



Republic of the Philippines
Supreme Court
Manila

CERTIFIED TRUE COPY
Wesley E. Clayton
WESLEY E. CLAYTON
Clerk of Court
Third Division
JUL 22 2016

THIRD DIVISION

**DELIA L. BELITA, SALVADOR
ILARDE, JR., GENEVIEVE BELITA,
MA. CHERYL DAVA, BRAULIO
LEDESMA, JR., FLORENCE B.
OLSEN, KATHY GERMENTIL,
ROSITA ESTUART, ARDELIZA LIM,
ELSA RAFANAN, ERLINDA V.
GAERLAN, PERLA FERNANDEZ,
DELBEN "NOY" BELITA and
JOSEPH AVACILLA,**

Petitioners,

G.R. No. 191087

Present:

**VELASCO, JR., J.,
PERALTA,
PEREZ,
MENDOZA,* and
JARDELEZA, JJ.**

-versus-

**ANTONIO S. SY, ROBERTO
CARONAN, WILFREDO CIRIACO,
NORMA S. WONG, SONIA C.
BENERO, MARIA L. PINEDA and
CRISTINA V. CARAMOL,**

Respondents.

Promulgated:

June 29, 2016

Wesley E. Clayton

X-----X

DECISION

PEREZ, J.:

Before us is a Petition for Review on *Certiorari* filed by petitioners Delia L. Belita (Delia), Salvador Ilarde, Jr. (Salvador), Genevieve Belita (Genevieve), Ma. Cheryl Dava (Cheryl), Braulio Ledesma, Jr. (Braulio), Florence B. Olsen (Florence), Kathy Germentil (Kathy), Rosita Estuart (Rosita), Ardeliza Lim (Ardeliza), Elsa Rafanan (Elsa), Erlina V. Gaerlan (Erlina), Perla Fernandez (Perla), Delben "Noy" Belita (Delben) and Joseph

Avacilla (Joseph) seeking to nullify the Decision¹ dated 30 June 2009 and Resolution² dated 25 January 2010 of the Court of Appeals in CA-G.R. SP No. 107234 which reinstated the Resolution of the Secretary of Justice directing the filing of Informations for the crime of Syndicated *Estafa* against petitioners.

Petitioners Delia, Salvador, Genevieve, Cheryl and Braulio are the incorporators and directors of IBL Realty Development Corporation (IBL), a domestic family corporation engaged in the buying and selling of real properties. Respondent Antonio S. Sy (Sy), Roberto Caronan (Caronan), Wilfredo Ciriaco (Ciriaco), Norma S. Wong (Wong), Sonia C. Benero (Benero), Maria L. Pineda (Pineda) and Cristina V. Caramol (Caramol) filed their respective complaints against petitioners before the National Bureau of Investigation (NBI). The complaints were filed by the NBI with the Department of Justice (DOJ) where they were consolidated and docketed as I.S. No. 2007-030.

In Sy's first Complaint-Affidavit, he narrated that he purchased four (4) parcels of land for ₱3,271,500.00 sometime in 1992 upon the representation of Delia that a certain Felicitas Javier owned the properties and authorized Delia to sell the same. Delia allegedly presented a Deed of Conditional Sale purportedly signed by Felicitas Javier as vendor. Sy paid an aggregate sum of ₱2,150,000.00 from October 1992 to August 2000 to Delia or to her representatives, Rosita and Cheryl. Sy presented the corresponding cash vouchers as proof of payment. In 2000, Sy had paid in full but the titles over the properties were not delivered to him. Upon verification, Sy discovered that the subject properties are not owned by Felicitas Javier but by four (4) other individuals. Sy made repeated demands against Delia for the return of the amount that he paid but Delia refused to do so.³

In his second Complaint-Affidavit, Sy recounted that he and his two friends, Caronan and Ciriaco bought rights to occupy and use market stalls in Commonwealth Public Market through Delia, who claimed authorization by the market administration. Sy, Caronan and Ciriaco paid a total sum of ₱1,353,000.00. The installment payments were received by Kathy, Florence and Cheryl. Upon full payment, Delia failed to deliver the stalls. Upon verification, Sy discovered that Delia was not authorized to sell the market

* Additional Member per Raffle dated 13 June 2016.

