



Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

RET. LT. GEN. JACINTO C.
LIGOT, ERLINDA Y. LIGOT,
PAULO Y. LIGOT, RIZA Y.
LIGOT, and MIGUEL Y. LIGOT,

Petitioners,

- versus -

G.R. No. 176944

Present:

CARPIO, *J.*, Chairperson,
BRION,
DEL CASTILLO,
PEREZ, and
PERLAS-BERNABE, *JJ.*

Promulgated:

REPUBLIC OF THE
PHILIPPINES, represented by the
ANTI-MONEY LAUNDERING
COUNCIL,

Respondent.

MAR 06 2013 *DMC abelo of objects*

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DECISION

BRION, *J.*:

In this petition for *certiorari*,¹ retired Lieutenant General (*Lt. Gen.*) Jacinto C. Ligot, Erlinda Y. Ligot (*Mrs. Ligot*), Paulo Y. Ligot, Riza Y. Ligot, and Miguel Y. Ligot (*petitioners*) claim that the Court of Appeals (*CA*) acted with grave abuse of discretion amounting to lack or excess of jurisdiction when it issued its January 12, 2007 resolution² in CA G.R. SP No. 90238. This assailed resolution affirmed *in toto* the *CA*'s earlier January 4, 2006 resolution³ extending the freeze order issued against the Ligots' properties for an indefinite period of time.

¹ Under Rule 65 of the Rules of Court, *rollo*, pp. 3-22.

² Penned by Associate Justice Aurora Santiago-Lagman, with the concurrence of Associate Justices Conrado M. Vasquez, Jr., and Rebecca de Guia-Salvador; *id.* at 28-30.

³ *Id.* at 32-41.

BACKGROUND FACTS

On June 27, 2005, the Republic of the Philippines (*Republic*), represented by the Anti-Money Laundering Council (*AMLC*), filed an Urgent *Ex-Parte* Application for the issuance of a freeze order with the CA against certain monetary instruments and properties of the petitioners, pursuant to Section 10⁴ of Republic Act (*RA*) No. 9160, as amended (otherwise known as the Anti-Money Laundering Act of 2001). This application was based on the February 1, 2005 letter of the Office of the Ombudsman to the AMLC, recommending that the latter conduct an investigation on Lt. Gen. Ligot and his family for possible violation of RA No. 9160.⁵

In support of this recommendation, the Ombudsman attached the complaint⁶ it filed against the Ligots for perjury under Article 183 of the Revised Penal Code, and for violations of Section 8⁷ of RA No. 6713⁸ and RA No. 3019 (Anti-Graft and Corrupt Practices Act).

The Ombudsman's Complaint

a. Lt. Gen. Ligot and immediate family

The Ombudsman's complaint alleges that Lt. Gen. Ligot served in the Armed Forces of the Philippines (*AFP*) for 33 years and 2 months, from April 1, 1966 as a cadet until his retirement on August 17, 2004.⁹ He and

⁴ Section 10. *Freezing of Monetary Instrument or Property*. - The Court of Appeals, upon application *ex parte* by the AMLC and after determination that probable cause exists that any monetary instrument or property is in any way related to an unlawful activity as defined in Section 3(i) hereof, may issue a freeze order which shall be effective immediately. The freeze order shall be for a period of twenty (20) days unless extended by the court. [italics supplied]

⁵ *Rollo*, p. 70.

⁶ *Id.* at 71-86.

⁷ Section 8. *Statements and Disclosure*. — Public officials and employees have an obligation to accomplish and submit declarations under oath of, and the public has the right to know, their assets, liabilities, net worth and financial and business interests including those of their spouses and of unmarried children under eighteen (18) years of age living in their households. [italics supplied]

⁸ Code of Conduct and Ethical Standards for Public Officials and Employees.

⁹ Based on the Ombudsman's complaint, Lt. Gen. Ligot held various positions/designations as per records of the last five years of his stay with the AFP, to wit:

- Commander of the Central Command, AFP from April 13, 2002 – date of retirement;
- Officer-in-Charge of the Southern Luzon Command, AFP from December 5-20, 2001 and October 2-16, 2001;
- Commanding General of the 2nd Infantry Division, PA from March 28, 2001 to April 13, 2002;
- Deputy Chief of Staff for Comptrollership, J6, of OJ6, GHQ, AFP from November 6, 1999 to March 28, 2001;
- Brigade Commander of the 403rd Infantry Brigade, 41D, PA from June 10, 1966 to October 1, 1999.

Mrs. Ligot have four children, namely: Paulo Y. Ligot, Riza Y. Ligot, George Y. Ligot and Miguel Y. Ligot, who have all reached the age of majority at the time of the filing of the complaint.¹⁰

Lt. Gen. Ligot declared in his Statement of Assets, Liabilities, and Net Worth (*SALN*) that as of December 31, 2003, he had assets in the total amount of Three Million Eight Hundred Forty-Eight Thousand and Three Pesos (₱3,848,003.00).¹¹ In contrast, his declared assets in his 1982 *SALN* amounted to only One Hundred Five Thousand Pesos (₱105,000.00).¹²

Aside from these declared assets, the Ombudsman's investigation revealed that Lt. Gen. Ligot and his family had other properties and bank accounts, not declared in his *SALN*, amounting to at least Fifty Four Million One Thousand Two Hundred Seventeen Pesos (₱54,001,217.00). These undeclared assets consisted of the following:

Undeclared Assets

Amount

Jacinto Ligot's undeclared assets	₱ 41,185,583.53 ¹³
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(*Rollo*, pp. 71-72).

¹⁰ *Id.* at 72.

¹¹ Lt. Gen. Ligot's assets as of December 31, 2003 consist of the following:

Assets	Year of Acquisition	Amount in Pesos
Cash-on-hand		₱ 550,000.00
Investments/Bus and Stocks		700,000.00
Appliances		251,003.00
Jewelries and Books		430,000.00
House and lot (TARLAC)	1980	1 0,000.00
House and lot (MUNTINLUPA)	1983	337,000.00
Lot (MARIKINA)	1986	110,000.00
Agri lands (NUEVA ECIJA)	1995	60,000.00
Agri lands (SAN JOSE BATS.)	1999	200,000.00
Motor vehicle	1994	600,000.00
	2000	600,000.00
TOTAL		₱3,848,003.00

(*Id.* at 75).

