



Republic of the Philippines
Supreme Court
Manila

EN BANC

**RE: LETTERS OF LUCENA B.
RALLOS, FOR ALLEGED
ACTS/INCIDENTS/
OCCURENCES RELATIVE TO
THE RESOLUTION(S) ISSUED
IN CA-G.R. SP No. 06676 BY
COURT OF APPEALS
EXECUTIVE JUSTICE PAMPPIO
ABARINTOS and ASSOCIATE
JUSTICES RAMON PAUL
HERNANDO and VICTORIA
ISABEL PAREDES.**

**IPI No. 12-203-CA-J
[formerly A.M. No. 12-8-06-CA]**

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**RE: COMPLAINT FILED BY
LUCENA B. RALLOS AGAINST
JUSTICES GABRIEL T.
INGLES, PAMELA ANN
MAXINO, and CARMELITA S.
MANAHAN.**

A.M. No. 12-9-08-CA

Present:

SERENO, *C.J.*,
CARPIO,
VELASCO, JR.,
LEONARDO-DE CASTRO,
BRION,
PERALTA,
BERSAMIN,
DEL CASTILLO,
ABAD,
VILLARAMA, JR.,
PEREZ,
MENDOZA,
REYES, and
PERLAS-BERNABE,
LEONEN, *JJ.*:

Promulgated:

December 10, 2013

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Quirino
9

DECISION

BERSAMIN, J.:

Judicial officers cannot be subjected to administrative disciplinary actions for their performance of duty in good faith.

Antecedents

In Civil Case No. CEB-20388 of the Regional Trial Court in Cebu City (RTC), the Heirs of Vicente Rallos, one of whom is complainant Lucena B. Rallos (Rallos), and other parties collectively referred to as Vicente Rallos, *et al.* sought just compensation from the city government of Cebu City (Cebu City) for two parcels of land pertaining to the estate that Cebu City had been maintaining as public roads without their consent. On January 14, 2000, the RTC (Branch 9) rendered its decision holding Cebu City liable to pay just compensation to the Heirs of Vicente Rallos, *et al.*; and directing the creation of a board of commissioners that would determine the amount of just compensation.¹ Cebu City sought the reconsideration of the decision, but its motion was denied.²

Upon submission by the board of commissioners of its report on the just compensation, the RTC rendered another decision on July 24, 2001 ordering Cebu City to compensate the Heirs of Vicente Rallos, *et al.* in the amount of ₱34,905,000.00 for the parcels of land plus interest of 12% *per annum* computed from the date of the decision until fully paid; ₱50,000.00 as attorney's fees; and ₱50,000.00 as litigation expenses.³

The RTC granted the motion of the Heirs of Vicente Rallos, *et al.* for the execution pending appeal of the July 24, 2001 decision. In implementing the execution pending appeal, the RTC issued three separate orders, all dated December 21, 2001. Both parties sought the reconsideration of the orders dated December 21, 2001.⁴ On March 21, 2002, the RTC issued its consolidated order resolving the motions for reconsideration of the parties.⁵

Both parties appealed to the Court of Appeals (CA), Visayas Station. The Heirs of Vicente Rallos, *et al.* assailed the July 24, 2001 decision and the March 21, 2002 consolidated order of the RTC. On its part, Cebu City

¹ *Rollo* (A.M. No. 12-9-08-CA) pp. 31-47.

² *Id.* at 48-50.

³ *Id.* at 51-55.

⁴ *Id.* at 56-68.

⁵ *Id.* at 69-74.

challenged the decisions of January 14, 2000, July 24, 2001, and March 21, 2002.

On May 29, 2007, the CA promulgated its decision dismissing the appeal of Cebu City for its failure to file a record on appeal.⁶ Cebu City moved for a reconsideration, but the CA denied its motion in the resolution promulgated on August 30, 2007. Thence, Cebu City filed its petition for review in this Court (G.R. No. 179662), but the Court denied the petition for review.⁷

The Heirs of Vicente Rallos, *et al.* thereafter moved in the RTC for the execution of the July 24, 2001 decision and the March 21, 2002 consolidated order. The RTC granted the motion. Subsequently, however, upon finding that the RTC had erred in executing the decision and the consolidated order, the Heirs of Vicente Rallos, *et al.* lodged an appeal with the CA, Visayas Station, to compel the RTC to comply strictly with the tenor of the decision and the consolidated order (CA-G.R. CEB SP. No. 04418).

On June 11, 2010, the CA decided CA-G.R. CEB SP. No. 04418 by requiring the RTC to execute the RTC's July 24, 2001 decision and its March 21, 2002 consolidated order strictly in accordance with their tenor.⁸ After its motion for reconsideration was denied, Cebu City appealed by petition for review (G.R. No. 194111). However, the Court denied Cebu City's appeal on December 6, 2010.⁹

On motion for execution by the Heirs of Vicente Rallos, *et al.*, the RTC directed on September 23, 2011 the issuance of a writ of execution in accordance with the ruling in CA-G.R. CEB SP. No. 04418.¹⁰ In reaction, Cebu City presented an omnibus motion to quash the writ of execution and to lift the notice of garnishment, but the RTC denied the omnibus motion through its orders of October 26, 2011,¹¹ January 26, 2012,¹² and February 27, 2012.

On March 26, 2012, Cebu City brought in the CA, Visayas Station, a petition for the annulment of the RTC's decisions of January 14, 2000 and July 24, 2001, and the consolidated order dated March 21, 2002 (CA-G.R. CEB SP. No. 06676), alleging that Vicente Rallos and his heirs had been obliged under a compromise agreement called *convenio*, as approved on October 18, 1940 by the Court of First Instance of the Province of Cebu

⁶ Id. at 75-93.

⁷ Id. at 94-95.

⁸ Id. at 99-110.

⁹ Id. at 111.

¹⁰ Id. at 113-114.

¹¹ Id. at 115-116.

¹² Id. at 117.

