

### Title: Republic of the Philippines v. Lt. Col. George Abonito Rabusa, Ma. Debbie Arevalo Rabusa, and Felix Arevalo

### Facts:

The Republic of the Philippines sought the forfeiture of properties allegedly unlawfully acquired by Lt. Col. George Abonito Rabusa and his associates under R.A. No. 1379. The petition filed in December 2004 detailed Rabusa's government service since 1981, discrepancies in his and his family's assets and expenses vis-à-vis their declared incomes, and several properties and financial accounts not disclosed in his SALNs. The investigation by the Office of the Ombudsman led to the discovery of various assets, excessive family expenses, undeclared bank accounts with substantial amounts, and foreign travels, suggesting wealth grossly disproportionate to lawful income.

The Regional Trial Court (RTC) of Makati dismissed the petition for lack of preponderance of evidence. This decision was sustained by the Court of Appeals (CA), which also held that certain bank deposits could not be examined due to the Bank Secrecy Law (R.A. No. 1405) without considering exceptions applicable to the case.

### Issues:

1. Whether the CA erred in ruling that exceptions to the Bank Secrecy Law do not apply.
2. Whether foreign currency deposits are protected from disclosure without depositor's consent under R.A. No. 6426.
3. The admissibility and weight of evidence related to Rabusa's AFPSLAI accounts and pay-ins for insurance policies.

### Court's Decision:

The Supreme Court partially granted the petition, finding that:

1. **Bank Deposits Disclosure**: Majority of Rabusa's bank deposits fall under the exceptions to R.A. No. 1405, allowing inquiry into accounts for cases of unexplained wealth. However, foreign currency deposits remain protected under R.A. No. 6426 without written consent from the depositor.
2. **AFPSLAI Accounts and Insurance Payments**: The CA did not err in accepting that deposits might include funds from relatives and friends and that insurance payments stemmed from monetary gifts. These findings are supported by testimonial evidence and do not warrant overturning by the Supreme Court.
3. **Remand for Further Proceedings**: The case is remanded to the RTC for reconsideration of evidence related to Rabusa's bank accounts previously excluded from

analysis.

### Doctrine:

- Bank deposits can be examined upon a competent court's order in cases of bribery, dereliction of duty of public officials, and where money deposited is the subject matter of the litigation, extending to cases of unexplained wealth under R.A. No. 1379.
- Foreign currency deposits enjoy stricter confidentiality under R.A. No. 6426, only breached by depositor's written consent.

### Class Notes:

- **\*\*Unexplained Wealth\*\***: Public officers accumulating wealth manifestly disproportionate to their income and lawful earnings are subject to forfeiture proceedings under R.A. No. 1379.
- **\*\*Bank Secrecy\*\***: Exceptions to the secrecy of bank deposits include cases where the deposit itself is questioned or in cases of public officer's misconduct (bribery, dereliction, unexplained wealth).
- **\*\*Evidence in Civil Cases\*\***: Preponderance of evidence determines the balance of evidence in forfeiture proceedings, considering all relevant facts and testimonies.

### Historical Background:

This case highlights the application and limits of bank secrecy laws in the Philippines against the backdrop of efforts to combat corruption and recover unexplained or unlawfully acquired wealth by public officials, enhancing the jurisprudence on ensuring accountability and integrity within public service.