¹² *Id.*

¹³ Based on the Ombudsman's estimation, the Ligot spouses have the following undeclared assets:

Assets	Year of Acquisition	Acquisition Cost	Registered Owner
Raw land in Masalat, Sampaloc, Tanay, Rizal (72,738 sqm.)	2002 (June 28, 2002)	₱ 2,000,000.00	Jacinto Ligot
Proceeds of sale of 19A, Essensa East Forbes Condominium, Lawton Tower, Taguig	2003 (August 19, 2003)	₱ 25,000,000.00	Erlinda Ligot
Poultry building	2002	₱ 6,715,783.02	Jacinto Ligot

Jacinto Ligot's children's assets	1,744,035.60 ¹⁴
Tuition fees and travel expenses	₱ 2,308,047.87 ¹⁵

AFPSLAI (highest accumulated balance of the four accounts of the spouses)	2002	₱ 7,469,800.51	Spouses Jacinto and Erlinda Ligot
TOTAL		₱ 41,185,583.53	

(Ombudsman's complaint, *id.* at 80.)

¹⁴ The following properties are registered in the names of the Ligot children:

Year of Acquisition	Registered owner/Age at time of acquisition	Description	Acquisition Cost
2001	Paulo (22)	Agricultural land in Bgy. Imbayao, Malaybalay City	₱ 195,000.00
2001	Paulo (22)	Toyota Hi-lux	₱1,078,000.00
2002	Riza (22)	Isuzu Mini-dump	₱305,000.00
2003	Riza (23)	Bgy. Kalatugonan, Patpat, Malaybalay City, Bukidnon (4 hectares)	Market value ₱72,000.00
2003	Miguel (18)	Bgy. Kalasungay, Malaybalay City (5,2242 has.)	Market Value ₱94,035.60
Total			₱1,744,035.60

(Ombudsman's complaint, *id.* at 81.)

¹⁵ Based on the Ombudsman's complaint, the Ligot family had, from 1986 to 2004, substantial funds used to cover the tuition fees of the children and their travel expenses. While Lt. Gen. Ligot declared in his SALN family expenses, the amounts declared were considered to only cover necessary and basic expenses, being considered too small to cover the expensive tuition fees of the children and their frequent travels abroad.

Year	Nature of Expenses	Amount	Estimated Travel and Tuition Expenses	Total and Fee	Declared Family Expenses (SALN)
1986	Travel Tuition fee	No data ₱8,480.70	₱ 8,480.70		₱ 60,000.00
1987	Travel Tuition fee	No data ₱9,815.40	₱ 9,815.40		₱ 60,000.00
1988	Travel Tuition fee	No data ₱12,477.76	₱ 12,477.76		₱ 103,000.00
1989	Travel Tuition fee	No data ₱13,732.00	₱ 13,732.00		₱ 96,000.00
1990	Travel Tuition fee	No data ₱16,153.10	₱ 16,153.10		₱ 78,462.00
1991	No SALN	No SALN	No SALN		No SALN
1992	Travel Tuition fee	No data ₱41,085.46	₱ 41,085.46		₱ 102,000.00
1993	Travel Tuition fee	₱56,700.00 Data unavailable	₱ 56,700.00		₱ 140,000.00
1994	Travel Tuition fee	₱36,400.00 ₱ 59,408.00	₱ 95,808.00		₱ 150,000.00
1995	Travel Tuition fee	₱ 25,000.00 ₱ 64,318.00	₱ 89,318.00		₱ 170,000.00
1996	Travel Tuition fee	₱ 62,400.00 ₱ 84,743.30	₱ 147,143.30		₱ 143,873.00
1997	Travel Tuition fee	₱ 39,150.00 ₱ 114,086.65	₱ 156,236.65		₱ 136,535.50
1998	Travel Tuition fee	₱ 34,000.00 ₱ 132,987.00	₱ 166,987.00		₱ 140,000.00

Edgardo Yambao's assets relative to the real properties	₱ 8,763,550.00 ¹⁶
Total	₱54,001,217.00

Bearing in mind that Lt. Gen. Ligot's main source of income was his salary as an officer of the AFP,¹⁷ and given his wife and children's lack of any other substantial sources of income,¹⁸ **the Ombudsman declared the assets registered in Lt. Gen. Ligot's name, as well as those in his wife's and children's names, to be illegally obtained and unexplained wealth, pursuant to the provisions of RA No. 1379 (An Act Declaring Forfeiture in Favor of the State Any Property Found to Have Been Unlawfully**

1999	Travel Tuition fee	₱ 115,050.00 ₱ 111,639.00	₱ 226,689.00	₱ 160,500.00
2000	Travel Tuition fee	₱ 371,800.00 ₱ 100,259.50	₱ 472,059.50	₱ 216,520.00
2001	Travel Tuition fee	₱ 50,000.00 ₱ 50,214.00	₱ 100,214.00	₱ 239,908.00
2002	Travel Tuition fee	₱ 86,700.00 ₱ 54,547.00	₱ 141,247.00	₱ 309,000.00
2003	Travel Tuition fee	₱ 185,500.00 ₱ 38,954.00	₱ 224,454.00	₱ 335,258.00
2004	Travel Tuition fee	₱ 304,750.00 ₱ 27,697.00	₱ 332,447.00	No SALN
Total Expenses from 1986 to 2004			₱ 2,308,047.87	₱ 2,641,056.50
Total Expenses (Declared Family Expenses plus estimated travel and tuition fee expenses)			₱ 4,949,104.37	

(*Id.* at 82.)

- ¹⁶ According to the Ombudsman's complaint, Yambao acted as the Ligot spouses' dummy. Mrs. Ligot transferred her condominium unit in Essensa in favor of her brother, allegedly for the amount of ₱25,000,000.00. This amount, however, was never declared in Lt. Gen. Ligot's SALN, nor was any increase in his cash asset registered. Moreover, Yambao has not filed any Individual Tax Returns since 1999, thereby discounting his probable financial capacity to acquire the Essensa property and any of his other assets. The Ombudsman also took into account the fact that Yambao used three addresses used by the Ligots as his address. From these circumstances, the Ombudsman concluded that the assets registered in Yambao's name are actually assets belonging to the Ligots. These assets include:

Year of Acquisition	Description	Acquisition Cost
1993	Residential lot/Susana Heights Subdivision Village VI, Muntinlupa City (904 sqm.)	P1,050,000.00
1994	Mabelline Foods, Inc.	₱ 156,250.00 Amount paid as incorporator
1996	1996 Honda Accord 4 Drive Sedan (brand new)	₱ 878,000.00
1999	Condominium Unit/ Burgundy Plaza, Katipunan Avenue, Loyola Heights, Diliman Quezon City (54.05 sqm.)	₱1,405,300.00
2001	2001 Toyota Hilander	₱ 2,800,000.00
2002	Subaru Forester	₱ 1,174,000.00
2003	Subaru Forester	₱ 1,300,000.00
Total		₱ 8,763,550.00

(*Id.* at 83-84.)

¹⁷ *Id.* at 76.

