

PEOPLE OF THE PHILIPPINES, PLAINTIFF-APPELLEE, VS. RUFINO PABLO PALABRICA III, ACCUSED-APPELLANT.

G.R. Nos. 250590-91. November 17, 2021

Ponente: GAERLAN, J.

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GAERLAN, J.:

Efforts to combat graft and corruption, no matter how well-intended and laudable, must not be at the expense of the constitutionally enshrined right of presumption of innocence. The end does not justify the means.

Before this Court is an ordinary appeal[1] from the July 19, 2019 Decision[2] and November 15, 2019 Resolution[3] of the Sandiganbayan in Criminal Case Nos. SB-16-CRM-1080 and SB-16-CRM-1081, finding Rufino Pablo Palabrica III (accused-appellant) guilty beyond reasonable doubt for two (2) counts of violation of Section 3 (h) of Republic Act (R.A.) No. 3019.[4]

FACTS

Accused-appellant was charged before the Sandiganbayan with two (2) counts of violation of Section 3 (h) of R.A. No. 3019, allegedly committed as follows:

SB-16-CRM-1080

That on January 7, 2014, or sometime prior or subsequent thereto, in the Municipality of Dingle, Province of Iloilo, and within the jurisdiction of this Honorable Court, accused RUFINO PABLO PALABRICA III, a high-ranking public officer, being then the Municipal Mayor of Dingle, Iloilo, in such capacity and taking advantage of his official position, committing the offense in relation to his office, did then and there willfully, unlawfully, and criminally enter into a contract of lease for a market stall in Dingle Public Market, by signing for the lessor, the Municipality of Dingle and by signing as lessee, in violation of the Anti-Graft and Corrupt Practices Act.

CONTRARY TO LAW.[5] (Emphasis and underscoring omitted.)

SB-16-CRM-1081

That on January 7, 2014, or sometime prior or subsequent thereto, in the Municipality of Dingle, Province of Iloilo, and within the jurisdiction of this Honorable Court, accused RUFINO PABLO PALABRICA III, a high-ranking public officer, being then the Municipal Mayor of Dingle, whose approval is required in the issuance of business permits in the Municipality of Dingle, in such capacity and taking advantage of his official position, committing the offense in relation to his office, did then and there willfully, unlawfully, and criminally grant a business permit to Farmacia Francisca, a drugstore and medical clinic, in which he has a direct or indirect financial interest being the owner thereof, in violation of the Anti-Graft and Corrupt Practices Act.

CONTRARY TO LAW.[6] (Emphasis and underscoring omitted.)

The above criminal cases stemmed from a complaint filed by Zoilo "Boy" Suplemento, Jr. (Suplemento, Jr.) before the Office of the Ombudsman (OMB) - Visayas against accused-appellant for alleged violations of Section 89[7] of R.A. No. 7160,[8] and Article 179[9] of Administrative Order No. 270[10] dated February 21, 1992. After investigation, the OMB found probable cause to indict accused-appellant for violation of R.A. No. 3019 and filed the two (2) Informations before the Sandiganbayan on November 8, 2016.[11]

On November 14, 2016, the Sandiganbayan issued a Hold Departure Order and warrant of arrest against accused-appellant. The warrant of arrest was later recalled upon posting of bail by accused-appellant.[12]

Prior to arraignment, accused-appellant moved for the quashal of the Informations arguing that the facts alleged do not constitute an offense and that he was deprived of due process.[13]

On February 7, 2017, the Sandiganbayan denied accused-appellant's motion. Accused-appellant moved for reconsideration but it was also denied by the Sandiganbayan through a Resolution dated March 30, 2017.[14]

On arraignment, accused-appellant pleaded not guilty to the offenses charged.[15]

During pre-trial, the parties stipulated on the identity of accused--appellant and the jurisdiction of the Sandiganbayan over his person.[16]

Trial thereafter ensued.

The case for the prosecution

In addition to documentary evidence, the prosecution presented the testimonies of witnesses Suplemento, Jr. and officials of the Municipality of Dingle, namely: (1) Local Revenue Collection Officer III Brigida S. Cuinga (Cuinga); (2) Local Revenue Collection Officer I Jolly L. Vargas (Vargas); (3) Administrative Officer IV Jill T. Araño; and (4) Acting Treasurer and Acting Head of the Business Processing and Licensing Office Arcee P. Palabrica (Palabrica).[17]

Evidence for the prosecution established that on January 7, 2014, the Municipality of Dingle, through accused-appellant, the Municipal Mayor of Dingle at that time, entered into a Contract of Lease of Market Stalls[18] with accused-appellant, who is also a licensed physician. The leased market stalls were being occupied by accused-appellant's medical clinic and Farmacia Francisca since 1996.[19] Prior to the January 7, 2014 lease contract, accused--appellant's clinic and pharmacy have been leasing market stalls from the Municipality of Dingle. Relative thereto, accused-appellant also applied[20] for the business permit of said medical clinic and pharmacy, which accused--appellant, in his capacity as Municipal Mayor of Dingle, granted on January 7, 2014.[21] Witness Palabrica initially testified that accused-appellant complied with all the requirements for a business permit. Nonetheless, upon further grilling by the prosecution, Palabrica admitted that accused--appellant's application was not completely filled-up and lacked the requisite zoning clearance and certificate of occupancy. Palabrica also identified an Affidavit of Loss,[22] which he executed to attest the loss of the original of the Contract of Lease of Market Stalls dated January 7, 2014.[23]

After the prosecution rested its case, accused-appellant filed a Motion for Leave to File Demurrer to Evidence, which the prosecution opposed.[24]

In a Resolution dated May 24, 2018, the Sandiganbayan denied accused-appellant's motion.[25]

Presentation of defense evidence thereafter commenced.

