



Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

ROMEO R. ARAULLO,
Petitioner,

G.R. No. 19415¹

Present:

SERENO, C.J.,
Chairperson,
LEONARDO-DE CASTRO,
BERSAMIN,
VILLARAMA, JR., and
REYES, JJ.

- versus -

OFFICE OF THE OMBUDSMAN,
HON. MERCEDITAS N.
GUTIERREZ,
HON. GERARDO C. NOGRALES,
HON. ROMEO L. GO,
HON. PERLITA B. VELASCO,
HON. ARDEN S. ANNI,
ATTY. FILOMEMO B. BALBIN,
ATTY. ERNESTO P. TABAO and
ATTY. ROBERTO F. DE LEON,
Respondents.

Promulgated:

JUL 30 2014

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DECISION

REYES, J.:

This resolves the Petition for *Certiorari*¹ filed by petitioner Romeo R. Araullo (Araullo) to assail an undated Resolution² issued by the Office of the Ombudsman dismissing his criminal complaint docketed as OMB-C-C-09-0410-H.

¹ Rollo, pp. 3-44.

² Id. at 46-67.

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The records indicate that Araullo had previously obtained a favorable judgment in a labor complaint for illegal dismissal which he filed against Club Filipino.³ He first worked for Club Filipino as an electrician, and was Maintenance Supervisor at the time of his dismissal from employment on December 23, 2000.⁴ His labor complaint was initially dismissed by Labor Arbiter Fedriel Panganiban (LA Panganiban), whose ruling was affirmed by the National Labor Relations Commission (NLRC). Upon appeal, however, both the Court of Appeals and this Court ruled that Araullo was illegally dismissed from employment. Club Filipino was then ordered to reinstate Araullo and to pay him his full backwages and other monetary benefits.⁵

Following the finality of the decision in his favor, Araullo filed with LA Panganiban a motion for issuance of a writ of execution. LA Panganiban, however, inhibited from further hearing the action, resulting in a re-raffle and assignment of the case to LA Arden S. Anni (LA Anni).⁶ Araullo's motion for execution was approved by LA Anni, who issued a writ of execution ordering the sheriff's collection of the amount of ₱2,338,152.25, as determined by the Computation and Examination Unit.⁷ The issuance of the writ was questioned by Club Filipino on the ground that it had filed a Motion to Recompute⁸ the judgment award, which remained unresolved by the LA. Club Filipino then filed its Motion to Quash the Writ of Execution.⁹

Before the motion to quash could be heard, LA Anni issued an Order¹⁰ dated August 12, 2008 quashing the writ and lifting the notice of garnishment that was previously served by Sheriff Noli S. Nicdao upon Metrobank and Bank of the Philippine Islands. LA Anni also later inhibited from further hearing the case, concerned that his impartiality might be questioned because Club Filipino's President, Atty. Roberto F. De Leon (Atty. De Leon), and counsel, Atty. Ernesto P. Tabao (Atty. Tabao), were his fraternity brothers in San Beda College of Law.¹¹

Dissatisfied with the quashal of the writ, Araullo filed a petition¹² to set aside LA Anni's order, which was denied in a Resolution¹³ dated October 29, 2008 issued by the NLRC First Division, composed of NLRC Chairman Gerardo C. Nograles (Chairman Nograles), Commissioner Romeo L. Go (Commissioner Go) and Commissioner Perlita B. Velasco (Commissioner Velasco). The NLRC ordered that the case records be

³ Id. at 47-48.

⁴ Id. at 132.

⁵ Id. at 47-48.

⁶ Id. at 48.

⁷ Id. at 296.

⁸ Id. at 225-238.

⁹ Id. at 252-264.

¹⁰ Id. at 265-266.

¹¹ Id. at 267-268.

¹² Id. at 269-279.