¹⁸ *Id.* at 72.

Acquired by Any Public Officer or Employee and Providing for the Proceedings Therefor).

b. Edgardo Tecson Yambao

The Ombudsman's investigation also looked into Mrs. Ligot's younger brother, Edgardo Tecson Yambao. The records of the Social Security System (SSS) revealed that Yambao had been employed in the private sector from 1977 to 1994. Based on his contributions to the SSS, Yambao did not have a substantial salary during his employment. While Yambao had an investment with Mabelline Foods, Inc., the Ombudsman noted that this company only had a net income of ₱5,062.96 in 2002 and ₱693.67 in 2003.¹⁹ Moreover, the certification from the Bureau of Internal Revenue stated that Yambao had no record of any annual Individual Income Tax Return filed for the calendar year 1999 up to the date of the investigation.

Despite Yambao's lack of substantial income, the records show that he has real properties and vehicles registered in his name, amounting to Eight Million Seven Hundred Sixty Three Thousand Five Hundred Fifty Pesos (₱8,763,550.00), which he acquired from 1993 onwards. The Office of the Ombudsman further observed that in the documents it examined, Yambao declared three of the Ligots' addresses as his own.

From these circumstances, the Ombudsman concluded that Yambao acted as a dummy and/or nominee of the Ligot spouses, and all the properties registered in Yambao's name actually belong to the Ligot family.

Urgent Ex-Parte Freeze Order Application

As a result of the Ombudsman's complaint, the Compliance and Investigation staff (CIS) of the AMLC conducted a financial investigation, which revealed the existence of the Ligots' various bank accounts with several financial institutions.²⁰ On April 5, 2005, the Ombudsman for the

¹⁹ Based on the corporation's income statements with the SEC.

²⁰ The CIS discovered that the Ligots had the following bank accounts in their names:

Lank Bank of the Philippines

Account Name	Type of Account	Account Number
Col. Jacinto C. Ligot	Peso SA-ATM	0962-0055-35
Jacinto C. Ligot	Peso Demand Deposit	0057-0575-72

Equitable PCIBank (EPCIB)

Account Name	Type of Account	Account Number
Jacinto C. Ligot	Peso Demand Deposit	0057-575-02

Erlinda Y. Ligot	US Dollar Account	4466000391
Erlinda Y. Ligot	US Dollar Account	4466000405
Erlinda Y. Ligot	US Dollar Account	04008E00043CTF-K
Erlinda Y. Ligot	US Dollar Account	03009B00069CTF-K
Erlinda Y. Ligot	Peso Account	3763-00267-4
Erlinda Y. Ligot	Peso Account	3763-00267-3
Erlinda Y. Ligot	Peso Account	3763-00282-8

Equitable Savings Bank

Account Name	Type of Account	Account Number
Emelda T. Yambao	Savings Deposit – Private (Special), 90-day ESB Speedsaver Peso	3763-00318-2
Emelda T. Yambao	Savings Deposit – Private (Special), 90-day ESB Speedsaver Peso	3763-00356-5
Emelda T. Yambao	Savings Deposit – Private (Special), 90-day ESB Speedsaver Peso	3763-00357-3
Emelda T. Yambao	Savings Deposit – Private (Special), 90-day ESB Speedsaver Peso	3763-00287-9

Citibank

Account Name	Type of Account	Account Number
Jacinto C. Ligot	US Dollar Account	8143020917
Jacinto C. Ligot	Peso Account	8132063827

Armed Forces and Police Savings and Loan Association, Inc. (AFPSLAI)

Account Name	Type of Account	Account Number
Jacinto C. Ligot		013093075
Jacinto C. Ligot		8132063827
Erlinda Y. Ligot		013624151
Erlinda Y. Ligot	CCA	630-001-0524885-7
Erlinda Y. Ligot	SA	630-002-0009922-2
Erlinda Y. Ligot	CCA	630-001-0524885-7
Riza Y. Ligot		014606319
Paulo Yambao Ligot		01460327

Rizal Commercial Banking Corporation

Account Name	Type of Account	Account Number
Erlinda Y. Ligot	Peso Account	1215319969
Erlinda Y. Ligot	USD Common Trust Fund contribution/placement/investment	2150000014*
Erlinda Y. Ligot	USD Common Trust Fund contribution/placement/investment	2150000016*

Philippine Savings Bank

Account Name	Type of Account	Account Number
Erlinda Y. Ligot	Peso Account	01000762

Bank of the Philippine Islands

Account Name	Type of Account	Account Number
Parmil Farms, Inc.	Peso Account	0200120600002061013388
Parmil Farms, Inc.	Current Account	
Elpidio V. Yambao	Peso Account	00583037225

Metropolitan Bank and Trust Co. (Metrobank)

Account Name	Type of Account	Account Number
Edgardo T. Yambao	US Dollar Common Trust/Fund contribution/placement/investment Peso account	00012407

United Overseas Bank Phils.

Account Name	Type of Account	Account Number

Military and Other Law Enforcement Officers issued a **resolution holding that probable cause exists that Lt. Gen. Ligot violated Section 8, in relation to Section 11, of RA No. 6713, as well as Article 183²¹ of the Revised Penal Code.**

On May 25, 2005, the AMLC issued Resolution No. 52, Series of 2005, directing the Executive Director of the AMLC Secretariat to file an application for a freeze order against the properties of Lt. Gen. Ligot and the members of his family with the CA.²² Subsequently, on June 27, 2005, the Republic filed an Urgent *Ex-Parte* Application with the appellate court for the issuance of a Freeze Order against the properties of the Ligots and Yambao.

The appellate court granted the application in its July 5, 2005 resolution, ruling that probable cause existed that an unlawful activity

Edgardo T. Yambao ITF Frances Isabelle Yambao		021072002773
Edgardo T. Yambao		002072001829

Keppel Bank Phils.

Account Name	Type of Account	Account Number
Edgardo T. Yambao		3035000914

Citicorp Financial Services & Insurance Brokerage Phils., Inc.

Account Name	Type of Account	Account Number
Erlinda Ligot	USD Account	002369932
Erlinda Ligot/Riza Ligot	USD Account	007906196
Paulo Ligot/Riza Ligot	USD Account	007906165
Emelda Yambao	USD Account	007064904
Edgardo T. Yambao	USD Account	000117966
Edgardo T. Yambao	USD Account	006911804

Philippine Axa Life Insurance Corporation

Insured	Policy Owner	Kind of Insurance	Policy Number
Miguel Y. Ligot	Erlinda Y. Ligot	Sure Dollar in the amount of USD25,000.00 with maturity of ten (10) years	501-1093597

This Policy was cancelled upon the request of Erlinda Y. Ligot on December 8, 2004. On January 7, 2005, a certain Janah G. Evangelista received the check in the amount of ₱1,004,016.87 (USD17,876.52 @ P56.164) in behalf of Erlinda Ligot upon her authority.

