

THE MAGNIFICENT SOLUTION

By EJ & Doris J. Ekker--May 9, 2003

[Editor's Note: This is the second in a series of articles based upon court documents revealing the hidden history of the Philippines. Every nation has, it seems, at least two versions of its history: what really happened, being obscured by the "doctored" version of what happened so that nearly all of the people have little access to the truth and most of whom will blindly defend the lie to their death.]

As we study the court documents related to the ownership of land in the Philippines, we are struck by the wisdom of Judge Enrique A. Agana who took responsibility for and wrote the ORDERS for the DECISION WITH COMPROMISE AGREEMENT of 1972, some eight years after the litigation was terminated by the AGREEMENT reached in 1964. We believe that, had his ORDERS been followed by both parties, the government and the Tallanos, the Philippine Islands may well have become the "Pearl of the Pacific" and A "world financial center" if not THE "world financial center".

In all of the world's occupations and professions, there is no other that is so dedicated to arriving at TRUTH as a good Judge. At trial there are always at least two factions that are trying to lead the Judge, if not to mislead and fool him, and so his task is one of endless searching for TRUTH. True, there are biased, and even corrupted, Judges, but as you will soon find for yourself, Judge Enrique A. Agana was not among them.

At this time, 2003, Peace and Order are of paramount concern to Filipinos. Street crime is so rampant that most kidnappings, murders, car thefts, robberies, muggings and bank heists do not make the news. Raids, ambushes, and bombings, (not to mention the rural terror resulting from the constant "collection of revolutionary taxes") by the Moro Islamic Liberation Front and the communist New People's Army are accorded front-page coverage in the hope and expectation of military support from the United States. Had Judge Agana's ORDERS been followed, virtually all of those problems would have long ago dissolved.

President Ferdinand E. Marcos hired a team of experts to come from Europe and plan the "infrastructure" of the Philippines, including a high-speed rail system from the northern tip to the southern tip of the main islands. We have personally met the man who contracted to print 50 numbered copies of the large book that was compiled after two years. He was not allowed to keep a copy or the plates and it is said that Corazone Aquino, the American-selected President to replace the shanghaied Marcos, placed such a bounty on the books and/or their owners that they all disappeared. We have not been able to locate one or anyone that will admit to knowing where we might see one.

Perhaps the publication of this information will bring at least one out of hiding.

Just monetizing the 400,000 metric tons of gold held in the vaults of the Central Bank would elevate the gold-based money supply in the Philippines to more than twice as much per person as the money supply in the US, and US money is not backed by gold. If that much money, some 4 trillion dollars, were to be spent cleaning and fixing up the Philippines, think of what a paradise it would be.

In short, Judge Agana, in his DECISION WITH COMPROMISE AGREEMENT and his two "Clarificatory Orders" of 1974 and 1976, required that the Tallanos establish the "DON ESTEBAN BENITEZ TALLANO & DON GREGORIO MADRIGAL ACOPI FOUNDATION, INC." to hold and administer the assets of the Estate. In addition to the land held under ORIGINAL CERTIFICATE OF TITLE (OCT) No. T 01-4 (described in the April 9, 2003 issue of *CONTACT*), those assets include a payment of 2 billion pesos that should have been made by the government to Tallanos in 1968 for the land used by government buildings and land given to farmers under the program termed Agrarian Reform.

The government, in a move to delay the payment until 1978, proposed that its bank, Land Bank of the Philippines, issue five bonds of P400,000,000 each, due and payable in 1978. The interest rate of 7% per year would be raised to 10% as a penalty if the Bonds were not redeemed on time. After compounding at 7% for 10 years and 10% for nearly 25 years, on May 15, 2003 the government owes the Foundation more than 41 billion pesos.

In 1995 Judge Sofronio G. Sayo imposed additional fines and penalties on the government for its "dilatatory tactics" which now amount to nearly 10 billion pesos. The royalties due for the 400,000 metric tons of gold held in the Central Bank (which we read to mean the National Treasury) amount to more than 10 trillion pesos, in the aggregate more than 200 billion US dollars.

When the government authorizes the use of the DEEDS OF ASSIGNMENT FOR CONSIDERATION of GLOBAL ALLIANCE INVESTMENT ASSOCIATION as banking RESERVES, the Philippines can join with GLOBAL in a Joint Venture Partnership to begin to buy the gold from the Foundation. As the National Treasury issues pesos to the Foundation, title to portions of the gold pass to the National Treasury, increasing its RESERVES, but this increase is in GOLD, and soon it will have enough upon which to proclaim its currency "gold-based". Gold-based currency is acceptable as "foreign exchange" anywhere in the world (and will soon become the currency of preference).

More than fifty years have passed since the Philippines gained its Independence and during all of that time the government has paid so little to the Royal Family that it has had no money with which to pay its real estate and property taxes. Perhaps its failure to set up the Foundation and organize itself to properly administer its large assets served as the government's excuse for not living up to its part of the AGREEMENT. On the other

hand, neither the Marcos Administration nor any subsequent Administration has made any overture to the Court Appointed Administrator, Prince Julian Morden Tallano, to cooperate in the solution of the impasse.

When the government pays its debt to the Foundation the Foundation can pay its accumulated billions of pesos of taxes due, which will flow to the municipalities and barangays, giving them the money needed to build, repair, and maintain their roads, streets, water and waste systems, schools and hospitals and civic facilities. Doing so will put to productive work every able-bodied man and woman in the nation.