¹³ Id. at 294-300.

forwarded to the arbitration branch of origin, which should decide on the issues leading to the final computation of the award and the issuance of a writ of execution.¹⁴

When Araullo's motion for reconsideration was denied by the NLRC,¹⁵ he filed with the Office of the Ombudsman the criminal complaint docketed as OMB-C-C-09-0410-H against respondents LA Anni, Chairman Nograles, Commissioner Go, Commissioner Velasco, Atty. Tabao, Atty. De Leon and Atty. Filomemo B. Balbin (Atty. Balbin).¹⁶ He charged them of violating Article 206 of the Revised Penal Code (RPC) and Section 3(e) of Republic Act (R.A.) No. 3019, otherwise known as the Anti-Graft and Corrupt Practices Act. The Office of the Ombudsman summarized his arguments as follows:

[Araullo] alleged that [LA Anni] is guilty of issuing an unjust interlocutory order for granting the motion to quash filed by Club Filipino despite the fact that his counsel was not furnished with a copy of the said motion. [LA Anni] ordered the quashal of the writ of execution without conducting any hearing which was tantamount to a denial of [Araullo's] right to due process.

The order of [LA Anni] was issued hastily and purposely to delay the execution of the judgment in the labor case which was decided in [Araullo's] favor.

The act of [LA Anni] in ordering the quashal of the writ of execution and lifting the notice of garnishment and thereafter inhibiting himself from taking further cognizance of the case were done in order to give undue advantage and benefit to Club Filipino whose President and counsel were fraternal brothers of [LA Anni].

The belated appearance of [Atty. Balbin] also as counsel of Club Filipino at the stage of execution of the labor judgment was considered highly irregular by [Araullo] who submits that Atty. Balbin was hired only to influence the decision of the public respondents as he was the former Executive Assistant IV of retired NLRC Chairman Roy Señeres.

[Araullo] averred that [LA] Anni and the lawyers of Club Filipino conspired together to delay the implementation of the decision of the court in the labor case. Thus, he also sued [Atty. De Leon], [Atty. Tabao] and [Atty. Balbin] for graft and corruption and held them responsible for the issuance of an unjust interlocutory order.

On the other hand, the act of the respondent NLRC Commissioners in sustaining the unjust interlocutory order of [LA] Anni made them responsible for issuing their own unjust interlocutory order. The manifest partiality of [LA Anni] towards his fraternity brothers was tolerated and supported by the respondent Commissioners when they affirmed the order that quashed the writ of execution and lifted the notice of garnishment. As

¹⁴ Id. at 299.

¹⁵ Id. at 312-315.

¹⁶ Id. at 98-131.

a result[,] [Araullo] was back to where he started and would have to undergo through all the efforts again if only to receive the award due him in the labor case. The delay caused [Araullo] so much pain and stress that he sued the respondent Commissioners for causing undue injury to him. Moreover, the affirmation given by the respondent Commissioners to [LA] Anni only meant that the said Commissioners gave undue advantage and favor also to Club Filipino.¹⁷

Araullo's charges were dismissed by the Office of the Ombudsman *via* the now assailed resolution¹⁸ issued by Graft Investigation and Prosecution Officer I Romualdo V. Francisco and approved by then Ombudsman Ma. Merceditas N. Gutierrez. It reasoned that the deferral in the execution of the judgment in favor of Araullo could not be attributed to the respondents in the criminal complaint.¹⁹ The presumption that the respondents regularly performed their official duty was not overcome by sufficient evidence. The LA's and NLRC's rulings were rendered pursuant to the Rules of Procedure of the NLRC. This finding then barred a prosecution for violation of Article 206 of the RPC. For the claim of violation of R.A. No. 3019, the Office of the Ombudsman also found no probable cause given Araullo's failure to establish that the respondents to his complaint gave undue advantage to Club Filipino, or that they acted with manifest partiality, evident bad faith, or gross and inexcusable negligence.

Feeling aggrieved, Araullo filed this petition for *certiorari* to assail the Office of the Ombudsman's dismissal of his criminal complaint.

The Court dismisses the petition.