(CFI) in Civil Case No. 616 and Civil Case No. 626, to donate, cede, and transfer the parcels of land in question to Cebu City; that Cebu City should not be made to pay just compensation for the parcels of land in question despite the final and executory decision in Civil Case No. CEB-20388 because of the ruling by the CFI in Civil Case No. 616 and Civil Case No. 626 to the effect that the parcels of land in question had been donated to Cebu City; and that the concealment of the existence of the *convenio* by the Heirs of Vicente Rallos, including Rallos, during the proceedings in Civil Case No. CEB-20388 constituted extrinsic fraud, which was “unmasked” only when Cebu City discovered the existence of the *convenio* in 2011.¹³ Accordingly, Cebu City sought the nullification of the RTC decisions and consolidated order; and the issuance of a temporary restraining order (TRO) and/or writ of preliminary injunction “to prevent the hasty, if not unlawful release of government funds.”¹⁴

CA-G.R. CEB SP. No. 06676 was raffled to the 18th Division of the CA, Visayas Station, whose members then were respondents Justice Pampio A. Abarintos, as the Chairman, Justice Ramon Paul L. Hernando, as the Senior Member, and Justice Victoria Isabel A. Paredes, as the Junior Member.¹⁵ On March 28, 2012, the 18th Division, through Justice Hernando, promulgated a resolution directing Cebu City to rectify certain defects in its petition, to wit:

Perusal of the above-captioned Petition for Annulment of Final Decision/s and Order/s, with prayer for the issuance of a Temporary Restraining Order (TRO) and/or Writ of Preliminary Injunction (WPI), reveals the following infirmities:

1. Copy of Sangguniang Panlungsod Resolution No. 12-1330-2011 that is attached to the Petition, while ostensibly a certified true copy, is in fact just a photocopy.
2. Atty. Joseph L. Bernaldez, the Notary Public in both the Verification/Certification of Non-Forum Shopping and Affidavit of Good Faith, did not indicate therein his notarial commission number and the province/city where he is commissioned, in violation of Sec. 2, Rule VIII of the 2004 Rules on Notarial Practice.
3. Atty. Marie Velle P. Abella, the Notary Public in the Affidavit of Service did not reflect therein the province/city where she is commissioned as a notary public, in violation of Sec. 2, Rule VIII of the 2004 Rules on Notarial Practice.

Petitioner is **DIRECTED** to **RECTIFY** the foregoing defects within ten (10) days from notice. Meanwhile, the Court shall hold in

¹³ Id. at 168-189.

¹⁴ Id. at 187.

¹⁵ Id. at 140.

abeyance any action on the Petition and TRO application pending compliance with the order of rectification of defects.¹⁶

Cebu City complied with the resolution on April 12, 2012.¹⁷

Through the *Manifestation with Urgent Motion for the Issuance of a Temporary Restraining Order* filed on April 4, 2012, Cebu City informed the CA of its receipt of the *Notice to Parties of Sale on Execution* that set the sale on April 10, 2012 and April 17, 2012; and alleged that the sale on execution could render the proceedings in CA-G.R. CEB SP. No. 06676 moot and academic.¹⁸

Acting on the aforesaid urgent motion of Cebu City, the CA, through Justice Hernando, issued a TRO on April 13, 2012, *viz*:

Proceeding now to the supplication for the issuance of a Temporary Restraining Order (TRO) by the petitioner, the Court perceives more than adequate grounds for its grant. Firstly, is there urgency involved on the matter, as an execution sale has been scheduled not just on April 10, 2012 but also on April 17, 2012. Secondly, if such sale pushes through, it may well render moot the proceedings before this Court. Thirdly, there appears, at least preliminarily, a right on the part of petitioner that needs protection, that is, its right not to be deprived of its property if the fraud it alleges – that of concealment of the *convenio* – is unmasked to be such. Thus, grave or irreparable injury may therefore be suffered, in Our estimation at this stage of the proceedings, by the petitioner should a TRO be not forthcoming.

The Court now therefore resolves to **GRANT** the petitioner's application for a TRO, effective for sixty (60) days from notice by respondents. By virtue of the TRO, the respondents or anyone acting in their behalf, are enjoined from executing the Decision dated January 14, 2000 and July 24, 2001, the Order dated February 9, 2001, Consolidated Order dated December 21, 2001 and Order dated February 27, 2012 of respondent court, the Regional Trial Court, Branch 9 of Cebu City and from causing the release of any funds of the petitioner in satisfaction thereof.

Petitioner is **DIRECTED** to post the corresponding TRO Bond, herein fixed at Php 1 Million, within ten (10) days from notice. The TRO issued by the Court shall be effective immediately upon receipt by respondents. However, the failure of the petitioner to comply with the posting of the bond within the ten-day period shall result in the lifting of the restraining order.¹⁹

¹⁶ Id. at 195-196.

¹⁷ Id. at 206-208.

¹⁸ Id. at 197-199.

¹⁹ Id. at 207.

Cebu City posted the required TRO bond of ₱1,000,000.00.²⁰

On April 23, 2012, Justice Hernando inhibited from further participation in CA-G.R. CEB SP. No. 06676.²¹ During the raffle of April 24, 2012, CA-G.R. CEB SP. No. 06676 was assigned to Justice Paredes, with Justice Gabriel T. Ingles being designated as the new third member.²²

On April 26, 2012, the CA set the hearing on Cebu City's application of the writ of preliminary injunction on May 23, 2012.²³

On May 7, 2012, the Heirs of Vicente Rallos moved to set aside the April 13, 2012 resolution; to lift the TRO; and to dismiss the petition for annulment.²⁴

On May 23, 2012, the CA held the hearing on Cebu City's application for the writ of preliminary injunction. The counsels for both parties attended the hearing, where the Heirs of Vicente Rallos moved to be allowed to submit their formal offer of exhibits in support of their opposition to the issuance of the writ of preliminary injunction. The CA granted their motion, and further directed the parties to submit their respective memoranda.²⁵

On June 5, 2012, CA-G.R. CEB SP. No. 06676 was assigned to Justice Abarintos in view of the intervening transfer of Justice Paredes to Manila.²⁶ However, two days later, Justice Abarintos inhibited himself from further participation in CA-G.R. CEB SP. No. 06676.²⁷

By the raffle conducted on June 7, 2012, CA-G.R. CEB SP. No. 06676 was next assigned to Justice Edgardo L. Delos Santos, while Justice Carmelita S. Manahan was designated as the new third member of the Division.²⁸ On June 14, 2012, however, Justice Delos Santos also inhibited himself from participation in the case.²⁹ Thus, CA-G.R. CEB SP. No. 06676 was assigned by raffle to Justice Ingles, who was designated as the Chairman of the 18th Division for purposes of the case. Justice Pamela Ann Abella Maxino and Justice Manahan were assigned, respectively, as the Senior and the Junior Members of the Division.³⁰

²⁰ Id. at 142.