It is the intent and commitment of the Global Alliance Investment Association to serve as the catalyst to bring together the government and the Foundation into a tripartite effort to release the wealth of the nation for the use and benefit of God's PEOPLE. If this sounds "too simple" or "too good to be true", just remember that God's solution to problems and His answer to prayers most often are simple and present in a way you might least expect.

What follows will be extracts from the 1972 DECISION WITH COMPROMISE AGREEMENT offered as confirmation of our statements above about the wisdom and integrity of Judge Agana.

[Suggestion: In any copy going to press, it should be noted that English is the demanded language of the Court in the Philippines but that in its own due course makes it all but impossible for clerks and individuals with English as a Second Language to do a properly correct "English" document. Be kind as readers and guess how your document would appear in Tagalog or Taglish as has become the Filipino expression. The intent is well expressed and very clearly put forth.]

In copying documents from original entries in the court records we have made every effort to retain even the inadvertent commas, missing letters, etc., so that all documentation will match original documents. We take no editorial liberties in recopy--to the best of our ability.]

[We begin our quoting of the DECISION WITH COMPROMISE AGREEMENT on its page three. Our editorial comments will be bold type in brackets.]

Indeed, in the findings of Justinian, Inst. B.1, tit; Co; 2nd Inst. 56, justice is the constant and perceptual disposition to render to every man his due. It is the conformity of our actions and our will to the law but it should be commutative for which that virtue whose object is to render to everyone what belongs to him, as nearly as may be, or that which governs contracts. Yet, justice needs to be distributive as well, that virtue whose object it is to distribute rewards and punishments to each one according to his merit, observing a just proportion by comparing one person or fact with another so that neither equal persons have unequal things nor unequal person things equal. Justice, in specific parlance, is the greatest interest of man on earth. It is the ligament that holds civilized

nations together, for, it consists simply in letting everyone enjoy the rights that he has acquired by virtue of the laws. And, this must be enforced accordingly in the case at bar, otherwise, justice under this regime is inutile if not dead. Similarly, this remains precarious to our political, social and economic stability as well and, in toto, an obstruction to this nation's progress and stability.

[Ed: We remind the reader that this DECISION WITH COMPROMISE AGREEMENT was signed by Judge Agana February 4, 1972, some six years into the Marcos Administration--the case was ended in 1964 in the Macapagal Administration.]

In a democratic institution, the right to property is a fundamental natural, inherent and inalienable right. Clearly, it is never an ex gratia from the legislature, rather ex dbito from the duly constituted fundamental law of the state, the Constitution. Indeed, it never owe its origin to the Constitution which secure it for it existed foremost before them. In several circumstances, it characterized judicially as a sacred right, the protection of which is one of the paramount objectives of the government.

The constitutionally protected right of private property is not, however, an absolute right and it is subject to justifiable restraints and mandated regulations instituted by the legislature or ordained by the said fundamental law. It is subject to the police power of the state and to constitutional order on social justice, that land reform or equitable distribution of wealth is very good example when it has been implemented within the tenet of the constitutional policy of the government, because, within that rights, the right to property is the right to acquire, hold, enjoy, possess, manage, insure and improve said property, as well as the right to devote property to any lawful use.

But it so defeating to live within this allege democratic nation where the present administration capitalizes said glorious objectives but actually indirectly disenfranchising the constitutional rights of the Tagean-Tallano clans from their real properties by distorting the true record of the Royal clan in the LRC defeating their ownership of the land they gained out of their hard labor and more than 4 centuries of arm struggles against the Spanish government and abusive officials of the Republic that only to find out their ownership right over the said property consisting of 169,912,500 hectares of plains, mountains, forests and seas evidenced by Land Title OCT No. T-01-4, Annex A to Annex A-1 to A-19 that had been issued by the Royal Government of England, through the office of the Royal Audiencia then by the British Governor to the Philippines Downsonne Drake, is lawful within the bound of the Land Registration Act 496 after the same subject land its ownership had been settled in a court of proper jurisdiction by the Land Registration Court which was ended on October 3, 1904, under a Case CLRO 475, which caused the issuance of Decree 297 and was registered in favor of Rajah Lacan (Tagean) Tallano, who was married to Princess Rowena Ma. Elizabeth Overbeck Macleod of Austria, and eventually to their son, Prince Julian Macleod

Tallano (Tagean) who was married to princess Aminah Kiram of the Sultanate of Sulu, after another court battle in the Cadastral Court in accordance with the law of Cadastral Act 2259 which was ended on March 14, 1914, had been promulgated in favor of Prince Julian Macleod Tallano against unlawful claimants, Don Hermogenes Rodriguez and heirs declaring Court Ruling in a Land Registration Case No 571, is null and void ab initio because proceedings under said Land Registration Case 571 had failed to substantiate the jurisdictional requirements and valid jurisprudence, besides, it was proven that the ownership rights of Don Hermogenes Rodriguez merely derived from fraudulent documents, the lease agreement from the Tagean-Tallano clan had been diverted into Certificate of Award from the Spanish government, yet, it can be precluded as valid ownership Land Title because, long before the Spanish government arrived here in the Philippines, the Island had and has been in actual possession of the Royal family, thru their predecessor in interest, King Luisong Tagean. Besides, finally OCT No. 01-4 had been issued to the Tagean-Tallano clan not to the Rodriguez due to a conflicting information and evidences they presented using the reward certificate issued by the Spanish government. The alleged Court Decision dated November 6, 1911 by the Court of First Instance of Manila is a hoax judgment because it was then the Land Registration Court that has exclusive jurisdiction over the Lands Registration Case and not the CFI, and that the plan the Rodriguez heirs had been using could be found in Roxas and Iloilo City, Annex B and C) not in Manila, whatsoever.