(*Rollo*, p. 59.)

²¹ Article 183. *False testimony in other cases and perjury in solemn affirmation.* — The penalty of arresto mayor in its maximum period to prision correccional in its minimum period shall be imposed upon any person, who knowingly makes untruthful statements and not being included in the provisions of the next preceding articles, shall testify under oath, or make an affidavit, upon any material matter before a competent person authorized to administer an oath in cases in which the law so requires.

Any person who, in case of a solemn affirmation made in lieu of an oath, shall commit any of the falsehoods mentioned in this and the three preceding articles of this section, shall suffer the respective penalties provided therein. [italics supplied]

²² *Rollo*, pp. 88-95.

and/or money laundering offense had been committed by Lt. Gen. Ligot and his family, including Yambao, and that the properties sought to be frozen are related to the unlawful activity or money laundering offense. Accordingly, the CA issued a freeze order against the Ligots' and Yambao's various bank accounts, web accounts and vehicles, valid for a period of 20 days from the date of issuance.

On July 26, 2005, the Republic filed an Urgent Motion for Extension of Effectivity of Freeze Order, arguing that if the bank accounts, web accounts and vehicles were not continuously frozen, they could be placed beyond the reach of law enforcement authorities and the government's efforts to recover the proceeds of the Ligots' unlawful activities would be frustrated. In support of its motion, it informed the CA that the Ombudsman was presently investigating the following cases involving the Ligots:

Case Number	Complainant(s)	Nature
OMB-P-C-05-0523	Wilfredo Garrido	Plunder
OMB-P-C-05-0003	AGIO Gina Villamor, et al.	Perjury
OMB-P-C-05-0184	Field Investigation Office	Violation of RA No. 3019, Section 3(b); Perjury under Article 183, Revised Penal Code in relation to Section 11 of RA No. 6713; Forfeiture Proceedings in Relation to RA No. 1379
OMB-P-C-05-0352	David Odilao	Malicious Mischief; Violation of Section 20, RA No. 7856

Finding merit in the Republic's arguments, **the CA granted the motion in its September 20, 2005 resolution, extending the freeze order until after all the appropriate proceedings and/or investigations have been terminated.**

On September 28, 2005, the Ligots filed a motion to lift the extended freeze order, principally arguing that there was no evidence to support the extension of the freeze order. They further argued that the extension not only deprived them of their property without due process; it also punished them before their guilt could be proven. The appellate court subsequently denied this motion in its January 4, 2006 resolution.

Meanwhile, on November 15, 2005, the “Rule of Procedure in Cases of Civil Forfeiture, Asset Preservation, and Freezing of Monetary Instrument, Property, or Proceeds Representing, Involving, or Relating to an Unlawful Activity or Money Laundering Offense under Republic Act No. 9160, as Amended”²³ (*Rule in Civil Forfeiture Cases*) took effect. Under this rule, **a freeze order could be extended for a maximum period of six months.**

On January 31, 2006, the Ligots filed a motion for reconsideration of the CA’s January 4, 2006 resolution, insisting that the freeze order should be lifted considering: (a) no predicate crime has been proven to support the freeze order’s issuance; (b) the freeze order expired six months after it was issued on July 5, 2005; and (c) the freeze order is provisional in character and not intended to supplant a case for money laundering. When the CA denied this motion in its resolution dated January 12, 2007, the Ligots filed the present petition.

THE PETITIONERS’ ARGUMENTS

Lt. Gen. Ligot argues that the appellate court committed grave abuse of discretion amounting to lack or excess of jurisdiction when it extended the freeze order issued against him and his family even though no predicate crime had been duly proven or established to support the allegation of money laundering. He also maintains that the freeze order issued against them ceased to be effective in view of the 6-month extension limit of freeze orders provided under the Rule in Civil Forfeiture Cases. The CA, in extending the freeze order, not only unduly deprived him and his family of their property, in violation of due process, but also penalized them before they had been convicted of the crimes they stand accused of.

THE REPUBLIC’S ARGUMENTS

In opposition, the Republic claims that the CA can issue a freeze order upon a determination that probable cause exists, showing that the monetary instruments or properties subject of the freeze order are related to the unlawful activity enumerated in RA No. 9160. Contrary to the petitioners’ claims, it is not necessary that a formal criminal charge must have been previously filed against them before the freeze order can be issued.

²³ A.M. No. 05-11-04-SC.

The Republic further claims that the CA's September 20, 2005 resolution, granting the Republic's motion to extend the effectivity of the freeze order, had already become final and executory, and could no longer be challenged. The Republic notes that the Ligots erred when they filed what is effectively a second motion for reconsideration in response to the CA's January 4, 2006 resolution, instead of filing a petition for review on *certiorari* via Rule 45 with this Court. Under these circumstances, the assailed January 4, 2006 resolution granting the freeze order had already attained finality when the Ligots filed the present petition before this Court.

THE COURT'S RULING

We find merit in the petition.

I. Procedural aspect

a. Certiorari not proper remedy to assail freeze order; exception

Section 57 of the Rule in Civil Forfeiture Cases explicitly provides the remedy available in cases involving freeze orders issued by the CA:

Section 57. *Appeal.* - Any party aggrieved by the decision or ruling of the court may appeal to the Supreme Court by petition for review on *certiorari* under Rule 45 of the Rules of Court. The appeal shall not stay the enforcement of the subject decision or final order unless the Supreme Court directs otherwise. [italics supplied]

From this provision, it is apparent that the petitioners should have filed a petition for review on *certiorari*, and not a petition for *certiorari*, to assail the CA resolution which extended the effectivity period of the freeze order over their properties.

