

**Republic of the Philippines
Supreme Court
Manila**

EN BANC

**RE: COMPLAINT AGAINST MR.
RAMDEL REY M. DE LEON,
EXECUTIVE ASSISTANT III,
OFFICE OF ASSOCIATE
JUSTICE JOSE P. PEREZ, ON
THE ALLEGED DISHONESTY
AND DECEIT IN SOLICITING
MONEY FOR INVESTMENTS**

A.M. No. 2014-16-SC

Present:

**BERSAMIN, C.J.,
CARPIO,
PERALTA,
DEL CASTILLO,
PERLAS-BERNABE,
LEONEN,
JARDELEZA,
CAGUIOA,
REYES, A.B., JR.,
GESMUNDO,
REYES, J.C., JR.,
HERNANDO, and
CARANDANG, JJ.**

Promulgated:

January 15, 2019 .

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DECISION

GESMUNDO, J.:

Before this Court is an Administrative Complaint¹ dated November 3, 2014 filed with the Office of Administrative Services (OAS) by Judge Vivencio Gregorio G. Atutubo III (*Judge Atutubo*), former Court Attorney VI

¹ *Rollo*, pp. 444-451.

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in the Office of Associate Justice Jose P. Perez (*OAJ Perez*), and now Judge of the Regional Trial Court of Pili, Camarines Sur (*RTC*); Atty. Teresita A. Tuazon (*Atty. Tuazon*), Deputy Division Clerk of Court, Second Division; Attys. Delight Aissa A. Salvador (*Atty. Salvador*) and Joevanni A. Villanueva (*Atty. Villanueva*), both Court Attorneys VI of OAJ Perez (*collectively referred to as complainants*), against Ramdel Rey M. De Leon (*respondent*), Executive Assistant III of OAJ Perez for alleged dishonesty and deceit in soliciting money for investments.

The Antecedents

Complainants' Version

In their November 3, 2014 Complaint,² complainants alleged that respondent perpetrated a scam to the prejudice of several court employees, including complainants. From 2010 to 2013, on different dates and occasions, and in the course of their employment in the Supreme Court, particularly in the OAJ Perez, the parties became acquainted.

In the latter half of 2012 respondent, taking advantage of his close friendship and trust with complainants, enticed them into parting with their money and investing in his alleged business transactions. Respondent and his brother Rammyl Jay De Leon (*Rammyl*), on their own and in partnership with a certain Ferdinand John Mendoza (*Mendoza*), had a business network of suppliers of San Miguel Corporation (*SMC*).

In soliciting money for the investment, respondent weaved a story that Rammyl, a branch manager of Bank of the Philippine Islands (*BPI*), Capitol Hills, Quezon City, had clients and contacts who supplied certain requirements and needs of SMC. After delivery and performance, the suppliers were paid by SMC. Respondent, Rammyl, and Mendoza provided cash requirements for the suppliers as they needed continuous liquidity to be able to meet the demands of SMC.

Complainants alleged that respondent offered "solid and risk-free" investment business venture because it was handled by his brother who dealt directly with the suppliers. As for the participation of Mendoza in the transaction, respondent guaranteed that his brother, Rammyl, in his capacity as bank manager, would be able to monitor the financial transactions of

² Id.

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Mendoza, including any suspicious withdrawal, because the latter maintained an account with the said branch. Respondent claimed that Mendoza had his own set of investors and his participation as partner was only to pool monies of investors to facilitate the funding of huge blocks/openings of the cash requirements for SMC suppliers.³

Complainants also asserted that they had no reason to think that respondent might only be deceiving them given the elaborate explanation and specificity of respondent's claims on the investment that he and his brother were supposedly handling. Consequently, they decided to invest in the purported business transactions of respondent and his brother. In the OAJ Perez, the investment transactions were referred to as "*Investment sa kapatid ni Ramdel*."⁴

The respective allegations of complainants are summarized as follow:

- (1.) Judge Atutubo and Atty. Tuazon started investing in respondent and his brother's alleged business transactions in [the last quarter of] 2012 and [the second quarter of] 2013, respectively. The solicitation, physical turnover of cash and checks for deposit and the issuance of the checks covering their investment were all facilitated and handled by respondent. They alleged that respondent continued to solicit from them by texting for new openings. Each time Judge Atutubo visited Manila, respondent would talk to him and to Atty. Tuazon about maintaining their respective investments and possibility of adding to it. [As] respondent continued to project a profitable, safe and risk-free enterprise, it prompted them to keep and renew their investments with respondent in 2014. For their respective renewals, Judge Atutubo and Atty. Tuazon received checks from respondent issued by his brother, Rammyl.
- (2.) For Atty. Salvador, she alleged that respondent approached her in her cubicle and offered openings in the investment block where she could join. During the period that Atty. Salvador did not invest, respondent continued to message her[,] soliciting investments. She alleged that respondent claimed to her that he and his brother Rammyl, along with Mendoza, continued to rediscount checks of SMC suppliers and that their business was doing well. It was in the second quarter of 2013 when Atty. Salvador finally joined in the investment after she spoke to respondent's brother[,] Rammyl[,] on several occasion[s] who confirmed the existence and legitimacy of their purported business transactions. Atty. Salvador, however, no longer renewed her investments when it matured in August 2013 because she needed the money then. But before maturity, respondent inquired whether she will renew her investment with them.

³ Id. at 445.

⁴ Id.

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Respondent told her to inform him at once of her non-renewal so they can fill up her slot in the investment. As friends, she shared with respondent her financial goals, such as buying real property of her own. On the part of respondent, he claimed that his investment had funded his purchase of a new house and enabled him to provide his family with a comfortable lifestyle. Atty. Salvador, nonetheless, renewed her investment with respondent[,] in February 2014[,] relying heavily on the trust and confidence established between her and respondent. She was informed that the same arrangement she made before will apply, i.e. online funds transfer, and that upon confirmation of the credit of monies, respondent will hand to Atty. Salvador the checks covering her investment. It was respondent's brother Rammyl who issued the checks covering her investment. Upon inquiry on why his brother now solely issued checks to cover the investors' monies, respondent simply shrugged his shoulders, dismissed the query and categorically said that the transactions for all complainants' investments were for his and his brother's direct business transactions with the suppliers of SMC and were separate from Mendoza's transactions.