Furthermore, on the Sworn Manifestation of LRC Administrator Antonio Noblejas, he specifically explained that the title-form used in the issuance of allege OCT 369 is from the Land Registration Form No. 1, yet, in 1907, the year the alleged Land Title is dated, the so called GLRO was not yet born for use, it construed the said GLRO form No. 1 was not in existence yet.

Again, the OCT 369 in the name of Don Hermogenes Rodriguez, was been issued by late Judge S. del Rosario as CFI Judge of Rizal patently fabricated from the fraudulent OCT issued in the name of Francisco Manajan y Torrente also issued by Judge S. del Rosario as a CLR Judge. And that the alleged CLR Case No. 386, Manila, divulged that the decree issued was Decree No. 160 not Decree 297, because Decree 160 was issued on March 19, 1904 and not March 8, 1907, that under the said CLR Case No. 386, Decree 160 was OCT No. 140 not OCT 369 was issued in the Registry of Deeds in Manila, it covers only one (1) parcel of land located in Tondo, Manila with an area of 354.03 sq. m.

On the part of OCT No. 01-4, with Decree 297, CLR Case No. 475, the same were issued in the name of Prince Lacan Acuna Tagean Tallano on October 3 1904 after compliance of the LRA 496 requirements embracing the whole archipelago but was fraudulently deleted and distorted over the land in Cavite alone instead of the whole Island as could be found in Record Book of Decree, Book 1 and was distorted in the name of Manuel Ruiz y Javier instead lawfully to Prince Julian Macleod Tallano. That

the allege Plan No. 11-4810, covering 3 parcels of land in the municipality of Sagay, Negros Occidental not in San Dionisio and Ibayo, Paranague where Nicolas Biones and Laureana Vargas were applicants, while the Plan II-4813 was merely inserted as part of the Plan in CLR Case 9002, and said parcel of land consists of 3,807 square meters situated in Calle Zmart, Municipality of Iloilo and was surveyed by G. & M. Mendez.

LRC Administrator attested in his Sworn Affidavit and Manifestation that all II-4810, II-4811, II-4812 and II-4813 found no existing survey record in the Record Management Division of the Bureau of Lands and Forestry.

This Court has observed the blueprint pattern of clandestine land grabbing by the allege-claiming to be land owners which were derived from the National Government thru its instrumental agencies, the Bureau of Lands and Forestry, the Land Registration Commission in conspiracy of the officials of Building Permit Bureau of the Department of Public Work and Highway and by the local government officials and with participation of some Register of Deeds in the City and Provinces where the lands are situated. These are where the sacred role of the government must have to be exercised for the protection of the constitutional rights of its citizenry. Yet, very clearly, that land grabbing scheme massively laundered icing by socialized housing programs, urban and agricultural land reform of the government in connivance with the developers, sometimes in the pretext of National Government infrastructure program is a silent confiscation of real properties of the private persons, particularly to the damage of the Tagean-Tallano family who lawfully own the vast of land here in Greater Manila Area and suburbs.

By these circumstances where the national government arrogantly launched its clandestine confiscation of private properties, movable and immovable, it is hard to admit that there has no violation of Due Process. Actually, violation of it is presently in serious offense of the National Government for grand design of its cohorts depriving the constitutional mandate of Section 1 and Section 2 of Article III of our 1935 constitution, directly defeating the real substance of Due Process her, namely:

1. To prevent improper governmental encroachment against an individual's life, liberty and property
2. To prevent arbitrary exercise of government powers
3. To prevent unjustified confiscation of private property.

Our great Senator Diokno eloquently explained the relevant objects of due process; Quote:

The requirement must be directly intended to have the same effect against legislative power, that is, to secure the citizens against arbitrary deprivation of his constitutional rights, whether relevant to his life, his liberty, or his property. It is a an absolute limitation toward arbitrary power and a guarantee against

abusive legislation requiring that the law shall not be unreasonable, arbitrary or capricious in character and or objective should have a real and substantial purpose and effect to the object sought to be attained. The supreme intention of the guarantee is the protection of the individual from the arbitrary implementation and execution of powers of the government, undisturbed and with genuine established principles of private rights and distributive justice.