²¹ Id. at 209.

²² Id. at 142.

²³ Id.

²⁴ Id.

²⁵ Id. at 210-255.

²⁶ Id. at 143.

²⁷ Id. at 256.

²⁸ Id. at 143.

²⁹ Id. at 257.

³⁰ Id. at 143.

On June 26, 2012, the CA granted Cebu City's application for the writ of preliminary injunction, to wit:

X X X X

A writ of preliminary injunction issues to prevent threatened or continuous irremediable injury to some of the parties before their claims can be thoroughly studied and adjudicated. Its sole office is to preserve the status quo until the merits of the case can be heard fully. To be entitled to a writ of injunction, a party must establish the following requisites: (a) the right of the complainant is clear and unmistakable; (b) the invasion of the right sought to be protected is material and substantial; and (c) there is an urgent and paramount necessity for the writ to prevent serious damage.

We find the foregoing requisites satisfied.

First, the initial evidence satisfactorily demonstrates petitioner's clear and unmistakable right as a beneficiary or prospective donee in a *Convenio* executed on September 22, 1940. Petitioner submitted as exhibit in its application for WPI, the Decision of the Court of First Instance of the Province of Cebu, 8th Judicial District dated October 18, 1940. The Decision reproduced *verbatim* the judicially-approved *Convenio*, which provided for a stipulation *pour autrui* in petitioner's favor, whereby Lots 485-D and 485-E, the subjects of Civil Case No. CEB-20388, were supposed to be donated and transferred to it by respondent's predecessor, Father Vicente Rallos. The *Convenio* also provided that should petitioner not accept the donation, the road lots would still be for public use.

Respondents question the authenticity of the Decision embodying the *Convenio* since the same is purportedly unsigned. This challenge shall be fully contended with when we evaluate the merits of the petition, but at this juncture, suffice it to say that our inclination to regard the Decision as authentic, for purposes of resolving the propriety of the herein ancillary remedy, is anchored on these reasons: (1) the 1940 decision is more than thirty (30) years old; and (2) it was produced from a custody in which it would be naturally found if genuine. Respondents' counsel, Atty. Glenn Cañete, admitted during the hearing that he personally went to RTC Branch 9, and found out for himself that indeed, there is a copy of the said Decision in the records of the court. Moreover, respondent Maurillo Rallos, likewise, attested in his Affidavit that he personally went to the Office of the RTC Clerk of Court and upon personally examining its records, saw for himself that the decision was actually in the custody of the clerk.

Second, the invasion of petitioner's right sought to be protected is material and substantial. It appears, from the sampling of evidence, that respondents deliberately suppressed *Convenio* when they lodged Civil Case No. CEB-20388, seeking for forfeiture of improvements and payment of fair market value with damages, litigation expenses and attorneys fees, against petitioner. The non-disclosure of the *Convenio* resulted in the violation of petitioner's right to for it is now made to pay, with the use of public funds, just compensation for properties that were supposed to be donated and transferred to it without cost. In fact, petitioner already paid Fifty Six Million One Hundred Ninety Six

thousand, three hundred sixty nine and 42/100 Pesos (P56,196,369.42) in 2001 and 2009.

Third, there is urgent and paramount necessity for the writ to prevent serious damage. In propounding its application for WPI, petitioner alleged that public respondent issued an Order (Order) dated February 27, 2012, directing : 1) the depositary banks of the City of Cebu to release to the Sheriff, certifications as to the correct account numbers under petitioner's name in order to cater to the final judgment in Civil Case No. CEB-20388; (2) the plaintiffs to demand the Sangguniang Panlungsod to enact the appropriation ordinance; and (3) the depositary banks to release the amount for the satisfaction of the money judgment upon presentment of the appropriation ordinance. In a Manifestation with Urgent Motion it subsequently filed, petitioner informed this Court that it had received the following from the sheriff: (1) Notice to Parties of Sale on Execution; (b) (sic) Notice of Execution Sale at Public Auction; and (3) Amended Writ of Execution.

To date, the foregoing issuances have not been recalled, such that, when the limited life of the previously granted TRO expires, the sheriff can proceed with garnishing petitioner's bank deposits and selling its patrimonial property described in the Notice of Execution Sale of Public Auction. The involvement of public funds and property justifies the urgency and necessity of the issuance of a WPI to prevent serious damage to petitioner. It is best to preserve the *status quo* pending the final determination of this case, otherwise, whatever Decision hereon will be rendered ineffectual and nugatory.

WHEREFORE, premises considered, let a Writ of Preliminary Injunction issue enjoining respondents, their successors, agents, representatives, assigns, and any and all persons acting under their supervision, direction and on their behalf, from executing the Decisions dated January 14, 2000 and July 24, 2001, the Order dated February 9, 2001, Consolidated Order dated December 21, 2001 and Order dated February 27, 2012 of the respondent court, the Regional Trial Court, Branch 9, Cebu City, and from causing the release of any funds, or the auction of property/ies of petitioner in satisfaction thereof, until further orders from the Court.³¹

The Heirs of Vicente Rallos moved for the reconsideration of the grant of the application for the writ of preliminary injunction.³²

On August 10, 2012, the Court received the letter-complaint from Rallos requesting an investigation of the allegedly unlawful and unethical conduct of Justice Abarintos, Justice Hernando and Justice Paredes as Members of the 18th Division in dealing with CA-G.R. CEB SP. No. 06676.³³ On August 30, 2012, the Court received another letter from Rallos requesting permission to amend her letter-complaint and to admit her

³¹ Id. at 118-121.

³² Id. at 146.

