

THE PHILIPPINE STAR

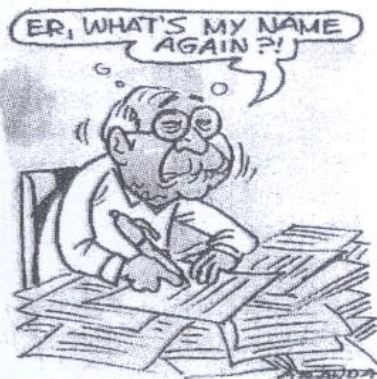
TRUTH SHALL PREVAIL

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Questionable deal? Blame Alzheimer's

By SANDY ARANETA



The legal counsel of Philcomsat Holdings Corp. (PHC) president and chief executive officer (CEO) Manuel Nieto Jr. yesterday claimed that his client was suffering from Alzheimer's disease and was unaware he had been signing questionable and unlawful documents.

Lawyer Manuel Lazaro also said Nieto, who is 91 years old, was unable to attend hearings at the Sandiganbayan because of "progressive dementia," though the official has refused to admit his mental state.

"Unfortunately, some cruel, heartless and vicious persons aware of respondent's dementia took advantage of his condition and caused him to sign documents that are

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questionable, if not unlawful," said Lazaro in his six-page "Explanation with Sincere Apology" filed before the Sandiganbayan First Division.

"And to exacerbate the shameful, disgraceful and despicable mischief on respondent, the ruthless and remorseless persons have the temerity and gall to attribute these anomalous acts and transactions to respondent," he said.

Lazaro and his law firm M.M. Lazaro and Associates, counsel for Nieto, had filed the motion late Friday, also asking the First Division to dismiss contempt proceedings against Nieto on the ground that he is mentally unfit to face trial.

The pleading was also Nieto's defense against another possible contempt charge after he failed to appear before the Sandiganbayan to explain the P2-million public relations (PR) funds allegedly paid to the anti-graft court to obtain a temporary restraining order (TRO).

In a two-age resolution earlier issued, Presiding Justice Teresita Leonardo-de Castro and Associate Justices Diosdado Peralta and Efreñ dela Cruz gave Nieto, assistant vice president and accountant Johnny Tan, and PHC director Philip Brodett five days from receipt of resolution to file their written explanations about the P2-million funds.

The three PHC officials were asked by the anti-graft court to explain in writing why they should not be cited for contempt.

They were also directed to appear before the court at 8:30 a.m. last July 6, 2007. Only Brodett and Tan appeared before the court.

In threatening the PHC officials with contempt, De Castro, Peralta and Dela Cruz – who compose the First Division – cried foul over an item in the expense report submitted by PHC to the Senate committee on government corporations which read "Cash for Sandiganbayan, tro, potcphilcomsat case – P2,000,000."

The P2-million expenditure was incurred by the Presidential Commission on Good Government (PCGG)-backed

Philcomsat board which is being investigated by the Senate for allegedly using government-sequestered PHC, the Philippine Communications Satellite Corp. (Philcomsat) and the Philippine Overseas Telecommunications Corp. (POTC) as "milking cows."

"(T)he... above statements tend to cast aspersion upon the integrity of the Sandiganbayan and thereby degrade the administration of justice," the magistrates said.

Lazaro said he was "constrained to disclose" that Nieto was suffering from "orientation problems and severe short-term memory deficit – a criteria for Alzheimer's disease."

Lazaro made the disclosure by way of an apology to the graft court for Nieto's failure to comply with its summons to attend the hearing last July 6.

Lazaro said that based on the findings of Dr. Michael Grecius, a neuro-specialist of the Stanford Hospital and Clinics in California, Nieto's mental functions have been deteriorating for over two years.

Without naming anybody, the lawyer claimed that his client's condition was exploited by other officials of Philcomsat to commit irregularities with company funds.

Nieto, who was been experiencing the condition since 2000, does not admit his mental condition and refuses to accept the medical findings made by Grecius.

Grecius concluded that respondent had "a roughly two-year history of cognitive decline, most notable for short-term memory loss... He meets criteria for possible Alzheimer's Disease."

Lazaro said in his motion that based on its definition in the dictionary, "Alzheimer's Disease is a form of dementia. It is a progressive degenerative brain disease. It affects memory, thinking, and behavior. Dementia is a loss of brain function. It is not a single disease. Instead, dementia refers to a group of illnesses that involve memory, behavior, learning and communicating problems. The problems are progressive, which means they slowly get worse."