The Court reiterates its policy of non-interference with the rulings of the Office of the Ombudsman, except in a clear case of grave abuse of discretion. The Court has emphasized in *Casing v. Ombudsman*²⁰ the nature and extent of the powers, authority and findings of the Office of the Ombudsman, as we held:

The Constitution and R.A. No. 6770 endowed the Office of the Ombudsman with wide latitude, in the exercise of its investigatory and prosecutory powers, to pass upon criminal complaints involving public officials and employees. Specifically, the determination of whether probable cause exists is a function that belongs to the Office of the Ombudsman. Whether a criminal case, given its attendant facts and circumstances, should be filed or not is basically its call.

¹⁷ Id. at 50-52.

¹⁸ Id. at 46-67.

¹⁹ Id. at 60.

²⁰ G.R. No. 192334, June 13, 2012, 672 SCRA 500.

As a general rule, the Court does not interfere with the Office of the Ombudsman's exercise of its investigative and prosecutorial powers, and respects the initiative and independence inherent in the Office of the Ombudsman which, "beholden to no one, acts as the champion of the people and the preserver of the integrity of the public service." While the Ombudsman's findings as to whether probable cause exists are generally not reviewable by this Court, where there is an allegation of grave abuse of discretion, the Ombudsman's act cannot escape judicial scrutiny under the Court's own constitutional power *and* duty "to determine whether or not there has been grave abuse of discretion amounting to lack or excess of jurisdiction on the part of any branch or instrumentality of the Government."²¹ (Citations omitted)

Given the subject of the present petition, the Court's inquiry shall then be limited to the question of whether the Office of the Ombudsman committed grave abuse of discretion in dismissing the criminal complaint filed by Araullo. By jurisprudence, "[g]rave abuse of discretion implies such capricious and whimsical exercise of judgment as is equivalent to lack of jurisdiction; or the exercise of power in an arbitrary or despotic manner by reason of passion, prejudice, or personal hostility. The abuse must be in a manner so patent and so gross as to amount to an evasion of a positive duty or to a virtual refusal to perform the duty enjoined or to act at all in contemplation of law."²²

Upon review, the Court has determined that the Office of the Ombudsman did not commit grave abuse of discretion. Explained clearly in the assailed resolution were the grounds that supported its finding of lack of probable cause, and which then justified the dismissal of the criminal complaints filed by Araullo.

Probable cause is defined as such facts as are sufficient to engender a well-founded belief that a crime has been committed, and that the persons being charged are probably guilty thereof.²³ "[It] can only find support in facts and circumstances that would lead a reasonable mind to believe that the person being charged warrants a prosecution."²⁴ To establish probable cause, Araullo, being the complainant, then should have proved the elements of the crimes alleged to have been committed. In addition, there should have been a clear showing of the respective participation of the respondents, to at least support a ruling that would call for their further prosecution.

Specifically for the charge of violation of Article 206²⁵ of the RPC which penalizes the issuance of unjust interlocutory orders, it was necessary

²¹ Id. at 507-508.

²² *Angeles v. Gutierrez*, G.R. Nos. 189161 & 189173, March 21, 2012, 668 SCRA 803, 818, citing *Roquero v. Chancellor of UP-Manila*, G.R. No. 181851, March 9, 2010, 614 SCRA 723, 729-730.

²³ *Tan, Jr. v. Matsuura*, G.R. No. 179003, January 9, 2013, 688 SCRA 263, 278-279.

²⁴ Id. at 281.

²⁵ Article 206. *Unjust Interlocutory Order*. – Any judge who shall knowingly render an unjust interlocutory order or decree shall suffer the penalty of *arresto mayor* in its minimum period and

to show that, *first*, the orders issued by the respondents to his complaint were unjust, and *second*, the said orders were knowingly rendered or rendered through inexcusable negligence or ignorance. On this matter, the Office of the Ombudsman correctly held that LA Anni's order for the quashal of the writ of execution, and the NLRC's resolution affirming it, were not unjust. Contrary to Araullo's claim, the rulings of the labor officials were in accordance with law and the rules of the NLRC, specifically since Rule XI, Section 4 of the 2005 NLRC Revised Rules of Procedure provided that:

Sec. 4. *Computation during execution.* – Where further computation of the award in the decision, resolution or order is necessary during the course of the execution proceedings, no writ of execution shall be issued until after the computation has been approved by the [LA] in an order issued after the parties have been duly notified and heard on the matter.