Unquote: Our Great Senator lent his judicial wisdom relevant to this proceedings, where pressure and coercive influence from the authority had intended to inflict against the true essence of justice; particularly, in the case at bar where substantial evidences of the heir of the late Prince Julian Macleod Tallano backing up their ownership interest over the subject land and has been meritoriously adopted from the National Government evidences and position paper could not be subsided by technical maneuver of the Solicitor General and, obviously, by mixed influence of the Executive Order, Proclamation and Letter of Instructions, allowing its cohort developers, specifically Private Development Corporation of the Philippines who bulldozed the big track of land both the north and south of Manila for the proposed Expressway, where thousands of mango trees were uprooted and destroyed, the Pilar Village Corporation who massively bulldozed portion of Quezon City where the ten thousands of mango trees were destroyed for the government pretext Housing Projects which said projects of the Pilar Village Corporation could be magnified almost in Greater Manila area and that the Malacanang Palace official conspirator, certain Bonifacio Regalado who arrogantly bulldozed big track of land on the east, north and west portion of Quezon City, where hundred thousands of mango trees were destroyed and that its cohort Manny Villar and Company Real estate proposed housing projects in Muntinglupa, Taguig, Paranaque and Las Pinas, where half a million mango trees were bulldozed and destroyed. Then the direct cohort and oligarch Real Estate Developers of the Higher Officials of the Palace, the Ortigas and Company, who raped the original view of San Juan leaving destroyed thousands of mango trees simply to be replaced by the proposed shopping center and Executive Village in the said Greenhills, depriving the interest of the late Don Juan Ejercito and his heirs; that Harry Stonehill mess who conspired with some Malacanang officials before, who destroyed half a million of mango trees in San Pedro Laguna only for the elite Housing Projects and who attempted for the restoration of the war wisely damaged Manila Bay for self interest against the interest of the land owner, the Taguean-Tallano family. And the Malacanang cohorts oligarch Developers in Marikina, who attempted to land grab some 1,500 hectares of land situated in Parang, Marikina, Rizal own by the family of Dona Lourdes Tuazon Arroyo who bought from the real owner, Don Esteban Benitez Tallano, close friend of Ex-President Diosdado Macapagal; and particularly that Ayala Corporation who arbitrarily developed the Forbes Park and the Bell Air Village in Makati, are, as aforementioned above, direct denial of due process, awarding the lands to these developers without the mercy of the impartial judge.

Mr. Justice Jose P. Laurel must have condemned the conspirators in the government, if ever he has been living as Chief Justice of the Supreme Court up to this time. Because he once said that if accused is not tried by an impartial judge, the pledge of due process becomes a myth and the trial is reduced to nothing but a useless formality, an idle ceremony. Mr. Justice Laurel continued: If a judge had made up his mind to convict even innocence would not suffice as a defense.

Unquote: Similarly, the moro-moro court proceedings in this Sala under LRC/Civil Case No. 997-P against Don Esteban Benitez Tallano and Prince Lacan Acuna Tagean Tallano, the living heir of the late Prince Julian Macleod Tallano contemplated by some government officials in Malacanang in conspiracy of these developers who managed the validation of their fictitious Land Titles particularly this OCT 333 of Bonifacio Regalado its Decree No, 1141 has been found covering land in Florida Blanca, the OCT 735 of Don Mariano Severino Tuazon, and that OCT 632 own by Eulalio Ragua, that OCT 730 own by Piedad Estate, that OCT 614, OCT 333, OCT 291, and that OCT 820 own by Patricia Tionson and by the National Government, and all OCT its numbers from OCT No. 02 to OCT No. 100,000 had been declared non-bankable due to their fraudulent characteristics, and null and void ab initio by my predecessor in this Court on July 14, 1964 by virtue of the Petition filed by the Republic of the Philippines in favor of its allege predecessor, late Prince Lacan (Tagean) Tallano under LRC Civil Case No. 997 which was consolidated to LRC/Civil Case No. 3957-P for Separate Judgment Re: Reconstitution of OCT No. 01-4 in the name of Prince Lacan Tagean Tallano with Annulment of OCT No. 01 up to OCT No. 100,000 vs. Hermogenes Rodriguez from which the petitioner, Republic of the Philippines had acquired its interest and rights over the subject lands under the principles of Public Domain, alleging in that petition that late Julian Macleod Tallano and Prince Lacan Acuna Tagean Tallano have no surviving heirs whosoever, so therefore, under the law, said big track of lands, the Hacienda Filipina evidenced by OCT No. T-01-4 be reverted to the National Government.

On the above proceedings, the constitutional rights of the heirs of the true owner had always been deprived, thanks to the sound-meritorious judicial procedures of our Judiciary then that asserted by then Solicitor General Felix Makasiar, now, the pillar of our Supreme Court who sent summons and subpoenas to the Tallano-Tagean heirs in Hawaii and the old residence of the Tallano-Tagean in Sitio Sauyo, Barangay Kuliat, Quezon City, the Decision in favor of Don Esteban Benitez Tallano by way of Opposition Paper with supported evidences adopted from government Position Paper and proof of ownership over the land and proof of heirship to the late Prince Julian Macleod Tallano and Prince Lacan Acuna Tagean Tallano and Intervention by Benito A. Tallano that had submitted during the Hearing prior to the release of Decision of July 14, 1964 which caused this case under LRC/Civil Case No, 3957-P as consolidated one railroad up to this proceedings.

[Ed: Let us pause to clarify a point that might be missed on a first reading of the preceding two paragraphs. Judge Agana, in those paragraphs, revealed the mechanics of the biggest attempted land-grab ever in the Philippines. The Macapagal Administration, represented by its Solicitor General Felix Makasiar, had prepared its case, using its "government Position Paper" to irrefutably establish the "proof of ownership" of Tallanos while forever wiping out the claim of Hermogenes Rodriguez. Makasiar then sent the "summons and subpoenas" to the Tallano's old addresses, not expecting them to find out about the case and show up in court to intervene. The intent was to show that OCT 01-4 belonged to the Tallanos, that there was no heir to the Estate, and therefore it should revert to the National Government through the principle of Public Domain. However, Benito A. Tallano learned of the scheme in time to intervene, leaving the government no recourse but to enter into the DECISION WITH COMPROMISE AGREEMENT.]