¹ *Rollo*, pp. 48-67; Penned by Associate Justice Isaias Dicdican and concurred in by Associate Justices Bienvenido L. Reyes (Now Supreme Court Associate Justice) and Marlene Gonzales-Sison.

² *Id.* at 68-69.

³ *Id.* at 49-50.

stalls. Furthermore, these stalls were already sold to and occupied by other buyers. Caronan and Ciriaco also filed their separate complaints.⁴

In the Complaint of Wong, she alleged that she bought a parcel of land in North Fairview, Quezon City worth ₱540,000.00 from Delia. Delia claimed that she is authorized by the owner, Teresita Echavaria to sell the property. Delia then presented a Contract to Sell signed by Teresita Echavaria as vendor and eventually, a new copy of a dated and notarized Contract to Sell. This prompted Wong to deliver the remaining balance and fully pay the purchase price. When Delia refused to deliver the title to said property, Wong inquired with the Registry of Deeds of Quezon City and found that said property had already been sold on foreclosure.⁵

Benero, Pineda and Caramol were market vendors in Subic, Zambales. In their Complaint, they alleged that Ardeliza approached them individually and offered to sell parcels of land and/or house and lot belonging to Delia in a subdivision in Subic. Ardeliza apparently worked for Delia. Benero paid an aggregate sum of ₱1,565,000.00. Delia likewise bought ₱100,891.00 worth of meat products from Benero's store, which amount would have been credited to the purchase price of the land. Pineda paid ₱450,000.00 while Caramol parted with a total of ₱269,924.00. Thereafter, they were notified of a Notice of Levy annotated on their tax declarations that the properties were subject a writ of preliminary attachment. Ardeliza admitted to them that the lands were already sold to Sy.⁶

The seven complaints contain similar asseverations: that Delia sold real properties to respondents; that respondents relied on Delia's representation that she was authorized to sell the same; that petitioners paid Delia or her representatives the purchase price; that the title was not delivered; and the properties turned out to be owned by persons different from those claimed by Delia.

Delia claimed that Sy had been her long-time client. She brokered Sy's lending business, as well as his Subic properties. Delia argued that the sales transaction over properties in Quezon City was between Sy and Felicitas Javier; and that it took Sy 14 years before he filed a complaint. Thus, his action is barred by prescription and laches. Delia proffered that Sy filed the instant complaints to avoid paying her broker's commission. Delia

⁴ Id. at 50-51.

⁵ Id. at 51.

⁶ Id. at 79-87.



likewise contend that the other sales transaction was between one Teresita Echevaria and Wong and that it took her 14 years from the time of sale to file a complaint. Said cause of action had similarly prescribed. With respect to Benero, Pineda and Caramol, Delia admitted that these three (3) complainants are buyers of her house and lot but Sy was also claiming ownership of the properties based on a criminal and civil complaint involving a sum of money against Delia. Delia assured the three that she would honor her agreement with them. Delia also claimed that Benero, Pineda and Caramol defaulted in their subsequent payments. Finally, in regard to the complaints of Caronan and Ciriaco, Delia asserted that their payments were coursed to Sy and not to her, hence, they do not have any cause of action against her.⁷

Salvador, Genevieve, Cheryl and Braulio maintained that their participation in the land transactions of the corporation is limited to receipt of payments and accounting the same.⁸ Perla denied that she is an incorporator of IBL or that she is associated with IBL or Delia. She claimed that Sy's complaint is suspicious and ill-motivated because it was filed 14 years after the sales transaction.⁹ Delben alleged that he, being the son of Delia, sometimes ran errands for his mother, including acknowledging receipts of certain land transaction payments.¹⁰ Joseph admitted that he is Cheryl's partner and that he sometimes received payments for the land transactions.¹¹ The rest of the accused did not appear or submit any affidavit before the DOJ.