Given this provision, the quashal of the writ was then only necessary to rectify LA Anni's prior issuance of a writ of execution notwithstanding a pending motion for re-computation that was filed by Club Filipino. Araullo failed to establish that the labor officials were impelled by any motive other than the correction of this error. At any rate, this issue on the propriety of the quashal of the writ had been resolved by the Court in an earlier review. In *Romeo R. Araullo v. Office of the Ombudsman*,²⁶ which was an appeal from the Office of the Ombudsman's dismissal of Araullo's administrative complaint for grave misconduct against the same labor officials herein charged and also on the same basis of the quashal of LA Anni's writ of execution, the Court declared:

There is no doubt that [LA] Anni's July 29, 2008 Writ of Execution was procedurally irregular, as it pre-empted the NLRC Rules which require that where further computation of the award in the decision is necessary during the course of the execution proceedings, no Writ of Execution shall be issued until after the computation has been approved by the [LA] in an order issued after the parties have been duly notified and heard on the matter. When the writ was issued, there was as yet no order approving the computation made by the NLRC Computation and Examination Unit, and there was a pending and unresolved Motion to Recompute filed by Club Filipino. A cursory examination of the motion reveals that it raised valid issues that required determination in order to arrive at a just resolution, so that none of the parties would be unjustly enriched. For example, it appears that petitioner owed Club Filipino a substantial amount of money which the latter sought to deduct from the judgment award by way of compensation; if this is true, then the necessary adjustment in the award may be made to allow Club Filipino to recover what petitioner owes it, to the extent allowable by law.

suspension; but if he shall have acted by reason of inexcusable negligence or ignorance and the interlocutory order or decree be manifestly unjust, the penalty shall be suspension.

²⁶ G.R. No. 194169, December 4, 2013.

Since the Writ of Execution was issued in contravention of the law, it is irregular and defective, and there was no need to further hear Club Filipino's motion to quash the writ; [LA] Anni's issuance of the August 12, 2008 Order quashing the writ ahead of the scheduled August 20, 2008 hearing is therefore not improper. "A void judgment or order has no legal and binding effect, force or efficacy for any purpose. In contemplation of law, it is non-existent. x x x."

x x x x

On the part of the respondent Commissioners, the Court detects no irregularity in their actions either. While petitioner accuses them of gross misconduct for improperly affirming, through their October 29, 2008 Resolution, [LA] Anni's order quashing the Writ of Execution, the Court believes otherwise; they acted pursuant to the NLRC Rules, and averted further mistake and damage by affirming the quashing of an otherwise improvident writ.

The Court fails to discern any indication of malice, bad faith, misconduct, or even negligence in the respondents' actions. Nor are there signs of partiality or attempts to favor a party to the case. All their actions were aboveboard. x x x.²⁷ (Citation omitted)

Clearly, the Office of the Ombudsman committed no grave abuse of discretion in finding no probable cause for violation of Article 206 against the respondents labor officials. Without a finding of probable cause against these labor officials, the dismissal of the charge against Atty. Balbin, Atty. Tabao and Atty. De Leon, being private individuals who did not appear to conspire with their co-respondents for the commission of a criminal offense, was also warranted.

Similarly, there was no grave abuse of discretion in the dismissal of the complaint for violation of Section 3(e) of R.A. No. 3019. A violation under this provision entails the following:

- (1) the accused must be a public officer discharging administrative, judicial or official functions;
- (2) he must have acted with manifest partiality, evident bad faith or inexcusable negligence; and
- (3) that his action caused any undue injury to any party, including the government, or gave any private party unwarranted benefits, advantage or preference in the discharge of his functions.²⁸

The second and third elements are wanting in this case. With the Court's finding on the correctness of the LA's and NLRC's rulings, there could have been no undue injury suffered by Araullo notwithstanding the fact that the consequences of these rulings were unfavorable to him. It bears

²⁷ Id.