³³ *Rollo* (IPI No. 12-203-CA-J), pp. 1-7.

attached amended letter-complaint.³⁴ The Court docketed the amended letter-complaint as A.M. No. 12-8-06-CA.³⁵

On September 12, 2012, the Court received an affidavit-complaint from Rallos, whereby she also charged Justice Ingles, Justice Maxino and Justice Manahan with administrative and criminal offenses. The Court docketed the affidavit-complaint as A.M. No. 12-9-08-CA.³⁶

On September 18, 2012, the Court promulgated a resolution in A.M. No. 12-9-08-CA requiring Justice Ingles, Justice Maxino and Justice Manahan to comment on the affidavit-complaint of Rallos, and consolidating A.M. No. 12-9-08-CA with A.M. No. 12-8-06-CA.³⁷

On December 13, 2012, the Court received the joint comment/answer of Justice Ingles, Justice Maxino and Justice Manahan, whereby they prayed for the dismissal of the charges in A.M. No. 12-9-08-CA for lack of merit.³⁸

On January 8, 2013, the Court re-docketed A.M. No. 12-8-06-CA as OCA I.P.I. No. 12-203-CA-J, and ordered Justice Abarintos, Justice Hernando and Justice Paredes to comment on the letter-complaint.³⁹ They separately complied, but all of them prayed for the dismissal of the letter-complaint for lack of merit.⁴⁰

Charges in IPI No. 12-203-CA-J (formerly A.M. No. 12-8-06-CA)

In her amended letter, Rallos averred that the issuance of the March 28, 2012 resolution in CA-G.R. CEB SP. No. 06676 directing the rectification of the “fatal” defects of the petition for the issuance of the TRO had been erroneous; that the fatally defective petition should instead be outrightly dismissed inasmuch as the decisions and the consolidated order thereby sought to be annulled had been already affirmed by the Court in G.R. No. 179662 and G.R. No. 194111; that Cebu City should carry the responsibility for making its petition compliant with the *Rules of Court*; that the respondent Justices had thus acted as legal consultants of Cebu City; and that it was a matter of public knowledge that petitions filed in the CA were being routinely dismissed even for minor deficiencies.⁴¹

³⁴ Id. at 23-31.

³⁵ Id. at 35.

³⁶ *Rollo* (A.M. No. 12-9-08-CA), pp. 4-30.

³⁷ Id. at 137.

³⁸ Id. at 139-163.

³⁹ *Rollo* (IPI No. 12-203-CA-J), p. 37.

⁴⁰ Id. at 47-51, 55-59, and 68-70.

⁴¹ Id. at 26-27.

Rallos contended that it was improper for Justice Abarintos to have participated in CA-G.R. CEB SP. No. 06676 despite having previously inhibited himself in CA-G.R. CEB SP. No. 06364, because Cebu City was the petitioner and the Heirs of Vicente Rallos were the respondents in both cases; that Justice Abarintos did not have “the cold impartiality of a neutral judge” to determine CA-G.R. CEB SP. No. 06676; that the “appearance of impropriety” became more apparent when Justice Abarintos and several other Justices inhibited themselves from participation in CA-G.R. CEB SP. No. 06676; and that Justice Hernando was biased because he inhibited himself in CA-G.R. CEB SP. No. 06676 immediately after rendering the March 28, 2012 and April 13, 2012 resolutions.⁴²

Rallos argued that litigants in the CA had the right to be informed of the inhibition of the Justices, and to object if the inhibition was invalid; that a Justice could not simply inhibit from a case because doing so would raise doubts on the integrity of the judicial process; and that the inhibitions of the respondent Justices raised the suspicion of manipulation wherein the Justices who were unwilling to issue the writ of preliminary injunction sought by Cebu City were forced to inhibit themselves in order that other Justices sympathetic towards Cebu City could be put in their places.

Rallos prayed that the respondent Justices be held administratively and criminally liable, and in the meantime be temporarily suspended to avoid influencing the investigation of the letter-complaint; and that the CA be directed to furnish her with the list of inhibitions and replacements of the respondent Justices in CA-G.R. SP No. 06676, and the grounds for the inhibitions and replacements.⁴³

Allegations in A.M. No. 12-9-08-CA

Rallos asserted that respondent Justice Ingles, Justice Maxino and Justice Manahan had “knowingly disobeyed” the resolutions promulgated on December 5, 2007 in G.R. No. 179662 and on December 6, 2010 in G.R. No. 194111 by their issuance of the June 26, 2012 resolution granting Cebu City’s application for the writ of preliminary injunction; that the issuance constituted serious misconduct and a violation of Article 206 of the *Revised Penal Code*, Republic Act No. 6713 and Republic Act No. 3019; that the issuance of the writ of preliminary injunction was on the basis of the *convenio*, a document that had not been formally offered in evidence by Cebu City during the hearing for the issuance of writ of preliminary injunction; that even had the *convenio* been formally offered in evidence, it should still not have been considered because: (1) it was only a machine copy and was even unsigned; (2) Cebu City was not a party to the *convenio*;

⁴² Id. at 27-28.

⁴³ Id. at 29-31.

and (3) the supposed donation to Cebu City was void because it had not been accepted in a public document by Cebu City during the lifetime of the purported donor.⁴⁴

Rallos further asserted that the June 26, 2012 resolution reflected the negligence and bias of the respondent Justices because: (1) it enjoined the execution of orders dated February 9, 2001 and December 21, 2001 allegedly issued in Civil Case No. CEB-20388 that did not exist in fact; (2) it stopped the execution of the order dated February 27, 2012 that was still the subject of a motion for reconsideration; (3) it unduly interfered with the Court's rulings in G.R. No. 194111 and G.R. No. 179662; and (4) it unduly interfered with the final and executory orders issued in Civil Case No. CEB-20388.⁴⁵ She maintained that the CA was barred from entertaining Cebu City's petition and application for the issuance of the writ of preliminary injunction because Cebu City had previously appealed the decisions rendered on January 14, 2000 and July 24, 2001 as well as the consolidated order of March 21, 2002 (CA-G.R. CV No. 76656) but had lost the appeal; and that respondent Justices violated her right to have the Court's resolutions in G.R. No. 179662 and G.R. No. 194111 executed without undue delay, thereby denying to her the fruits of her court victory.

As relief, Rallos prayed that the respondent Justices be held guilty of serious misconduct, and meted the penalty of removal from office and perpetual disqualification from holding office or employment in the Government; that they be further criminally prosecuted for violating Republic Act No. 6713, Republic Act No. 3019, and Article 206 of the *Revised Penal Code*; that they be disbarred for violating the *Code of Judicial Conduct* and the *Code of Professional Responsibility*; and that they be transferred to other CA stations and be prohibited from participating in cases where she was a party.⁴⁶

Ruling

We dismiss both administrative complaints for their lack of basis.