On 7 August 2007, State Prosecutor II Juan Pedro C. Navera issued a Resolution¹² finding the existence of a probable cause for Syndicated *Estafa* against respondents. The dispositive portion of the Resolution reads:

WHEREFORE, premises considered, it is respectfully recommended that informations be filed against respondents Delia Ledesma Belita, Salvador Ilarde, Jr., Genevieve Belita, Maria Cheryl Dava, Braulio Ledesma, Jr., Florence Belita Olsen, Kathy Germentil, Rosita Estuart, Ardeliza Lim, Elsa Rafanan, Erlinda V. Gearlan, Perla Fernandez, Delben "Noy" Belita, and Joseph Avacilla for syndicated estafa under Art. 315 of the Revised Penal Code, in relation to P.D. No. 1689.¹³

⁷ Id. at 100-101.
⁸ Id.
⁹ Id. 103.
¹⁰ Id.
¹¹ Id. at 103-104.
¹² Id. at 90-113.
¹³ Id. at 113.



Accordingly, six (6) Informations¹⁴ were filed on the same day against respondents before the Regional Trial Court of Quezon City.

Aggrieved, respondents filed a petition for review with the DOJ. On 14 April 2008,¹⁵ then DOJ Secretary Raul M. Gonzalez modified the resolution and directed the withdrawal of the Informations for syndicated *estafa* and in lieu thereof, six (6) Informations of *estafa* under Article 315, paragraph 2(a) of the Revised Penal Code (RPC).

The ensuing flip-flopping of the DOJ Secretary is highlighted below.

The withdrawal of the Informations for Syndicated *Estafa* prompted respondents to file a motion for reconsideration. On 19 June 2008,¹⁶ the DOJ Secretary reinstated the 7 August 2007 Resolution recommending the filing of Informations for syndicated *estafa*.

It was petitioners' turn to file a motion for reconsideration which the DOJ Secretary granted in a Resolution dated 15 January 2009¹⁷ directing the refiling of the appropriate Informations for *Estafa* under Article 315, paragraph 2(a) of the Revised Penal Code.

Considering that the filing of another motion for reconsideration, to respondents' mind, is futile, they filed before the Court of Appeals a petition for certiorari.

On 30 June 2009,¹⁸ the Court of Appeals granted the petition and reinstated the 19 June 2008 Resolution of the DOJ Secretary which directed the filing of Informations for syndicated *estafa* against petitioners.

The Court of Appeals ruled that the DOJ Secretary committed grave abuse of discretion in promulgating the Resolution dated 15 January 2009. The appellate court found that all elements of the crime of syndicated *estafa* under Presidential Decree (P.D.) 1689 are present. The appellate court held that P.D. 1689 also applies to "other corporations/associations operating on funds solicited from the public" and that petitioners' corporation falls squarely within the coverage of the law.

¹⁴ Id. at 116-133.

¹⁵ Id. at 144-153.

¹⁶ Id. at 154-162.

¹⁷ Id. at 163-169.

¹⁸ Id. at 48-67.



In the instant petition, petitioners insist that they are not organized as anyone of the group enumerated in P.D. 1689. Petitioners claim that they were not soliciting funds from the general public. Petitioners add that the Court of Appeals erred in applying the case of *People v. Balasa*¹⁹ to indict petitioners for syndicated *estafa* because IBL could hardly fall in the category of the foundation as specified in the aforesaid case.²⁰

