force unit of the National Bureau of Investigation, late evening on April 27, 2013, the parents of Luy, Gertrudes and Arturo, his siblings, Annabel and Arthur accompanied by their former lawyer Levito

Baligod came to the INQUIRER for the first time, to ask for help to expose the racket of their employer and relative, JLN Corp. head Janet Lim-Napoles.

Also with them were another former Napoles employee turned whistle-blower Merlina Suñas and her husband.

LUY: PDI/ A8

Doc on Napoles' vaginal bleeding: She has her urges / A18



THE VISIT Composite photo shows lawyer Levito Baligod, whistle-blower Merlina Suñas and her husband, and Benhur Luy's parents, Arturo and Gertrudes, during their visit to the INQUIRER on April 27, 2013. The hard disk drive containing Luy's files is on the table (lower left). RAFFY LERMA

Tagle, 2 bishops defend Ramirez

By Ben O. de Vera and Jocelyn R. Uy

MANILA Archbishop Luis Antonio Cardinal Tagle said yesterday that former Quiapo Church rector Msgr. Josefino Ramirez did nothing wrong when he accepted donations from Janet

Lim-Napoles, the alleged brains behind the P10-billion pork barrel scam.

"Technically speaking, accepting a donation the source of which you do not know does not make you culpable," Tagle told reporters on the sidelines of the World Economic Forum

on East Asia at Shangri-la Hotel in Makati City.

Tagle said, however, that the controversial donation should serve as an "eye-opener" for other priests, who should now be careful in accepting donations to their charities or ministries.

CARDINAL TAGLE/ A8



NAKU, PAANO NA 'YAN...MARAMING MATRONA AT ARTISTANG MABUBUKING NA MAGPAPA-BEAUTY

Solon wants cosmetic surgery patients to get NBI clearance

By Leila B. Salaverria

FACE IT: Some criminals have managed to elude the law by undergoing plastic surgery to alter their features radically.

Citing two recent cases of felons who have undergone cosmetic enhancements to escape authorities, Quezon Rep. Angelina Tan has filed a

SOLON/ A15

Scenic covers await Zambales visitors



By Allan Macatuno
Inquirer Central Luzon

SAN ANTONIO, Zambales—The eruption of Mount Pinatubo in 1991 may have greatly altered the vast landscape of Central Luzon, but

the coastlines of one of its provinces, Zambales, have become accidental beneficiaries of this deadly fury unleashed by nature.

The scenic coves of San SCENIC/ A9



HISTORIC ATTRACTION Capones Island in Zambales province boasts of its famed Spanish lighthouse built during the 1800s. It is also famous for its amazing rock formation and white sand beach, making it a haven for divers and surfers. PHOTO COURTESY OF MUNICIPAL TOURISM OFFICE OF SAN ANTONIO, ZAMBALES

WHAT'S INSIDE

NEWS

Pinoy sentenced to death for spying; 2 others meted out life sentences / A2

UN subjects Boko Haram to sanctions / A21

Balikbayan couple home for reunion found dead / A19

LIFESTYLE

Heat's still on in new 'Miss Saigon'; Jon Jon Briones wows 'em / C1

PETRON BLAZE 100 OCTANE EURO 4
MEETS EUROPEAN FUEL QUALITY STANDARD

HIGH-PERFORMANCE GASOLINE

- Powerful Performance
- Fuel Efficient
- Enviro-Clean

DRIVE SAFELY
www.petron.com

Doc on Napoles' vaginal bleeding: She has her urges

By Jaymee T. Gamil

THE VAGINAL bleeding suffered by alleged pork barrel scam mastermind Janet Lim-Napoles may have been caused by physical and mental stress and by "private, intimate contact" or sexual intercourse, her doctor said yesterday.

"Our patient is human, she has her urges," Dr. Efrén Domingo, Napoles' gynecologist, told the Makati City Regional Trial Court in yesterday's hearing.

Domingo's testimony prompted the prosecution to ask if there was a possibility of sexual contact. But Domingo said he did not ask Napoles.

Napoles' lawyer, Bruce Rivera, however, said that Domingo's testimony that sexual contact was a possible cause of vaginal bleeding was taken "out of context."

"The question asked by the prosecutor was if sexual contact

could cause vaginal bleeding. And the doctor [Domingo] couldn't tell a lie, so he said 'yes,' but it was a general question and wasn't specific to Mrs Napoles," Rivera said in a phone interview.

During cross examination, public prosecutor Christopher Garvida had pressed Domingo on his statement and asked the doctor if he ever asked Napoles if she had sexual contact in the hospital, and if the doctor had ever advised her against it, to which the doctor replied in the negative.

Judge Alameda also asked if sexual contact could cause the bleeding, to which Domingo said yes.

But Rivera, in a phone interview, maintained it was impossible to apply this to Napoles' case. "Nurses enter the room every 10 to 15 minutes. There are guards 24/7. The door is always open and someone is always checking on her," the lawyer said.

Rivera bristled at how "people are making a big deal" out of what Domingo said. "It is demeaning. *Bastos na*," he said.

Napoles' lawyers yesterday called Domingo to the witness stand to testify on Napoles' vaginal bleeding.

According to Domingo, Napoles' vaginal bleeding started on May 17 but learned about it only two days later after it was reported by one of her attending physicians at Ospital ng Makati (OsMak).