Even assuming that a petition for *certiorari* is available to the petitioners, a review of their petition shows that the issues they raise (*i.e.*, existence of probable cause to support the freeze order; the applicability of the 6-month limit to the extension of freeze orders embodied in the Rule of Procedure in Cases of Civil Forfeiture) pertain to errors of judgment allegedly committed by the CA, which fall outside the Court's limited

jurisdiction when resolving *certiorari* petitions. As held in *People v. Court of Appeals*:²⁴

In a petition for certiorari, the jurisdiction of the court is narrow in scope. It is limited to resolving only errors of jurisdiction. It is not to stray at will and resolve questions or issues beyond its competence such as errors of judgment. Errors of judgment of the trial court are to be resolved by the appellate court in the appeal by and of error or *via* a petition for review on certiorari in this Court under Rule 45 of the Rules of Court. Certiorari will issue only to correct errors of jurisdiction. It is not a remedy to correct errors of judgment. An error of judgment is one in which the court may commit in the exercise of its jurisdiction, and which error is reversible only by an appeal. Error of jurisdiction is one where the act complained of was issued by the court without or in excess of jurisdiction and which error is correctible only by the extraordinary writ of certiorari. Certiorari will not be issued to cure errors by the trial court in its appreciation of the evidence of the parties, and its conclusions anchored on the said findings and its conclusions of law. As long as the court acts within its jurisdiction, any alleged errors committed in the exercise of its discretion will amount to nothing more than mere errors of judgment, correctible by an appeal or a petition for review under Rule 45 of the Rules of Court.²⁵ (citations omitted; italics supplied)

Clearly, the Ligots should have filed a petition for review on *certiorari*, and not what is effectively a second motion for reconsideration (nor an original action of *certiorari* after this second motion was denied), within fifteen days from receipt of the CA's January 4, 2006 resolution. To recall, this resolution denied the petitioners' motion to lift the extended freeze order which is effectively a motion for reconsideration of the CA ruling extending the freeze order indefinitely.²⁶

However, considering the issue of due process squarely brought before us in the face of an apparent conflict between Section 10 of RA No. 9160, as amended, and Section 53(b) of the Rule in Civil Forfeiture Cases, this Court finds it imperative to relax the application of the rules of procedure and resolve this case on the merits in the interest of justice.²⁷

²⁴ G.R. No. 144332, June 10, 2004, 431 SCRA 610.

²⁵ *Id.* at 617.

²⁶ Section 2, Rule 45 of the Rules of Court.

²⁷ See *De Guzman v. Sandiganbayan*, 326 Phil. 182, 188-189 (1996); *Nepes v. Court of Appeals*, G.R. No. 141524, September 14, 2005, 469 SCRA 633, 643; and *Cuevas v. Bais Steel Corporation*, 439 Phil. 793, 805-806 (2002).

b. Applicability of 6-month extension period under the Rule in Civil Forfeiture Cases

Without challenging the validity of the fixed 6-month extension period, the Republic nonetheless asserts that the Rule in Civil Forfeiture Cases does not apply to the present case because the CA had already resolved the issues regarding the extension of the freeze order before the Rule in Civil Forfeiture Cases came into effect.

This reasoning fails to convince us.

Notably, the Rule in Civil Forfeiture Cases came into effect on December 15, 2005. Section 59 provides that it shall “apply to all pending civil forfeiture cases or petitions for freeze order” at the time of its effectivity.

A review of the record reveals that after the CA issued its September 20, 2005 resolution extending the freeze order, the Ligots filed a **motion to lift the extended freeze order on September 28, 2005. Significantly, the CA only acted upon this motion on January 4, 2006**, when it issued a resolution denying it.

While denominated as a Motion to Lift Extended Freeze Order, this motion was actually a motion for reconsideration, as it sought the reversal of the assailed CA resolution. Since the Ligots’ motion for reconsideration was **still pending resolution** at the time the Rule in Civil Forfeiture Cases **came into effect on December 15, 2005**, the Rule unquestionably applies to the present case.

c. Subsequent events

During the pendency of this case, the Republic manifested that on September 26, 2011, it filed a Petition for Civil Forfeiture with the Regional Trial Court (RTC) of Manila. On September 28, 2011, the RTC, Branch 22, Manila, issued a Provisional Asset Preservation Order and on October 5, 2011, after due hearing, it issued an Asset Preservation Order.

On the other hand, the petitioners manifested that as of October 29, 2012, the only case filed in connection with the frozen bank accounts is Civil Case No. 0197, for forfeiture of unlawfully acquired properties under RA No. 1379 (entitled “*Republic of the Philippines v. Lt. Gen. Jacinto Ligot, et. al.*”), pending before the Sandiganbayan.

These subsequent developments and their dates are significant in our consideration of the present case, particularly the procedural aspect. Under Section 56 of the Rule in Civil Forfeiture Cases which provides that after the post-issuance hearing on whether to modify, lift or extend the freeze order, the CA shall remand the case and transmit the records to the RTC for consolidation with the pending civil forfeiture proceeding. This provision gives the impression that the filing of the appropriate cases in courts in 2011 and 2012 rendered this case moot and academic.

A case is considered moot and academic when it “ceases to present a justiciable controversy by virtue of supervening events, so that a declaration thereon would be of no practical use or value. Generally, courts decline jurisdiction over such case or dismiss it on ground of mootness.”²⁸ However, the moot and academic principle is not an iron-clad rule and is subject to four settled exceptions,²⁹ two of which are present in this case, namely: when the constitutional issue raised requires the formulation of controlling principles to guide the bench, the bar, and the public, and when the case is capable of repetition, yet evading review.

The apparent conflict presented by the limiting provision of the Rule in Civil Forfeiture Cases, on one hand, and the very broad judicial discretion under RA No. 9160, as amended, on the other hand, and the uncertainty it casts on an individual’s guaranteed right to due process indubitably call for the Court’s exercise of its discretion to decide the case, otherwise moot and academic, under those two exceptions, for the future guidance of those affected and involved in the implementation of RA No. 9160, as amended.

Additionally, we would be giving premium to the government’s failure to file an appropriate case until only after **six years** (despite the clear provision of the Rule in Civil Forfeiture Cases) were we to dismiss the petition because of the filing of the forfeiture case during the pendency of the case before the Court. The sheer length of time and the constitutional violation involved, as will be discussed below, strongly dissuade us from dismissing the petition on the basis of the “moot and academic” principle.

²⁸ *Deutsche Bank AG v. Court of Appeals*, G.R. No. 193065, February 27, 2012, 667 SCRA 82, 91.

²⁹ *Prof. David v. Pres. Macapagal-Arroyo*, 522 Phil. 705, 754 (2006).

The Court should not allow the seeds of future violations to sprout by hiding under this principle even when *directly* confronted with the glaring issue of the respondent's violation of the petitioners' due process right³⁰ - an issue that the respondent itself chooses to ignore.

We shall discuss the substantive relevance of the subsequent developments and their dates at length below.

II. Substantive aspect

a. Probable cause exists to support the issuance of a freeze order

The legal basis for the issuance of a freeze order is Section 10 of RA No. 9160, as amended by RA No. 9194, which states:

Section 10. *Freezing of Monetary Instrument or Property.* – The Court of Appeals, upon application *ex parte* by the AMLC and after determination that probable cause exists that any monetary instrument or property is in any way related to an unlawful activity as defined in Section 3(i) hereof, may issue a freeze order which shall be effective immediately. The freeze order shall be for a period of twenty (20) days unless extended by the court. [italics supplied]

The Ligots claim that the CA erred in extending the effectivity period of the freeze order against them, given that they have not yet been convicted of committing any of the offenses enumerated under RA No. 9160 that would support the AMLC's accusation of money-laundering activity.