The case for the defense

Like the prosecution, the defense also presented documentary and testimonial evidence. Testifying for the defense

were: (1) accused-appellant; (2) Dinah S. Valencia (Valencia), Secretary of the Sangguniang Bayan (Sanggunian) of the Municipality of Dingle, Iloilo; (3) Salvacion C. Federico, Civil Registrar of Dingle, Iloilo; and (4) Palabrica.[26]

Accused-appellant did not deny the acts imputed to him. He nonetheless asserted that his act of signing the Contract of Lease, as Municipal Mayor and representative of the lessor (the Municipality of Dingle), was done in good faith and with authority from the Sanggunian of Dingle, Iloilo. Relative thereto, accused-appellant invoked Municipality of Dingle, Iloilo Ordinance Nos. 2008-005[27] and 2012-003[28] and Resolution No. 2012-32,[29] which authorized him to occupy the market stalls that he has been leasing from the Municipality of Dingle even before he became the mayor of said municipality.[30] Accused-appellant likewise confirmed that Farmacia Francisca is 100% owned by him and registered under his name. He further declared that he has been rendering free medical services thereat for his constituents since 2005.[31] Anent the issuance of a business permit to his own medical clinic and pharmacy, accused-appellant argues that the same was his ministerial function as Municipal Mayor of Dingle.[32] Witness Valencia affirmed accused-appellant's authority to enter – for and on behalf of the Municipality of Dingle – into lease contracts of stalls in the Dingle Public Market by virtue of Municipality of Dingle Resolution No. 2012-32.[33] Palabrica, also a witness for the prosecution, identified the business permits issued to accused-appellant in 2003 and 2007, as well as the lease contracts of market stalls executed by the Municipality of Dingle in favor of accused-appellant for the years 1997 and 1999.[34] Albeit reiterating his earlier testimony that accused-appellant's application for a business permit was incompletely filled up and had no attached zoning clearance and certificate of occupancy, Palabrica however clarified that such supporting documents were unnecessary for the application.[35]

THE SANDIGANBAYAN RULING

On July 19, 2019, the Sandiganbayan Special Sixth Division rendered the assailed Decision, the dispositive portion of which reads:

WHEREFORE, premises considered, the Court finds:

1) Criminal Case No. SB-16-CRM-1080,

Accused RUFINO PABLO PALABRICA III GUILTY beyond reasonable doubt of violation of Section 3(h) of Republic Act No. 3019, as amended, and is hereby sentenced with the penalty of imprisonment for a period of SIX (6) years and ONE (1) month, as minimum, to EIGHT (8) years as maximum, applying the Indeterminate Sentence Law.

2) Criminal Case No. SB-16-CRM-1081,

Accused RUFINO PABLO PALABRICA III GUILTY beyond reasonable doubt of violation of Section 3(h) of Republic Act No. 3019, as amended, and is hereby sentenced with the penalty of imprisonment for a period of SIX (6) years and ONE (1) month, as minimum, to EIGHT (8) years as maximum, applying the Indeterminate Sentence Law.

Having been found GUILTY in both cases, accused RUFINO PABLO PALABRICA III is perpetually disqualified to hold any public office.

SO ORDERED.[36]

Sandiganbayan Associate Justice Sarah Jane T. Fernandez (Justice Fernandez) dissented insofar as accused-appellant's conviction in SB-16-CRM-1081. Applying the Court's ruling in Soriano v. Sandiganbayan[37] – where it was held that the word "transaction" in Section 3 (b) of R.A. No. 3019 refers to that, like a contract,

involves monetary consideration – Justice Fernandez opined that the issuance of a business permit does not fall within the term "transaction" under Section 3 (h) of R.A. No. 3019. Rather, it is an exercise of delegated police power that does not involve monetary consideration and must be made pursuant to applicable law and ordinance.[38]

In a Resolution dated November 15, 2019, the Sandiganbayan denied accused-appellant's motion for reconsideration.[39] Justice Fernandez maintained her dissent with respect to SB-16-CRM-1081, this time, with Associate Justice Michael Frederick Musngi joining her.[40]

Hence, this appeal imputing the following errors to the Sandiganbayan:

I.

THE SANDIGANBAYAN ERRED IN DECLARING THAT [ACCUSED-APPELLANT] HAD NO VESTED RIGHT TO RE-OCCUPY THE SUBJECT MARKET STALL. THE FACTS SHOW HOWEVER THAT SINCE 1980, [ACCUSED--APPELLANT] HAD ALWAYS ENJOYED PRIORITY OVER THE LEASE RENEWAL OF THE SUBJECT MARKET STALL THAT ORIGINATED FROM HIS DECEASED FATHER.

II.

THE SANDIGANBAYAN ERRED IN HOLDING THAT THE MUNICIPAL ORDINANCES COVERING MARKET STALLS MERELY GAVE [ACCUSED-APPELLANT] FIRST PRIORITY THERETO. BY ITS EXPRESS TERMS, THE MUNICIPAL ORDINANCES CRAFTED BY THE SANGGUNIANG BAYAN EXPRESSLY AUTHORIZED THE RENEWAL OF [ACCUSED-APPELLANT'S] LEASE x x x

III.

THE SANDIGANBAYAN ERRED IN FINDING THAT THE SIGNING OF THE RENEWAL OF LEASE CONTRACT AMOUNTED TO SELF-DEALING AND CONFLICT OF INTEREST. HOWEVER, THE EVIDENCE SHOWS THAT PROPER PROCEDURES WERE DULY FOLLOWED IN THE RENEWAL AND PROCESSING OF THE LEASE.

IV.

THE SANDIGANBAYAN ERRED IN HOLDING THAT THERE WERE INCOMPLETE REQUIREMENTS IN THE RENEWAL APPLICATION FOR MAYOR'S PERMIT AND THAT IT WAS "PRECIPITATELY ISSUED." THE FACTS SHOW HOWEVER THAT [ACCUSED-APPELLANT'S] RENEWAL APPLICATION WAS TOTALLY COMPLETE SINCE A ZONING CLEARANCE AND OCCUPATIONAL PERMIT WERE NOT REQUIRED FOR BUSINESSES WITHIN THE PUBLIC MARKET.

V.

THE SANDIGANBAYAN ERRED IN DECLARING THAT [ACCUSED-APPELLANT] WAS PURPORTEDLY WORKING AT HIS CLINIC FROM 8:00 A.M. TO 5:00 P.M. BASED ON PAGE 22, TSN OF 02 JULY 2018. HOWEVER, THE TESTIMONIAL CONTEXT OF [ACCUSED--APPELLANT'S] TESTIMONY WAS DAYLIGHT CLEAR THAT HE WENT TO THE MUNICIPAL HALL TO WORK AS MAYOR FROM 8:00 A.M. TO 5:00 P.M., THEN TO HIS CLINIC ONLY AFTER TO RENDER FREE MEDICAL SERVICE.

VI.

THE SANDIGANBAYAN ERRED IN HOLDING THAT [ACCUSED-APPELLANT'S] FREE MEDICAL PRACTICE IS NOT BY ITSELF AN ABSOLUTORY CAUSE. ON THE CONTRARY, [ACCUSED-APPELLANT'S] ACTIONS WERE DONE IN GOOD FAITH BASED ON HISTORICAL EXPERIENCE SINCE 1990 AND DILG OPINION NO. 99 (2010).

x x x x

VII.

THE SANDIGANBAYAN ERRED IN FINDING THAT THE INFORMATION WAS SUFFICIENT IN FORM AND SUBSTANCE. ON ITS FACE, HOWEVER, THE INFORMATION IS FATALLY DEFECTIVE FOR ITS FAILURE TO SPECIFICALLY ALLEGE THE REQUISITE ELEMENT OF [ACCUSED-APPELLANT'S] ALLEGED "FINANCIAL OR PECUNIARY INTEREST" AS PER SECTION 3(H), R.A. 3019.