Complete bed rest

Domingo said that on May 20, gynecologist Elsie Badeo-Pascua conducted a digital pelvic exam on Napoles in his presence. "The bleeding, though I will not say was profuse, was significant. In two hours, [Napoles] soaked through three sanitary napkins," Domingo recalled.

Domingo ordered that Napoles take medication and complete bed rest. On May 21,

he deferred her May 6 discharge order.

No further bleeding has been reported as of 5 p.m., May 21 until Friday afternoon, but Domingo said: "I would need seven to 10 days of no bleeding ... before I can assume she's fit for discharge."

Domingo said he was "guarded" on Napoles' condition. "We have pulled her out of life-threatening hemorrhage, but in order for me to sustain her in this period, I would require her to be treated, observed and monitored. I am very worried that the bleeding can repeat if the prevailing ambience that provoked it is present," he said.

Napoles' vaginal bleeding prompted her lawyers to ask Makati Regional Trial Court Branch 150 Judge Elmo Alameda to recall and reconsider his May 20 order directing the Philippine National Police to transfer Napoles from

OsMak to her detention cell in Fort Sto. Domingo in Santa Rosa, Laguna, on or before May 23.

No other option

Alameda initially questioned why the matter was never raised during the hearing on May 20, before he issued his order for Napoles' transfer. But the judge eventually gave in: "How can the court countermand the order of the attending physician?"

Alameda said "the court had no other option" but to suspend the May 20 order pending the resolution of Napoles' motion.

With the order recalled on Friday afternoon, Napoles can stay for at least one more week-end at OsMak.

Alameda's May 20 order denied Napoles' bid to extend by three months her confinement at OsMak, where she had surgery to remove her ovaries and uterus last April 23, and

was already ordered discharged on May 6. Napoles had been in the hospital since March 31.

But during a hearing on Friday, Alameda called for his May 20 order to be "held in abeyance," pending the resolution of a motion filed by Napoles' camp on May 21 asking Alameda to recall and reconsider his order after Napoles suffered vaginal bleeding.

Next hearing May 26

Alameda set the next hearing on the motion on Monday, May 26.

State prosecutors said they would present OsMak medical director Perry Peralta and OsMak physician Flor Villanueva on Monday to testify on Napoles' condition.

Napoles is facing a serious illegal detention charge in Alameda's sala, filed by her cousin, former employee, and primary pork barrel scam whistle-blower Benhur Luy.



THE STORY Baligod discloses and explains the workings of the pork barrel scam to the INQUIRER. Beside him is Benhur Luy's brother Arthur.



THE FIRST TIME Luy's parents, Arturo (right) and Gertrudes (in background, second from left), ask the INQUIRER for help in exposing the activities of Janet Lim-Napoles while Benhur was in hiding after his rescue from the Napoles condo unit in BGC by the NBI.



STATEMENT of Benhur Luy through lawyer Raji Mendoza

Luy confirms PDI files, issues statement of support through lawyer

From page A1

Luy's childhood friend Flor Villanueva, the wife of Arthur, was also present.

Benhur visits Inquirer

Benhur was not present during that first meeting. He, however, came to the INQUIRER before the publication of the six-part series on the massive corruption allegedly engineered by Napoles.

Baligod, as lawyer of the Luys at that time, offered to the INQUIRER the contents of the hard drive as additional proof of their allegations about Napoles and her highly placed clients.

The INQUIRER copied the hard drive of Luy, that contained at

least 20,000 files covering the JLN Corp. transactions from 2002-2012.

The INQUIRER during that first meeting asked for additional evidence from the whistle-blowers apart from the sworn affidavits submitted by Luy, his parents and the other whistle-blowers to the NBI and the Department of Justice in connection with the illegal detention case Luy filed against Napoles and her brother, Reynald Lim, who remains at large.

Thanks, PDI

Luy, in an earlier interview, told the INQUIRER that his parents had no knowledge of the explosive contents of his files.

On Thursday afternoon, Raji Mendoza, the new lead counsel, came to the INQUIRER office to personally hand a statement of support from Luy.

The letter was handwritten and signed by Mendoza.

The INQUIRER is reproducing the statement in full.

On April 27, 2013, the family of Benhur Luy, together with Merlina Suñas and friends, assisted by their then counsel, Levito Baligod, sought the aid of PDI in exposing the reason behind Benhur's illegal detention, this being the alleged illicit use and abuse of public funds by Janet Napoles and her cohorts.

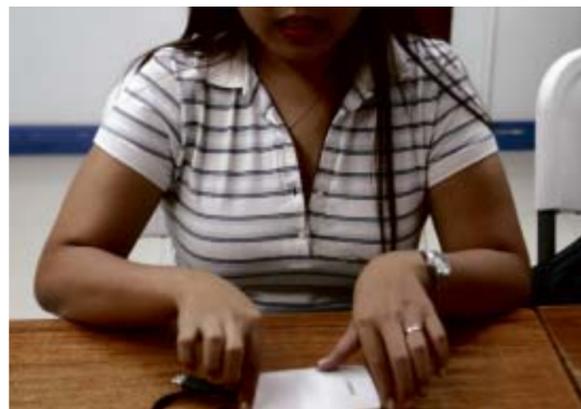
Benhur further confirms the existence of his external hard

drive which was at that time given to Atty. Baligod by Benhur's parents for safekeeping.

On this occasion, the contents of Benhur's hard drive were shared by Atty. Baligod with the INQUIRER to support the allegations against the Napoles group and the INQUIRER copied the same.