We do not see any merit in this claim. The Ligots' argument is founded on a flawed understanding of probable cause in the context of a civil forfeiture proceeding³¹ or freeze order application.³²

Based on Section 10 quoted above, there are only two requisites for the issuance of a freeze order: (1) the application *ex parte* by the AMLC and (2) the determination of probable cause by the CA.³³ The probable cause

³⁰ See *SANLAKAS v. Executive Secretary Reyes*, 466 Phil. 482, 505-506 (2004).

³¹ Section 11 of A.M. No. 05-11-04-SC.

³² Section 51, paragraph 2 of A.M. No. 05-11-04-SC.

³³ *Major General Carlos Garcia v. Court of Appeals*, G.R. No. 165800, November 27, 2007.

required for the issuance of a freeze order differs from the probable cause required for the institution of a criminal action, and the latter was not an issue before the CA nor is it an issue before us in this case.

As defined in the law, the probable cause required for the issuance of a freeze order refers to “such facts and circumstances which would lead a reasonably discreet, prudent or cautious man to believe that an unlawful activity and/or a money laundering offense is about to be, is being or has been committed and that **the account or any monetary instrument or property subject thereof sought to be frozen is in any way related to said unlawful activity and/or money laundering offense.**”³⁴

In other words, in resolving the issue of whether probable cause exists, the CA’s statutorily-guided determination’s focus is not on the probable commission of an unlawful activity (or money laundering) that the Office of the Ombudsman has already determined to exist, but on whether the bank accounts, assets, or other monetary instruments sought to be frozen are *in any way related* to any of the illegal activities enumerated under RA No. 9160, as amended.³⁵ Otherwise stated, probable cause refers to the sufficiency of the relation between an unlawful activity and the property or monetary instrument which is the focal point of Section 10 of RA No. 9160, as amended. To differentiate this from any criminal case that may thereafter be instituted against the same respondent, the Rule in Civil Forfeiture Cases expressly provides –

SEC. 28. *Precedence of proceedings.* - Any criminal case relating to an unlawful activity shall be given precedence over the prosecution of any offense or violation under Republic Act No. 9160, as amended, **without prejudice to the filing of a separate petition for civil forfeiture or the issuance of an asset preservation order or a freeze order. Such civil action shall proceed independently of the criminal prosecution.** [italics supplied; emphases ours]

Section 10 of RA No. 9160 (allowing the extension of the freeze order) and Section 28 (allowing a separate petition for the issuance of a

³⁴ Rule 10.2 of the Revised Implementing Rules and Regulations, RA No. 9160, as amended by RA No. 9194.

³⁵ Revised Implementing Rules and Regulations, RA No. 9160, as amended by RA No. 9194.

Rule 10.1. When the AMLC may apply for the freezing of any monetary instrument or property. –

(a) After an investigation conducted by the AMLC and upon determination that probable cause exists that a monetary instrument or property is in any way related to any unlawful activity as defined under Section 3(i), the AMLC may file an ex-parte application before the Court of Appeals for the issuance of a freeze order on any monetary instrument or property subject thereof prior to the institution or in the course of, the criminal proceedings involving the unlawful activity to which said monetary instrument or property is any way related.

freeze order to proceed independently) of the Rule in Civil Forfeiture Cases are only consistent with the very purpose of the freeze order, which specifically is to give the government the necessary time to prepare its case and to file the appropriate charges without having to worry about the possible dissipation of the assets that are in any way related to the suspected illegal activity. Thus, contrary to the Ligots' claim, a freeze order is not dependent on a separate criminal charge, much less does it depend on a conviction.

That a freeze order can be issued upon the AMLC's *ex parte* application further emphasizes the law's consideration of how critical time is in these proceedings. As we previously noted in *Republic v. Eugenio, Jr.*,³⁶ "[t]o make such freeze order anteceded by a judicial proceeding with notice to the account holder would allow for or lead to the dissipation of such funds even before the order could be issued."

It should be noted that the existence of an unlawful activity that would justify the issuance and the extension of the freeze order has likewise been established in this case.

From the *ex parte* application and the Ombudsman's complaint, we glean that Lt. Gen. Ligot himself admitted that his income came from his salary as an officer of the AFP. Yet, the Ombudsman's investigation revealed that the bank accounts, investments and properties in the name of Lt. Gen. Ligot and his family amount to more than Fifty-Four Million Pesos (₱54,000,000.00). Since these assets are grossly disproportionate to Lt. Gen. Ligot's income, as well as the lack of any evidence that the Ligots have other sources of income, the CA properly found that probable cause exists that these funds have been illegally acquired. On the other hand, the AMLC's verified allegations in its *ex parte* application, based on the complaint filed by the Ombudsman against Ligot and his family for violations of the Anti-Graft and Corrupt Practices Act, clearly sustain the CA's finding that probable cause exists that the monetary instruments subject of the freeze order are related to, or are the product of, an unlawful activity.

b. A freeze order, however, cannot be issued for an indefinite period

Assuming that the freeze order is substantively in legal order, the Ligots now assert that its effectiveness ceased after January 25, 2006 (or six months after July 25, 2005 when the original freeze order first expired),

³⁶ G.R. No. 174629, February 14, 2008, 545 SCRA 384.

pursuant to Section 53(b) of the Rule in Civil Forfeiture Cases (A.M. No. 05-11-04-SC). This section states:

Section 53. *Freeze order.* –

x x x x

(b) *Extension.* – On motion of the petitioner filed before the expiration of twenty days from issuance of a freeze order, **the court may for good cause extend its effectivity for a period not exceeding six months.** [italics supplied; emphasis ours]

We find merit in this claim.