VIII.

THE SANDIGANBAYAN ERRED IN HOLDING THAT THE SECOND ELEMENT OF FINANCIAL OR PECUNIARY INTEREST, WAS PRESENT BASED ON [ACCUSED-APPELLANT'S] "NON-SPECULATIVE ECONOMIC INTEREST" AS OWNER OF THE PHARMACY. AS SHOWN, HOWEVER, [ACCUSED--APPELLANT'S] PRE-EXISTING INTEREST THEREIN WAS TO HELP AND ASSIST HIS CONSTITUENTS OBTAIN EASY ACCESS TO FREE MEDICAL SERVICE.

IX.

THE SANDIGANBAYAN ERRED THAT THE THIRD ELEMENT OF INTERVENTION WAS PRESENT WHEN [ACCUSED-APPELLANT] SIGNED THE RENEWAL LEASE CONTRACT IN HIS CAPACITY AS MAYOR. HOWEVER, [ACCUSED-APPELLANT'S] ACTION COULD NOT BE CONSIDERED UNDUE INTERVENTION SINCE THE RENEWAL LEASE WAS PREVIOUSLY AND CONCLUSIVELY AUTHORIZED BY THE SANGGUNIAN BAYAN IN THE EXERCISE OF LEGISLATIVE FIAT, WHICH IS VALID AND BINDING UNLESS DECLARED INVALID AND UNCONSTITUTIONAL.

X.

IN ALL, THE SANDIGANBAYAN ERRED IN FINDING [ACCUSED-APPELLANT] GUILTY. ON THE FACTS AND LAW, [ACCUSED-APPELLANT] OUGHT TO BE ACQUITTED BASED ON THE ABSENCE OF PECUNIARY INTEREST AND OFFICIAL INTERVENTION.

x x x x

XI.

THE SANDIGANBAYAN ERRED IN DECLARING THAT A MAYOR'S PERMIT IS A "BUSINESS," "TRANSACTION" OR "CONTRACT" WITHIN THE PURVIEW OF SECTION 3(H), R.A. 3019. THIS, CONTRARY TO EXISTING LAWS AND JURISPRUDENCE THAT HOLD THAT IT MUST INVOLVE MONETARY CONSIDERATION.

XII.

THE SANDIGANBAYAN ERRED IN HOLDING THAT [ACCUSED-APPELLANT] COULD NOT RELY ON DILG OPINION NOS. 17 (2005) AND 30 (2013) UNDER THE CONTROL AND SUPERVISION OF THE DILG. AS NON-LAWYER MAYOR, [ACCUSED-APPELLANT] IS MANDATED TO RELY THEREON THAT THE ISSUANCE OF A MAYOR'S PERMIT IS A MERE MINISTERIAL DUTY OF A MAYOR.

XIII.

THE SANDIGANBAYAN ERRED IN FINDING THAT [ACCUSED-APPELLANT'S] ISSUANCE OF A MAYOR'S PERMIT AMOUNTED TO "INTERVENTION". WITHOUT VALID GROUND OR ANY BASIS FOR ITS REJECTION, THE PERMIT APPLICATION AND ITS APPROVAL WAS IN ORDER. IN FACT, PRIOR TO [ACCUSED--APPELLANT'S] ELECTION IN JUNE 2007, EX-MAYORS REBLUN L. LACSON AND ROBIN E. SOLINAP HAD RIGHTFULLY ISSUED MAYOR'S PERMITS AS A MATTER OF COURSE ON 22 JANUARY 2007 AND 17 JANUARY 2003.

XIV.

IN SUM, THE SANDIGANBAYAN ERRED AND [ACCUSED-APPELLANT] MUST BE ACQUITTED BY VIRTUE OF ABSENCE OF MONETARY CONSIDERATION TO BE CONSIDERED A

"TRANSACTION" AND LACK OF ANY INTERVENTION.[41]

Accused-appellant's arguments

Insisting on his innocence, accused-appellant argues that the Information in SB-16-CRM-1080 is defective, and that the prosecution failed to prove beyond reasonable doubt all the elements of the offense in both charges. To be precise, accused-appellant asserts that the Information in SB-16-CRM-1080 alleged neither his pecuniary interest in the lease contract, nor his actual intervention in the execution thereof. His act of signing on behalf of the Municipality of Dingle, as lessor, was duly authorized under Sanggunian Resolution No. 2012-032. On the one hand, accused-appellant's financial interest cannot be deduced or presumed from his mere act of signing as a lessee. Said financial interest must be specifically alleged in the Information, which was not the case in SB-16-CRM-1080. Even assuming that the Information in said criminal case was sufficient in form and substance, still, accused-appellant must be acquitted for failure of the prosecution to prove accused-appellant's alleged pecuniary interest, and his actual intervention in the renewal of his lease contract with the Municipality of Dingle. Accused-appellant asserts that while he owns the medical clinic and Farmacia Francisca, his interest therein is not monetary because said establishments were not intended for profit but for the benefit of his constituents. It was also established during trial that accused-appellant was the authorized signatory of the Municipality of Dingle in contracts for lease of market stalls. He followed and underwent the regular procedure in the renewal of his lease contract. He did not receive any special treatment in the processing of said contract. Neither did he exert any influence or abuse his power to obtain said contract in his favor. In fact, even before he became mayor, his lease contract with the Municipality of Dingle had always been renewed. The January 7, 2014 Contract of Lease was only another renewal of their original lease. The Sandiganbayan thus erred in finding him guilty for "self-dealing" and conflict of interest and convicting him in SB-16-CRM-1080.[42]

The same is likewise true anent SB-16-CRM-1081. Accused-appellant argues that the issuance of a business permit is not a business, contract, or transaction under Section 3 (h) of R.A. No. 3019. The word "transaction" in said section must be construed as that which involves consideration like a contract or business. According to accused-appellant, said interpretation is in conformity with this Court's interpretation of the word "transaction" under Section 3 (b) of R.A. No. 3019 in *Merencillo v. People*.^[43] This is further bolstered by DILG Opinion No. 17 (series of 2005),^[44] Opinion No. 94 (series of 2007),^[45] and No. 30 (series of 2013),^[46] which clarified that the issuance of a business permit is a ministerial duty on the part of the mayor if the supporting documents are complete. Accused-appellant relied, in good faith, on said DILG Opinions. His act of approving and issuing a business permit to his clinic and pharmacy after the legal requirements have been met could not be considered as actual intervention to make him liable under Section 3 (h) of R.A. 3019. Such act was not tainted with any corrupt motive but merely a discharge of accused-appellant's ministerial functions. Accused-appellant further points out that even prior to his election as Municipal Mayor of Dingle, he had been issued business permits by the previous mayors of said municipality. The prosecution having failed to prove all the elements of Section 3 (h), R.A. No. 3019, accused-appellant should have been acquitted by the Sandiganbayan.^[47]