About the same time, threats on the life of Benhur were imminent and he was compelled to move incognito from one safe house to another with the protection of the NBI's Special Task Force-Benhur in Manila.

Benhur is thankful the INQUIRER has the fortitude in seeking the truth, the same resolve he shares.



THE HARD DRIVE Benhur Luy's hard disk drive contains 20,000 files detailing the alleged transactions of Janet Lim-Napoles with lawmakers and government officials from 2002 to 2012.

Cardinal Tagle, bishops Bacani, Ongtongco to the defense of 'Monisi'

From page A1

Cubao Bishop Honesto Ongtongco and Novaliches Bishop Emeritus Teodoro Bacani also defended Ramirez yesterday, saying the retired rector of Quiapo Church was born to a well-to-do family and would not ask for money for selfish reasons.

Speaking in separate interviews on Church-run Radio Veritas, Ongtongco and Bacani said they believed Ramirez accepted donations from Napoles "in good faith."

Trustworthy

The prelates said many people sought Ramirez's help because they knew he was trustworthy.

"They know that he does not ask for personal motives. I know that because Cardinal Sin also turned to him for his worthwhile causes," Bacani said, referring to the late Manila Archbishop Jaime Cardinal Sin.

What is important, Ongtongco said, is that the donations from Napoles were properly used and "with the right intentions."

Ongtongco said Ramirez presumed that Napoles was "in good faith in giving the donations."

ask where the donation came from," Ongtongco said.

Luy's files

Ramirez's accepting donations from Napoles became known on Thursday when the INQUIRER, serializing the contents of the files of pork barrel scam principal whistle-blower Benhur Luy, reported that the businesswoman gave the priest P2.5 million in May 2007.

Napoles also spent P434,451 for the trips of Ramirez and four Chinese priests to Rome for the World Apostolate Congress of Mercy in October 2008, Luy's records showed.

'Utmost good faith'

An entry in Luy's files showed that Ramirez received donations from Napoles on several occasions, with the total amount coming up to P800,000.

Ramirez, who retired two years ago, issued a statement on Thursday acknowledging the INQUIRER report, but explained that he accepted the donations "in utmost good faith and without any knowledge as to the source of the funds."

He said the May 2007 donation was P2 million, not P2.5 million, which Napoles gave for a



TAGLE: He did nothing wrong.

microfinance program run by the Caritas Manila charity.

The donations were made by Magdalena Luy Lim Foundation, which Napoles established in memory of her mother, Ramirez said.

He said he accepted the donations "with the sole intention" of using the money for the projects of the Divine Mercy devotion in the Philippines and in China.

Tagle said he believed Ramirez's explanation. "As he said, in a way, it was also a revelation to him," Tagle said.

"The way I heard about it from him, he accepted [the donation] from a friend who happened to be the mother of Janet Napoles,



BACANI: In good faith

and this Mrs. Lim was a devout Catholic. Msgr. Ramirez used to be the parish priest in Binondo. So there's a lot of the Chinese community helping," he said.

"And [according to] his statement, he accepted it in good faith. He seemed to be uncomfortable about asking where the money came from," he said.

Luy's records showed that the money used for the donations came from lawmakers' Priority Development Assistance Fund (PDAF) allocations that Napoles and the legislators allegedly misused in connivance with corrupt government officials.

Napoles allegedly siphoned off P10 billion from the PDAF

into the bank accounts of her fake nongovernment organizations over a period of 10 years.

Not involved

But Tagle said Ramirez was not involved in the irregularity.

"The Church also has laws. But in this case [Ramirez will not be disciplined] unless he himself was involved in the corruption," Tagle said.

Tagle said he saw no problem with sponsored foreign trips of church workers.

"Some priests go to the Holy Land on pilgrimages. And very often, their trips are paid for by the travel agent who organized the trip. That's OK," he said.

Be more careful

Tagle said the Church had no procedures for accepting donations.

"Direct personal donations are rare. Usually, donations are made through the collection box, so we don't know who gave them," he said.

"Donations directly given to priests are allowed," he added.

But after Ramirez's getting dragged into the pork barrel scandal, Tagle said priests need to be more careful when accepting donations.

"[This has served as an] eye-opener, you don't just accept any donations and say thank you," he said. "It's not being cynical, but it's better to be wise and try to find out the source of the donation."

Tagle said the Church is working out measures to make donations transparent.

Most parishes and religious orders have bodies handling finance, he added.

Not bad bread

Bacani said the INQUIRER's report on Napoles' donations was "misleading."

"Those are donations, not bad bread. And the name Napoles before was a good name," Bacani said.

"Those were donations and nobody said it came from the pork barrel of the lawmakers ... he (Ramirez) was friends with Napoles' mother, who was a good person so if he was being helped out by the daughter of a friend, then that is not something suspicious," Bacani said.

"Msgr. Ramirez comes from a family of means in Cavite. So those who seek aid, they know that he doesn't ask for his personal needs but for people who need help," he added.



PHILIPPINE DAILY INQUIRER

UNBIASED NEWS. FEARLESS VIEWS.

LIKE LONDON'S MAZE GARDEN An aerial view of the 350-hectare agriculture estate in Rosario, Batangas province, that has a garden patterned after London's Kew Gardens. Former Makati City Vice Mayor Ernesto Mercado was on a helicopter to shoot this photo last week. The estate consists of a piggery, cock farm, swimming pool, manmade lagoon, 2 rest houses, a main ranch-style home and an orchid farm. CONTRIBUTED PHOTO BY ERNESTO MERCADO

'Binay farm 350-ha estate'

Mercado: Batangas property in dummies' names

By Nancy C. Carvajal

NOT NINE but 350 hectares.

