

Title: Juliette Gomez Romualdez vs. The Court of Appeals, et al. (G.R. No. 230391 and G.R. No. 250746)

Facts:

First Philippine Holdings Corporation (FPHC) previously owned 6,299,177 shares in the Philippine Commercial and Industrial Bank (PCIB shares). These shares were sold to Trans Middle East (Phils.) Equities, Inc. (TMEE) and Edilberto S. Narciso, Jr., but were sequestered by the Presidential Commission on Good Government (PCGG) as ill-gotten wealth of Benjamin “Koko” Romualdez, petitioner’s husband. A complaint against Romualdez and others was filed by PCGG with the Sandiganbayan (Civil Case No. 0035). FPHC’s initial attempt to intervene was dismissed on prescription grounds, final after the Supreme Court affirmed the decision. A second complaint-in-intervention was also dismissed. Consequently, FPHC filed a petition to perpetuate the testimony of Juliette Gomez Romualdez, Benjamin’s widow, in the RTC, Makati, to ensure her testimony could be used in any future litigation due to her advanced age and deteriorating health. The RTC granted the petition, which was upheld by the CA, leading to Romualdez’s petitions to the Supreme Court questioning the jurisdiction and the merit of the perpetuation of her testimony.

Issues:

1. Whether the CA committed grave abuse of discretion in allowing execution pending appeal of the RTC’s Orders, granting the petition to perpetuate the testimony of petitioner.
2. Whether the RTC lacks jurisdiction to take cognizance and dispose of FPHC’s petition.
3. Whether FPHC’s petition to perpetuate testimony of petitioner has a basis.

Court’s Decision:

The Supreme Court granted the petitions, ruling that the CA committed grave abuse of discretion in ordering execution pending appeal and reversed the CA’s decision affirming the RTC’s orders. The Supreme Court found the petition to perpetuate testimony devoid of merit, highlighting the lack of connection between TMEE and Romualdez and the inappropriateness of compelling Romualdez to testify about communications received in confidence from her late husband, which is prohibited under the marital privilege rule. The Orders of the RTC were vacated and set aside, and the petition for perpetuation of testimony was denied.

Doctrine:

1. The doctrine that execution pending appeal is an extraordinary remedy and should only

be granted in exceptional circumstances requiring reasons that constitute superior circumstances demanding urgency outweighing potential injury or damages.

2. The marital privilege rule under Section 24, Rule 130 of the Rules of Court, which prohibits a spouse from testifying against the other regarding confidential communications received during marriage, except in specific cases.

Class Notes:

- Execution pending appeal: An extraordinary remedy, granted only with compelling reasons and when injury or damage from a delay outweighs the risk of reversal on appeal.
- Marital privilege: Protection against compelled testimony regarding confidential communications between spouses during marriage, with limited exceptions.
- Jurisdiction: The authority of a court to hear a case, which is determined by the subject matter and the relief sought.
- Abuse of discretion: Occurs when a judicial decision is arbitrary, capricious, or whimsical, indicating a lack of a reasonable basis.

Historical Background:

This case arose in the context of the recovery of alleged ill-gotten wealth during the Marcos regime in the Philippines. The PCGG was established after the 1986 People Power Revolution with the mandate to recover assets and monies amassed through corrupt practices by former President Ferdinand Marcos, his family, and associates, including Benjamin "Koko" Romualdez. The involvement of courts at different levels and the extensive length of litigation highlight the complexity and enduring nature of legal battles associated with the Marcos era.