- (3.) Atty. Villanueva joined the OAJ Perez in June 2013 and became fast friends with respondent as they shared a common interest in basketball, the two being part of the same team that plays in the Court's sportsfest. During the course of 2013, respondent persistently and aggressively solicited investment from Atty. Villanueva, weaving the same tale and story he had told to other complainants and investors. Respondent also claimed that [his] investment transaction[, together with] his brother Rammyl[, was more profitable than the dividends being offered by the Supreme Court Savings and Loan Association (SCSLA). That Atty. Villanueva would be able to fund his planned US trip in December 2014 if he will invest in their business transaction a substantial amount. To further lend credibility and x x x convince Atty. Villanueva to invest, respondent told him that the other complainants and other lawyers, for a minimum of [Five hundred thousand pesos] (P500,000.00)[, and for almost two (2) years, had already invested with him and his brother. Atty. Villanueva also alleged the same story on how the said investment [has] helped him and his family. Having no reason to think that respondent was deceiving him and possibly concocting a story about his and his brother's investment transactions with suppliers of SMC, and relying heavily on the trust and confidence established between him and respondent, Atty. Villanueva finally invested monies with respondent in January 2014. As proof thereto is a check issued by Atty. Villanueva to respondent's brother Rammyl and credited it to the latter's account which checks were received and acknowledged by respondent bearing a notation that it was for investment. Thereafter, respondent handed to Atty. Villanueva a Banco De Oro (BDO) check issued by Rammyl to cover his investment.⁵

⁵ Id. at 2-4.

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Complainants further alleged that as of the date of filing of the administrative complaint, they still have neither met nor spoken to Mendoza. Respondent never referred to Mendoza as being the head of their purported business transactions. Also, respondent was the one who answered all complainants' queries and explained the details of the supposed business transactions. He received checks from complainants purportedly for the investment business transaction. Respondent, in turn, delivered to complainants the checks covering their earned interest and capital.

More so, respondent continued to solicit investment from complainants and other court employees at the start of January 2014. Atty. Villanueva and Atty. Salvador trusted and believed the story of respondent as to the legitimacy of the business transaction, and told him the possibility of making further investments.⁶

Thereafter, respondent stepped up his solicitation and insisted on additional investment ahead of schedule because of the supposed openings in other investment blocks with the suppliers of SMC. Thus, Atty. Salvador and Atty. Villanueva made further investments for the months of March, April, and May 2014, with the assurance that their monies were safe in his and his brother's business transactions. Further, complainants claimed that there was never an instance wherein respondent mentioned difficulties and problems regarding the investment. During those times, respondent continued to project a solid business endeavor.

In June 2014, respondent told complainants that Mendoza had gone missing allegedly taking all the monies with him, and was nowhere to be found. Confronted by Attys. Salvador and Villanueva, respondent categorically admitted his liability and committed to return all of complainants' investment and even promised to use his savings deposit to pay them. Respondent continued telling stories about Mendoza, who was allegedly in hiding because he was kidnapped by an investor who suddenly wanted to withdraw his money. However, respondent failed to give an explanation as to how the absence of Mendoza would affect his or his brother's business transactions.⁷

In August 2014, respondent and Rammyl had a meeting with Judge Atutubo and Atty. Salvador, at Greenhills Shopping Center. They continued to hedge about their claimed business transactions with the suppliers of SMC, but were very vague on their answers as to the effect of the absence of

⁶ Id. at 4-5.

⁷ Id. at 448.

Mendoza in their supposed business. Respondent and Rammyl then asked for some time to return the money claiming that Rammyl will receive his separation pay from BPI in two months.⁸

In subsequent conversations of the parties, complainants claimed that the lies and deceit slowly unravelled, as follows: 1) respondent and Rammyl neither have a business transaction on their own nor have a direct contact with SMC suppliers; 2) unknown to complainants, respondent, Rammyl and their other brothers had their own respective “set of investors” from whom they solicited investments which, they, in turn, invested solely with Mendoza; 3) using complainants’ monies, respondent and Rammyl personally profited by just “riding” on whatever business transactions Mendoza had; 4) to earn further from complainants’ investments, respondent and Rammyl put these at risk with Mendoza; 5) respondent aggressively solicited investments because he benefited therefrom by earning a certain percentage even without shelling out his own money; and 6) respondent and Rammyl had close ties and remained in contact with Mendoza even though the latter went missing with their investments.

Thereafter, respondent began to distance himself from the investment business and started pointing to Mendoza as the one responsible for complainants’ investments. Respondent and Rammyl belatedly and reluctantly filed a criminal complaint against Mendoza.⁹

In September 2014, complainants reiterated their demand to provide a payment scheme, or just pay all of complainants’ capital on installment basis. However, respondent neither approached Atty. Salvador nor Atty. Villanueva even though they were officemates. Complainants’ oral demands remained unheeded prompting them to send a written demand letter to respondent, Rammyl, and Mendoza. After the BDO checks issued to complainants were dishonored due to insufficiency of funds, signature differs and account closed, they formally notified respondent of the dishonored checks,¹⁰ viz:

Name	Check No.	Date	Amount
Judge Vivencio Gregorio Atutubo III	200859	07/02/14	₱5,000.00
	200891	07/11/14	₱15,000.00
	200762	07/14/14	₱10,000.00
	200888	07/22/14	₱300,000.00
	190869	07/28/14	₱200,000.00
	200860	07/30/14	₱5,000.00

⁸ Id. at 448-449.

⁹ Id. at 449.

¹⁰ Id. at 458-460.