A 350-hectare agricultural estate in Barangay Maligaya, Rosario town, Batangas province, that has a piggery, a flower orchard and a cock farm is currently owned by a corporation whose shareholders are reportedly dummies of Vice President Jejomar Binay, according to former Makati City Vice Mayor Ernesto Mercado.

Mercado, a geodetic engineer by profession, said he had proof the farm in Batangas measured 350 hectares and was owned by the Vice President's family.

He promised to present at the Senate blue ribbon committee hearing today not only the proof of Binay's ownership of the property but also of photos of other Binay assets, such as three properties in Tagaytay City.

Mercado, who showed the IN-

BINAY/A18



STREET EDUCATION Schoolchildren study their notes inside culvert pipes along Baseco compound in Tondo, Manila, on Tuesday. JOAN BONDOC

Luy drops bombshells vs Jinggoy

By Marlon Ramos

SEN. JINGGOY Estrada, who is accused of embezzling P183 million of his pork barrel allotments, once phoned businesswoman Janet Lim-Napoles to complain that his "commission" from a project was short by

P10,000, whistle-blower Benhur Luy told the Sandiganbayan yesterday.

It was but one of the bombshells that Luy dropped on his return to the witness stand against Estrada, sending the detained senator's lawyers scrambling for legal remedies

to block the testimony.

Looking confident and relaxed as in his previous court appearances, Luy narrated how Estrada purportedly collected his kickbacks from the elaborate scheme that Napoles allegedly drew up to funnel some

LUY DROPS/A15

VP ratings drop 15 pts; he's still most trusted

BUFFETED by serious allegations of graft during his term as mayor of Makati City, Vice President Jejomar Binay saw both his approval and trust ratings drop 15 percentage points between June and September, results of a recent Pulse Asia survey showed.

Cutting across geographic areas and socioeconomic classes, the Vice President's approval rating declined from 81 percent to 66 percent. His trust rating fell from 79 percent to 64 percent.

These were the biggest de-

clines among the country's top officials, although the Vice President still had the highest approval and trust ratings.

President Aquino's approval rating was down by one percentage point to 55 percent, as the survey had a margin of error of plus or minus 3 percentage points.

Using face-to-face interviews, the nationwide survey covered 1,200 Filipinos aged 18 and older.

In the same survey, the re-

VICE/A17

Verdict on Binay jurisdictional challenge out today / A17



Pacman knocked out: Age does matter if running as Binay's veep

By Marlon Ramos and Jocelyn R. Uy

AGE DOES matter—especially if you are running for public office.

Vice President Jejomar Binay may choose ring legend and Rep. Manny Pacquiao as his running mate in the 2016 elections but the constitutional provision on the age of those aspiring for vice president will automatically knock him out of contention, detained Sen.

PACMAN/A17

BIR to check PNP chief's lifestyle

By Gil C. Cabacungan, Leila B. Salaverria, Tarra Quismundo and Christian V. Esguerra

BUREAU OF Internal Revenue (BIR) Commissioner Kim Henares yesterday said a lifestyle check on Philippine National Police Director General Alan Purisima and other members of the police force would

commence soon.

Henares said the PNP, Department of the Interior and Local Government, National Police Commission (Napolcom), Office of the Ombudsman and the BIR had been tasked to conduct a comparison of a policeman's salary with his assets.

"This is more efficient because we will work on the documentation or evidence,"

BIR/A16

Henares said. The Ombudsman and the BIR will help the PNP, Napolcom and DILG in the investigation so we will just have a single probe."

Henares added: "We're just finalizing our memorandum of agreement and the memorandum circular that will show how serious the DILG, Napolcom and PNP want to

HK protests thin as 2 sides agree to talk

HONG KONG—Crowds of protesters who filled Hong Kong's streets with demands for a greater say in choosing the territory's leader thinned dramatically on Tuesday after student leaders and the government agreed to hold talks in this increasingly frustrated city.

Just a couple days after tens of thousands of demonstrators

thronged the city's streets, only a few dozen students were occupying some stretches of highway, once again snarling traffic and slowing commuters.

One young protester sleepily brushed his teeth as rush hour began, spitting into a storm drain along the blockaded six-lane highway that cuts through the heart of Hong Kong's busi-

ness district. Nearby, a sleeping demonstrator leaned back in a nylon chair, his mouth open and his eyeglasses askew.

Despite the dwindling numbers of activists on the streets, protest leaders insisted the movement was far from defeated, and vowed to walk away from negotiations if the police

HK PROTESTS/A15

WHAT'S INSIDE

Nancy grills Heidi in COA budget hearing / A2

Boy Abunda: I had nowhere to go but kneel / D1

What parents should know on video games / C1

Broken rail derails MRT 3 again / A21

Tamaraws go all out for UAAP title today / A20

AG&P bags LNG Russia project / B1

National Book Store

NEW YORK TIMES BESTSELLING AUTHORS

CLAUDIA & MADELEINE GRAY & ROUX

BOOK SIGNING TOUR

October 18 / 2 PM October 19 / 4 PM

National Book Store, Glorietta 1 National Book Store, Ayala Center Cebu

Registration starts at 10 am for both events.