Plaintiff-appellee's arguments

On the other hand, the OMB - Office of the Special Prosecutor (OSP) counters that the Sandiganbayan did not err in convicting accused-appellant of two (2) counts of the offense charged. First, the Sandiganbayan already sustained the sufficiency of the Information in SB-16-CRM-1080 when it denied accused-appellant's motion to quash and his subsequent motion for reconsideration. Accused-appellant did not assail such denial before the Supreme Court. Rather, he pleaded not guilty on arraignment and presented his evidence during trial. At any rate, accused-appellant's pecuniary interest was included in the allegation in the Information that he signed the contract for the lease of market stall as lessor and lessee. Second, the prosecution established that Farmacia Francisca is

owned by accused-appellant and he derives profit therefrom, which proved his pecuniary interest in the lease contract. Third, accused-appellant intervened in said lease contract when he signed and represented two conflicting interests therein, the very same evil sought to be prevented by Section 3 (h) of R.A. No. 3019. Fourth, accused-appellant's conviction in SB-16-CRM-1081 should likewise be sustained because the issuance of a business permit is considered a "transaction" under the aforesaid section of R.A. No. 3019. Invoking the definition of the phrases "simple transactions" and "complex transactions" in R.A. No. 9485 (Anti-Red Tape Act of 2007), and the definition of "business-related transactions" and "complex transactions" under R.A. No. 11032 (Ease of Doing Business and Efficient Government Service Delivery Act of 2018), the OSP argues that under said laws, an application and issuance of business permits are considered as government transactions. This should also be applied in the interpretation of the word "transaction" in Section 3 (h) of R.A. No. 3019, for said law, along with R.A. Nos. 9485 and 11032, were enacted to address graft and corruption. Fifth, the DILG Opinions invoked by accused-appellant are inapplicable. While said DILG Opinions stated that the issuance of a business permit becomes a ministerial duty of the municipal mayor once all the legal requirements are complied with, still, it was established during trial that accused-appellant failed to comply with the documentary requirements in his application for a business permit of Farmacia Francisca. Sixth, accused-appellant's mere act of applying for a business permit and, subsequently, issuing one in his favor, notwithstanding his failure to attach all the supporting documents necessary to his application, further bolstered his intervention in the said transactions. All told, the prosecution proved accused-appellant's guilt beyond reasonable doubt. Thus, the Sandiganbayan committed no reversible error in convicting accused-appellant for two (2) counts of violation of Section 3 (h) of R.A. No. 3019.[48]

THE COURT'S RULING

The appeal is meritorious.

At the onset, an appeal in criminal cases throws the entire case wide open for review and the reviewing tribunal can correct errors, though unassigned in the appealed judgment, or even reverse the trial court's decision based on grounds other than those that the parties raised as errors. The appeal confers the appellate court full jurisdiction over the case and renders such court competent to examine records, revise the judgment appealed from, increase the penalty, and cite the proper provision of the penal law.[49]

Corollarily, the Court has held that:

The cornerstone of all criminal prosecution is the constitutional right of the accused to be presumed innocent until the contrary is proved. The Constitution places upon the prosecution the onus to prove the guilt of the accused beyond reasonable doubt, relying solely on the strength of its own evidence and never on the weakness of the defense. In this respect, the presumption of innocence is overturned if and only if the prosecution has discharged its duty to prove each and every element of the crime charged in the information as to warrant a finding of guilt for that crime or for any other crime necessarily included therein.[50] (Citations omitted.)

The errors raised in the present appeal boil down to whether or not accused-appellant's guilt for two (2) counts of violation of Section 3 (h) of R.A. No. 3019 was proven by the prosecution beyond reasonable doubt.

The Court rules in the negative.

Section 3 (h) of R.A. No. 3019 reads:

Section 3. Corrupt practices of public officers. In addition to acts or omissions of public officers already penalized by existing law, the following shall constitute corrupt practices of any public officer and are hereby declared to be unlawful:

x x x x

(h) Director or indirectly having financial or pecuniary interest in any business, contract or transaction in connection with which he intervenes or takes part in his official capacity, or in which he is prohibited by the Constitution or by any law from having any interest.

The essential elements of the crime of violation of Section 3(h) of R.A. No. 3019 are:

- 1) the accused is a public officer;
- 2) he/she has a direct or indirect financial or pecuniary interest in any business, contract or transaction; and
- 3) he/she intervenes or takes part in his/her official capacity in connection with such interest, OR b) is prohibited from having such interest by the Constitution or by law.[51]

There are therefore two modes by which a public officer may violate Section 3(h) of R.A. No. 3019. The first mode is when the public officer, in his official capacity, intervenes or takes part in connection with any business, contract, or transaction, in which he/she has a direct or indirect financial or pecuniary interest. The second mode is when the public officer is prohibited from having such an interest by the Constitution or by law.[52]

A reading of the two (2) Informations reveals that accused-appellant was indicted, in both counts, under the first mode.

SB-16-CRM-1080

The Information is valid and sufficient.

Due process in criminal prosecutions requires that an accused be informed of the nature and cause of the accusation against him, a right enshrined in our very Constitution.[53] The allegations in the Information must be in such form as is sufficient to enable a person of common understanding to know what offense is intended to be charged, and enable the court to know the proper judgment. The Information must allege clearly and accurately the elements of the crime charged. The facts and circumstances necessary to be included therein are determined by reference to the definition and elements of the specific crimes.[54]

The main purpose of requiring the elements of a crime to be set out in the Information is to enable the accused to suitably prepare his defense because he is presumed to have no independent knowledge of the facts that constitute the offense. The allegations of facts constituting the offense charged are substantial matters, and the right of an accused to question his conviction based on facts not alleged in the information cannot be waived.[55]

While the acts or omissions that constitute the offense must be described in intelligible terms with such particularity as to apprise the accused, with reasonable certainty, of the offense charged, the use of derivatives or synonyms or allegations of basic facts constituting the offense charged is nonetheless sufficient.[56] The wording of the information does not need to be a verbatim reproduction of the law in alleging the acts or omissions that constitute the offense.[57]

Here, accused-appellant insists that the Information in SB-16-CRM-1080 failed to allege the second and third elements under Section 3 (h) of R.A. No. 3019, i.e., his direct or indirect financial or pecuniary interest in the January 7, 2014 Contract of Lease of Market Stalls, and his intervention in the execution thereof.