On the part of the National Government represented by then they came to the stipulation for the issuance of the DECISION WITH COMPROMISE AGREEMENT subject to the following terms and conditions, here to wit:

1. That the Republic of the Philippines thru its President, His Excellency Diosdado Macapagal waived its rights over the lands that are still found public lands or land that have Land Title including their rights in Crisostomo Estate in the City of Cabanatuan, yet, and if ever titled only those lands that have fraudulent Land Titles be re-conveyed to and in favor of the heirs of Prince Julian Macleod Tallano, provided the Land Reform should be respected maintaining the land emancipated in favor of the farmer beneficiaries, otherwise, conversion of the land covered by Land Reform into a commercial purposes destroying the aims of land reform, automatically the ownership interest of the subject land should be reversed in favor of the heirs of the true owner, late Prince Julian Macleod Tallano; Don Esteban Benitez Tallano or their successor in interest;
2. **[Ed: No. 2 sets the price to the government in case of expropriation of land for government use. This is calculated by region or province and by class of land, commercial, residential, and agricultural, and represents a major undertaking. We will skip forward to a short section concerning land on pages 95-99.] [Quoting:]**

Let's go back to other subject matter about the land, that a Land Registration Court proceeding is an action in rem, therefore, the decree of registration after it has been issued to the party in interest binds upon the conclusive against all persons of any nature including this government, the Republic of the Philippines and its branches, agencies and instrumentalities, regardless or not they were notified of the filing of application intended for registration, or neither or have appeared and filed for the corresponding answer against such application, because, as a rule, all parties in interest are considered

as notified by the publication required by the law. This case was strongly cited in *Sorsogon, et al. vs. Makalintal, et al.*, 45 O.G. 9, 3819, September 1949, when the Royal family, the Tagean-Tallano Clan, maintains their position that their Land Title after it was published in the *Gaceta de Manila* sometime in March 14, 1902 under the operation of Torrens System in accord with LRA 496 of 1902, their OCT No. 01-4 which was issued in the year 1764 with the decree of registration turned conclusive because such decree of registration, once became final, could not be subjected for attack by any person either by reason of minor age of the co-owner, neither would there be found credible in the allegation that the decreed persons, claiming as owners, held the property in trust or as co-heirs when they filed their application for registration and correspondingly obtained registration in their names, without opposition, upon establishing factual informations their predecessors had been open as owners, and in what capacity they gained the same which is true in a case of *Gonzaga, et al. vs. Guanzon, et al.*, 68 Phil. 351 (1939).

Similarly, this Court cannot sustain the defense of the National Government, the heirs of Hermogenes Rodriguez, the heirs of Mariano Severo Tuazon and the Tuazon Company, including the defense of the Ortigas and Company that they were not around as party\in interest when the decree of Registration over the same subject land had been conducted in proceedings since in the rule of Registration, Decree of Registration could not be re-opened by reasons of absence, minority or by reason of disability of any person adversely affected by said decree of registration, not even by any proceeding in any court, like this for instance, for traversing such judgment but may be subjected, nevertheless to every right of any person including the government and its branches thereof, their interest had been deprived by actual fraud should be filed in the Court of origin or any court of competent jurisdiction within one-year after the entry of such decree instituted as registered, which patently true in a case of *Cruz vs. Del Valle*, 55 O.G. P. 9901, November 23, 1952, CA; *Samonte, et al. vs. Descallar, et al.*, 107 Phil 198 (1960).

In the case at bar, both the National Government and the herein oppositors failed and neither its government instrumentalities and agencies had filed their petition for review after the Decree of Registration No. 297 for the legalization of OCT 01-4, in accordance with the Land Registration Act 496, had been registered on October 4, 1904, which said OCT 01-4 and its Decree of Registration becomes incontrovertible.

This case is a petition for the reconstitution of OCT 01-4 with annulment of all the titles described in a certification issued by the Administrator of the Land Registration Commission, Hon. Antonio Noblejas, and with Reconveyance of the subject land which are in the possession of the heirs of the late Prince Julian Macleod Tallano, filed by the National Government thru its Solicitor General Felix Makasiar, which the same, the National Government had complied with the jurisdictional requirements enforced by Republic Act No. 26 and Circular No. 47 of February 19, 1949, but to no avail one more

time, the National Government lacked stronger evidences against the true owner, the Tagean-Tallano clan. What the evidences the government had used and presented were those documents and OCT 01-4 in the name of the late Prince Lacan Acuna Tagean Tallano on strong confidence the late Prince have no issue neither has surviving heirs. Such action of the government is only proper under the Principle of Public Domain against the oppositor-claimants who have also stronger evidences and titles although these were issued in the later date of 1764 when the said OCT 01-4 had been issued in the name of Prince Lacan Acuna Tagean Tallano, then eventually to the late Prince Julian Macleod Tallano in the year 1864 which was affirmed in accordance with the Land Registration Act 496 of the year 1902. And parenthetically, the same was re-adjudicated in accordance with Cadastral Act of 2259 on March 14, 1914. While the Land Title of the oppositors-other claimants were issued only in the later year of 1902, some in the year 1906, some in the year 1914, 1926, etc. Except the OCT 396 of the Hermogenes Rodriguez which has been issued allegedly in the year 1864, 1868, 1896 and 1892, but it becomes the subject of this ruling against said OCT 369, which its decree was found fraudulently defective in character as it were divulged in this context.