#GrayandRouxinPH

www.nationalbookstore.com facebook twitter instagram



PHOTO FROM THE OFFICE OF THE VICE PRESIDENT

BINAY AND THE BAGOBÓ Vice President Jejomar Binay is conferred the title Matan'am Datu (wise leader) by 29 chieftains of the Bagobó-Tagabawá tribe in Makilala, Cotabato province, during yesterday's celebration of the town's 60th founding anniversary. The title signifies that some 14,000 members of the Bagobó-Tagabawá tribe in 29 barangays in Makilala now recognize Binay as their leader. INQSnap this page to view more photos.

'P4B shared by Makati execs'

Mercado says 13% kickback from 10 Hilmarc's projects went to city mayor

By Nancy C. Carvajal

AT LEAST P4 billion from 10 infrastructure projects that the Makati City government awarded to a favored contractor between 1999 and 2014 went to city officials and resident auditors as kickbacks, according to former Makati Vice Mayor Ernesto Mercado.

The 10 projects awarded to Hilmarc's Construction Corp. cost the taxpayers of Makati at least P15 billion, said Mercado, a witness in a Senate blue ribbon subcommittee investigation of alleged irregularities in the Makati government during the term of Vice President Jejomar Binay as city mayor.

"Twenty-eight percent from every project was shared by the mayor down to the lowest official in the web involved in the

Miriam: VP impeachable for betraying public trust / A17

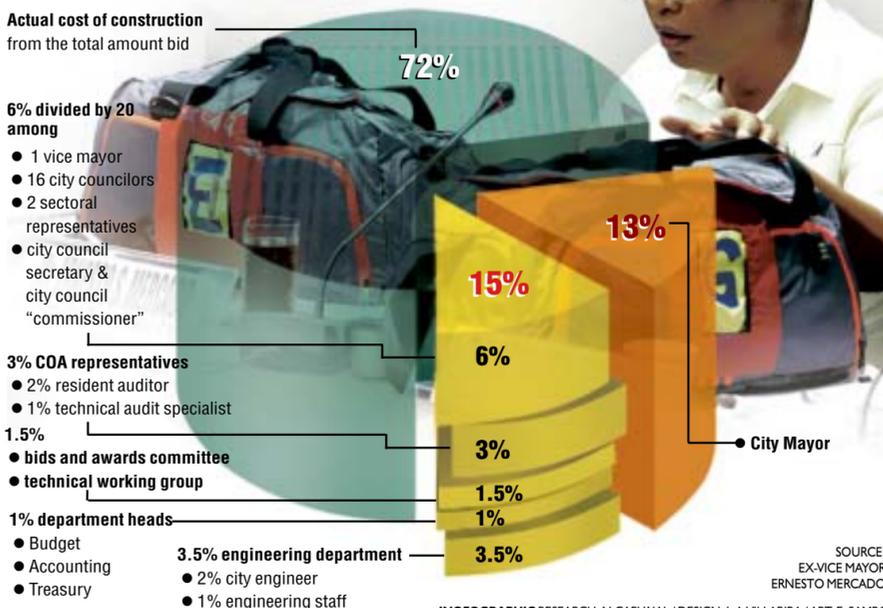
P-Noy's SWS rating up; he's grateful to 'Bosses'

PRESIDENT Aquino yesterday thanked Filipinos who gave him positive ratings in the latest Social Weather Stations (SWS) survey, saying continued public trust should make him and his team work harder.

The President's net satisfaction rating recovered in the third quarter after plunging to a record low in June, the latest survey by Social Weather Stations (SWS) showed.

The survey, conducted from Sept. 26 to 29, also found marked increases in the President's overall ratings across all geographic areas, including

WHO POCKETS HOW MUCH OF 28% KICKBACK?



SOURCE: EX-VICE MAYOR ERNESTO MERCADO

INFOGRAPHIC RESEARCH: N. CARVAJAL / DESIGN: L.A. VILLARIBA / ART: E. SAMBO

NBI to track down 2 Binay close aides

By Tarra Quismundo

JUSTICE Secretary Leila de Lima has directed the National Bureau of Investigation to find the people with knowledge of alleged irregularities in the

Makati city government but have not been appearing in a Senate inquiry into the scandal involving Vice President Jejomar Binay.

De Lima said yesterday that the Senate had asked for NBI

help in locating Gerardo "Gerry" Limlingan and Eduviges "Ebeng" Baloloy, two longtime trusted aides of Binay, during whose term as mayor the alleged irregularities happened.

NBI ASKED / A18

Miriam's way to solve a problem like Purisima

By TJ Burgonio in Manila and Niña P. Calleja in Bali, Indonesia

NEVER at a loss for words, Sen. Miriam Defensor-Santiago has a suggestion on what Malacañang should do with Philippine National Police Director General Alan Purisima—kick him upstairs so he would leave the PNP.

In a speech yesterday, the feisty senator asked President Aquino to appoint Purisima to

MIRIAM'S / A6

Aquino in Bali hails checks, balances in a democracy

By Niña P. Calleja

BALI, Indonesia—President Aquino championed checks and balances in a working democracy, even if running a government without it is tempting as it can get things done faster, in a speech he delivered yesterday before the 7th Bali Democracy Forum.

Mr. Aquino contrasted democratic governments with authoritarian regimes, which, he noted, had victimized his own family.