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	200889	08/08/14	₱15,000.00
	200808	08/13/14	₱100,000.00 ¹¹

Name	Check No.	Date	Amount
Atty. Teresita A. Tuazon	190776	06/24/14	₱5,000.00
	200968	06/27/14	₱25,000.00
	200759	07/15/14	₱5,000.00
	200969	07/25/14	₱25,000.00
	200970	08/22/14	₱25,000.00
	200896	09/05/14	₱500,000.00 ¹²

Name	Check No.	Date	Amount
Atty. Jovanni A. Villanueva	190656	06/20/14	₱400,000.00
	187858	06/24/14	₱25,000.00
	190853	07/09/14	₱20,000.00
	190887	07/15/14	₱15,000.00
	187859	07/22/14	₱25,000.00
	190831	07/23/14	₱400,000.00
	190876	07/29/14	₱300,000.00
	186315	08/05/14	₱500,000.00 ¹³

Name	Check No.	Date	Amount
Atty. Delight Aissa A. Salvador	190657	06/20/14	₱350,000.00
	170048	06/24/14	₱27,500.00
	200826	07/01/14	₱10,000.00
	170049	07/22/14	₱27,500.00
	200827	07/29/14	₱10,000.00
	186313	08/05/14	₱550,000.00
	200803	08/12/14	₱200,000.00 ¹⁴

Respondent refused to sign the demand letter, and only his brother Rammyl signed and received the same. Such act was considered by complainants as proof of his evident dishonesty, bad faith, and increased attempts to distance himself from the investments he solicited.¹⁵

Hence, this instant administrative complaint against respondent for dishonesty and deceit through his aggressive solicitation and for falsely representing his business transactions. Complainants stated that they were fully aware that the Honorable Court is not a collection agency and that their proper recourse for payment lies elsewhere. However, they believe that it is their duty to inform the Court of respondent's dishonesty to deter him from further perpetuating lies and deceit designed to trick court employees into trusting him and parting with their hard earned monies for a non-existent investment transaction. Complainants emphasized that respondent is a court

¹¹ Id. at 458.

¹² Id. at 458-459.

¹³ Id. at 459.

¹⁴ Id.

¹⁵ Id. at 450.

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employee who should abide by the Code of Conduct for Employees of the Judiciary, Civil Service Rules and Regulations, and exhibit exemplary behavior in both aspects of his life, work, and personal.¹⁶

Respondent's Version

In his December 23, 2014 Comment,¹⁷ respondent denied the allegations against him. He claimed that complainants were the ones who approached and initiated the communications and dealings with intent to gain additional income. Respondent explained that sometime in July 2011, Rammyl asked respondent if he was interested in an “investment” that Mendoza was offering. Respondent knew Mendoza personally, the latter being a long-time friend of Rammyl.

Respondent then inquired as to the nature of the “investment”, and found that Mendoza was into check-rediscouting with suppliers/contractors of SMC. It was explained that SMC paid the suppliers of raw materials or other products after ninety (90) days from the date the contract was awarded and/or upon compliance/completion of the contract. These suppliers/contractors would then approach the agents of Mendoza for them to liquidate or sell the value of their contracts at a discounted price, so that they would be liquid and compliant with SMC’s requirements. Thereafter, Mendoza would contact Rammyl and other people willing to pool in cash to accommodate said contracts. After pooling the cash, Mendoza would then issue post-dated checks as advance payments for their capital contributions and earned interest.

For all the capital investments, Mendoza would issue three (3) post-dated checks – the first check to cover the principal, which would run and mature after sixty (60) days, and the two (2) subsequent checks to cover the five percent (5%) interest per month. The placement will then run for sixty (60) days or two (2) months, with the first post-dated check covering the first tranche of the five percent (5%) interest, payable after fourteen (14) days from placement, and the second check for the interest payable after twenty-eight (28) days.

In August 2011, respondent first placed an investment in the amount of One hundred thousand pesos (P100,000.00) as capital in the “investment” business. It was said that respondent could earn interest of Five thousand pesos (P5,000.00) per month or five percent (5%) of the One hundred

¹⁶ Id. at 451.

¹⁷ Id. at 309-333.

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thousand pesos (₱100,000.00) he initially placed as capital.¹⁸ Respondent's placements were all covered by Mendoza's checks, to which respondent did not encounter any problem in encashing or depositing. Eventually, the capital contribution of respondent already amounted to One million sixty-five thousand pesos (₱1,065,000.00).

Respondent admitted that sometime in 2013, respondent and his family planned to buy a house. With respondent's interest earnings from his investment, he was able to purchase a townhouse.¹⁹

Respondent met Judge Atutubo only in the course of their employment in the OAJ Perez. In a conversation between respondent and a friend, Judge Atutubo overheard about the investment business. He became interested about the investment, what the rates were, where it is placed, who manages the placement, and how it earns. Respondent was then hesitant to tell him about the investment because he did not want to handle money not his own.²⁰

According to respondent, Judge Atutubo was persistent and continued to prod him regarding the investment. Respondent then made it clear where he was placing the money and who manages it. Thereafter, Judge Atutubo inquired if he can place an investment in the initial amount of Fifty thousand pesos (₱50,000.00) to Eighty thousand pesos (₱80,000.00). Respondent informed Judge Atutubo that he still needed to ask Rammyl whether Mendoza accepted placement from a third party.²¹

After Judge Atutubo placed his money and was already earning five percent (5%) interest per month, he started to increase his capital placement. After a few months, he placed around Three hundred thousand pesos (₱300,000.00) earning five percent (5%) interest per month. Respondent alleged that at times, Judge Atutubo would ask a favor to deposit his cash investment in Mendoza's account. The deposit slips were then returned to Judge Atutubo, to show that respondent indeed deposited the money in Mendoza's account. Unfortunately, respondent did not keep any copy of these transaction receipts.

Judge Atutubo's total placement amounted to a total of Six hundred thousand pesos (₱600,000.00) which has been earning interest of five percent (5%) or Thirty thousand pesos (₱30,000.00) a month since 2013. Contrary to

¹⁸ Id. at 310.

¹⁹ Id. at 311.

²⁰ Id. at 312.

²¹ Id. at 312-313.

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Judge Atutubo's claim, respondent asserted that he never told him that he and Rammyl were in partnership with Mendoza.²²

With regard to Atty. Salvador, respondent alleged that she was an officemate from the OAJ Perez. She learned about respondent's business through their former officemate, Judge Atutubo. Respondent recalled that Atty. Salvador also inquired from him as to where the money was placed, how much it was earning and who managed the business, among others. He claimed that Atty. Salvador rigorously inquired about the business and, after she spoke with Rammyl over the phone, she placed her investment therein.²³

Atty. Salvador initially invested an amount of One hundred thousand pesos (P100,000.00). However, before she could place money, respondent had to wait for Rammyl's confirmation of the openings available from Mendoza. The capital investment of Atty. Salvador reached between Six hundred thousand pesos (P600,000.00) to Eight hundred thousand pesos (P800,000.00), earning five percent (5%) interest per month or Thirty thousand pesos (P30,000.00) to Forty thousand pesos (P40,000.00) a month. After ten (10) months of rolling her capital, Atty. Salvador withdrew all her placements by simply depositing the checks issued by Mendoza to her personal account.