A freeze order is an *extraordinary and interim relief*³⁷ issued by the CA to prevent the dissipation, removal, or disposal of properties that are suspected to be the proceeds of, or related to, unlawful activities as defined in Section 3(i) of RA No. 9160, as amended.³⁸ The primary objective of a freeze order is to **temporarily preserve** monetary instruments or property that are in any way related to an unlawful activity or money laundering, by preventing the owner from utilizing them during the duration of the freeze order.³⁹ The relief is **pre-emptive** in character, meant to prevent the owner from disposing his property and thwarting the State's effort in building its

³⁷ *Ibid.*

³⁸ Section 3(i) provides:

(i) "Unlawful activity" refers to any act or omission or series or combination thereof involving or having relation to the following:

- (1) Kidnapping for ransom under Article 267 of Act No. 3815, otherwise known as the Revised Penal Code, as amended;
- (2) Sections 3, 4, 5, 7, 8 and 9 of Article Two of Republic Act No. 6425, as amended, otherwise known as the Dangerous Drugs Act of 1972;
- (3) Section 3, paragraphs B, C, E, G, H and I of Republic Act No. 3019, as amended, otherwise known as the Anti-Graft and Corrupt Practices Act;
- (4) Plunder under Republic Act No. 7080, as amended;
- (5) Robbery and extortion under Articles 294, 295, 296, 299, 300, 301 and 302 of the Revised Penal Code, as amended;
- (6) Jueteng and Masiao punished as illegal gambling under Presidential Decree No. 1602;
- (7) Piracy on the high seas under the Revised Penal Code, as amended, and Presidential Decree No. 532;
- (8) Qualified theft under Article 310 of the Revised Penal Code, as amended;
- (9) Swindling under Article 315 of the Revised Penal Code, as amended;
- (10) Smuggling under Republic Act Nos. 455 and 1937;
- (11) Violations under Republic Act No. 8792, otherwise known as the Electronic Commerce Act of 2000;
- (12) Hijacking and other violations under Republic Act No. 6235; destructive arson and murder, as defined under the Revised Penal Code, as amended, including those perpetrated by terrorists against non-combatant persons and similar targets;
- (13) Fraudulent practices and other violations under Republic Act No. 8799, otherwise known as the Securities Regulation Code of 2000;
- (14) Felonies or offenses of a similar nature that are punishable under the penal laws of other countries.

³⁹ *Republic v. Eugenio, Jr., supra* note 33.

case and eventually filing civil forfeiture proceedings and/or prosecuting the owner.

Our examination of the **Anti-Money Laundering Act of 2001**, as amended, from the point of view of the freeze order that it authorizes, shows that *the law is silent on the maximum period of time that the freeze order can be extended by the CA*. The final sentence of Section 10 of the Anti-Money Laundering Act of 2001 provides, “[t]he freeze order shall be for a period of twenty (20) days unless extended by the court.” In contrast, Section 55 of the Rule in Civil Forfeiture Cases qualifies *the grant of extension “for a period not exceeding six months” “for good cause” shown*.

We observe on this point that nothing in the law grants the owner of the “frozen” property any substantive right to demand that the freeze order be lifted, except by implication, *i.e.*, if he can show that no probable cause exists or if the 20-day period has already lapsed without any extension being requested from and granted by the CA. Notably, the Senate deliberations on RA No. 9160 even suggest the intent on the part of our legislators to make the freeze order effective until the termination of the case, when necessary.⁴⁰

The silence of the law, however, does not in any way affect the Court’s own power *under the Constitution* to “promulgate rules concerning the protection and enforcement of constitutional rights xxx and procedure in all courts.”⁴¹ Pursuant to this power, the Court issued A.M. No. 05-11-04-SC, limiting the effectivity of an extended freeze order to six months – to otherwise leave the grant of the extension to the sole discretion of the CA, which may extend a freeze order indefinitely or to an unreasonable amount of time – carries serious implications on an individual’s substantive right to due process.⁴² This right demands that no person be denied his right to

⁴⁰ See Transcripts of Session Proceedings, 12th Congress, September 27, 2001, pp18-19. Senator Osmeña (S). Why would it be necessary to remove Provisional Remedies Pending Criminal Proceedings? We have a 20-day freeze. One may go to court for an ex parte motion to investigate the account, inquire into the account. What happens after that if we remove this provision, Mr. President?

Senator Cayetano. Mr. President, **the moment the court orders the freezing of the account that will remain until the case is terminated**. That is the reason. And when an order to freeze exists, the defendant cannot move any property already frozen. The availment of provisional remedy is to ensure that the property being sought will not be removed. But since it is already frozen, there is no way by which the property can be removed or concealed. That is the reason why I proposed the deletion of this. (Emphasis ours.)

⁴¹ CONSTITUTION, Article VIII, Section 5(5).

⁴² This implication was made express by Section 53 of A.M. No. 05-11-04-SC. The failure of the petitioners to move for the modification or the lifting of the freeze order within the twenty-day period, as provided in Section 53(a), cannot prejudice them. To begin with, A.M. No. 05-11-04-SC itself only took effect on November 15, 2005 while the freeze order was issued a few months earlier, or on July 5, 2005; neither can we reasonably expect the petitioners to comply with the provisions of R.A. No. 10167 (granting

property or be subjected to any governmental action that amounts to a denial.⁴³ The right to due process, under these terms, requires a limitation or at least an inquiry on whether sufficient justification for the governmental action.⁴⁴

In this case, the law has left to the CA the authority to resolve the issue of extending the freeze order it issued. Without doubt, the CA followed the law to the letter, but it did so by avoiding the *fundamental law's* command under its Section 1, Article III. This command, the Court – under its constitutional rule-making power – sought to implement through Section 53(b) of the Rule in Civil Forfeiture Cases which the CA erroneously assumed does not apply.

The Ligots' case perfectly illustrates the inequity that would result from giving the CA the power to extend freeze orders without limitations. As narrated above, the CA, *via* its September 20, 2005 resolution, extended the freeze order over the Ligots' various bank accounts and personal properties “*until after all the appropriate proceedings and/or investigations being conducted are terminated.*”⁴⁵ By its very terms, the CA resolution effectively bars the Ligots from using any of the property covered by the freeze order **until after** an eventual **civil forfeiture proceeding is concluded** in their favor **and after** they shall have been adjudged not guilty of the crimes they are suspected of committing. These periods of extension are way beyond the intent and purposes of a freeze order which is intended solely as an **interim relief**; the civil and criminal trial courts can very well handle the disposition of properties related to a forfeiture case or to a crime charged and need not rely on the interim relief that the appellate court issued as a guarantee against loss of property while the government is preparing its full case. The term of the CA's extension, too, borders on inflicting a punishment to the Ligots, in violation of their constitutionally protected right to be presumed innocent, because the unreasonable denial of their property comes before final conviction.

the property owner the remedy of filing a motion to lift the freeze order within the original 20-day period) since this law only took effect sometime in 2012. In short, even from this simple temporal point of view, coupled with their lone *procedural* error in resorting to *certiorari*, and the due process consideration involved, the Court is justified in proceeding with the petition's merits.

⁴³ *Hon. Corona v. United Harbor Pilots Asso. of the Phil.*, 347 Phil. 333, 340, 342 (1997).

⁴⁴ *City of Manila v. Hon. Laguio, Jr.*, 495 Phil. 289, 311 (2005).

⁴⁵ *Rollo*, p. 154.