²⁸ *Belongilot v. Cua*, G.R. No. 160933, November 24, 2010, 636 SCRA 34, 48, citing *Collantes v. Hon. Marcelo*, 556 Phil. 794, 804 (2007).

mentioning that notwithstanding the labor officials' rulings, Araullo was not even left without any remedy to enforce the final judgment in his favor. The NLRC's endorsement of his case to the arbitration branch of origin was merely for the resolution of pending incidents in the case. It was necessary to hear these matters first in order to ensure that all the parties to the case were afforded due process. Time and again, the Court has emphasized that "[p]rocedural rules are not to be belittled or dismissed simply because their non-observance may have prejudiced a party's substantive rights. Like all rules, they are required to be followed except only for the most persuasive of reasons when they may be relaxed."²⁹

There was also no showing that the labor officials' actions were performed with manifest partiality, evident bad faith or inexcusable negligence. The Court explained in *People v. Atienza*³⁰ that in order to determine whether any of these circumstances attends a case, the following parameters should be considered:

There is "manifest partiality" when there is a clear, notorious, or plain inclination or predilection to favor one side or person rather than another. "Evident bad faith" connotes not only bad judgment but also palpably and patently fraudulent and dishonest purpose to do moral obliquity or conscious wrongdoing for some perverse motive or ill will. x x x [It] contemplates a state of mind affirmatively operating with furtive design or with some motive of self-interest or ill will or for ulterior purposes. "Gross inexcusable negligence" refers to negligence characterized by the want of even the slightest care, acting or omitting to act in a situation where there is a duty to act, not inadvertently but wilfully and intentionally, with conscious indifference to consequences insofar as other persons may be affected.³¹ (Citation omitted)

Araullo failed to prove that the respondents were impelled to act by any of such motives. The records instead indicate that the labor officials only wanted to satisfy the demands of law and their procedural rules.

Finally, the mere fact that Araullo's counsel was not furnished with a copy of Club Filipino's motion to quash the writ also failed to support Araullo's criminal complaint. As the Court had declared in *Araullo*, "it

²⁹ *D. M. Wenceslao and Associates, Inc. v. City of Parañaque*, G.R. No. 170728, August 31, 2011, 656 SCRA 369, 380; *People v. Court of Appeals*, G.R. No. 187409, November 16, 2011, 660 SCRA 323, 329.

³⁰ G.R. No. 171671, June 18, 2012, 673 SCRA 470.

³¹ *Id.* at 480-481.

appears that the apparent failure of petitioner's counsel to be served with a copy of the assailed decision did not prejudice [Araullo's] rights."³²

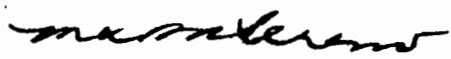
WHEREFORE, the petition is **DISMISSED** for lack of merit.

SO ORDERED.




BIENVENIDO L. REYES
Associate Justice

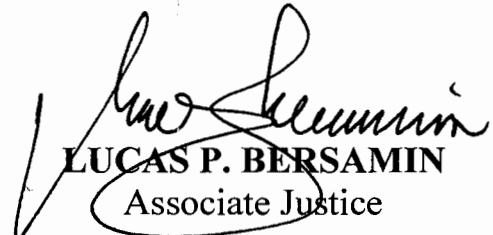
WE CONCUR:



MARIA LOURDES P. A. SERENO
Chief Justice
Chairperson



TERESITA J. LEONARDO-DE CASTRO
Associate Justice



LUCAS P. BERSAMIN
Associate Justice



MARTIN S. VILLARAMA, JR.
Associate Justice

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Supra note 26.

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, I certify 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