Accused-appellant's contentions must fail.

We examine the Information in SB-16-CRM-1080.

That on January 7, 2014, or sometime prior or subsequent thereto, in the Municipality of Dingle, Province of Iloilo, and within the jurisdiction of this Honorable Court, accused RUFINO PABLO PALABRICA III, a high-ranking public officer, being then the Municipal Mayor of Dingle, Iloilo, in such capacity and taking advantage of his official position, committing the offense in relation to his office, did then and there willfully, unlawfully, and criminally enter into a contract of lease for a market stall in Dingle Public Market, by signing for the lessor, the Municipality of Dingle and by signing as lessee, in violation of the Anti-Graft and Corrupt Practices Act.

CONTRARY TO LAW.[58] (Emphasis and underscoring supplied.)

The first and third elements were indubitably alleged in the Information. Accused-appellant was the Municipal Mayor of Dingle, Iloilo at the time the subject act was committed. He intervened or took part, in his official capacity, in the execution of the Contract of Lease by signing as lessor (for and on behalf of the Municipality of Dingle), and as lessee. Anent the second element, although there was no specific allegation that accused-appellant has a direct or indirect financial or pecuniary interest in said Contract of Lease, such pecuniary interest can be easily inferred from the part stating that he signed as LESSEE in the contract subject of the Information and such contract was for the LEASE of a MARKET STALL in the Dingle Public Market. In ordinary human experience, a person who leases a commercial space, such as a market stall, intends to use such space for business or profit. It is improbable, if not impossible, that a person would rent a market stall without any intention of utilizing the same for business purposes. Such lease would not have been approved or granted in the first place by the Municipality of Dingle, not only because it is violative of the conditions for lease set by the Sangguniang Bayan, but more importantly, because one of the requirements for a market stall lease application is a valid business permit.[59] Verily, all the elements for the violation of Section 3 (h) of R.A. No. 3019 were sufficiently alleged in the Information.

Accused-appellant nonetheless asserts that his pecuniary interest cannot be deduced from his mere act of signing as lessee because he did not obtain any benefit from the Contract of Lease. Whether or not accused-appellant indeed had pecuniary interest in and benefited from the subject Contract of Lease is a matter of defense that should be – and was in fact – threshed out during the trial of the case. To stress, the presence or absence of the elements of the crime is evidentiary in nature and is a matter of defense that may be passed upon after a full-blown trial on the merits.[60]

This brings Us now to the question of whether or not the prosecution established all the elements of the offense charged.

The prosecution failed to establish accused-appellant's actual intervention in the approval of Contract of Lease of Market Stalls dated January 7, 2014.

Records show that the first element (i.e., that the accused is a public officer) was sufficiently established by the prosecution.[61] In fact, accused-appellant admits that he was the Municipal Mayor of Dingle at the time he executed the Contract of Lease of Market Stalls on January 7, 2014.[62]

The second element was also established by the prosecution. The market stalls subject of the January 7, 2014 Contract of Lease were being utilized by accused-appellant's medical clinic and Farmacia Francisca, which is wholly owned and operated by him.[63] Thus, it cannot be gainsaid that he has a direct pecuniary interest in said clinic and pharmacy and in the Contract of Lease of the market stalls being occupied by said business

establishments. Accused-appellant's insistence that his clinic and pharmacy Were not intended for profit but for the benefit of his constituents paled into insignificance in the light of his own testimony during trial that he also derives profit from Farmacia Francisca.[64]

With respect to the third element, however, the Court finds that accused-appellant's "intervention" in the execution of the subject Contract of Lease was not duly established by the prosecution.

What is contemplated in Section 3(h) of R.A. No. 3019 is the actual intervention in the transaction in which one has financial or pecuniary interest in order that liability may attach. For the law aims to prevent dominant use of influence, authority and power.[65]

Here, apart from accused-appellant's act of signing the January 7, 2014 Contract of Lease as representative of the lessor and as lessee, no other evidence was adduced by the prosecution to prove that accused--appellant actually intervened or took part in the approval of the lease in his favor.

Rather, it was established that accused-appellant has been leasing Dingle Public Market stalls as early as the year 1997, long before he became the mayor of said municipality.[66] In fact, the January 7, 2014 Contract of Lease of Market Stalls was only a renewal of the previous lease between the Municipality of Dingle and accused-appellant as it contained essentially the same terms and conditions as with accused-appellant's previous lease contracts with the municipality.[67] There was no showing that the renewal of accused-appellant's lease contract was tainted with irregularity. Neither was there any showing that the terms and conditions of accused-appellant's lease contract were different from those of other lessees, or that such terms and conditions exceeded the terms and conditions laid down by the Sangguniang Bayan. Also, prosecution witnesses Cuinga and Vargas testified that accused-appellant complied with all the requirements in the renewal of his lease contract. He did not ask for any favor and was not given special treatment in the processing of such renewal. Even the complaining witness, Suplemento, Jr., admitted that he knew no applicant whose application for a lease of market stall had been disapproved because it was instead given to accused-appellant.[68] To reiterate, except for the act of signing the January 7, 2014 Contract of Lease, on behalf of the lessor municipality, no other evidence exists on record to prove that accused-appellant actually intervened and exerted undue influence or abused his power and authority in the renewal of his lease contract with the Municipality of Dingle.

Further, accused-appellant's act of signing the Contract of Lease in representation of the Municipality of Dingle was pursuant to Sanggunian Resolution No. 2012-32, which authorized accused-appellant, as Municipal Mayor, to enter into lease contracts with stall holders in the Dingle Public Market.[69] This authorization is required and mandated by Section 444 (b) (1) (vi) of R.A. No. 7160 or the Local Government Code of 1991, which reads:

ARTICLE I

The Municipal Mayor

Section 444. The Chief Executive: Powers, Duties, Functions and Compensation. –

x x x x

(b) For efficient, effective and economical governance the purpose of which is the general welfare of the municipality and its inhabitants pursuant to Section 16 of this Code, the municipal mayor shall:

(1) Exercise general supervision and control over all programs, projects, services, and activities of the municipal government, and in this connection, shall:

x x x x

(vi) Upon authorization by the sangguniang bayan, represent the municipality in all its business transactions

and sign on its behalf all bonds, contracts, and obligations, and such other documents made pursuant to law or ordinance; (Emphases supplied.)