On or about the last part of 2013, Atty. Salvador again made investments in Mendoza's business venture. Like all her previous placements, she simply transferred the money directly by online banking to Mendoza's BPI account. Before making the fund transfer, Atty. Salvador would inform respondent of her intention to make an investment or placement. Respondent would then contact Rammyl, who, in turn, would ask Mendoza about the available slots.²⁴

Respondent claimed that Atty. Salvador neither asked nor requested to meet Mendoza or Rammyl. He believed that as long as she was earning, it did not really matter. The total investment of Atty. Salvador amounted to One million one hundred thousand pesos (P1,100,000.00).²⁵

Atty. Tuazon, on the other hand, contacted respondent sometime in 2012. Unlike the three (3) other complainants, Atty. Tuazon and respondent were not officemates because she was already the Assistant Clerk of Court of

²² Id. at 314.

²³ Id. at 314-315.

²⁴ Id. at 315.

²⁵ Id. at 316.

the Second Division. Respondent recalled that he was surprised to receive a phone call from Atty. Tuazon. The latter told respondent that she learned about his investment business from her friend Judge Atutubo.²⁶

Respondent was hesitant to discuss the said investment business because he did not want the venture to be commercialized. Although worried, respondent nonetheless answered her queries. After some time, Atty. Tuazon was able to place an initial amount of Five hundred thousand pesos (P500,000.00). With an earning interest of five percent (5%) a month, Atty. Tuazon had monthly income of Twenty-five thousand pesos (P25,000.00). Eventually, she added to her capital an amount of Two hundred thousand pesos (P200,000.00) on different dates.

Respondent alleged that Atty. Tuazon's bank deposits for her capital were under the account of Mendoza, and that the deposit slips were given to her, to prove that the money was indeed deposited. Unfortunately, respondent did not keep a photocopy or record of the bank transactions.²⁷ Atty. Tuazon's total placement amounted to Seven hundred thousand pesos (P700,000.00).²⁸

Atty. Villanueva was the last among complainants to place his money with Mendoza's business venture. When the OAJ Perez transferred to its new office around September 2013, respondent and Atty. Villanueva shared the same room. In one of their conversations, Atty. Villanueva mentioned to him that his investment with BPI was not earning anymore. He convinced respondent to call Rammyl regarding his BPI investment. During Atty. Villanueva's conversation with Rammyl, respondent heard him asking about the "investment" with Mendoza. Thereafter, Atty. Villanueva asked respondent if he could be accommodated in Mendoza's business venture.²⁹

Respondent told him that he had to ask his brother first if there were available slots for placement. After a week, respondent informed Atty. Villanueva of the available slots. However, Atty. Villanueva told respondent that he would not join in the meantime, and would wait for Atty. Salvador so they could place their money at the same time.

Atty. Villanueva eventually placed an amount of Three hundred thousand pesos (P300,000.00) and rolled it for two months at five percent (5%) interest per month or Fifteen thousand pesos (P15,000.00) a month. Atty.

²⁶ Id. at 316-317.

²⁷ Id. at 317.

²⁸ Id.

²⁹ Id. at 319-320.

Villanueva confided to respondent that he placed his investment because he wanted to recover the payments for tickets he purchased for his family's vacation trip to the United States.³⁰

In the early months of 2014, Atty. Villanueva kept adding to his placements and rolling the matured ones. In most of the transactions, it was Atty. Villanueva who would personally go to the bank and deposit the same. His total investment amounted to One million six hundred thousand pesos (₱1,600,000.00) which earned five percent (5%) interest per month.

On June 18, 2014, respondent averred that Rammyl broke to him the news that Mendoza was already missing and nowhere to be found. Immediately thereafter, respondent called Atty. Salvador and Atty. Villanueva to seek help with the problem. Complainants told respondent and Rammyl that they should act quickly to recover the money and to pay them first. They also advised respondent to keep it among themselves for the meantime and gather all the available details first.

Rammyl mentioned to them that he went to the office of Mendoza in Libis, Quezon City in the afternoon of June 18, 2014 and found other people also looking for Mendoza. However, on said date, only Mendoza's counsels appeared and made arrangements to meet the following day, June 19, 2014.³¹

On June 19, 2014, the supposed meeting did not materialize as no lawyer from Mendoza's camp appeared. Instead, a lawyer called and asked to reschedule the meeting again on June 20, 2014. On the same day, respondent met with Attys. Salvador and Villanueva. They demanded payments from respondent and Rammyl, thus, the latter told complainants to wait until the end of June because all his savings were also with Mendoza.³²

On June 20, 2014, respondent texted Attys. Salvador and Villanueva to attend the meeting with the lawyers of Mendoza, but they declined. On the scheduled meeting, Mendoza's lawyers showed up but claimed that they were there only to get the names, claims, and contact numbers of the investors involved.³³

³⁰ Id. at 320.

³¹ Id. at 321.

³² Id. at 322.

³³ Id. at 323.

For Judge Atutubo, respondent alleged that he called him over the weekend and informed him about the problem and of Mendoza's disappearance. Judge Atutubo assured respondent that it was okay and that he should keep him posted for any development as he was then preparing for his US vacation.

On the other hand, Atty. Tuazon was informed about the problem on June 23, 2014. Respondent alleged that he personally went to her office and told her about the meetings with Mendoza's lawyers. She was depressed and frustrated about the news but Atty. Tuazon understood and even offered to help recover her placement.

