Title:

Eligio P. Mallari vs. Government Service Insurance System and the Provincial Sheriff of Pampanga

Facts:

In 1968, Eligio P. Mallari obtained two loans totaling PHP 34,000 from the Government Service Insurance System (GSIS), secured by mortgaging two parcels of land. Mallari made payments of PHP 10,000 on May 22, 1978, and PHP 20,000 on August 11, 1978, significantly underpaying the loans. GSIS endeavored multiple times to recover the outstanding balance through reminders and demands, which were unheeded by Mallari.

Timeline of Events:

- 1. **May 2, 1979:** GSIS sent a reminder about the unpaid balance.
- 2. **November 2, 1981:** GSIS issued a telegraphic demand to update the account.
- 3. **November 10, 1981:** Mallari requested a final accounting.
- 4. **March 21, 1984:** GSIS applied for extrajudicial foreclosure due to non-payment.
- 5. **July 21, 1986:** GSIS commenced foreclosure proceedings.
- 6. **August 22, 1986:** Mallari filed Civil Case No. 7802 to enjoin foreclosure.
- RTC nullified foreclosure; GSIS appealed.

Procedural History:

- **March 27, 1996:** Court of Appeals (CA) reversed RTC decision.
- **September 16, 1996:** Supreme Court denied Mallari's petition for review.
- **January 15, 1997:** Supreme Court denied Mallari's motion for reconsideration, making CA's decision final and executory.
- **October 8, 1999:** RTC granted GSIS's ex parte motion for writ of execution and possession.
- **Subsequent Actions:** Mallari filed numerous motions and legal actions to delay enforcement, including attempts to quash the writ of execution and filings for indirect contempt.
- **March 15, 2002:** Mallari filed a petition for certiorari in CA, which was dismissed.

Issues:

- 1. **Whether the RTC orders granting the writ of execution and possession were valid given the alleged lack of notice.**
- 2. **Whether the subsequent motions filed by Mallari constituted dilatory tactics and an

abuse of court processes.**

- 3. **Whether the CA erred in dismissing the petition for certiorari as untimely and improperly filed.**
- 4. **Whether Mallari's conduct as a lawyer violated the Code of Professional Responsibility and the Lawyer's Oath.**

Court's Decision:

Petition Lacked Merit:

- **Timeliness of Certiorari Petition:** The Supreme Court found that Mallari's certiorari petition to the CA, questioning multiple orders of the RTC, was filed beyond the 60-day reglementary period and thus was procedural improper and tardy.
- **Nature and Issuance of Writ of Possession:** The issuance of the writ of possession was a ministerial duty of the court upon the consolidation of GSIS's title. There was no requirement to notify Mallari, who had no right to challenge the writ after failing to redeem the property within the statutory period.
- **Indirect Contempt Charges:** Mallari's motions for indirect contempt failed to adhere to the procedural rules, specifically the necessity of filing a verified petition and paying the filing fees, leading to their dismissal.
- **Lawyer Misconduct:** The Court found Mallari's repeated, frivolous filings intended to delay the writ of possession demonstrated misconduct, violating Canon 10, Rule 10.03 of the Code of Professional Responsibility. The Court directed the Integrated Bar of the Philippines to investigate Mallari for these violations.

Doctrine:

- 1. **Finality of Decisions:** Once a decision becomes final and executory, the prevailing party has the right to its execution (Buaya vs. Stronghold Insurance Co., Inc.).
- 2. **Ministerial Duty to Issue Writs:** Issuing a writ of possession following an extrajudicial foreclosure sale is a ministerial function which does not require notice to the defaulting mortgagor (De Jesus vs. Obnamia).
- 3. **Proper Initiation of Indirect Contempt Proceedings:** Charges for indirect contempt must be initiated by a verified petition unless the court itself initiates it (Rule 71, Section 4 of the 1997 Rules of Civil Procedure).

Class Notes:

- **Key Elements:**
- Final and executory judgments must be executed without unwarranted delay.
- Ministerial acts by the court leave no room for discretion.
- Procedural adherence in indirect contempt proceedings, including proper filings and verified petitions.
- Rule 10.03, Canon 10 (Code of Professional Responsibility) prohibits misuse of procedural rules by lawyers.

Relevant Statutes:

- **Act No. 3135:** Governing extrajudicial foreclosure of real estate mortgages.
- **Rule 71, Section 4, 1997 Rules of Civil Procedure: ** Guidelines for initiating indirect contempt proceedings.
- **Section 28, Rule 39, Rules of Court:** Redemption timelines post-registration of the foreclosure sale.

Historical Background:

This case arose in the context of the judicial foreclosure practices in the Philippines, which seek to balance creditor rights with debtor protections. The case underscores the judicial system's intolerance of dilatory tactics that impede the timely execution of final judgments, emphasizing the ministerial nature of issuing writs in foreclosure proceedings.