Apparently, the National Government failed to refute the existence of the lawful heirs of the late Prince Lacan Tagean and Prince Julian Macleod Tallano on the mere fact that some of these heirs became instrumental in the establishment of Central Bank of the Philippines in the year 1949 after Don Esteban Benitez Tallano, accompanied by Reverend father Jose Antonio Diaz through the efforts of brilliant lawyer, Attorney Ferdinand E. Marcos, had transported the gold bullion from Vatican City which were used by the late President Manuel Roxas, cousin of Don Esteban Benitez Tallano, as Gold Reserves requirements. His information do not intend to complicate the issue but a sound proof as to the existence of the heirs of the late Prince that the government can not deny but rather it compel to be guilt of estoppel which was raised by the surviving heirs.

[Ed: End Quoting. We will now shift to the subject of gold beginning at page 85 and ending at page 95. Quoting:]

Corollary of this end, let traverse our judicial functions into another horizon of responsibilities as administrator of justice not only for the deprived parties but for the entire Filipino people for our nation's economic breakthrough from its century ailing and sickly society with suffering citizenry. That what involves in this scenario is not only the government of His Excellency President Ferdinand E. Marcos but also President Marcos himself, requiring the President to restore the missing gold reserves of the Republic of the Philippines in the designated Central Bank vaults consisting of 617,500 metric tons of 12.5 gold nuggets lent and entrusted by the Royal Family, the Tagean-Tallano clans, through late President Manuel Roxas, in favor of the Filipino people just to complete the requirements set forth needed in the establishment of Philippine Central bank in the year 1949. That the said gold reserves paramountly

attributed in the stability of peso value between 1949 to 1960, ranging the peso value of P2.00 for \$1.00 U.S. dollar to P4.00 to \$1.00 U.S. dollar.

But beyond the knowledge of the Filipino people, the basic root that caused the Marcos-Macapagal quarrel was that the unlawful acts of then Senate President Ferdinand E. Marcos which emanated from illegal transport of some three (3) metric tons of gold nuggets to London and another seven (7) tons to Zurich, Germany without permission from the private owner, the Royal family, the Tagean-Tallano Clan, and of no consent of the then President Diosdado Macapagal which were taken in place all of September 23, 1963; considering that gold bullion was part and portion of the 617,500 metric tons of 12.5 gold nuggets entrusted to the national government on January 7, 1949 by the caretaker of the Royal Clan, Rev. Fr. Jose Antonio Diaz, his alias name is Col. Severino Garcia Sta. Romana, for and in behalf of the Tagean-Tallano Royal family.

That the Reverend father, before this Court and designated Amicus Curae on May 5, 1972, he testified in an open court that he is the caretaker of around 617,000 metric tons of gold nuggets own by the Royal Family, the Tagean-Tallano Family headed by Don Esteban Benitez Tallano which they transported to Vatican City in the year 1939 to secure the gold bullion from the escalating World War II, and the Royal Family maintained it up to 1948 and was withdrawn and transported to the Philippines through the young lawyer Ferdinand E. Marcos in 1949, then.

That in the presence of Atty. Lorenzo Tanada, the Clan's lawyer, Don Esteban Benitez Tallano and Benito Tallano, the direct owners of the said gold bullion; and in the presence of then His Excellency, late President Manuel Acuna Roxas, then La Union Congressman, Bishop Enrique C. Sobrepena Sr., the second cousin of Maria Cristina Camacho, wife of said Benito Tallano, Reverend Father Jose Antonio Diaz turned over said 617,500 gold bullion which he kept long time ago under the blessings of some higher Spanish officials in a dungeon in Fort Santiago in behalf of the Royal Family, Prince Lacan Acuna Tagean Tallano who went to Europe before the war and eventually under the custody of then the old National Treasury in Intramuros, Manila to give way for the establishment of the Central Bank of the Philippines;

That the said Reverend Father, in his testimony before the Court and the Amicus Curae, admitted that the gold inventory remained intact in the Central Bank vaults up to the year 1964, Quote: except that some 10 tons in my presence were forcibly withdrawn by the Senate Security Force led then by Ex-Senate President Ferdinand E. Marcos, now, President of this Republic on September 8, 1963 and had transported to nowhere;

That said Reverend Father was the one who gave idea to His Excellency President Ferdinand E. Marcos to undertake the illegal withdrawal of the said gold bullion from the Central bank vaults on the sense that Don Esteban Benitez Tallano, heirs of the late Prince Julian Macleod Tallano, owner of the said big bullion consisting of 617,500 metric tons died in Europe during the American Occupation in 1898. And the Reverend

Father alleged: the heir Don Esteban Benitez Tallano died also during the Japanese time, yet, the asset left with no will and no legitimate heir, in spite of the fact that the truth was that the late Prince has a last will and testament entrusted to the custody of Reverend Father Jose Antonio Diaz clarifying that he has surviving heirs, Don Esteban Benitez Tallano, Benito Tallano and the only son of Benito Tallano, Julian Morden Tallano who also inherited the Title of Prince, bestowed upon him by the Royal Family in accordance with the code of Koran in as much as although he has a fifty percent (50%) British blood, his ancestors were Muslim-British Lords. That said Prince Julian Morden Tallano has been authorized to administer and, when necessary, withdraw the said assets deposited in the Central Bank vaults and all gold bullion deposited in Fort Knox and in Zurich and in other countries that served as trustee of His Excellency Ferdinand E. Marcos and he is entitled to collect the 5% of the 1 percent royalty fee of the national government starting from the year 1965, the unpaid period of the government in as much as since 1949 to 1964 the government had fully complied the royalty fee;

That the Reverend Father also admitted that the only gold bullion balance left in the Central Bank vaults are consisting of 400,000 metric tons; others, some 217,500 metric tons between 1965 to 1970 were illegally melted into another form of 75 kilos per bar and were transported to different countries in Red China, Hong Kong, Switzerland, Germany, Australia, U.S.A. and in England;