"It can be said [that] in a totalitarian regime, things get done faster, whether they are right or wrong, precisely

AQUINO / A6

BINAY TALKS BACK

'Bare allegations; no concrete proof'

By Christine O. Avendaño

JUST "bare allegations." No concrete proof.

That's what the camp of Vice President Jejomar Binay had to say about the accusation of former Makati City Vice Mayor Ernesto Mercado that Binay amassed P4 billion in kickbacks from P15 billion worth of infrastructure projects that the city government awarded to his alleged favored contractor, Hilmarc's Construction Corp., when he was the mayor.

Mercado told the INQUIRER

in an interview that Binay got 13 percent of the 28-percent kickback for every project awarded to Hilmarc's.

Mercado said he got a share and the rest of the kickback went to the 16 members of the city council, two sectoral representatives, the Sangguniang Panglungsod secretary, the department heads, the resident auditors, the members of the bids and awards committee, the

'BARE' / A18

Binay sold Tagaytay property in 2012, says lawyer / A18

Pakistani teener, Indian share Nobel Peace Prize

OSLO, Norway—Reaching across gulfs of age, gender, faith, nationality and even international celebrity, the Norwegian Nobel Committee on Friday awarded the 2014 peace prize to Malala Yousafzai of Pakistan and Kailash Satyarthi of India, joining a teenage Pakistani known around the world with a 60-year-old Indian veteran of

campaigns on behalf of children. The awards, announced in Oslo by Thorbjorn Jagland, the committee's chair, were in acknowledgment of their work in helping to promote universal schooling and in protecting children worldwide from abuse and exploitation.

Pointedly, Jagland said, "The

PAKISTANI / A18



WHAT'S INSIDE

PH may send health workers to W. Africa to help fight Ebola / A2

HK protesters set major rally after talks collapse / A16

FDIs stood at record high in July / B1

PNP on heightened alert; assures no terror threat / A2

A first: 'Colorum' bus firm fined P1M / A15

Miriam: Veep impeachable for betraying public trust

By TJ Burgonio and Niña P. Calleja

VICE PRESIDENT Jejomar Binay is impeachable for betraying public trust by refusing to answer the corruption charges against him in the Senate, Sen. Miriam Defensor-Santiago said on Friday.

"Betrayal of public trust; it's broad enough to cover anything," Santiago said when asked if the Senate inquiry into the allegedly overpriced P2.28-billion Makati car park had pointed to an impeachable offense by the Vice President.

"I mean you're the Vice President. People look up to you. In case the President dies, they expect you would have the same competence and efficiency, and therefore the same level of service to the people," Santiago told reporters.

P-Noy's take

"They look up to you, and all of a sudden, there are these horrendous accusations against you, which to the mind of a reasonable person can't just have been invented. Only the most perverse mind can invent that and hope to prove it in court," she added.

Binay had declined to attend

the Senate inquiry into the allegedly overpriced Makati car park, where he had been accused of taking kickbacks. Instead, the Vice President tapped several spokespersons to defend him in press conferences.

President Aquino meanwhile distanced himself from allegations of corruption thrown against the Vice President.

"I don't have personal knowledge (of) what has been going on in the City Hall of Makati. What I know is based on the testimonies of the witnesses (during the Senate hearing televised on TV)," the President said in an interview with reporters in Bali, Indonesia, at the sidelines of the Bali Democracy Forum.

Asked if he would want Binay to appear at the Senate hearing to air his side, Mr. Aquino said he was leaving that decision to the Vice President.

Astute politician

"He is an astute politician; he's a lawyer. And he's older. He should know what should be done," he said.

"I am giving him the respect and courtesy due his office and as a friend, he will be the best judge as to what he has to do," Mr. Aquino said, adding that he

would ask the Vice President to explain the allegations only when the Ombudsman had provided him an "established fact."

The President also expressed satisfaction over the Vice President's performance as the head of the Housing and Urban Development Coordinating Council (HUDCC).

Binay praised

"He should be given credit for his role in helping us achieve those (housing) targets," Mr. Aquino said.

The Senate blue ribbon subcommittee had decided to send a second invitation to Binay, asking him to respond to charges that his family owned a P1.2-billion, 350-hectare agricultural estate in Batangas province.

"By becoming the subject of sheer accusations, without (him) answering them fully and immediately, the person already betrays public trust," Santiago said.

The senator, however, doubted that there was ample time to impeach the Vice President ahead of next year's campaign period for the 2016 presidential election.

"It seems like a physical im-

probability. You have to go through a sort of a preliminary investigation (by) the House of Representatives... Then they file what is in effect a complaint with the judge (that) is the collective Senate. All of that will take a lot of time, particularly since lawyers are very, very addicted to delay," said Santiago, a former trial court judge.

Thick-skinned

Santiago took jabs at Binay in her speech before the Philippine Association of Real Estate Boards Inc. at the Bellevue Hotel in Alabang.

"The Vice President said he'd skip the hearing because the charges are not truthful. Is that the attitude of a person [who] has been maligned? If you've been maligned, don't you want to punch the other person? ... Why doesn't he want to appear there? What is his reason?" she wondered.

"If you say, 'I won't answer the charges.' What conclusion do you expect the public to make? If you want to be a public official, then subject yourself to all the trials and tribulations of being a public officer. Because a public official should not be thick-skinned," she added.

