

### Title:

**\*\*Sibayan vs. Alda: A Case on Banking Misconduct and the Limits of Discovery in Administrative Proceedings\*\***

### Facts:

The root of this case is a letter-complaint by Elizabeth O. Alda, through her daughter and attorney-in-fact, Ruby O. Alda, against Norlina G. Sibayan, then the Assistant Manager and Marketing Officer of Banco De Oro Unibank, Inc. (BDO) San Fernando, La Union Branch. Alda accused Sibayan of unauthorized deduction from her BDO Savings Account and failure to post certain check deposits. Despite no withdrawals made between 2008-2009, Alda's account significantly dropped from PHP 1,071,561.73 to PHP 334.47. Additionally, two crossed manager's checks totaling over PHP 4.9 million were not posted to her account.

Sibayan argued the charges were to harass her and BDO, referencing a criminal case BDO filed against Alda, Ruby, and others for unlawfully withdrawing large sums due to a system error following BDO's merger with Equitable PCI. BDO's investigation revealed unauthorized withdrawals made by Ruby using a Fastcard account, admitted to by Ruby's execution of certain documents relinquishing various properties to BDO, including Alda's account for debt repayment.

Upon the OSI-BSP's prima facie case establishment and formal charges, Sibayan sought discovery requests—written interrogatories to Alda, Ruby, and Ferdinand, and bank document productions from UCPB and BPI regarding the accounts involved. These requests were denied by the OGCLS-BSP, which the CA later affirmed, leading to Sibayan's appeal to the Supreme Court.

### Issues:

The central legal issue revolves around whether the OGCLS-BSP committed grave abuse of discretion by denying Sibayan's discovery modes, particularly the requests for written interrogatories and production of bank documents.

### Court's Decision:

The Supreme Court upheld the CA's decision, stating no error or grave abuse of discretion in the OGCLS-BSP's denial of Sibayan's discovery requests. It emphasized that administrative proceedings do not necessitate strict adherence to technical rules of procedure and evidence, including discovery measures. The court also stated the summary nature of administrative proceedings should facilitate expeditious resolutions without

extensive discovery processes. Furthermore, the denial for bank document production is justified by the confidentiality of bank deposits as mandated by the Law on Secrecy of Bank Deposits, except in specified exceptions that did not apply in this case.

**### Doctrine:**

The case reiterated the principle that administrative investigations are characterized by summary proceedings, aiming for prompt resolution without strictly following technical rules of procedure and evidence. It confirmed that the denial of discovery requests to prevent undue delays aligns with the goals of administrative due process, which primarily requires giving parties the opportunity to be heard.

**### Class Notes:**

- Administrative proceedings prioritize the summary and expedited resolution over strict procedural adherence.
- Discovery mechanisms under the Rules of Court are not compulsory in administrative settings.
- Bank deposit secrecy prohibits examination of bank accounts without depositor's consent or specific legal exceptions.
- Administrative due process is satisfied through reasonable opportunity to explain one's side, not necessarily through formal hearings or strict procedural rules.

**### Historical Background:**

This case underscores the balance between procedural flexibility in administrative proceedings and the safeguarding of due process, within the context of banking regulations and the confidentiality of financial transactions. It illustrates the complexities arising from the intersection of criminal, administrative, and banking laws, especially regarding alleged financial misconduct and the subsequent administrative review mechanisms.