1.

Administrative complaints are not proper remedies to assail alleged erroneous resolutions of respondent Justices

Considering that the assailed conduct under both complaints referred to the performance of their judicial functions by the respondent Justices, we feel compelled to dismiss the complaints for being improper remedies. We

⁴⁴ *Rollo* (A.M. No. 12-9-08-CA), pp. 14-19.

⁴⁵ *Id.* at 18-20.

⁴⁶ *Id.* at 20-28.

have consistently held that an administrative or disciplinary complaint is not the proper remedy to assail the judicial acts of magistrates of the law, particularly those related to their adjudicative functions. Indeed, any errors should be corrected through appropriate judicial remedies, like appeal in due course or, in the proper cases, the extraordinary writs of *certiorari* and prohibition if the errors were jurisdictional. Having the administrative or disciplinary complaint be an alternative to available appropriate judicial remedies would be entirely unprocedural.⁴⁷ In *Pitney v. Abrogar*,⁴⁸ the Court has forthrightly expressed the view that extending the immunity from disciplinary action is a matter of policy, for “[t]o hold otherwise would be to render judicial office untenable, for no one called upon to try the facts or interpret the law in the process of administering justice can be infallible in his judgment.”

In addition, the Court reminds that the disregard of the policy by Rallos would result in the premature filing of the administrative complaints – a form of abuse of court processes.⁴⁹

In IPI No. 12-203-CA-J, Rallos clearly wanted to challenge the resolutions promulgated on March 28, 2012 and April 13, 2012. Although she should have filed motions for reconsideration vis-à-vis such resolutions in due course, she filed a motion for reconsideration only with respect to the resolution of April 13, 2012. Her resorting to the filing of the letter-complaint instead of the motion for reconsideration vis-à-vis the March 28, 2012 resolution was improper because she could not substitute the administrative to the proper judicial recourse. Anent the April 13, 2012 resolution, she should have waited for the action of the CA on her motion for reconsideration, and should the motion be eventually denied, her proper remedy was to appeal.

In A.M. No. 12-9-08-CA, although Rallos had moved for the reconsideration of the June 26, 2012 resolution, she did not anymore wait for the resolution of the motion for reconsideration. Instead, she filed the complaint-affidavit. That, too, was impermissible, because her appropriate recourse was to await the resolution of the motion for reconsideration and then to appeal should the CA deny the motion. It is to be mentioned, too, that the CA had not yet resolved Cebu City’s main suit for the annulment of judgment on the merits; hence, it was premature and unprocedural for her to insist that the respondent Justices could have already ruled on the grounds for annulment. That resolution should be awaited because the issue on the validity and effectiveness of the *convenio* would precisely still require the CA’s appreciation of the *convenio* as evidence. Nor were the principle of immutability of judgment and the applicability of any law or jurisprudence

⁴⁷ *Cruz v. Iturralde*, A.M. RTJ No. 03-1775, April 30, 2003, 402 SCRA 65, 71-72.

⁴⁸ A.M. No. RTJ-03-1748, November 11, 2008, 415 SCRA 377, 382.

⁴⁹ *Hilado v. Reyes*, A.M. No. RTJ-05-1910, April 15, 2005, 456 SCRA 146, 162.

to bar Cebu City's action for annulment of judgment already in effect, considering that the CA still had to discharge its adjudicatory function respecting the matter of the validity and effectiveness of the *convenio*.

2.

**Truth of the allegations of bias, negligence or
improper motives against respondent Justices
cannot be presumed but must be substantiated**

In their comment/answer regarding the issuance of the March 28, 2012 resolution, the respondent Justices declared that they had resolved not to outrightly dismiss the petition of Cebu City despite its several defects because: (1) the defects had been minor or non-essential; (2) the petition had alleged the discovery of the *convenio* that would supposedly show that Cebu City should not be obliged to expend the huge amount of public funds to compensate the Heirs of Vicente Rallos; (3) the petition must be decided on the merits rather than on technicality because the release of a huge amount of public funds would be involved; (4) the rules of procedure should not be utilized as tools to defeat justice; and (5) even with the foregoing being weighty enough, they had still imposed the condition that any action on the petition and the application for the TRO application would be held in abeyance pending compliance with the order for the rectification of the defects.

As to the April 13, 2012 resolution, the respondent Justices stated:

3. The CA Resolution granting the TRO was issued based on the appellate court's fair and objective estimation that indeed, there was a compelling and urgent ground for its grant. The Sheriff of the Regional Trial Court was in the act of implementing the lower court's writ of execution on the properties of the applicant and there was, at that point, a necessity to stop the implementation, particularly since Cebu City had shown at least at that stage of the proceedings, that the Rallos heirs had conveniently withheld from it the existence of a Deed of Donation (*Convenio*) whereby the Rallos family had previously donated the property that was subsequently expropriated by Cebu City.

4. In short, the impression of the appellate court at the time is why should Cebu City be made to pay just compensation by the Rallos heirs for the expropriation of their property which had been donated by the Rallos family to Cebu City in the first place? This circumstance, in the appellate court's fair and objective view, justified the grant of the injunctive relief. Otherwise, the Rallos heirs, which includes the complainant, would unduly enrich themselves at the expense of Cebu City and essentially swindle it of its assets (that were about to be executed upon by the RTC Sheriff) when they acceded to the expropriation of their

property that should have been delivered by them to the city as a piece of donated property. x x x.⁵⁰

x x x x

Furthermore, the grant or denial of a temporary restraining order is discretionary on the part of the court. The matter is judicial in nature, and as such, the party's remedy if prejudiced by the orders of a judge/justice given in the course of a trial, is the proper reviewing court, and not with the OCA by means of an administrative complaint.⁵¹

With regard to the June 26, 2012 resolution, the respondent Justices elucidated in their comment/answer:

Indeed, the judgment sought to be executed is already final, and the general rule is that, as there is nothing left to be done the final judgment has to be executed or enforced. This rule, however, is not absolute. It admits of exceptions, to wit:

x x x x

In the instant case, the stay of execution of the judgment paying just compensation to petitioner for the properties in litigation is warranted by the fact that there is still a pending case regarding the ownership of the said properties, docketed as *CA-G.R. SP No. 06364* entitled *City of Cebu vs. Lucena B. Rallos, et. al.* In that case, the City of Cebu seeks to nullify the 13 October 1998 Order in Spec. Proc. No. 107-R entitled "*Testate Estate of Vicente Rallos, deceased, Vicente Gullas, Executor*", with prayer to direct the administratrix of the testate estate of Vicente Rallos to execute a deed of donation thereby donating the disputed lots in favour of the City of Cebu, pursuant to a "*convenio*". x x x

It bears stressing that the cases before the respondent justices involve public funds, more specifically, city funds to be used in the delivery of basic services to constituents of the City of Cebu. As defined "public funds are those moneys belonging to the State or to any political subdivision of the State; more specifically, taxes, customs duties and moneys raised by operation of law for the support of the government or for the discharge of its obligations." For this reason alone, there is the need to protect government funds – for which the City of Cebu is accountable, and this should not be jeopardized through the supposed violation by the city government of petitioner's right to enjoy the fruits of the final judgment in her favour when government protection can be done and is being done without adverse effects to petitioner's rights should the case be eventually resolved in her favour.

Indeed, to go ahead with the execution when there are matters involving the ownership of the subject properties that need to be threshed out may prove to be detrimental to the interest of the government and public, as well. That is precisely why the courts are directed to proceed with extreme prudence and caution in satisfying judgements involving

⁵⁰ *Rollo* (IPI No. 12-203-CA-J), p. 69.

⁵¹ *Id.* at 49.

public funds. “In Administrative Circular No. 10-2000 dated 25 October 2000, all judges of lower courts were advised to exercise utmost caution, prudence and judiciousness in the issuance of writs of execution to satisfy money judgments against government agencies and local government units. Judges, thus, cannot indiscriminately issue writs of execution against the government to enforce money judgments.”

X X X X

Therefore, pending determination as to who has legal right to the subject properties, there is a patent, imperative need to be provisionally enjoin execution to prevent release of public funds or sale of any of the city’s property for payment of just compensation, or, to restrain acts that may render moot and academic the judgment or order that may be rendered in this case.⁵²

A reading of them easily shows that the questioned resolutions exhaustively explained their factual and legal bases. Apparently, the respondent Justices concerned promulgated the questioned resolutions with prudence and fairness, and upon due consideration of the surrounding circumstances. Contrary to the posture of Rallos, therefore, the respondent Justices’ issuance of the questioned resolutions was not tainted by bias, negligence or any improper motives.

Moreover, the respondent Justices conducted a hearing before issuing the writ of preliminary injunction in favor of Cebu City. In that hearing, the counsels of the parties attended, and were granted ample opportunity to argue for their respective sides.

Anent the voluntary inhibitions of the respondent Justices concerned, it serves well to note that Section 1, Rule 137 of the *Rules of Court* set standing guidelines for that purpose. The guidelines have required just and valid causes to justify voluntary inhibitions. Thereby, the discretion to decide whether to voluntarily inhibit or not could not be unfettered, for, as fittingly said in *Abrajano v. Heirs of Augusto F. Salas, Jr.*:⁵³

x x x. The rule on inhibition and disqualification of judges is laid down in Sec. 1, Rule 137 of the Rules of Court:

Sec. 1. *Disqualification of judges.*—No judge or judicial officer shall sit in any case in which he, or his wife or child, is pecuniarily interested as heir, legatee, creditor or otherwise, or in which he is related to either party within the sixth degree of consanguinity or affinity, or to counsel within the fourth degree, computed according to the rules of the civil law, or in which he has been executor, administrator, guardian, trustee or counsel, or in which he has presided in

⁵² *Rollo* (A.M. No. 12-9-08-CA), pp. 152-154.

⁵³ G.R. No. 158895, February 16, 2006, 482 SCRA 476.

any inferior court when his ruling or decision is the subject of review, without the written consent of all parties in interest, signed by them and entered upon the record.

A judge may, in the exercise of his sound discretion, disqualify himself from sitting in a case, for just or valid reasons other than those mentioned above.

Thus stated, the rule contemplates two kinds of inhibition: *compulsory disqualification* assumes that a judge cannot actively or impartially sit on a case for the reasons stated in the first paragraph, while *voluntary inhibition* under the second paragraph leaves to the judge's discretion whether he should desist from sitting in a case for other just and valid reasons with only his conscience to guide him.

The issue of voluntary inhibition is primarily a matter of conscience and sound discretion on the part of the judge. This discretion is an acknowledgement of the fact that judges are in a better position to determine the issue of inhibition, as they are the ones who directly deal with the parties-litigants in their courtrooms. The decision on whether he should inhibit himself, however, must be based on his rational and logical assessment of the circumstances prevailing in the case brought before him.

The rule does not give the judge the unfettered discretion to decide whether he should desist from hearing a case. The inhibition must be for just and valid causes. The mere imputation of bias, partiality and prejudgment will not suffice in the absence of clear and convincing evidence to overcome the presumption that the judge will undertake his noble role to dispense justice according to law and evidence and without fear or favor. The disqualification of a judge cannot be based on mere speculations and surmises or be predicated on the adverse nature of the judge's rulings towards the movant for inhibition.⁵⁴ (Bold underscoring supplied for emphasis)

Rallos contends that Justice Abarintos improperly participated in CA.G.R. CEB SP. No. 06676 despite having previously inhibited himself in CA.G.R. CEB SP. No. 06364, which had involved Cebu City as the petitioner and the Heirs of Vicente Rallos as the respondents, on the ground that some of the siblings and relatives of Rallos were his friends.⁵⁵

We disagree with the contention of Rallos.

It appears that Rallos, in her capacity as the administratrix of the estate of Vicente Rallos, had submitted in Special Proceeding No. 1017-R entitled *Testate Estate of Vicente Rallos, deceased; Vicente Gullas, Executor* a supplemental inventory of the properties of the estate that included the two parcels of land that were later the subject of CA.G.R. CEB SP. No. 06676. The probate court issued an order on October 13, 1998 directing the transfer

⁵⁴ Id. at 486-488.

