

People of the Philippines vs. Priscilla Balasa et al.

Facts:

1. **Foundation Registration and Operations:**

- On July 6, 1989, the Panata Foundation of the Philippines, Inc., a non-stock, non-profit corporation, was registered with the Securities and Exchange Commission (SEC).
- The incorporators were Priscilla Balasa, Normita Visaya, Analina Francisco, and others.
- Key management figures were Priscilla Balasa, Normita Visaya, Norma Francisco, Guillermo Francisco, and Analina Francisco.

2. **Investment Scheme:**

- The Foundation solicited deposits from the public, promising to double investments within 21 days or triple them within 30 days.
- Depositors were issued "slots" analogous to checks, bearing the Foundation's SEC registration.
- Early investors received their promised returns, leading to increased investments.

3. **Collapse of Operations:**

- On November 29, 1989, the Foundation failed to open and meet its payout obligations.
- Priscilla Balasa claimed the funds were invested in the stock market and announced resumption on December 4, 1989, but operations did not resume.

4. **Legal Proceedings:**

- Sixty-four informations for estafa under Presidential Decree No. 1689 were filed against Priscilla Balasa and others.
- Several cases were raffled to different branches of the Regional Trial Court (RTC) of Palawan.
- Some accused, including Priscilla Balasa and Normita Visaya, escaped custody.
- The trial proceeded with Guillermo Francisco and Norma Francisco presenting evidence while Analina Francisco, a deaf-mute, did not testify.

5. **Trial and Conviction:**

- The RTC found the accused guilty of estafa, with Guillermo and Norma Francisco receiving reclusion perpetua.
- Decisions from Branch 50 and Branch 52 directed restitution of defrauded amounts to various complainants.

6. **Appeals:**

- Guillermo Francisco and Norma Francisco appealed their convictions on grounds such as lack of evidence and denial of conspiracy.

Issues:

1. **Sufficiency of Evidence:**

- Whether the evidence presented was sufficient to convict appellants beyond reasonable doubt.

2. **Existence of Conspiracy:**

- Whether the relationship of appellants to the principal accused and their actions amounted to conspiracy.

3. **Double Jeopardy:**

- Whether appellants' conviction violated the principle of double jeopardy considering previous convictions for similar offenses.

4. **Violation of Presidential Decree No. 1689:**

- Whether the prosecution satisfactorily proved the elements required for conviction under PD No. 1689, and if the acts constituted economic sabotage.

Court's Decision:

1. **Sufficiency of Evidence:**

- **Finding:** The Court held that the elements of estafa under Article 315 of the Revised Penal Code were sufficiently proven.

- **Rationale:** Evidence demonstrated that appellants defrauded complainants by deceit, with financial damage evident.

2. **Existence of Conspiracy:**

- **Finding:** Conspiracy among the accused was affirmed by the Court.

- **Rationale:** The appellants worked together, with Guillermo Francisco as paymaster and Norma Francisco, an active participant in foundation operations. Analina Francisco was acquitted due to reasonable doubt concerning her active involvement.

3. **Double Jeopardy:**

- **Finding:** The defense of double jeopardy was rejected.

- **Rationale:** Each case involved different complainants and did not constitute the same

offense.

4. **Violation of Presidential Decree No. 1689:**

- **Finding:** Appellants were found guilty under PD No. 1689.
- **Rationale:** The defraudation involved a syndicate and solicited funds from the public, meeting the criteria under the decree. The argument that damage was non-existent to the national economy was dismissed as irrelevant and unmeritorious.

Doctrines:

- **Estafa and Syndicated Crime:** Presidential Decree No. 1689 increases the penalty for estafa committed by a syndicate of five or more persons involved in defrauding the public. The law does not require proving economic sabotage but merely that the defraudation significantly affects public interest.

Class Notes:

1. **Elements of Estafa (RPC Art. 315):**

- (1) Defraudation by deceit.
- (2) Pecuniary damage to the offended party.

2. **Elements of PD No. 1689 Violation:**

- (1) Estafa or swindling as defined in Articles 315 and 316 of the Revised Penal Code.
- (2) Committed by a syndicate (five or more persons).
- (3) Misappropriation of funds solicited from the public or contributed by stakeholders.

3. **Conspiracy:** Exists when two or more persons come to an agreement concerning a crime and decide to commit it. Active participation, cooperation, and the performance of preparatory and subsequent acts by each conspirator establish conspiracy.

Historical Background:

- **Rise of Investment Scams:** During the late 20th century, there was an increase in fraudulent investment schemes, placing a burden on the Philippine economy and undermining public confidence in financial institutions. PD No. 1689 was promulgated to curtail such scams, providing heavier penalties for syndicated fraud and protecting public interest.