For the purpose of filing a criminal information, probable cause has been defined as such facts as are sufficient to engender a well-founded belief that a crime has been committed and that respondent is probably guilty thereof. Probable cause does not require an inquiry into whether there is sufficient evidence to procure a conviction. It is enough that it is believed that the act or omission complained of constitutes the offense charged. A finding of probable cause needs only to rest on evidence showing that, more likely than not, a crime has been committed by the suspects. It need not be based on clear and convincing evidence of guilt, not on evidence establishing guilt beyond reasonable doubt, and definitely not on evidence establishing absolute certainty of guilt. In determining probable cause, the average man weighs facts and circumstances without resorting to the calibrations of the rules of evidence of which he has no technical knowledge. He relies on common sense. What is determined is whether there is sufficient ground to engender a well-founded belief that a crime has been committed, and that the accused is probably guilty thereof and should be held for trial. It does not require an inquiry as to whether there is sufficient evidence to secure a conviction.²¹

To determine whether there is probable cause in this case, the elements of the crime charged, syndicated *estafa* in this case, must be present. Under Section 1 of P.D. 1689,²² there is syndicated *estafa* if the following elements are present: 1) *estafa* or other forms of swindling as defined in Articles 315 and 316 of the RPC was committed; 2) the *estafa* or swindling was committed by a syndicate of five or more persons; and 3) the fraud resulted in the misappropriation of moneys contributed by stockholders, or members of rural banks, cooperatives, “*samahang*

¹⁹ 356 Phil. 362 (1998).

²⁰ *Rollo*, p. 22.

²¹ *Fenequito v. Vergara*, 691 Phil. 335, 345-346 (2012) citing *Reyes v. Pearlbank Securities, Inc.*, 582 Phil. 505, 518-519 (2008).

²² Section 1. Any person or persons who shall commit *estafa* or other forms of swindling as defined in Article 315 and 316 of the Revised Penal Code, as amended, shall be punished by life imprisonment to death if the swindling (*estafa*) is committed by a syndicate consisting of five or more persons formed with the intention of carrying out the unlawful or illegal act, transaction, enterprise or scheme, and the defraudation results in the misappropriation of money contributed by stockholders, or members of rural banks, cooperative, “*samahang nayon(s)*”, or farmers association, or of funds solicited by corporations/associations from the general public.



nayon[s],” or farmers associations or of funds solicited by corporations/associations from the general public.²³

Indeed, based on the documentary evidence presented so far, petitioners were swindled into parting with their money for the purchase of real estate properties upon the representation that petitioners were authorized to sell said properties. Consequently, respondents suffered, among others, pecuniary losses in the form of the money they paid to petitioners. All fourteen (14) petitioners are connected to IBL, either as officers, stockholders or agents. They knowingly received payments from respondents.

We quote with approval the findings and ruling of State Prosecutor II Juan Pedro C. Navera, to wit:

After a careful evaluation of the [petitioners'] affidavits, none of them deny the existence, authenticity and due execution of the vouchers and receipts evidencing receipt by the [petitioners] of the monies allegedly paid by [respondents]. The existence, authenticity and due execution of these vouchers and receipts, therefore, should be deemed as having been impliedly admitted by [petitioners]. As a consequence, such admission is also an admission that [petitioners], whose signatures appear in said receipts and vouchers, indeed received the monies mentioned therein.

Moreover, the IBL receipts attached to the complaint of Wong, uncontroverted by [petitioners], show that IBL has been transacting business as a corporation since July 1992 prior to its incorporation on February 22, 1994. It is also noteworthy that such receipts do not contain a TIN number.

We find probable cause to indict the respective [petitioners] in all the complaints.

A careful reading of the [respondents'] affidavits reveals that among the kinds of estafa charged of [petitioners], one is the defraudation of [respondents] through [respondents'] false pretenses of possession power, qualifications, agency and through other similar deceits. (RPC, Art. 315, 4th par., [2][a]). The elements of this crime are as follows:

a. That there must be false pretense, fraudulent act or fraudulent means

(1) by using fictitious name;

²³ *Hao v. People*, G.R. No. 183345, 17 September 2014, 735 SCRA 312, 327.

