

Title: Jonathan Y. Dee vs. Harvest All Investment Limited, Victory Fund Limited, Bondeast Private Limited, et al.

Facts:

1. **Filing of the Case:**

- In 2015, Harvest All Investment Limited, Victory Fund Limited, Bondeast Private Limited, Albert Hong Hin Kay, and Hedy S.C. Yap-Chua (collectively “Harvest All, et al.”) filed COMM’L CASE NO. 15-234 with the Regional Trial Court (RTC) of Pasig City, Branch 159.

2. **Contention of Harvest All, et al.:**

- They sought to compel the holding of the 2015 Annual Stockholders’ Meeting (ASM) of Alliance Select Foods International, Inc. on the date set in the corporation’s by-laws, which was before the completion of the Stock Rights Offering (SRO).

3. **Events in Question:**

- Despite their petition, the SRO was completed on October 28, 2015, and the 2015 ASM was held on March 1, 2016, followed by the next ASM on June 28, 2016. No injunction or restraining order was issued against these events.

4. **Initial Court Findings:**

- The RTC proceeded with the case, and the Court of Appeals (CA) ruled in favor of Harvest All, et al.’, sustaining their position and ordering the remand of COMM’L CASE NO. 15-234 to the RTC for further proceedings.

5. **Appeal to Supreme Court:**

- Petitions for reconsideration were filed by Jonathan Y. Dee, along with George E. SyCip, Erwin M. Elechicon, Alliance Select Foods International, Inc., Mary Grace T. Vera-Cruz, Antonio C. Pacis, Raymund K.H. See, and Barbara Anne C. Migallos (collectively “movants”). They argued that supervening events had rendered the case moot and academic.

6. **Contention of Movants:**

- They highlighted that all the contested actions (SRO, 2015 ASM, and 2016 ASM) had already taken place; therefore, continuing further court proceedings would be futile.

7. **Harvest All, et al. Counter-Argument:**

- They maintained that supervening events do not render the case moot since the actions by movants cannot render the court’s authority irrelevant by their own actions.

8. **Supreme Court Resolution**:

- The Supreme Court, through its Decision dated March 15, 2017, and subsequent Resolution on April 2017, upheld the need for the RTC to first resolve certain procedural issues relating to docket fees before proceeding to the merits of the case.

Issues:

1. **Jurisdictional Issue**:

- Whether Harvest All, et al. paid the correct docket fees when filing COMM'L CASE NO. 15-234, particularly whether the fees should be based on the P1 Billion value of the SRO.

2. **Good Faith in Payment of Filing Fees**:

- If the docket fees were insufficient, whether such payment was made in good faith and without intent to defraud the government.

Court's Decision:

1. **Jurisdictional Issue**:

- The Court determined that the resolution of whether the filing fees were sufficient is necessary to establish the RTC's jurisdiction over the case. This issue does not impact the merits of the case but must be addressed as a preliminary matter.

- The case was remanded to the RTC to determine the sufficiency of the filing fees paid by Harvest All, et al.

2. **Good Faith in Payment of Filing Fees**:

- The Court held that the RTC should make the proper determination on whether the alleged insufficient filing fees were paid in good faith without intent to defraud.

3. **Mootness Argument**:

- The Court deferred the determination of whether supervening events rendered the case moot and academic to the RTC. The movants' motions for reconsideration, which reiterated previously assessed issues, were denied.

Doctrine:

- **Jurisdiction Based on Proper Filing Fees**:

- The sufficiency and correct payment of filing fees are essential prerequisites for a court to acquire jurisdiction over a case.

- **Good Faith Principle**:

- Good faith in the payment of inadequate filing fees can mitigate against severe sanctions if

the payment was made without any intent to defraud.

****Class Notes**:**

- ****Key Elements**:**

- **Jurisdiction Requirements:** Correct filing fees must be paid to acquire jurisdiction.
- **Good Faith in Compliance:** Insufficiencies in compliance may be excused if done in good faith and without fraudulent intent.
- **Mootness:** Supervening events must be examined to determine their impact on the continuation of a case.

- ****Relevant Legal Provisions**:**

- ****Rule 141, Section 1 of the Rules of Court**:** Governs the payment of legal fees and the basis for computation.
- ****Doctrine of Jurisdiction by Proper Filing Fees**:** A court must have both subject matter jurisdiction and personal jurisdiction, which can be contingent upon the correct payment of filing fees.

****Historical Background**:**

- The case is contextualized within the corporate governance and rights of minority shareholders in the Philippines, particularly the procedural complexities associated with enforcing corporate regulations and ensuring that corporate actions comply with the company's by-laws and legal standards. The dispute underscores the importance of appropriate procedural compliance and the potential consequences of non-compliance on corporate operations and stakeholders' rights.