The required prior authorization is a check on the power of the local chief executive. It is also a recognition of the principle that the corporate powers of the local government unit are exercised by both the local chief executive and its council.[70]

Indeed, under the aforesaid Sanggunian Resolution No. 2012-32, accused-appellant's authority to sign contracts for the lease of market stalls is only upon approval of the application for lease filed by any interested and qualified applicant, viz.:

WHEREAS, these stalls are available for lease to any interested and qualified applicant who intends to operate a legitimate business in the municipality;

WHEREAS, upon approval of his/her application for lease there is a need to enter into a Contract of Lease between the applicant and the Municipality of Dingle;

NOW THEREFORE x x x be it resolved, as it is hereby resolved to authorize the Honorable Rufino P. Palabrica III, M.D., Municipal Mayor to enter into a Contract of Lease for and in behalf of the Municipality of Dingle with the stall holder/s in the Dingle Public Market, Dingle Plaza Stalls and other stalls in the Municipality of Dingle, Iloilo;[71] (Emphasis and underscoring supplied.)

Notably, the aforesaid Sanggunian Resolution No. 2012-32 is silent as to the office from which such approval must emanate. In the same vein, nowhere was it stated in said Resolution that accused-appellant, apart from being the authorized signatory, was likewise the approving authority for lease applications. Unfortunately, neither the prosecution nor the defense threw light on this. Hence, absent any showing that accused-appellant was the one who approved his own lease renewal application or that he actually intervened in the approval of such lease renewal, the Court holds that accused-appellant's signing per se of the January 7, 2014 Contract of Lease, as the lessor-municipality's duly authorized representative – on the one hand, and, as lessee, on the other – is not the intervention contemplated under the law so as to make him criminally liable under Section 3 (h) of R.A. No. 3019.

SB-16-CRM-1081

As regards the second count of the offense charged, accused-appellant was convicted for his issuance of a business permit to Farmacia Francisca, a pharmacy that is wholly owned by him.

As with SB-16-CRM-1081, the first element under Section 3 (h), R.A. No. 3019 is not disputed.

The third element is also present because accused-appellant admitted that he approved and issued the business permit of Farmacia Francisca for the year 2014. The power of a municipal mayor to "[i]ssue licenses and permits and suspend or revoke the same for any violation of the conditions upon which said licenses or permits had been issued, pursuant to law or ordinance[.]" is expressly provided for in Section 444 (b) (3) (iv) of the Local Government Code of 1991. It must be stressed, nonetheless, that the authority of a municipal mayor to issue licenses and permits is not ministerial.[72] It is discretionary and must always be exercised pursuant to law and ordinance.[73] An application for a mayor's permit requires the submission of the required documents and the payment of the assessed business taxes and fees. In case of failure to comply with the requirements, the application deserves to be disapproved. If the application is compliant, then approval is the action to be taken.[74] Clearly then, accused-appellant's actual intervention in the issuance of the subject business permit is beyond dispute.

The bone of contention ultimately lies on the second element.

The issuance of a business permit is not a "transaction" under Section 3 (h) of R.A. No. 3019.

In ruling against accused-appellant, the Sandiganbayan construed the word "transaction" in Section 3 (h) of R.A. No. 3019 as to include an application and issuance of a business permit. Citing *People v. Sandiganbayan*,^[75] the Sandiganbayan held that the term "transaction," as used (also) in Section 3 (b) of the same law, is susceptible of being interpreted both restrictively and liberally. According to the Sandiganbayan, "transaction," when construed liberally ("against" the party sought to be charged),^[76] or in the broad sense, encompasses the application and approval of a permit. This interpretation is allegedly bolstered by the subsequent enactment of R.A. No. 11032, which defined business-related transactions with the government, including applications for a business permit.^[77]

The Court does not agree.

Under the doctrine of *noscitur a sociis*, where a particular word or phrase is ambiguous in itself or is equally susceptible of various meanings, its meaning may be made clear and specific by considering the company of the words in which it is found or with which it is associated. Stated differently, the obscurity or doubt on a particular word or phrase may be removed by reference to associated words.^[78]

Corollarily, every meaning to be given to each word or phrase must be ascertained from the context of the body of the statute, since a word or phrase in a statute is always used in association with other words or phrases, and its meaning may be modified or restricted by the latter.^[79] A statute must be so construed as to harmonize and give effect to all its provisions whenever possible.^[80]

Applying the foregoing rules, "transaction" as used in Section 3 (h) of R.A. No. 3019 must be interpreted in reference to the words preceding it – "business" and "contract." Absent a statutory definition under R.A. No. 3019, the words "business" and "contract" are to be understood in their plain and ordinary meaning.^[81] Settled is the rule in legal hermeneutics that words of a statute will be interpreted in their natural, plain and ordinary acceptance and signification, unless it is evident that the legislature intended a technical or special legal meaning to those words. The intention of the lawmakers – who are, ordinarily, untrained philologists and lexicographers – to use statutory phraseology in such a manner is always presumed.^[82]

The plain and ordinary meaning of "business" and "contract" is as follows:

Business – the activity of making, buying, or selling goods or providing services in exchange for money.^[83]

Contract – a binding agreement between two or more persons or parties especially: one legally enforceable.^[84]

The word "transaction" therefore must be interpreted in the context of the above definitions of "business" and "contract," which essentially connotes an agreement that involves monetary consideration. This is the sensible interpretation because Section 3 (h) of R.A. No. 3019 requires that the accused public officer must have a direct or indirect financial or pecuniary interest in the "business," "contract," or "transaction," wherein the accused public officer intervened or took part.

Jurisprudentially, the word business has been defined as "the means by which a party habitually or regularly earns a livelihood or some gain;" or those "restricted to activities or affairs where profit is the purpose, or livelihood is the motive;" or "that which occupies time, attention, and labor of men for the purpose of livelihood or profit."^[85] The Civil Code, on the one hand, enumerates the three requisites for a valid contract: consent, object certain, and the cause of the obligation.^[86]

Obviously, a business permit is not the business itself. Neither is it a contract between the sovereignty and the permittee.[87] A business permit merely authorizes the person, natural or otherwise, to engage in business or some form of a commercial activity.[88] Moreover, the issuance of a business permit does not involve monetary consideration. As already stated, the issuance thereof is subject to the specific requirements of the law. Thus, when an applicant has complied therewith, he/she is entitled to the issuance of the business permit; otherwise, the application is subject to disapproval.

To stress, what the law aims to prevent is the public officer's dominant use of influence, power, or authority. Such is not the case with respect to a mayor's power to issue a business permit, for such power must always be exercised within the limits provided for by law. Besides, even if a mayor indeed abused his/her power in issuing a business permit (e.g. the issuance was based on an incomplete application or tainted with irregularity), such act would fall, not under Section 3 (h), but under Section 3 (j)[89] of R.A. No. 3019. Notably here, the prosecution, during trial, attempted to prove accused-appellant's irregular issuance of Farmacia Francisca's business permit. Regrettably, even if such irregular issuance was duly established by the prosecution, accused-appellant cannot be convicted under Section 3 (j) of R.A. No. 3019, because the elements for the violation of such provision were not alleged in the Information.