In more concrete terms, the freeze order over the Ligots' properties has been in effect since 2005, while the civil forfeiture case – per the Republic's manifestation – was filed only in 2011 and the forfeiture case under RA No. 1379 – per the petitioners' manifestation – was filed only in 2012. This means that **the Ligots have not been able to access the properties subject of the freeze order for six years or so simply on the basis of the existence of probable cause to issue a freeze order, which was intended mainly as an interim preemptive remedy.**

As correctly noted by the petitioners, a freeze order is meant to have a temporary effect; it was never intended to supplant or replace the actual forfeiture cases where the provisional remedy - which means, the remedy is an adjunct of or an incident to the main action – of asking for the issuance of an asset preservation order from the court where the petition is filed is precisely available. For emphasis, a freeze order is both a *preservatory* and *preemptive* remedy.

To stress, the evils caused by the law's silence on the freeze order's period of effectivity⁴⁶ compelled this Court to issue the Rule in Civil Forfeiture Cases. Specifically, the Court fixed the maximum allowable extension on the freeze order's effectivity at six months. In doing so, the Court sought to balance the State's interest in going after suspected money launderers with an individual's constitutionally-protected right not to be deprived of his property without due process of law, as well as to be presumed innocent until proven guilty.

To our mind, the six-month extension period is *ordinarily* sufficient for the government to act against the suspected money launderer and to file the appropriate forfeiture case against him, and is a reasonable period as well that recognizes the property owner's right to due process. ***In this case, the period of inaction of six years, under the circumstances, already far exceeded what is reasonable.***

We are not unmindful that the State itself is entitled to due process. As a due process concern, we do not say that ***the six-month period is an inflexible rule*** that would result in the automatic lifting of the freeze order upon its expiration in all instances. An inflexible rule may lend itself to abuse - to the prejudice of the State's legitimate interests - where the

⁴⁶ Vitug, Pardo & Herrera, *A Summary of Notes and Views on the Rule of Procedure in Cases of Civil Forfeiture, Asset Preservation and Freezing of Monetary Instrument, Property, or Proceeds Representing, Involving, or Relating to an Unlawful Activity or Money Laundering Offense Under Republic Act No. 9160, as Amended*, 2006, p. 90.

property owner would simply file numerous suits, questioning the freeze order during the six-month extension period, to prevent the timely filing of a money laundering or civil forfeiture case within this period. With the limited resources that our government prosecutors and investigators have at their disposal, the end-result of an inflexible rule is not difficult to see.

We observe, too, that the factual complexities and intricacies of the case and other matters that may be beyond the government's prosecutory agencies' control may contribute to their inability to file the corresponding civil forfeiture case before the lapse of six months. Given these considerations, it is only proper to strike a balance between the individual's right to due process and the government's interest in curbing criminality, particularly money laundering and the predicate crimes underlying it.

Thus, as a rule, the effectivity of a freeze order may be extended by the CA for a period not exceeding six months. Before or upon the lapse of this period, ideally, the Republic should have already filed a case for civil forfeiture against the property owner with the proper courts and accordingly secure an asset preservation order or it should have filed the necessary information.⁴⁷ *Otherwise*, the property owner should already be able to fully enjoy his property without any legal process affecting it. However, should it become completely necessary for the Republic to further extend the duration of the freeze order, it should file the necessary motion before the expiration of the six-month period and explain the reason or reasons for its failure to file an appropriate case and justify the period of extension sought. The freeze order should remain effective prior to the resolution by the CA, which is hereby directed to resolve this kind of motion for extension with reasonable dispatch.

In the present case, we note that the Republic has not offered any explanation why it took six years (from the time it secured a freeze order) before a civil forfeiture case was filed in court, despite the clear tenor of the Rule in Civil Forfeiture Cases allowing the extension of a freeze order for only a period of six months. All the Republic could proffer is its temporal argument on the inapplicability of the Rule in Civil Forfeiture Cases; in

⁴⁷ Note that for instance, if the unlawful activity involved is plunder, Section 2 of RA No. 7080 requires that upon conviction, the court shall declare any and all ill gotten wealth and their interests and other incomes and assets including the properties and shares of stock derived from the deposit or investment thereof forfeited in favor of the state; likewise if the unlawful activity involved is violation of RA 3019, the law orders the confiscation or forfeiture in favor of the government of any prohibited interest and unexplained wealth manifestly out of proportion to the convicted accused' salary and other lawful income. In these cases, the state may avail of the provisional remedy under Rule 127 of the Revised Rules of Criminal Procedure to secure the preservation of these unexplained wealth and income should no petition for civil forfeiture or freeze order be filed.

effect, it glossed over the squarely-raised issue of due process. Under these circumstances, we cannot but conclude that the continued extension of the freeze order beyond the six-month period violated the Ligots' right to due process; thus, the CA decision should be reversed.

We clarify that our conclusion applies only to the CA ruling and does not affect the proceedings and whatever order or resolution the RTC may have issued in the presently pending civil cases for forfeiture. We make this clarification to ensure that we can now fully conclude and terminate this CA aspect of the case.

As our last point, we commend the fervor of the CA in assisting the State's efforts to prosecute corrupt public officials. We remind the appellate court though that the government's anti-corruption drive cannot be done at the expense of cherished fundamental rights enshrined in our Constitution. So long as we continue to be guided by the Constitution and the rule of law, the Court cannot allow the justification of governmental action on the basis of the noblest objectives alone. As so oft-repeated, the end does not justify the means. Of primordial importance is that the means employed must be in keeping with the Constitution. Mere expediency will certainly not excuse constitutional shortcuts.⁴⁸

WHEREFORE, premises considered, we **GRANT** the petition and **LIFT** the freeze order issued by the Court of Appeals in CA G.R. SP No. 90238. This lifting is without prejudice to, and shall not affect, the preservation orders that the lower courts have ordered on the same properties in the cases pending before them. Pursuant to Section 56 of A.M. No. 05-11-04-SC, the Court of Appeals is hereby ordered to remand the case and to transmit the records to the Regional Trial Court of Manila, Branch 22, where the civil forfeiture proceeding is pending, for consolidation therewith as may be appropriate.

SO ORDERED.


ARTURO D. BRION
Associate Justice

⁴⁸ 256 Phil. 777, 809 (1989).

WE CONCUR:



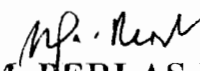
ANTONIO T. CARPIO
Associate Justice



MARIANO C. DEL CASTILLO
Associate Justice



JOSE PORTUGAL PEREZ
Associate Justice



ESTELA M. BERLAS-BERNABE
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



ANTONIO T. CARPIO
Associate Justice
Chairperson

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, and the Division Chairperson's Attestation, it is hereby certified that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



MARIA LOURDES P. A. SERENO
Chief Justice