Here is the excerpt from the testimonies of Reverend Father Jose Antonio Diaz, alias Col. Severino Sta. Romana, taken in an open court room on 10:35 A.M. of May 5, 1972, before this Court and Amicus Curae: **[Ed: We note the inconsistency of this date being AFTER the February 4, 1972 date of the DECISION WITH COMPROMISE AGREEMENT, from whence it is taken as a direct quote from the Certified True Copy.]**

Atty. Cesar Paras Sr.: With your permission, your Honor, supplemental to my cross examination to Reverend Father Jose Antonio Diaz, vital witness in connection with the illegal transport of said gold bullion of my client, the Royal Family, Tagean-Tallano Clan, which caused the sudden collapse of the value of Philippine peso, may I ask some important questions, your Honor, relevant to the Sworn Affidavit he executed before a notary public.

Court: Yes, you may, provided the questions are relevant to the subject matter.

Amicus Curae: What is the purpose?

Atty. Cesar Paras Sr.: Yes, your Honor. To clarify matters in connection with missing gold reserves.

Atty. Cesar Paras Sr.: Do you own this typewritten Sworn Affidavit, Reverend Witness and how did you come to know about the illegal transport of the deposited gold bullion from the Central Bank Vaults and that of its exact date?

Witness: Rev. Fr. Jose Antonio Diaz: I was the one who signed this affidavit, Sir, and being the caretaker of the Royal Family, I was the authorized signatory for the withdrawal of that deposited gold bullion from the Central Bank Vaults and I used it to withdraw the same as instructed to me by then Honorable Senate President Ferdinand E. Marcos on September 8, 1963. Besides, I was the one who accompanied Don Esteban Benitez Tallano in transporting the said gold bullion around 617,000 metric tons to Vatican City, your honor, sometime in 1939, to protect the item from the fast escalating world War II, then, your Honor.

Atty. Cesar Paras Sr.: How many kilos did you withdraw that time?

Witness: Rev. Fr. Jose Antonio Diaz: Based on my arrangement with then Senate President Marcos, we will withdraw only 3 tons or 3,000 kilos but when I and Senate President Marcos were already in the Central Bank vaults, Central Bank Governor Andres Castillo and Senator Marcos convinced me to sign the withdrawal document containing 35,000 tons that time, I have no choice but to sign.

Atty. Cesar Paras Sr.: Reverend Witness, after signing the withdrawal document you mentioned, what transpired next?

Witness: Rev. Fr. Jose Antonio Diaz: Right at that moment, Senator Marcos withdrew the gold bullion from the vault and loaded these on four (4) trailer trucks escorted by Philippine Army members led by unknown colonel and 4 members of the Philippine Constabulary and were driven toward the departure area of the Manila International Airport, then, Sir;

Atty. Cesar Paras Sr.: Reverend Witness, when you were in the MIA departure area, what follows next?

Witness: Rev. Fr. Jose Antonio Diaz: I witnessed the unloading of the gold from the trailers, Sir, which were packed in 70 pieces of wooden crates and they loaded these in the belly of the KLM airline that time.

Atty. Cesar Paras Sr.: Reverend Witness, you said you were there when the repacking of the gold had been done, how long did it take?

Witness: Rev. Fr. Jose Antonio Diaz: Because when we arrived in the Central Bank, the time was 8:00 o'clock in the morning. When they finished packaging and loading to the trailers, the time was 3:00 o'clock in the afternoon, so approximately Sir, it took seven (7) hours long when we finished.

Atty. Cesar Paras Sr.: Being the caretaker of the Tallano-Tagean family's gold bullion, can you tell to this Honorable Court how many and what is the exact number of kilos do the Tagean-Tallano Family had deposited in the vaults of the Central Bank?

Witness: Rev. Fr. Jose: Exactly around 617,500 metric tons that the Tagean-Tallano had deposited to the vault through me in the year 1949 which we transported from the Vatican city in the year 1948 the same were lent to the national government to meet the required gold reserves of the newly organized and installed Central Bank then. But lately, when I went to the Central Bank along with the heirs, Don Esteban Benitez Tallano and Prince Julian Morden Tallano for verification and inventory recently, we found that the only exact inventory remained intact in the vault was 400,000 metric tons, while, what I withdrew that time beyond the knowledge of the owner through instruction of then Senate President Marcos, now President of this Republic was 35,000 metric tons leaving a supposed inventory balance of 482,500 metric tons, but this was inconsistent to our findings where the last inventory balance was only 400,000 metric tons. Definitely, Sir, they used fraudulently my signature to withdraw such 82,500 metric tons.

Solicitor Gutierrez: Your Honor, I wish to call the attention of the Honorable Court to strike ... the words as follows: but this was inconsistent to our findings where the last inventory balance was only 400,000 metric tons. Definitely, Sir, they used fraudulently my signature to withdraw such 82,500 metric tons.

Amicus Curae: For what purpose?

Solicitor Gutierrez: The answer of the witness was not responsive to the question profound by the counsel. Beside, his statement about the withdrawal of 82,500 metric tons is merely more on hearsay because he was not there when the alleged withdrawal of 82,500 metric tons took place.

Atty. Cesar Paras Sr.: Objection, your Honor, the witness has the right opinion which is valid based on his authority designated to him by my client that he is the only person that has an authority to withdraw said gold bullion deposits.

