

****Title:**** Santos, Sobrepeña, and Perez de Tagle, Jr. vs. Wilson Go

****Facts:****

The case involves Ferdinand T. Santos, Robert John Sobrepeña, and Rafael Perez de Tagle, Jr., corporate directors and officers of Fil-Estate Properties, Inc. (FEPI), and respondent Wilson Go. On October 17, 1995, FEPI entered into a Project Agreement with Manila Southcoast Development Corporation (MSDC) to develop approximately 1,269 hectares in Nasugbu, Batangas into a mixed-use complex, granting FEPI authority to sell subdivision lots. Go entered into a Contract to Sell for a lot with FEPI, which failed to develop the property and deliver the Transfer Certificate of Title (TCT) despite receiving full payment. FEPI's delay was attributed to legal challenges and a Department of Agrarian Reform (DAR) cease and desist order. Go filed complaints with the Housing and Land Use Regulatory Board (HLURB) and for estafa under the Revised Penal Code against the petitioners with the Office of the City Prosecutor of Pasig City.

The City Prosecutor initially dismissed the estafa complaint citing insufficient evidence and lack of jurisdiction, favoring HLURB jurisdiction. Go appealed to the Department of Justice (DOJ), which reversed the City Prosecutor's findings, ordering the filing of an information for estafa against the petitioners. Subsequently, petitioners sought review from the Court of Appeals under Rule 43, which was dismissed as it was found to be an inappropriate mode of appeal. They then moved to the Supreme Court via a petition for review on certiorari.

****Issues:****

1. Whether Rule 43 applies to appeals from resolutions of the Secretary of Justice on matters of criminal prosecution.
2. Whether the DOJ erred in finding probable cause for estafa against the petitioners.
3. The appropriateness of the preliminary investigation process in assessing corporate and individual liability in real estate transactions.

****Court's Decision:****

The Supreme Court affirmed the Court of Appeals' decision and resolution dismissing the petition for review under Rule 43 as the Secretary of Justice's resolutions do not fall under the quasi-judicial functions appealable by this rule. It further elucidated that the Department of Justice, when conducting preliminary investigations or reviewing prosecutors' decisions for probable cause, does not exercise quasi-judicial functions akin to courts or quasi-judicial agencies. On the main issue, the Court remained unpersuaded to overturn the DOJ's finding of probable cause for estafa, emphasizing distinctions in the

scope of issues reviewable under a petition for certiorari—which precludes factual reevaluations—and stressing deference to executive discretion in prosecutorial function absent grave abuse.

****Doctrine:****

The doctrine established by this case reiterates that preliminary investigations by the prosecutor or the review thereof by the Secretary of Justice are not quasi-judicial processes. Accordingly, their findings or decisions are not appealable via Rule 43 of the 1997 Rules of Civil Procedure, which applies only to decisions from quasi-judicial agencies.

****Class Notes:****

- ****Quasi-Judicial vs Executive Functions:**** Not all functions performed by executive agencies are quasi-judicial. The determination of probable cause by the Secretary of Justice in criminal complaints is an executive, not a quasi-judicial function.
- ****Scope of Rule 43:**** Appeals under Rule 43 of the 1997 Rules of Civil Procedure are limited to agencies performing quasi-judicial functions, excluding the Department of Justice.
- ****Preliminary Investigation:**** It is an inquisitorial process aimed solely at determining whether a crime has been committed and whether there is probable cause to believe the accused guilty thereof. It does not adjudicate on rights or liabilities.
- ****Estafa Under the Revised Penal Code:**** Articles 316 and 318 outline the forms of swindling, including deceitfully inducing another to part with something of value.

****Historical Background:****

This case underscores the procedural distinctions in administrative and judicial avenues for challenging decisions in criminal prosecutions in the Philippines. It highlights the limitations on appellate review over prosecutorial discretion and probable cause determinations, situating the role of the prosecutors and the Secretary of Justice within the executive branch's sphere, distinct from quasi-judicial or adjudicatory functions. This demarcation reaffirms the policies regarding separation of powers and emphasizes judicial restraint in substituting executive determinations with judicial discretion, except in instances of grave abuse.