

Title: Roberto V. San Jose and Delfin P. Angcao vs. Jose Ma. Ozamiz

Facts:

Roberto V. San Jose was elected Corporate Secretary of Philcomsat Holdings Corporation (PHC) on July 17, 1996, and later a Board Director on January 10, 1997. Delfin P. Angcao was elected Assistant Corporate Secretary on October 8, 1999. San Jose resigned from his positions in early to mid-2007, and Angcao succeeded him as Corporate Secretary.

Jose Ma. Ozamiz, a PHC stockholder since January 6, 1997, requested in May 2007 to inspect PHC's board and executive committee meeting minutes from 2000 to 2007. His request was deferred pending the outcome of a similar case and because of perceived affiliations with another individual, Victor Africa, involved in a legal matter against PHC. Despite follow-ups, Ozamiz did not receive the requested documents or explanations.

On June 20, 2007, the board referred Ozamiz's request to the PHC Legal Committee due to the existing Africa case. With no further action taken, Ozamiz filed a complaint on March 25, 2008, for inspection of books with the Regional Trial Court (RTC).

Petitioners argued that the RTC lacked jurisdiction due to the majority ownership of PHC by entities under the sequestration of the Presidential Commission on Good Government (PCGG), citing the case should fall to the Sandiganbayan.

The RTC dismissed the complaint for lacking jurisdiction, stating the case connected to sequestered companies. Ozamiz appealed to the Court of Appeals (CA), asserting it was an intra-corporate controversy under the RTC's jurisdiction. The CA reversed the RTC's Order, reaffirming that PHC was not sequestered itself and the dispute was intra-corporate.

Issues:

1. Whether the CA erred in assuming jurisdiction over the petition for review.
2. Whether the CA erred in ruling that the RTC had jurisdiction over the case, not the Sandiganbayan.
3. If the case concerns the assets of a sequestered corporation or is merely an intra-corporate dispute.

Court's Decision:

The Supreme Court found no merit in the petitioners' arguments, affirming the CA's decisions. The appeal to the CA under Rule 43 was held proper, given the case was an intra-corporate dispute within the RTC's jurisdiction as per A.M. No. 04-9-07-SC. Applying

relationship and nature of controversy tests confirmed the case's intra-corporate nature.

The Supreme Court further reinforced that PHC's majority shares' sequestration did not automatically make all disputes about PHC subject to Sandiganbayan-exclusive jurisdiction. The Supreme Court highlighted that jurisdiction over sequestered assets pertains to cases that connected directly to ill-gotten wealth of former President Marcos and his regime, not every case related to a company with sequestered assets. Thus, the CA did not err in returning the subject matter to the RTC.

Doctrines:

- Intra-corporate disputes between a stockholder and corporation related to the enforcement of rights and obligations under the Corporation Code and the corporation's internal rules fall within the jurisdiction of the RTC, not the Sandiganbayan.
- Ownership of corporation shares by a sequestered entity does not automatically transfer all related disputes to the Sandiganbayan.

Class Notes:

1. Stockholder's Right to Inspect: A stockholder has the right under Section 74 of the Corporation Code to inspect the books and records of a corporation given certain conditions.
2. Intra-corporate Dispute: A dispute qualifies as intra-corporate if it involves issues among the stockholders or between the corporation and its stockholders, supervisors under the provisions of the Corporation Code and related laws or corporate by-laws.
3. On Jurisdiction: Jurisdiction over intra-corporate controversies lies with the RTC, not the SEC or Sandiganbayan (RA No. 8799).
4. Sequestration and Jurisdiction: The scope of Sandiganbayan jurisdiction under PD 1606 as amended by RA No. 8249 extends to cases involving ill-gotten wealth under Executive Orders related to the Marcos regime.

Historical Background:

This case arose in the context of controversies surrounding the assets and corporate control related to the larger issue of ill-gotten wealth amassed during the Marcos dictatorship, which led to the creation of the PCGG and subsequent sequestration orders. The corporate milieu involved entities formerly under sequestration by the PCGG—a measure introduced after the 1986 EDSA Revolution to recover assets believed to be illegitimately acquired by Marcos and his associates.