The OSP's argument on the application of R.A. No. 9485 and R.A. No. 11032 in the determination of what are deemed included in the word "transaction" under Section 3 (h) of R.A. No. 3019 cannot be sustained because neither R.A. No. 9485 nor R.A. 11032 amended or modified the provisions of R.A. No. 3019. There is also no provision in either R.A. No. 9485 or R.A. No. 11032 on said laws' suppletory application to R.A. 3019. Suffice it to state that Section 4 of either R.A. No. 9485 or R.A. No. 11032 is unequivocal in that its definition of terms is limited to as used in the Act.[90]

From the foregoing, a business permit or the issuance thereof is not a "transaction" for the purpose of applying the penal provision under Section 3 (h) of R.A. No. 3019.

Contrary to the Sandiganbayan ruling, the restrictive interpretation of the word "transaction" is more in accord with the basic rule that in case of doubt, penal laws are strictly construed against the State and liberally in favor of the accused. In interpreting penal laws, words are given their ordinary meaning, and that any reasonable doubt about the meaning is decided in favor of anyone subjected to a criminal statute.[91]

In *Centeno v. Judge Villalon-Pornillos*,[92] the Court explained:

[I]t is a well-entrenched rule that penal laws are to be construed strictly against the State and liberally in favor of the accused. They are not to be extended or enlarged by implications, intendments, analogies or equitable considerations. They are not to be strained by construction to spell out a new offense, enlarge the field of crime or multiply felonies. Hence, in the interpretation of a penal statute, the tendency is to subject it to careful scrutiny and to construe it with such strictness as to safeguard the rights of the accused. If the statute is ambiguous and admits of two reasonable but contradictory constructions, that which operates in favor of a party accused under its provisions is to be preferred. The principle is that acts in and of themselves innocent and lawful cannot be held to be criminal unless there is a clear and unequivocal expression of the legislative intent to make them such. Whatever is not plainly within the provisions of a penal statute should be regarded as without its intendment.[93] (Emphasis supplied.)

Incidentally, the term "transaction" as used in paragraph (b) of Section 3, R.A. No. 3019, has likewise been restrictively interpreted by this Court, first, in *Soriano v. Sandiganbayan*,[94] and later reiterated in *Merencillo v. People*,[95] and *People v. Sandiganbayan*. [96] In said cases, the Court held that a transaction under Section 3 (b), like a contract, is one which involves monetary consideration as in credit transactions.[97] This interpretation has not been abandoned nor overturned. The Court finds no reason why such restrictive interpretation of the word

"transaction" could not be applied in the present case, more so considering that Section 3 (h), like Section 3 (b), involves some material or pecuniary benefit on the part of the public officer concerned.

Lest it be misunderstood, the purpose of strict construction is not to enable a guilty person to escape punishment through a technicality, but to provide a precise definition of forbidden acts.[98] Courts must not bring cases within the provision of a law which are not clearly embraced by it. No act can be pronounced criminal which is not clearly made so by statute.[99] Any reasonable doubt must be resolved in favor of the accused.[100] Needless to say, no less than the Constitution guarantees the right of an accused to be presumed innocent until the contrary is proved.[101]

WHEREFORE, premises considered, the assailed July 19, 2019 Decision and November 15, 2019 Resolution of the Sandiganbayan in Criminal Case Nos. SB-16-CRM-1080 and SB-16-CRM-1081, convicting accused-appellant for two counts of violation of Section 3 (h) of Republic Act No. 3019, are REVERSED and SET ASIDE. Accordingly, accused--appellant Rufino Pablo Palabrica III is ACQUITTED on both counts.

The bail bond posted by accused-appellant for his provisional liberty is hereby CANCELLED and the Hold Departure Order issued against him is LIFTED.

Let entry of Judgment be issued immediately.

SO ORDERED.

Hernando,[*] (Acting Chairperson), Inting, and Dimaampao, JJ., concur.
Perlas-Bernabe, S.A.J., on official leave.

[*] Designated Acting Chairperson per Special Order No. 2855 dated November 10, 2021.

[1] Rollo, pp. 63-64.

[2] Id. at 4-46; penned by Associate Justice Kevin Narce B. Vivero, and concurred in by Associate Justices Sarah Jane T. Fernandez (dissented with respect to accused-appellant's conviction in SB-16-CRM-1081, Id. at 56-62), Karl B. Miranda, Michael Frederick Musngi, and Georgina D. Hidalgo.

[3] Records, Vol. III, pp. 268-273; penned by Associate Justice Kevin Narce B. Vivero, with Associate Justices Sarah Jane T. Fernandez, Karl B. Miranda, Michael Frederick Musngi, and Georgina D. Hidalgo concurring, Records, Vol. III, pp. 246-268; Associate Justices Sarah Jane T. Fernandez and Michael Frederick Musngi dissented in SB-16-CRM-1081.

[4] Anti-Graft and Corrupt Practices Act. Approved on August 17, 1960.

[5] Id. at 5.

[6] Id. at 5-6.

[7] Section 89. Prohibited Business and Pecuniary Interest. —

(a) It shall be unlawful for any local government official or employee, directly or indirectly, to:

(1) Engage in any business transaction with the local government unit in which he is an official or employee or over which he has the power of supervision, or with any of its authorized boards, officials, agents, or attorneys, whereby money is to be paid, or property or any other thing of value is to be transferred, directly or indirectly, out of the resources of the local government unit to such person or firm;

- (2) Hold such interests in any cockpit or other games licensed by a local government unit;
 - (3) Purchase any real estate or other property forfeited in favor of such local government unit for unpaid taxes or assessment, or by virtue of a legal process at the instance of the said local government unit;
 - (4) Be a surety for any person contracting or doing business with the local government unit for which a surety is required; and
 - (5) Possess or use any public property of the local government unit for private purposes.
- (b) All other prohibitions governing the conduct of national public officers relating to prohibited business and pecuniary interest so provided for under Republic Act Numbered Sixty-seven thirteen (R.A. No. 6713) otherwise known as the "Code of Conduct and Ethical Standards for Public Officials and Employees" and other laws shall also be applicable to local government officials and employees.

[8] Local Government Code of 1991. Approved on October 10, 1991.