- (2) falsely pretending to possess (a) power, (b) influence, (c) qualifications, (d) property, (e) credit, (f) agency, (g) business or imaginary transactions; or
- (3) means of other similar deceits.

b. That such false pretense, fraudulent act or fraudulent means must be made or executed prior to or simultaneously with the commission of the fraud.

c. That the offended party must be relied on the false pretense, fraudulent act, or fraudulent means, that is, he was induced to part with his money or property because of the false pretense, fraudulent act, or fraudulent means.

d. That as a result thereof, the offended party suffered damage.” (L.B. Reyes, *The Revised Penal Code*, Book II, 14th ed. [1998]. 763-764.)

As to Antonio Sy’s complaint involving the Javier property, he has established that IBL, which was not even incorporated then, through Delia Belita, falsely pretended to possess power, influence, qualification, agency, business or imaginary transactions in representing to be authorized by Felicitas Javier to sell the latter’s properties. This misrepresentation, made before or simultaneously with the defraudation, and relied upon by Sy when he parted with his money, turned out to be false as shown by TCT’s marked as Annexes “H,” “I,” “J,” and “K,” whose authenticity [petitioners] do not deny, showing that the subject properties were not owned by Felicitas Javier but by other persons.

The cash vouchers marked as Annexes “C,” “D” and “E,” showing receipt by Delia Belita and Rosita Estuart of the amount of P2,150,000.00, which were not denied by [petitioners], clearly show that Sy sustained pecuniary damages in such amount.

The same is true with respect to the complaints of Antonio Sy (representing Spencer), Roberto Caronan and Wilfredo Ciriaco involving market stalls in the Commonwealth Public Market in Quezon City. These complaints establish that IBL, which was not even incorporated then, through Delia Belita, falsely pretended to possess power, influence, qualification, agency, business or imaginary transaction in representing to be authorized by the administrator of Commonwealth Public Market to sell the latte’s market stalls. This misrepresentation, made before and simultaneously with the defraudation, and relied upon by [respondents] when they parted with their monies, turned out to be false as [petitioners] failed to deliver said stalls to [respondents] up to this moment despite repeated demands, and as [petitioners] do not deny that said stalls have been assigned by the administrator thereof to other persons.

The corresponding vouchers (Annexes "C," "D," "E," "F," "G," "H," and "I" to Sy's complaint; "A," "B," "C" and "D" to Caronan's complaint; "A," "B," "C" and "D" to Ciriaco's complaint), which were not denied by [petitioners], clearly show that Spencer, Caronan and Ciriaco sustained pecuniary damages amounting to P1,353,000.00.

As to Norma S. Wong's complaint, she has established that IBL, which was not even incorporated then, through Delia Belita, falsely pretended to possess power, influence, qualification, agency, business or imaginary transactions in representing to be authorized by one Teresita R. Echavaria to sell the latter's property. This misrepresentation, made before or simultaneously with the defraudation, and relied upon by Wong when she parted with her money, turned out to be false as shown by TCT marked as Annexes "I," which [petitioners] do not deny, showing that the subject property was not owned by Teresita Echevaria but by one Jose M. Natividad.

The IBL official receipts (Annexes "C," "D," "E," and "F") and pay vouchers ("G" and "H"), the authenticity of which were not denied by [petitioners], clearly show that Wong sustained pecuniary damages amounting to P5,000,000.00.

[Respondents] Sonia C. Benero, Maria L. Pineda, and Cristina V. Caramol uniformly established that sometime in 2002, Liza Lim and Delia L. Belita convinced them to buy certain parcels of land and/or house and lots in a subdivision in Mangan-vaca, Subic, Zambales, known as "La Inggá Ville." The representation included that said lands were owned by Delia Belita. Such representation, according to [respondents Benero, Pineda and Caramol] were too convincing, consisting as it did, of presentation of tax declarations, vicinity maps, and an invitation to an Open House conducted on October 20, 2002.²⁴

With respect to the third and last element of syndicated *estafa*, petitioners claim that P.D. 1689 only applies if the defrauded parties are rural banks, cooperatives, *samahang nayons*, or farmers' associations. We agree with the Justice Secretary's holding in his 19 June 2008 Resolution wherein he ruled that PD 1689 applies to corporations operating on funds solicited from the public.