⁵⁵ *Rollo* (IPI No. 12-203-CA-J), p. 50.

of the properties listed in the supplemental inventory to Rallos and her co-heirs. Feeling aggrieved, Cebu City appealed to the CA to nullify the October 13, 1998 order, and also to pray that Rallos as the administratrix of the testate estate of Vicente Rallos be directed to execute a deed of donation respecting the disputed lots in favor of Cebu City pursuant to the *convenio* (CA-G.R. CEB SP. No. 06364).

To recall, the resolution of March 28, 2012 concerned the preliminary matter of having Cebu City comply with the deficiencies of its petition in CA-G.R. CEB SP. No. 06676, while the resolution of April 13, 2012 involved the issuance of the TRO to prevent the execution of the decisions and the consolidated order by the RTC that would probably render the consideration and adjudication of CA-G.R. CEB SP. No. 06676 moot and academic. If, at that stage of the proceedings in CA-G.R. CEB SP. No. 06676, Justice Abarintos believed himself to be capacitated to take part, the Court is in no position to dispute his capacity to do so in the absence of any clear and persuasive showing by Rallos that he would not be objective and impartial as far as the issues and the parties were concerned. Indeed, at that stage of the proceedings, any decision to voluntarily inhibit was primarily a matter of conscience and sound discretion on his part. The discretion, according to *Abrajano v. Heirs of Augusto F. Salas, Jr., supra*, “is an acknowledgement of the fact that judges are in a better position to determine the issue of inhibition, as they are the ones who directly deal with the parties-litigants in their courtrooms,” provided the decision is based on a “rational and logical assessment of the circumstances prevailing in the case brought before him.” Thus, based on the guidelines set in Section 1, Rule 137 of the *Rules of Court*, the participation of Justice Abarintos in the initial stage of the proceedings in CA-G.R. CEB SP. No. 06676 despite having previously inhibited himself in CA-G.R. CEB SP. No. 06364 could not be held as improper under the circumstances.

In any event, Justice Abarintos subsequently saw the need for his voluntary inhibition when CA-G.R. CEB SP. No. 06676 came to be assigned to him following the transfer to Manila of Justice Paredes. His voluntary inhibition occurred on June 7, 2012. What is noteworthy is that Rallos could have filed a motion for his inhibition if she considered the participation of Justice Abarintos in CA-G.R. CEB SP. No. 06676 as improper. That she raises the issue of his inhibition only before this Court in this administrative proceeding leaves the Court no choice but to regard her imputation of impropriety and bias against him as a mere afterthought considering that she does so only after the CA had issued the writ of preliminary injunction sought by Cebu City.

Rallos charges Justice Hernando with bias because he voluntarily inhibited himself in CA-G.R. CEB SP. No. 06676 only after the promulgation of the March 28, 2012 and April 13, 2012 resolutions.⁵⁶

Again, we cannot agree with Rallos.

In the notice he sent to the CA Raffle Committee, Justice Hernando stated the reasons why he decided to inhibit himself from the case, to wit:

It has come to the attention of the undersigned that prior to the official issuance of the Court's Order dated April 13, 2012 in the above-cited case which granted petitioner's prayer for a Temporary Restraining Order, an alleged representative of the petitioner's City Legal Office attempted to secure a copy of said Order, citing a purported instruction from the u[n]dersigned to the City Legal Office to procure it. For the record, the undersigned strongly accentuates that he never did so, nor is he familiar, either personally or by acquaintance, with the fellow in question.

This event has now rendered it completely untenable for the undersigned to participate in the proceedings concerning this case if only to obviate suspicions of undue influence by him, or by the petitioner itself. Hence, I am voluntarily inhibiting myself from this litigation. May I therefore request for its re-raffle to another Justice to replace me as *ponente*.⁵⁷

The fact that Justice Hernando voluntarily inhibited himself after writing the assailed resolutions did not establish his bias against Rallos and her co-heirs considering that the inhibition was for the precise objective of eliminating suspicions of undue influence. The justification of Justice Hernando was commendable, and should be viewed as a truly just and valid ground for his self-disqualification as a judicial officer in a specific case.

Rallos insists that she was entitled to be informed about the inhibitions of the Justices and about their reasons for the inhibitions.

Rule V of the 2009 *Internal Rules of the Court of Appeals* expressly provides the rules on inhibition of Justices, viz:

Rule V

INHIBITION OF JUSTICES

Section 1. *Mandatory Inhibition of Justices.* – When a Justice is disqualified under any of the grounds enumerated in the first paragraph of Sec. 1, Rule 137 of the Rules of Court and in Rule 3.12 of the Code of

⁵⁶ Id. at 27-28.

⁵⁷ Id. at 71.

Judicial Conduct, he/she shall immediately notify the Raffle Committee and the members of his/her Division.

SEC. 2. *Voluntary Inhibition of a Justice.* – An inhibition of a Justice, whether mandatory or voluntary, must be made within ten (10) working days from his/her discovery of a just and valid reason to inhibit.

Copies of the action of the Justice shall be furnished to the other members of the Division, the Presiding Justice, the Raffle Committee and the Division Clerk of Court.

SEC. 3. *Motion to Inhibit a Division or a Justice.* – A motion for inhibition must be in writing and under oath and shall state the grounds therefor.

A motion for inhibition of a Division or a Justice must be acted upon by the Division or the Justice concerned, as the case may be, within ten (10) working days from its/his/her receipt thereof except when there is an application for a temporary restraining order, in which case, the motion must be acted upon immediately.

No motion for inhibition of a Justice or Division will be granted after a decision on the merits or substance of the case has been rendered or issued by any Division except for a valid or just reason, e.g. allegation of corrupt motives. [Pursuant to AM No. 02-6-13-CA dated June 19, 2007 of the Supreme Court].

One who files a motion for inhibition without basis and manifestly for delay may be cited in contempt of court. A lawyer who assists in the filing of such baseless and dilatory motion may be referred by the Justice concerned or by the Court *motu proprio* to the Supreme Court for appropriate disciplinary action.

SEC. 4. *Action on Inhibition.* – The action on the inhibition shall be attached to the *rollo* and paged.

SEC. 5. *Right of Replacement.* – When a Justice inhibits himself/herself from a case, the Justice to whom it is raffled may replace it with another case of similar nature and status, subject to Sec. 4 (c), Rule III.