Court: Alright, just maintain the record, eventually, we will cross the bridge when needed.

Enough over such testimonies that that we can no longer deny the veracity of the Reverend Father's Statement and in as much as no opposition from the government except they signified their conformity to issue this **DECISION WITH COMPROMISE AGREEMENT** between the Republic of the Philippines represented by His Excellency

President Ferdinand E. Marcos and his Solicitor General and by the party in interest, Mr. Benito A. Tallano and his son, Prince Julian Morden Tallano, represent by their Legal Counsel, Atty. Cezar Paras Sr.

[END Quoting]

COMMENTS FROM THE AUTHORS:

Father Diaz/Colonel Santa Romana seems to have either fudged the truth a bit, or forgot his arithmetic (not likely). In another version of the Vatican story about the Royal Family/Sultanate of Sulu gold, (30%) was given to Diaz/Marcos as a fee for arranging its return from the Vatican to the Philippines. It is said that 30% of the gold was sent by Diaz/Marcos directly to Switzerland and there entrusted to a banker named Nicholas Senn. Diaz (above) has subtracted 35,000 metric tons from 617,500 metric tons "leaving a supposed inventory balance of 482,500...", which is incorrect since the balance should be 582,500 metric tons, a discrepancy of exactly 100 metric tons. Diaz goes on to volunteer, "Definitely, Sir, they used fraudulently my signature to withdraw such 82,500 metric tons," when he should have said, "182,500 metric tons".

Most interesting is the fact that 30% (the fee to Diaz/Marcos confirmed at page 20 of the DECISION WITH COMPROMISE AGREEMENT) of 617,500 metric tons is equal to 185,250 tons, leaving 432,250 tons in the Central Bank vault. Removing 35,000 metric tons would have left 397,250, a discrepancy of only 2,750 tons from the 400,000 Fr. Diaz testified to at trial: "But lately, when I went the Central Bank along with the heirs, Don Esteban Benitez Tallano and Prince Julian Morden Tallano for verification and inventory recently, we found that the only exact inventory remain intact in the vault then was 400,000 metric tons..."

Other documents and stories we have heard tend toward the likelihood that the 185,250 tons went to the Swiss Banking Corporation and the remainder of 582,500 tons were brought back to Fort Santiago and were subsequently moved to the Central Bank vault constructed in Quezon City during the early years of the Marcos Presidency.

Judge Enrique A. Agana's ORDER at page 121, Paragraph 9 of the DECISION WITH COMPROMISE AGREEMENT is quoted as follows:

"Ordering the National Government, Office of the President of the Philippines and his staffs, the National Treasurer and his staffs, the solicitor General and his staffs and the Governor of the Central Bank to relocate the remaining inventory balance of 400,000 metric tons of gold nuggets own by the Royal Family, the Taguean-Tallano family, and, when relocated, return the same to the vaults of the Central Bank for the interest of the Filipino people to serve as U.S. dollar reserves required by the IMF and the World banks, while that 5% of that 1% of the required royalty fee which was unpaid starting in the year 1969 to the present and to its succeeding year until the precious metals has been withdrawn

based on the prevailing market price should be paid directly to the authorized Heir, Prince Julian Morden Tallano." [End Quoting]

IN SUMMARY, we do not hesitate to honor and revere Judge Agana for his respect for and adherence to the law. He quite obviously forced the Diosdado Macapagal Administration to a fair and logical AGREEMENT which, had it been followed by both sides, the government and Royal Family, would have resulted in unprecedented progress and wealth for the nation and all of its people. If the Royal Family had set up the Foundation as instructed and staffed it with professional business managers the government would have had far less justification for continuing to try to circumvent the DECISION WITH COMPROMISE AGREEMENT, which it does to this day. On the other hand, both the Macapagal Administration and the Marcos Administration could have done far more in cooperating and working with Tallanos to effect the practical implementation of the AGREEMENT.

That error has been compounded by all of the subsequent Administrations, resulting in the deaths of millions of poverty-stricken people, the pollution of the air and water, the loss of thousands of hectares of forestlands, and the uncompleted transportation, power, water, waste management, and communications infrastructure that was so carefully planned during the Marcos Administration. It is "not too late" to bring that abundance to the Philippines, and a start has been made.

Prince Julian Morden Tallano has set up the "DON ESTEBAN BENITEZ TALLANO & DON GREGORIO MADRIGAL ACOP FOUNDATION, INC." and has appointed qualified Trustees to manage it. When the Administration elects to use the DEEDS OF ASSIGNMENT FOR CONSIDERATION offered by Global Alliance Investment Association (GAIA) as qualified banking RESERVES, GAIA can provide the necessary RESERVES to joint venture with the National Treasury to purchase the gold from the Foundation. Because it is a sovereign nation, the National Treasury can issue new pesos to the Foundation to purchase the gold, giving the Foundation the funds it needs to pay its Real Estate and Property Taxes all over the Archipelago, thus benefiting all of the barangays and municipalities that receive all or part of their funding from Real Estate and Property Taxes. These funds could begin to flow within a few days of reaching the appropriate agreements, which are already mostly drawn up and ready for adoption.

If this is a government of, for, and by the people, and the people are tired of not having enough to eat, or of having to breathe polluted air and drink unsafe water, the people should let their elected representatives know that they want to use this solution to their problems. The Foundation is ready; the Alliance is ready, and all that is needed is for the government to do its part.

For additional information email Info@GlobalAllianceAssn.com or visit our website at www.GlobalAllianceAssn.org.