In August 2014, Rammyl called respondent about Mendoza's statement issued through his lawyer. Respondent forwarded the said statement through email to Attys. Salvador and Villanueva. Respondent and Atty. Villanueva read Mendoza's statement together and they both found the explanation unacceptable. He heard Atty. Villanueva's disgust and frustrations over the matter to which respondent replied that he will relay it to Rammyl so that he can voice it out during the meeting with Mendoza's lawyers.³⁴

In the last part of August 2014, respondent's brother Rammyl went to Max's Restaurant, Orosa Branch and had a meeting with some of the investors. However, only Atty. Tuazon, among complainants, attended. In that meeting, Rammyl informed them about the statement and promises of Mendoza's lawyers.³⁵

Respondent further averred that it took a while before Mendoza finally communicated with Rammyl. According to Mendoza, the reason why he left the country was because of alleged death threats he received and that somebody tried to kidnap him. Respondent added that his brother gave Mendoza more than enough time to return all their money, but all of Mendoza's promises did not materialize. This eventually led to the filing of the Criminal Complaint³⁶ for estafa against Mendoza before the Prosecutor's Office of Quezon City (*Prosecutor's Office*).³⁷

It was around August 2014 that respondent and Rammyl met with Judge Atutubo and Atty. Salvador in Greenhills, San Juan. Complainants insisted that the purported business was a loan in partnership among respondent,

³⁴ Id.

³⁵ Id. at 323-324.

³⁶ Id. at 400-406.

³⁷ Id. at 324.

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Rammyl and Mendoza. Respondent and Rammyl denied all of complainants' allegations and further clarified that it was just Mendoza who had all the connections with SMC.³⁸

In September 2014, Attys. Salvador and Villanueva confronted respondent wherein Atty. Salvador asked "*Asan na pera namin, di ba may utang ka sa amin?*" Before respondent could reply, Atty. Villanueva stated "*Oo nga, umamin ka na. Umamin ka na na may utang ka sa amin. Di ba may utang ka sa amin? Umamin ka na.*" Respondent replied that it was neither a debt nor a loan and they both knew where their money was placed.

In October 2014, Rammyl informed respondent that he will be at Max's restaurant, Orosa Branch around lunchtime to meet the investors again. There, Judge Atutubo, Attys. Salvador and Villanueva arrived with a demand letter. Although Rammyl was hesitant to sign the said demand letter, he nonetheless, signed it because Atty. Salvador was already making a scene at the restaurant. Respondent also arrived at Max's restaurant around 1:30 p.m. He read complainants' demand letter, which included his wife in complainants' legal actions. Respondent, Rammyl, and complainants met again around 3:00 p.m. at the office of Atty. Tuazon. The latter told respondent that he should apologize to them. Respondent did not get the point of apologizing to anyone during the meeting. Complainants then furnished respondent a copy of the demand letter. He told them to mail it but complainants took it as a sign of bad faith.³⁹

Respondent claimed that out of the eleven (11) people from the Supreme Court who invested in the business venture, only the four (4) complainants claimed and weaved stories that no investment transaction existed. Further, he contended that complainants were the ones who decided whether to place their capital or not, renew or roll their existing placements or pull out their capital.⁴⁰ Respondent denied the accusation that he painted a picture of a "solid and risk-free" investment. Besides, had respondent or Rammyl known that there was a problem, or that Mendoza would run and disappear, he would not have placed Five hundred thousand pesos (P500,000.00) in the last week of May 2014. Likewise, respondent and Rammyl would have withdrawn all their capital and all of the capital of the concerned individuals to protect their placements.

³⁸ Id.

³⁹ Id. at 327-328.

⁴⁰ Id. at 329.

Finally, respondent alleged that in his more than ten (10) years in the Supreme Court, he has neither been charged with or involved in any dishonest conduct in relation to his employment or to his personal affairs. Respondent points that complainants are also employees of the Court. They should also not engage in any unlawful, dishonest, immoral, or deceitful conduct; that they should conduct themselves at all times with courtesy, fairness, and candor toward their professional colleagues; and they should exemplify a behavior above the norms and standards as expected of them because of their status and standing in the community.

Complainants' Reply;
Respondent's Rejoinder;
Complainants' Sur-rejoinder

In their January 29, 2015 Consolidated Reply,⁴¹ complainants countered that respondent indeed committed dishonesty. They averred that respondent's lies and trickery were all done only to profit from their hard-earned money.⁴² Complainants explained that the reason for the filing of the complaint was to vindicate their rights which have been violated by respondent. Also, they claimed that the lies and deceits became evident when they found out that the actual earnings of the investment through Mendoza's scheme was six to eight percent (6-8%) monthly interest as stated in Rammyl's amended complaint-affidavit. Respondent made complainants and the other investors at the OAJ Perez believe that the interest rate was only five percent (5%) a month.⁴³ Thus, there is a discrepancy of one to three percent (1 to 3%) earned interest, which were pocketed by respondent and Rammyl for recruiting "third-party" investors.⁴⁴

Complainants underscored that in January 2014, despite respondent's knowledge of Mendoza's default in payment of Rammyl's investment and an unpaid interest of Nine million two hundred one thousand six hundred pesos (₱9,201,600.00), respondent still continued to solicit and accept the monies of complainants. He even asked for referrals during the months of January to May 2014, without disclosing to complainants about Mendoza's default.⁴⁵

Complainants belied respondent's claim that they had knowledge of Mendoza's participation in the transactions. All the complainants and investors from the Supreme Court were not able to meet or talk to Mendoza. While respondent and Rammyl narrated to them the rediscounting business of

⁴¹ Id. at 177-204.

⁴² Id. at 177.

⁴³ Id. at 178-179.

⁴⁴ Id. at 179.

⁴⁵ Id. at 179-180.

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Mendoza, complainants were not informed that their placements were only a “rider” on Rammyl’s placement with Mendoza. The true and actual rate of interest being paid by Mendoza were also not disclosed.⁴⁶

They also alleged that respondent took advantage of their close friendship in order to convince them to invest in the said business transactions. As it turned out, respondent, Rammyl, and the rest of their family were simply “recruiters” for Mendoza’s own fraudulent scheme. With their respective set of “third party” recruits/investors, they earned from the monies of others without having to shell out their own. Complainants added that although respondent categorically denied benefitting from their investments, his denial is betrayed by the fact that he never turned down any of the investments of complainants or other investors. Respondent did not tell them at the very start that he and Rammyl had no check rediscounting business with SMC suppliers.⁴⁷

Lastly, complainants argued that if respondent was simply accommodating them in accepting their investments, he could have easily told them about Mendoza’s default to Rammyl beginning January 2014. They underscored that respondent never mentioned such default even though Attys. Villanueva and Salvador only started investing in January and February 2014. Respondent continued accepting new investments from them, which for complainants, were acts that demonstrate respondent’s clear interest to benefit and earn from their monies despite of the faltering investment scheme with their creditor, Mendoza.