As the foregoing rules indicate, there are two kinds of inhibition, the mandatory and the voluntary. In mandatory inhibition, the disqualified Justice must notify the Raffle Committee and the Members of the Division of the decision to inhibit. In voluntary inhibition, the inhibiting Justice must inform the other Members of the Division, the Presiding Justice, the Raffle Committee, and the Division Clerk of Court of the decision to inhibit and the reason for the inhibition. There is nothing in Rule V or in any other part of the *Internal Rules of the Court of Appeals* that specifically requires that the party-litigants be informed of the mandatory or voluntary inhibition of a Justice.

Nevertheless, a party-litigant who desires to be informed of the inhibition of a Justice and of the reason for the inhibition must file a motion for inhibition in the manner provided under Section 3, Rule V of the *Internal Rules of the Court of Appeals, supra*. Upon the filing of the motion, the party-litigant becomes entitled to be notified of the CA's action on the motion for inhibition and of the reasons for the action. Likewise, the party-litigant may seek the reconsideration or may appeal to the Court any action on the part of the CA on the motion for inhibition or motion for reconsideration. Alas, Rallos did not submit a motion for the inhibition of any of the respondent Justices.

We do not subscribe to Rallos' suggestion that the series of inhibitions in CA-G.R. SP No. 06676 constituted a scheme to favor Cebu City. She presented no proof to validate her suggestion. In fact, she herself conceded that she was thereby only voicing out her suspicion of an irregularity. To stress, their good faith and regularity in the performance of official duties, which are strong presumptions under our laws, should prevail unless overcome by contrary proof. Worth noting in that regard is that there was even no valid reason that could have prohibited the Justices charged in A.M. No. 12-9-08-CA from participating in CA-G.R. SP No. 06676. It serves well to consider, too, that none of the respondent Justices charged in IPI No. 12-203-CA-J is anymore participating in CA-G.R. SP No. 06676; and that the respondent Justices charged in A.M. No. 12-9-08-CA were chosen by raffle as required under pre-existing rules and regulations to replace the Justices who had meanwhile voluntarily inhibited themselves from further participation for valid reasons.

The foregoing notwithstanding, the Court holds, conformably with the urging of Justice Arturo D. Brion, that henceforth all the parties in any action or proceedings should be immediately notified of any mandatory disqualification or voluntary inhibition of the Judge or Justice who has participated in any action of the court, stating the reason for the mandatory disqualification or voluntary inhibition. The requirement of notice is a measure to ensure that the disqualification or inhibition has not been resorted to in order to cause injustice to or to prejudice any party or cause.

WHEREFORE, the Court **DISMISSES** the administrative complaints against Court of Appeals Associate Justice Pampio A. Abarintos, Associate Justice Ramon Paul L. Hernando, Associate Justice Victoria Isabel A. Paredes, Associate Justice Gabriel T. Ingles, Associate Justice Pamela Ann Maxino and Associate Justice Carmelita S. Manahan for their lack of merit and substance.

The Court **DIRECTS** that henceforth all the parties in any action or proceedings shall be notified within five (5) days of the mandatory disqualification or voluntary inhibition of a Judge or Justice who has

participated in any action of the court, stating the reason or reasons for the mandatory disqualification or voluntary inhibition.

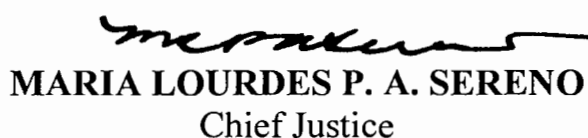
The Court Administrator is **ORDERED** to disseminate this decision to all courts of the Philippines for their guidance and strict compliance.

SO ORDERED.

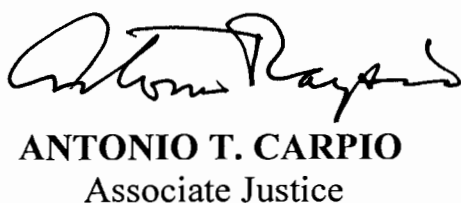


LUCAS P. BERSAMIN
Associate Justice

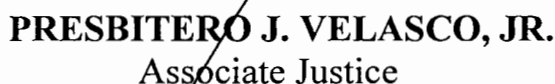
WE CONCUR:



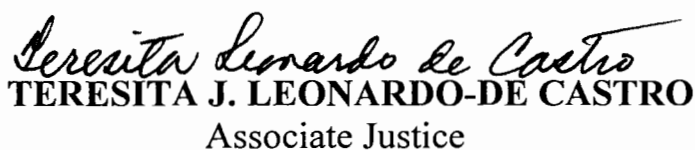
MARIA LOURDES P. A. SERENO
Chief Justice



ANTONIO T. CARPIO
Associate Justice



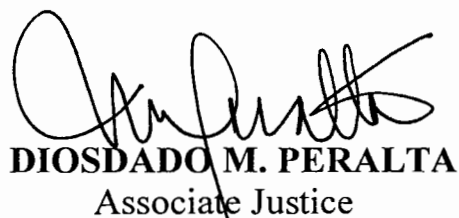
PRESBITERO J. VELASCO, JR.
Associate Justice



TERESITA J. LEONARDO-DE CASTRO
Associate Justice



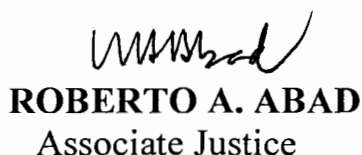
ARTURO D. BRION
Associate Justice



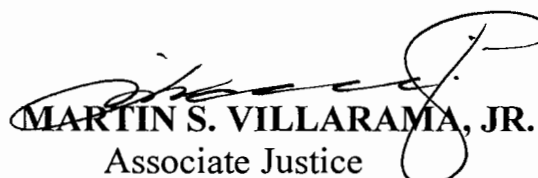
DIOSDADO M. PERALTA
Associate Justice




MARIANO C. DEL CASTILLO
Associate Justice




ROBERTO A. ABAD
Associate Justice





MARTIN S. VILLARAMA, JR.
Associate Justice


JOSE PORTUGAL PEREZ
Associate Justice


JOSE CATRAL MENDOZA
Associate Justice


BIENVENIDO L. REYES
Associate Justice


ESTELA M. PERLAS-BERNABE
Associate Justice


MARVIC MARIO VICTOR F. LEONEN
Associate Justice