P.D. 1689 in its entirety is reproduced below:

PRESIDENTIAL DECREE No. 1689 April 6, 1980

INCREASING THE PENALTY FOR CERTAIN FORMS OF SWINDLING OR ESTAFA



²⁴

Rollo, pp. 104-107.

WHEREAS, there is an upsurge in the commission of swindling and other forms of frauds in rural banks, cooperatives, "samahang nayon (s)", and farmers' associations or corporations/associations operating on funds solicited from the general public;

WHEREAS, such defraudation or misappropriation of funds contributed by stockholders or members of such rural banks, cooperatives, "samahang nayon(s)", or farmers' associations, or of funds solicited by corporations/associations from the general public, erodes the confidence of the public in the banking and cooperative system, contravenes the public interest, and constitutes economic sabotage that threatens the stability of the nation;

WHEREAS, it is imperative that the resurgence of said crimes be checked, or at least minimized, by imposing capital punishment on certain forms of swindling and other frauds involving rural banks, cooperatives, "samahang nayon(s)", farmers' associations or corporations/associations operating on funds solicited from the general public;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby decree and order as follows:

Section 1. Any person or persons who shall commit estafa or other forms of swindling as defined in Article 315 and 316 of the Revised Penal Code, as amended, shall be punished by life imprisonment to death if the swindling (estafa) is committed by a syndicate consisting of five or more persons formed with the intention of carrying out the unlawful or illegal act, transaction, enterprise or scheme, and the defraudation results in the misappropriation of money contributed by stockholders, or members of rural banks, cooperative, "samahang nayon(s)", or farmers association, or of funds solicited by corporations/associations from the general public.

When not committed by a syndicate as above defined, the penalty imposable shall be reclusion temporal to reclusion perpetua if the amount of the fraud exceeds 100,000 pesos.

Section 2. This decree shall take effect immediately.

DONE in the City of Manila, this 6th day of April, in the year of Our Lord, nineteen hundred and eighty.

The law is explicit that it covers defraudations or misappropriation of funds solicited by corporations from the general public. IBL is such corporation. The operative phrase is "funds of corporations should come from the general public." IBL is apparently engaged in the real estate business. Its funds come from buyers of the properties it sells.



In *Galvez, et al. v. Court of Appeals, et al.*,²⁵ we held that P.D. 1689 also covers commercial banks “whose fund comes from the general public. P.D. 1689 does not distinguish the nature of the corporation. It requires, rather, that the funds of such corporation should come from the general public.”

This interpretation has in fact been espoused in the case of *People v. Balasa*²⁶ where the Court ruled, viz:

Similarly, the fact that the entity involved was not a rural bank, cooperative, *samahang nayon* or farmers’ association does not take the case out of the coverage of P.D. No. 1689. Its third “whereas clause” states that it also applies to other “corporations/associations operating on funds solicited from the general public.” The foundation fits into these category as it “operated on funds solicited from the general public.” To construe the law otherwise would sanction the proliferation of minor-league schemers who operate in the countryside. To allow these crimes to go unabated could spell disaster for people from the lower income bracket, the primary target of swindlers.²⁷

In sum, we find that there is probable cause to indict petitioners for the crime of syndicated *estafa* under P.D. 1689, in relation to Article 315, 4th par., [2][a] of the RPC.