She said the presumption of innocence on Binay's part had been "eclipsed" by the testimony of former Makati Vice Mayor Ernesto Mercado, which she described as admissible since Mercado had admitted his role in the Makati anomalies.

It's now Binay's turn to present his own "counter-evidence" so that the "burden of evidence is carried out by both sides, she added.

"(The) normal reaction of an innocent person (is that) he tears at his hair, he drives himself through the roof, he shouts to high heavens for justice, and then presents his evidence," the senator said.

Presumption of innocence

"He cannot just say, 'They're all lies; I deny all of them.' The presumption of innocence is not a defense. It's a mere presumption created by law. The moment the probable witness begins to present hard evidence, the burden of evidence is now on the other party. That's why the Vice President has the burden of appearing in the Senate and presenting his evidence," Santiago added.

Otherwise, if Binay continued to refuse the Senate invita-

tion, it would "imply guilt," Santiago said.

"If that is the attitude then the burden of evidence will never be carried forward... Mercado will have the forum all to himself. If you are innocent, why do you allow him to enjoy that advantage over you since only one side will be heard by the public?" she said.

Media can't invent news

"The media cannot invent the news. It can only report the news as it happens. Mercado testifies, the media reports. [If] Binay does not testify, then the media cannot report a thing except his protestations of innocence that ring hollow because of the evidence presented against him," she added.

Santiago shrugged off Binay's argument that the Ombudsman had assumed primary jurisdiction of the plunder charges filed against him over the Makati car park that began construction in 2007 when he was the city's mayor.

She said the Senate could inquire into any matter regardless of any hearing in court, a power that she said has been upheld by the Supreme Court in a long line of cases.



MAKATI CITY HALL BUILDING II: P2.3 billion



OSPITAL NG MAKATI District I under construction along Malugay Street in Makati City: P2 billion



MAKATI POLICE HEADQUARTERS: P183.63 million
PHOTOS BY ARNOLD ALMACEN

P4-B loot shared by Makati City Hall execs, claims Mercado

From page A1

conspiracy," Mercado told the INQUIRER in an interview in his office in Makati.

Mercado said 13 percent of the 28-percent kickback went to Binay while he was mayor of Makati.

The remaining 15 percent went to others—the vice mayor, 16 members of the city council, the city council secretary, members of the bids and awards committee (BAC), the city engineer, members of the technical working group (TWG), department heads, two sectoral representatives (a barangay chair and the Sangguninang Kabataan chair) and resident Commission on Audit (COA) auditors.

Mercado admitted accepting a share of the kickbacks when he was a city councilor and then vice mayor.

Another building contractor, who agreed to talk to the INQUIRER on condition of anonymity, confirmed Mercado's allegations, saying the Vice President's son, current Makati Mayor Jejomar Erwin "Junjun" Binay Jr., asked for a "little more."

"The rate has actually gone up. It's actually higher now," the contractor said.

Junjun Binay served as a sectoral representative and later as councilor before he took over the reins from his father in 2010.

Makati's big-budget infrastructure projects in the past decade handled by Hilmarc's were the following:

- The 22-story Makati City Hall building, worth P6.5 billion.
- Phase 2 of the Ospital ng Makati District 1 (P2 billion).
- Phases 1 and 4 of the University of Makati Nursing School building (P804 million).
- Makati police headquarters (P183.63 million).
- Phase 1 of the swimming pool in the Makati Garden Park (P31 million).
- Phases 1 to 6 of Makati Science High School (P1.34 billion).
- Phases 1, 2, 3 and 4 of

Makati University Administrative and Auditorium (P332 million).

- Makati City Hall Building II, or parking building (P2.3 billion).
- Renovation of treasury building for Makati police station on F Zobel Street, Barangay Poblacion (P4.98 million).
- University of Makati school buildings (no available budget).

Documents obtained by the INQUIRER showed these projects were implemented during the administrations of the Vice President when he was the mayor (1986-1998; 2001-2010) and his wife, Elenita Binay, who succeeded him (1998-2001) and his son (2010 to present), who, Mercado said, continued the business with Hilmarc's.

Dividing the pie

Mercado said 6 percent of the kickback from every project was divided into 20 slices, which went to the vice mayor, the 16 members of the city council, the two sectoral representatives and the city council secretary.

Half of the share of the city council secretary went to a "commissioner" to the council, he said.

Mercado said the "commissioner" kept track of all infrastructure projects of the city and received the shares and allocations for all the members of the city council.

"The commissioner is someone who lost an election and had no current government position, but is given an office in the City Hall. His job was to keep track of all the cash flow of all infrastructure projects and the share of the kickbacks of the city council," Mercado said.

The resident COA auditor and the technical audit specialists got 3 percent, he said.

"The resident auditor gets 1 percent because she signed the clearance document, while the remaining 2 percent is shared by the COA technical audit specialists," he said.

Auditor turns down bribe

But COA resident auditor Celia Cagaanan turned down

the money offered to her as her share for signing the clearance for the P2.3-billion Makati City Hall Building II, Mercado said.

The city's BAC and TWG received 1.5 percent, he said.

Mercado said the payoff for the BAC and TWG members was paid in advance to ensure that the favored contractor got the project.

He said 1 percent went to the heads of departments, where the infrastructure papers went through.

The engineering department, he said, got 3.5 percent—2 percent for the city engineer and 1.5 percent for members of the engineering department.

