

Facts:

1. **Cease Desist Order Issued:** On February 14, 2019, the SEC issued a Cease and Desist Order (CDO) against Kapa-Community Ministry International, Inc. (KAPA) due to violations of the Securities Regulation Code (RA 8799).
2. **Initial Motion Withdrawn:** KAPA initially sought the lifting of the CDO from the SEC but eventually withdrew the motion.
3. **Injunction Case Filed:** On March 1, 2019, KAPA filed a case for an injunction with the RTC, Branch 58 of General Santos City, South Cotabato, including applications for a temporary restraining order (TRO) and a writ of preliminary injunction (WPI). The filing was based on claims of violation of religious freedom.
4. **PRTC 58 Rules on 72-hour TRO:** On the same day, RTC Branch 58 denied KAPA's prayer for a 72-hour TRO citing that KAPA's proper remedy was to file for lifting of the CDO before the SEC.
5. **Case Ruffled to RTC Branch 35:** The case was raffled to RTC Branch 35 presided over by Hon. Oscar P. Noel, Jr.
6. **Direct Notices and Exundi:** The SEC received a Notice of Hearing for March 13, 2019 while respondent judge Oscar P. Noel, Jr. expunged SEC's manifestation challenging the court's jurisdiction.
7. **TRO and WPI Issued by RTC Branch 35:** RTC Branch 35 issued a 20-day TRO on March 19, 2019, and later a WPI on April 4, 2019, in favor of KAPA maintaining that the matter involved constitutional rights beyond the SEC's authority on securities trading.
8. **SEC Files Complaint:** In response, the SEC filed an administrative complaint for Gross Ignorance of the Law against respondent Judge Oscar P. Noel Jr., citing that RTC cannot interfere with or overturn SEC orders per Section 179 of RA 11232 (Revised Corporation Code).
9. **Respondent's Defense:** Respondent claimed the charges were baseless and highlighted that SEC neglected its duty to defend its position in court. He argued that the RTC had jurisdiction over constitutional issues raised by KAPA.
10. **OCA Report:** On August 11, 2020, the OCA recommended suspension for respondent due to actions outside the scope of judicial competence and highlighted previous infractions.

Issues:

1. **Jurisdictional Overreach by RTC:** Whether the RTC, presided over by Judge Noel, acted beyond its jurisdiction by issuing a TRO and WPI against an order of the SEC, a co-equal body.

2. **Ignorance of Basic Judicial Principles:** Whether Judge Noel displayed gross ignorance of the law and basic judicial principles, contravening statutory and jurisprudential rules relating to jurisdictional boundaries.
3. **Gross Ignorance and Administrative Liability:** Whether Judge Noel's actions warranted administrative liability under gross ignorance of the law, considering his past infractions.

Court's Decision:

1. **Jurisdictional Overreach Confirmed:** The Supreme Court confirmed that the RTC had no authority to issue a TRO and WPI contra the SEC's CDO under Section 179 of RA 11232, which explicitly restricts courts below the Court of Appeals from interfering with SEC actions.
2. **Violation of Doctrine of Primary Jurisdiction:** By issuing orders that effectively restrained an SEC order related to securities law enforcement, respondent undermined the primary jurisdiction provided to the SEC over such matters.
3. **Gross Ignorance of the Law Established:** The Court found sufficient grounds to hold respondent Judge Noel administratively liable, emphasizing his lack of adherence to well-settled principles regarding co-equal institutional boundaries and previous instances establishing a pattern of behavior.
4. **Penalty Imposed:** Given the respondent's previous infractions consisting of an admonishment and a reprimand, dismissal was considered but not imposed. Instead, the Court meted a two-year suspension without salary and benefits, along with a stern warning of stricter penalties for future infractions.

Doctrine:

1. **Non-interference Principle:** Courts of equal rank, including quasi-judicial bodies (like the SEC), should not interfere with each other's jurisdiction in matters within the special competency of a given body.
2. **Primary Jurisdiction:** Administrative bodies like the SEC must first decide on matters within their special technical expertise before courts can intervene, particularly where such intervention would overreach established statutory boundaries.
3. **Judicial Stability Doctrine:** This doctrine underscores the importance of jurisdictional respect among co-equal bodies and institutions to maintain judicial order and efficacy.

Class Notes:

1. **Jurisdiction:** Essential for law students to understand the demarcation between various judicial and quasi-judicial bodies. Section 179 of RA 11232 limits lower courts from

issuing injunctions against SEC actions.

2. **Gross Ignorance of the Law:** A deep understanding of established legal principles and statutory mandates is crucial. Ignorance extends beyond simple errors to encompass disregard for fundamental legal doctrines.

3. **Administrative Accountability:** Familiarity with Rule 140, as amended, is critical for examining how administrative disciplinary actions function within the judicial system, enhancing integrity and public trust.

Historical Background:

The context involves increasingly complex interactions between constitutional rights assertions (like religious freedom) and statutory obligations (like securities regulation). The case underscores the judiciary's evolution in balancing legal interpretations with broader administrative authorities bestowed upon regulatory bodies like the SEC, especially with the enactment of the revised Corporation Code (RA 11232) highlighting modern corporate governance and regulation shifts.