The determination of probable cause is essentially an executive function, lodged in the first place on the prosecutor who conducted the preliminary investigation on the offended party’s complaint. The prosecutor’s ruling is reviewable by the Secretary who, as the final determinative authority on the matter, has the power to reverse, modify or affirm the prosecutor’s determination. As a rule, the Secretary’s findings are not subject to interference by the courts, save only when he acts with grave abuse of discretion amounting to lack or excess of jurisdiction; or when he grossly misapprehends facts; or acts in a manner so patent and gross as to amount to an evasion of positive duty or a virtual refusal to perform the duty enjoined by law; or when he acts outside the contemplation of law.²⁸

We agree with the Court of Appeals that the Justice Secretary committed grave abuse of discretion in promulgating the resolution dated 15 January 2009. The pertinent portion of the Decision reads:

²⁵ 686 Phil. 924, 942 (2012).

²⁶ Supra note 19.

²⁷ Id. at 396-397.

²⁸ *Villanueva v. Caparas*, G.R. No. 190969, 30 January 2013, 689 SCRA 679, 685-686.

We are of the view that Justice Secretary Raul M. Gonzalez acted with grave abuse of discretion in promulgating the resolution dated January 15, 2009. For one, his act of flip-flopping or turning around at least twice in his ruling on the applicability of Presidential Decree No. 1689 to the case filed by the [respondents] against the [petitioners] indeed appears to be arbitrary and whimsical. Why did he keep on flip-flopping? In a way, he was blowing cold and then hot and then cold. There's no adequate showing of justification for doing so. For another, his second twist of his ruling as embodied in the resolution promulgated on January 15, 2009 that the private [petitioners] cannot be charged with the crime of syndicated estafa, contravenes the prevailing law and jurisprudence. Once again, it bears repeating at this point that the Supreme Court of the Philippines had explicitly held in *People v. Balasa*, supra, that the first "whereas clause" of the preamble of Presidential Decree No. 1689 is not exactly an essential part of such decree, and that, even assuming arguendo that the said clause is part of the decree, still the fact that the entity involved is not a rural bank, cooperative, samahang nayon or farmers' association does not take the case out of the coverage of Presidential Decree No. 1689 because the third "whereas clause" of the preamble of such decree states that it also applies to other "corporations/associations operating on funds solicited from the public." There is no gainsaying the fact that IBL Realty Development Corporation has been a corporation operating on funds or investments solicited from the public.²⁹

Finding no reversible error, we affirm the Court of Appeals' Decision dated 30 June 2009.

WHEREFORE, the instant petition is **DENIED** and the 30 June 2009 Decision and 25 January 2010 Resolution of the Court of Appeals in CA-G.R. SP No. 107234 are **AFFIRMED**. Costs against petitioners.


SO ORDERED.


JOSE PORTUGAL PEREZ
Associate Justice

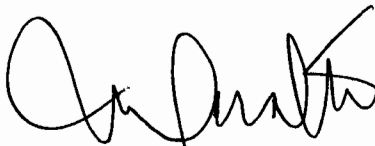
²⁹

Rollo, p. 65.

WE CONCUR:



PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson



DIOSDADO M. PERALTA
Associate Justice



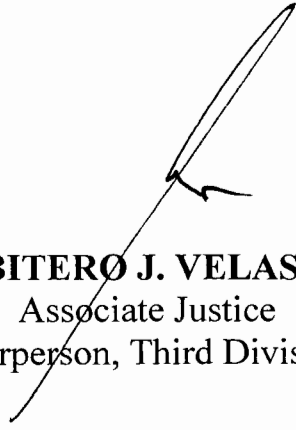
JOSE CATRAL MENDOZA
Associate Justice



FRANCIS H. JARDELEZA
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.



PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson, Third Division

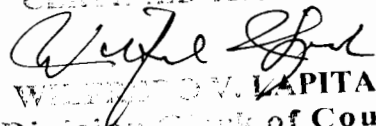
CERTIFICATION

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

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WILFREDO V. LAPITAN
Division Clerk of Court
Third Division

JUL 22 2016