Documents obtained by the INQUIRER showed that from 2007 to 2013, the members of the BAC remained the same, even the observers from the nongovernment organization and the private sector, identified in documents obtained by the INQUIRER as Charito Go of Bayani ng Bagong Ina and Edwin Nombrado of the Philippine Institute of Civil Engineers Makati City chapter.

The BAC chair from 2007 to 2013 was Marjorie de Veyra and the members were Nelson Morales, Mario Hechanova, Lorenza Amores, Pio Kenneth Dasal, Giovanni Condes, Gerardo K. San Gabriel and Ulysses Orienza. Manolito Uyaco was the head of the BAC secretariat.

De Veyra, who served as city administrator during the past decade, ran for vice mayor in 2013 but lost to Romeo Peña, who is not an ally of the Binays.

The TWG was composed of Line de la Peña, Carmelita Morales, Febronia Ambrosio, Rodel Nayve and Vissia Marie Aldon.

Invited as observers during

biddings were resident COA auditors Gabriel Espina and Danny Rodriguez (now deceased).

Process violated

Espina is now assigned to the Pasay City Hall, according to the COA personnel division.

The documents obtained by the INQUIRER also showed that the bidding process was violated.

The documents indicated that the Binays approved and signed all the documents despite obvious violations such as lack of important details like the date of preparation, source of funds and description of projects.

Invitation to bid was published in the Filipino tabloid Balita for just one day, instead of in a newspaper of general circulation for 14 days, as required by the procurement law.

The INQUIRER obtained a copy of a certificate of publication issued by Balita vice president for classified advertising Lyne Alano-Abanilla to the city government of Makati.

Public announcements of biddings were posted only in the city public library instead of conspicuous places such as elevators and bulletin boards at the entrance of buildings.

A certificate of posting issued by Manolito Uyaco, head of the BAC secretariat, showed that an invitation to apply for eligibility and bid was posted "in conspicuous places, such as the second floor of the old Makati City Hall public library and the new city hall building."

The suppression of the invitation was intended to limit the bidding to Hilmarc's, Mercado said.

"Having no other bids to be read and clarification to be made, the bid opening adjourned at 2:35 in the afternoon," the BAC said in the minutes of a meeting called on July 28, 2011. Then BAC chair De Veyra adjourned the meeting after just 20 minutes.

A Hilmarc's employee, identified in one of the documents obtained by the INQUIRER as Grace Araza, represented the company in bid conferences.

She was the representative of the company authorized to receive payments for the projects from City Hall, the document showed.

A City Hall source who requested anonymity said he de-

livered a total of P56 million to the house of the Vice President. The source said he knew how much he carried because the amount was written on a piece of paper attached to the bag.

Bagmen

Mercado said Nelson Morales was assigned by the Vice President from 2007 to 2012 as the repository of the kickbacks from contractors, including Hilmarc's.

"Morales was also the one in charge of the allocation and the distribution of shares," Mercado said.

He said that aside from him, another official who was a department head was present whenever Morales was counting money for the Binays.

"A trusted friend and assistant of Morales helps prepare the money for distribution and delivery, including the money for the Vice President," Mercado said.

Mercado said he was a frequent visitor to Morales' office, which occupied half of the sixth floor of the main City Hall building, and he saw the bagman receive money, placed either in bags or in brown envelopes.

"I have personally witnessed Morales receiving the cash from contractor's representatives and count the money," he said.

Mercado said Morales personally counted and tied the money in bundles.

"If the amount to be apportioned is big—more than P50 million—the money was placed on the long table in his conference room. If it's only a few millions and would fit the round table, they did it (counting and allocation) there," Mercado said.

Mercado said Morales replaced another former ally and trusted friend of Binay, Nelson Irasga, who resigned after he and the Vice President had a falling out when Irasga ran for mayor but lost to Binay's wife, Elenita Binay, in 1998.

"Like me, Irasga was also promised by Binay to succeed him, but did not honor his word

and let his wife ran as mayor against Irasga," Mercado said.

He said Morales was designated by Binay to receive all the kickbacks because he had direct contact with the contractors in his capacity as Irasga's deputy.

Deliveries

Deliveries to the house of the Vice President on Caong Street in Barangay San Antonio in Makati City was "usually on Friday," Mercado said.

He said the duffle bags containing the money were received by one of the children of the Vice President.

Somebody must have been snitching money from the bags because later, the bags were provided with locks, Mercado said.

"That was when the Vice President said that the bags be entrusted to the current mayor, Junjun," Mercado said.

He said only the Binays knew the combinations for opening the locks.

In his testimony in the Senate, Mercado said the snitch was one of Binay's daughters.

Other contractors

Documents obtained by the INQUIRER showed that the city government dealt with other construction companies but the juiciest projects were always awarded to Hilmarc's.

The other companies that were awarded projects between 1990 and 2014 were HIS construction Inc., Jojalie Construction, ITP construction, R. E. Orlina Const. Corp., Meca builders, Powerprime Const. and Realty Corp., Freeport Shipyard and Eng'g Corp., Skyborne Const. Corp., Twin leaf Group Inc., AKH Const. Corp., R.M. Gomez, E. F Antonio Construction, F.P.G. Construction Corp., Viray Construction, Ichi Const., RAR Builders, Power Prime Const., MJ Den Construction, R. P Maliwat, O.M Aguilar, Roadworks Inc., FNR Construction Corp., Zali Construction, 3 A's and E Construction, Tranzonic Construction and Polangui Construction.

The projects were worth more than P10 billion.