

Title: Securities and Exchange Commission, National Bureau of Investigation, and Department of Justice vs. Rizza G. Mendoza, et al.

Facts:

On March 26, 2001, the National Bureau of Investigation (NBI) obtained a search warrant from the Regional Trial Court (RTC) of Makati City, Branch 63, to seize documents at the offices of Amador Pastrana and Rufina Abad related to violations of the Securities Regulation Code (SRC) and estafa. Following the search, a criminal complaint was filed by the SEC at the DOJ against several individuals including Mendoza, Lee, and Compendio for SRC violations.

Mendoza and others filed an injunction on July 11, 2001, in the Muntinlupa RTC to prevent the use of the seized documents, arguing that the failure to immediately turn over the seized items to the issuing court rendered their seizure illegal. Muntinlupa RTC issued a TRO, which was later replaced by a preliminary injunction.

Simultaneously, Pastrana and Abad, who hadn't joined the injunction, moved to quash the search warrant in Makati RTC for covering multiple offenses against the procedural mandate.

Following unsuccessful motions for reconsideration and to dismiss in Muntinlupa RTC, the three agencies (SEC, NBI, and DOJ) sought relief from the Court of Appeals (CA), which upheld Muntinlupa RTC's orders. During the proceedings, Makati RTC nullified the search warrant and ordered the return of the seized items, but the CA did not dismiss the petition for mootness.

Issues:

1. Whether the CA erred in holding that the Muntinlupa RTC had jurisdiction to entertain Mendoza's injunction action.

Court's Decision:

The Supreme Court reversed the CA's decision, holding that the CA had erred. It was clarified that only the court which issued the search warrant (Makati RTC) had jurisdiction over issues related to the warrant's issuance and the suppression of evidence obtained through it, as long as no criminal action had been instituted elsewhere. Since Mendoza's injunction sought to suppress the use of seized evidence, it should have been filed with

Makati RTC. The Supreme Court ordered the dismissal of the action for prohibition and injunction filed in Muntinlupa RTC for lack of jurisdiction over the subject matter.

Doctrine:

The Supreme Court reiterated the doctrine that motions to quash a search warrant or to suppress evidence obtained thereby could only be filed and acted upon by the court that issued the search warrant if no criminal action had been instituted. This was derived from Section 14 of Rule 126 of the Rules on Criminal Procedure.

Class Notes:

- A search warrant application is not a criminal action or commencement of prosecution.
- A search warrant proceeding is for the discovery and possession of personal property related to a crime.
- Parties not involved in the issuance of a search warrant can question its use or seek suppression of evidence obtained under it.
- Jurisdiction over motions to quash a search warrant or to suppress evidence lies exclusively with the issuing court, provided no criminal action related to the evidence has been initiated elsewhere.

Historical Background:

This case underscores the procedural intricacies involved in challenging the legality of search warrants and the use of seized evidence in the Philippines. It highlights the crucial role of jurisdiction and the necessity for litigants to seek redress in the appropriate forum, drawing a distinct line between the authority of different trial courts over such matters. This decision clarifies the procedural route for contestations regarding evidence acquired through search warrants, emphasizing adherence to the procedural safeguards established for the protection of rights.