In his Rejoinder⁴⁸ dated March 9, 2015, respondent pointed out the following: he denied the allegation on his active participation in the alleged solicitation, acceptance and facilitation of complainants’ monies for investment; he denied the allegation that complainants’ monies were coursed through respondent only; he clarified the issuance of checks by his brother and by Mendoza; he underscored that the information given by Mendoza’s counsel were immediately relayed to complainants; he denied the alleged attempt to waylay the administration of justice by refusing to acknowledge receipt of the demand letter; that he and Rammyl were also victims of Mendoza; and that complainants harassed him.⁴⁹

⁴⁶ Id. at 187-188.

⁴⁷ Id. at 190.

⁴⁸ Id. at 47-90.

⁴⁹ Id. at 24-25.

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In their Consolidated Sur-Rejoinder⁵⁰ dated March 30, 2015, complainants reiterated respondent's conduct and handling of the entire affair were far from being exemplary, clearly lacking forthrightness from the onset, from non-disclosure of the actual interest rates to the actual participation of Mendoza in respondent's solicited investment transactions. They contended that respondent's bare assertions and general denials cannot overcome the substantial evidence they have established.

During the pendency of this case, respondent tendered his resignation from the service effective April 30, 2015. The Court approved respondent's resignation, but without prejudice to the outcome of this case and subject to the usual clearance requirements.⁵¹

Report and Recommendation

In its Memorandum⁵² dated May 19, 2015, the OAS found no evidence proving respondent was indeed in partnership with his brother Rammyl and Mendoza in the check-rediscouting business venture. Nonetheless, it was established that respondent was a mere recruiter of Rammyl for Mendoza's investment scheme.⁵³ It also found that respondent actively participated in the series of transactions and dealings with complainants with regards the check-rediscouting business.⁵⁴ Substantial evidence therefore exists to hold respondent guilty of engaging directly in the private business of check-rediscouting as recruiter of third-party investors.

The OAS observed that respondent violated Supreme Court Administrative Circular (SC-A.C.) No. 5-88 dated October 4, 1988, which prohibits officials and employees of the Judiciary from engaging in any private business or activity even when undertaken outside office hours. In doing so, respondent has also violated the Code of Conduct for Court Personnel, particularly Sec. 5 of Canon III (Conflict of Interest) and Sec. 1 of Canon IV (Performance of Duties).⁵⁵

The OAS respectfully submitted for consideration the following recommendations:

⁵⁰ Id. at 35-39.

⁵¹ Id. at 25.

⁵² Id. at 1-32.

⁵³ Id. at 26-27.

⁵⁴ Id. at 27.

⁵⁵ Id.

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- a. That Ramdel Rey M. De Leon, former Executive Assistant III, Office of Associate Justice Jose P. Perez, be found guilty of simple dishonesty in his dealings with the complainants, and conduct prejudicial to the best interest of the service for violating Administrative Circular No. 5, dated October 4, 1988, and the Code of Conduct for Court Personnel, particularly Section 5 of Canon III (Conflict of Interest), and Section 1 of Canon IV (Performance of Duties);
- b. That in lieu of the penalty of suspension on respondent as he has already resigned from office, a fine in the amount equivalent to the monetary value of his terminal leave pay be imposed upon him; and
- c. That complainants be directed to proceed with the filing of appropriate civil and/or criminal case against respondent in the proper forum.⁵⁶

Issue

WHETHER RESPONDENT SHOULD BE HELD ADMINISTRATIVELY LIABLE FOR DISHONESTY AND CONDUCT PREJUDICIAL TO THE BEST INTEREST OF SERVICE.

The Court's Ruling

The Court modifies the findings and recommendations of the OAS.

In this case, the acts complained of were not related to or have no direct relation to respondent's work, official duties and functions. Nevertheless, respondent's private acts may still be reviewed by the Court because every court personnel are enjoined to conduct themselves toward maintaining the prestige and integrity of the judiciary for the very image of the latter is necessarily mirrored in their conduct, both official and otherwise. They must not forget that they are an integral part of that organ of the government sacredly tasked in dispensing justice. Their conduct and behavior, therefore, should not only be circumscribed with the heavy burden of responsibility but at all times be defined by propriety and decorum, and above all else beyond any suspicion.⁵⁷

⁵⁶ *Id.* at 32.

⁵⁷ *Hernando v. Bengson*, 662 Phil. 1, 8-9 (2011).

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Less Serious Dishonesty

Dishonesty, is defined as the “disposition to lie, cheat, deceive, or defraud; untrustworthiness; lack of integrity; lack of honesty, probity or integrity in principle; lack of fairness and straightforwardness; disposition to defraud, deceive or betray.”⁵⁸ Dishonesty is classified as serious when any of the attendant circumstances under CSC Resolution No. 06-0538 is present.⁵⁹ On the other hand, dishonest acts are less serious if: a) the dishonest act caused damage and prejudice to the government which is not so serious as to qualify under the immediately preceding classification; b) the respondent did not take advantage of his/her position in committing the dishonest act, and; c) other analogous circumstances.⁶⁰

Here, respondent is guilty of less serious dishonesty because he had not been honest in his dealings with complainants and he violated the trust reposed in him. In Rammyl’s Amended Complaint-Affidavit⁶¹ against Mendoza, it was admitted that Mendoza had been defaulting in the payment of Rammyl’s investment as early as January 2014. Respondent and Rammyl also had a meeting with Mendoza on May 12, 2014 to discuss their investments.⁶² Considering that respondent and Rammyl are brothers, it was improbable that the two would not share such crucial information regarding the failing investment business. Moreover, respondent had all the means to know of the doubtful transactions because, as represented to complainants, Rammyl was able to monitor the financial transactions of Mendoza, including any suspect withdrawal, as the latter maintained an account with the BPI.⁶³

⁵⁸ *Anonymous Complaint against Ofelia Lyn G. Maceda*, 730 Phil. 401, 412 (2014).