[9] Article 179. Prohibited Business and Pecuniary Interest. —

- (a) It shall be unlawful for any local government official or employee whether directly or indirectly, to:
- (1) Engage in any business transaction with the LGU in which he is an official or employee or over which he has the power of supervision, or with any of its authorized boards, officials, agents, or attorneys, whereby money is to be paid, or property or any other thing of value is to be transferred, directly or indirectly, out of the resources of LGU to such person or firm;
 - (2) Hold such interests in any cockpit or other games licensed by LGUs;
 - (3) Purchase any real estate or other property forfeited in favor of an LGU for unpaid taxes or assessment, or by virtue of a legal process at the instance of the said LGU;
 - (4) Be a surety for any person contracting or doing business with an LGU for which a surety is required; and
 - (5) Possess or use any public property of an LGU for private purposes.
- (b) All other prohibitions governing the conduct of national public officers relating to prohibited business and pecuniary interest so provided in RA 6713, otherwise known as the Code of Conduct and Ethical Standards for Public Officials and Employees, and other laws, rules and regulations shall also be applicable to local government officials and employees.

[10] Implementing Rules and Regulations of the Local Government Code of 1991.

[11] Rollo, p. 9.

[12] Id.

[13] Id. at 10.

[14] Id.

[15] Id.

[16] Id. at 10-11.

[17] Id. at 16-20.

[18] Records, Vol. II, pp. 155-156.

[19] Rollo, p. 19.

- [20] Records, Vol. II, pp. 159-160.
- [21] Id. at 158.
- [22] Id. at 157.
- [23] Rollo, pp. 18 and 21.
- [24] Id. at 12.
- [25] Id.
- [26] Id. at 21-25.
- [27] Records, Vol. II, pp. 373-376.
- [28] Id. at 389-392.
- [29] Id. at 403-404.
- [30] Rollo, pp. 22-23.
- [31] Id. at 23.
- [32] Id. at 21.
- [33] Id. at 23.
- [34] Id. at 25.
- [35] Id.
- [36] Id. at 44.
- [37] 216 Phil. 177 (1984).
- [38] Rollo, pp. 58-62.
- [39] Records, Vol. III, pp. 268-273.
- [40] Id. at 268.
- [41] Rollo, pp. 81-85.
- [42] Id. at 86-111.
- [43] 549 Phil. 544 (2007).
- [44] Records, Vol. II, pp. 397-399.
- [45] Id. at 405-406.
- [46] Id. at 400-402.
- [47] Rollo, pp. 112-118.
- [48] Id. at 147-154.
- [49] *People v. Estonilo*, G.R. No. 248694, October 14, 2020.
- [50] *People v. Ku*, G.R. No. 211248, October 14, 2020.

[51] Teves v. Sandiganbayan, 488 Phil. 311, 326 (2004).

[52] Id. at 326-327.

[53] Villarba v. Court of Appeals, G.R. No. 227777, June 15, 2020.

[54] People v. XXX, G.R. No. 238405, December 7, 2020 citing Quimvel v. People, 808 Phil. 889, 912 (2017).

[55] Id.

[56] Villarba v. Court of Appeals, supra note 53.

[57] Id.

[58] Rollo, p. 5.

[59] Section 3 (c) (i) of Ordinance No. 2012-003 of the Municipality of Dingle reads:

Section 3. – Rules and Regulations in Obtaining Rights to Occupy and Rent a Stall; Putting in of Guarantee Deposit and Occupancy/Use of Stalls

x x x x

c.) Regulation on Occupancy/Use of Stall

(i) In general, the stalls shall be used exclusively in conducting legitimate and legal business; (Emphasis supplied.)

[60] Cabrera v. Hon. Marcelo, 528 Phil. 1150, 1159 (2006).

[61] Rollo, p. 28.

[62] Id. at 79.

[63] Id. at 19 and 23.

[64] Id. at 42.

[65] Caballero v. Sandiganbayan, 560 Phil. 302, 320 (2007) citing Trieste, Sr. v. Sandiganbayan, 229 Phil. 505, 516 (1996).

[66] Rollo, p. 25-26.

[67] See Records, Vol. II, pp. 155-156 and 215-218.

[68] Rollo, p. 17.

[69] Id. at 403-404.

[70] Gaite v. Bismonte, G.R. No. 235752, September 19, 2018.

[71] Records, Vol. II, p. 403.

[72] Lacap v. Sandiganbayan, 811 Phil. 441, 459 (2017) citing Roble Arrastre, Inc. v. Hon. Villaflor, 531 Phil. 30, 46 (2006).

[73] Id. at 461.

[74] Id. at 459.

[75] 723 Phil. 444 (2013).

[76] Records, Vol. III, p. 258.

[77] Id. at 258-260.

[78] Kua v. Barbers, 566 Phil. 516, 534 (2008).

[79] Id.

[80] Id.

[81] See Commissioner of Internal Revenue v. Bank of the Phil. Islands, 525 Phil. 624, 634 (2006).

[82] Estrada v. Sandiganbayan, 421 Phil. 290, 348 (2001).

[83] Emphasis supplied; Merriam Webster Dictionary, <<https://www.merriam-webster.com/dictionary/business>> (visited October 12, 2021).

[84] Emphasis supplied; Id. <<https://www.merriam-webster.com/dictionary/contract>> visited (October 12, 2021).

[85] Bureau of Telecommunications v. Public Service Commission, 140 Phil. 285, 285-289 (1969) citing Caro v. Rilloraza and Workmen's Compensation Com., 102 Phil. 61, 72 (1957), Collector of Internal Revenue v. Manila Lodge, 105 Phil. 983, 987 (1959) and Collector of Internal Revenue v. St. Paul's Hospital, G.R. No. L-12127, May 25, 1959.

[86] Article 1318. There is no contract unless the following requisites concur:

- (1) Consent of the contracting parties;
- (2) Object certain which is the subject matter of the contract;
- (3) Cause of the obligation which is established.

[87] Acebedo Optical Company, Inc. v. Court of Appeals, 385 Phil. 956, 977 (2000).

[88] Id. at 971.

[89] (j) Knowingly approving or granting any license, permit, privilege or benefit in favor of any person not qualified for or not legally entitled to such license, permit, privilege or advantage, or of a mere representative or dummy of one who is not so qualified or entitled. (Emphasis supplied.)

[90] See Atty. Valera v. Office of the Ombudsman, 570 Phil. 368, 386 (2008).

[91] Ient v. Tullett Prebon Phils., Inc., 803 Phil. 163, 186 (2017), citing People v. Temporada, 594 Phil. 680, 735 (2008).

[92] 306 Phil. 219 (1994).

[93] Id. at 230-231.

[94] Supra note 37.

[95] Supra note 43.

[96] Supra note 75.

[97] Id. at 458.

[98] Centeno v. Judge Villalon-Pornillos, *supra* note 92 at 231.

[99] Rimando v. Commission on Elections, 616 Phil. 562, 581 (2009) citing *People v. Deleverio*, 352 Phil. 382, 404 (1998).

[100] *Id.*

[101] Section 14 (2), Article III of the 1987 PHILIPPINE CONSTITUTION.

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