⁵⁹ Section 3. Serious Dishonesty. — The presence of any one of the following attendant circumstances in the commission of the dishonest act would constitute the offense of Serious Dishonesty:

- a. The dishonest act caused serious damage and grave prejudice to the Government;
- b. The respondent gravely abused his authority in order to commit the dishonest act;
- c. Where the respondent is an accountable officer, the dishonest act directly involves property, accountable forms or money for which he is directly accountable and the respondent shows an intent to commit material gain, graft and corruption;
- d. The dishonest act exhibits moral depravity on the part of the respondent;
- e. The respondent employed fraud and/or falsification of official documents in the commission of the dishonest act related to his/her employment;
- f. The dishonest act was committed several times or in various occasions;
- g. The dishonest act involves a Civil Service examination irregularity or fake Civil Service eligibility such as, but not limited to impersonation, cheating and use of crib sheets;
- h. Other analogous circumstances. (*Re: Anonymous Letter Complaint v. Judge Samson, et al.*, A.M. No. MTJ-16-1870, June 6, 2017; *Atty. Frades v. Gabriel*, A.M. No. P-16-3527, November 21, 2017).

⁶⁰ *LRTA v. Salvaña*, 736 Phil. 123, 157 (2014).

⁶¹ *Rollo*, pp. 400-406.

⁶² *Id.* at 30.

⁶³ *Id.* at 445.

In spite of the knowledge regarding the collapsing investments and suspicious default payments of Mendoza, respondent continued to accommodate and accept the investments of complainants up to May 2014.⁶⁴ If respondent was truly concerned for complainants' investments, he should have immediately disclosed the truth about the suspicious transactions at the very first instance and he should not have received any additional investments from complainants anymore. Instead, respondent turned a blind eye to the suspicious circumstances regarding Mendoza's payments, which eventually lead to the disappearance of complainants' investments.

Further, respondent committed another dishonesty when he did not truthfully disclose the actual rate of interest earned from the rediscounting business of Mendoza as stated in Rammyl's complaint-affidavit, to wit:

5. The investment plan, as presented by [Mendoza] was as follows: [Mendoza], through his network of agents, sources out receivables from prime corporations like San Miguel Corporation (SMC), Universal Robina Corporation (URC) and Petron. These receivables come in the form of Purchase orders from the suppliers of the said corporations. Initially, [Mendoza] presented documents to support these transactions (Deed of Assignment and MOA). In return for financing or advancing these receivables, the amount of the stated contract or purchase order is bought at a discounted rate. [Mendoza offered] me **6-8% per month** for the money I would invest with [him] for this. The interest is paid in advance, two weeks after date of placement/investment. Terms usually range from one month to 6 months depending on the available contracts he has. x x x.⁶⁵ (emphasis supplied)

Respondent admitted that complainants only received 5% interest per month from their investments. Glaringly, respondent did not divulge to complainants where the remaining 1-3% of the interests went. It goes to show that respondent is not truly straightforward regarding the interest earned in the said anomalous rediscounting business. Complainants went further by stating that the said remaining 1-3% interests were pocketed by respondent and Rammyl as their commission for the investment transactions. In any case, it is clear that respondent did not honestly deal with complainants regarding their hard-earned monies. The OAS correctly observed the following:

x x x. By "riding-on" to his brother's placements with Mendoza's check[-]rediscounting business, respondent used and employed this method of recruiting "third-party" investors. This is a classic, easy money-making scheme to earn profit from other people's money. Respondent, in this case,

⁶⁴ Id. at 448.

⁶⁵ Id. at 401.

supposedly placed the money of complainants and his other recruits in the Supreme Court (who comprised his own network) to the business scheme on an agreed interest yields per month. But unknown to complainants, he only passed on and gave lower interest rates to his recruits as compared to the true and actual yields to be earned from the investment x x x money, without having to shell out of his own funds. The more investors he brought in the investment, the bigger was his commission as an agent. Certainly, respondent by taking advantage of this profitable opportunity, will not tell this to his recruits.⁶⁶

Respondent committed dishonesty as he failed to live up to the high ethical standards required of court employees. In this case, considering the two acts of dishonesty committed by respondent against the four complainants were made by taking advantage of the trust and confidence reposed upon him, the same can be considered as an analogous circumstance that would constitute the offense of less serious dishonesty. Nevertheless, there is no attending circumstance that would qualify the dishonesty committed as serious. It must be emphasized that respondent is only a recruiter; he is not the author of the check-rediscounting scheme. Thus, respondent is administratively guilty of committing less serious dishonesty.

*Conduct Prejudicial to the
Best Interest of Service;
other violations of respondent*

Further, the Court finds that respondent committed conduct prejudicial to the best interest of service. Conduct is prejudicial to the public service if it violates the norm of public accountability and diminishes — or tends to diminish — the people's faith in the Judiciary.⁶⁷ The word "prejudicial" means "detrimental or derogatory to a party; naturally, probably or actually bringing about a wrong result."⁶⁸ Time and again, this Court has pronounced that any act which falls short of the exacting standards for public office, especially on the part of those expected to preserve the image of the judiciary, shall not be countenanced. Public office is a public trust. Public officers must at all times be accountable to the people, serve them with utmost degree of responsibility, integrity, loyalty and efficiency.⁶⁹

⁶⁶ Id. at 28.

⁶⁷ *Leave Division – O.A.S., Office of the Court Administrator v. Sarceno*, 754 Phil. 1, 9 (2015).

⁶⁸ *Office of the Court Administrator v. Corea*, 772 Phil. 277, 289-290 (2015).

⁶⁹ *Judge Loyao, Jr. v. Manatad*, 387 Phil. 337, 344 (2000).

In *Largo v. Court of Appeals*,⁷⁰ it was stated that if an employee's questioned conduct tarnished the image and integrity of his public office, he was liable for conduct prejudicial to the best interest of the service. The basis for his liability was Republic Act (R.A.) No. 6713 or the Code of Conduct and Ethical Standards for Public Officials and Employees. x x x Section 4(c), [thereof] commands that public officials and employees shall at all times respect the rights of others, and shall refrain from doing acts contrary to public safety and public interest.⁷¹

In *Anonymous Letter-Complaint against Atty. Morales, etc.*,⁷² the employee therein was found administratively guilty for conduct prejudicial to the best interest of service engaging in the business of lending and rediscounting of checks, to wit:

The Court agrees with the OCA that Siwa should be **administratively disciplined for engaging in the business of lending and rediscounting checks.**

Siwa admits engaging in the business of lending and rediscounting checks, claiming that it was a legitimate endeavor needed to augment her meager income as a court employee; that she is not aware of any rule prohibiting her from engaging in the business of rediscounting checks; that there are other employees engaged in the same business; and that she employs her own staff to do the encashment of the checks as she always attends to and never neglects her duties as a stenographer.

Siwa is clearly mistaken.

Officials and employees of the judiciary are prohibited from engaging directly in any private business, vocation, or profession even outside office hours to ensure that full-time officers of the court render full-time service so that there may be no undue delay in the administration of justice and in the disposition of cases.⁷³ The nature of work of court employees requires them to serve with the highest degree of efficiency and responsibility and the entire time of judiciary officials and employees must be devoted to government service to ensure efficient and speedy administration of justice.⁷⁴ Indeed, the Court has always stressed that court employees must strictly observe official time and devote every second moment of such time to public service.⁷⁵ And while the compensation may be meager, that is the sacrifice judicial employees must be willing to take.⁷⁶ (emphases supplied)

⁷⁰ 563 Phil. 293, 305 (2007).

⁷¹ *Consolacion v. Gambito*, 690 Phil. 44, 55 (2012).

⁷² 592 Phil.102 (2008).

⁷³ *Benavidez v. Vega*, 423 Phil. 437, 441-442 (2001).

⁷⁴ *Biyaheros Mart Livelihood Association, Inc. v. Cabusao, Jr.*, 302 Phil. 748, 753 (1994).

⁷⁵ *Anonymous v. Grande*, 539 Phil. 1, 8 (2006)

⁷⁶ *Anonymous Letter-Complaint against Atty. Morales*, supra note 72 at 122.

In this case, although no direct evidence proved that he was in absolute partnership with his brother Rammyl and Mendoza, there is still basis to hold respondent administratively liable. In Mendoza's check-rediscounting business venture, it was established that respondent was a "recruiter" thereof. Indubitably, respondent actively participated in the series of transactions and dealings with complainants, from the time he accepted all the monies and placed it in the account of Mendoza. This constitutes as sufficient evidence to find that respondent had some involvement in the business of rediscounting checks as a "recruiter of third-party investors."⁷⁷

As correctly found by the OAS, if not through respondent's enticements, offers, assurances and facilitations, complainants would not be persuaded in placing their money in the investment scheme. Respondent should have refrained from engaging in such activity, particularly with employees of the Court who have reposed trust and confidence in him. He kept prodding complainants to invest their money in the rediscounting business until the investment ballooned to millions, which was eventually misappropriated.⁷⁸

Indeed, the transactions happened within the premises of the Court, in the duration of respondent's employment with the OAJ Perez and it placed the image of the Judiciary, of which he is part, in a bad light.⁷⁹ The acts of respondent deviated from the norm of conduct required of a court employee, and constitutive of conduct prejudicial to the best interest of service. The said administrative offense need not be related or connected to the public officer's official functions.⁸⁰ As long as the questioned conduct tarnished the image and integrity of his public office, the corresponding penalty may be meted on the erring public officer or employee.

In addition, respondent committed other violations of various administrative rules. Respondent's conduct of business during office hours violated Sec. 1, Canon IV of the Code of Conduct for Court Personnel. It mandates that court personnel shall commit themselves exclusively to the business and responsibilities of their office during working hours. As a court employee, he should have exercise at all times a high degree of professionalism and responsibility, as service in the Judiciary is not only a duty; it is a mission.⁸¹ The acts of respondent are also in violation of Sec. 5, Canon III of the same code,⁸² which provides that the full-time position in the

⁷⁷ *Rollo*, p. 27.

⁷⁸ *Id.* at 30-31.

⁷⁹ *Supra* note 72 at 123.

⁸⁰ *Supra* note 70 at 305.

⁸¹ *Anonymous v. Namol*, A.M. No. P-16-3614, June 20, 2017.

⁸² Section 5. The full time position in the Judiciary of every court personnel shall be the personnel's primary employment. For purposes of this Code, "primary employment" means the position that consumes the entire

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Judiciary of every court personnel shall be the personnel's primary employment.

Further, the recruitment of third-party investors to the check-rediscouting business likewise constitutes violation of the SC-A.C. No. 5-88, which provides:

In line with Section 12, Rule XVIII of the Revised Civil Service Rules, the Executive Department issued Memorandum Circular No. 17 dated September 4, 1986 authorizing heads of government offices to grant their employees permission to engage directly in any private business, vocation or profession x x x outside office hours.

However, in its En Banc Resolution dated October 1, 1987, denying the request of Atty. Froilan L. Valdez of the Office of Associate Justice Ameurfina Melencio-Herrera, to be commissioned as a Notary Public, the Court expressed the view that **the provisions of Memorandum Circular No. 17 of the Executive Department are not applicable to officials or employees of the courts considering the express prohibition in the Rules of Court and the nature of their work which requires them to serve with the highest degree of efficiency and responsibility, in order to maintain public confidence in the Judiciary.** The same policy was adopted in Administrative Matter No. 88-6-002-SC, June 21, 1988, where the court denied the request of Ms. Esther C. Rabanal, Technical Assistant II, Leave Section, Office of the Administrative Services of this Court, to work as an insurance agent after office hours including Saturdays, Sundays and holidays. **Indeed, the entire time of Judiciary officials and employees must be devoted to government service to insure efficient and speedy administrative of justice.**

ACCORDING[LY], **all officials and employees of the Judiciary are hereby enjoined from being commissioned as insurance agents or from engaging in any such related activities**, and, to immediately desist therefrom if presently engaged thereat.⁸³ (emphases and underscoring supplied)

It must be emphasized that all court employees, being public servants in the Judiciary, must always act with a high degree of professionalism and responsibility. Their conduct must not only be characterized by propriety and decorum, but must also be in accordance with the law and court regulations. To maintain the people's respect and faith in the Judiciary, they should be upright, fair and honest. Respondent should avoid any act or conduct that tends to diminish public trust and confidence in the courts.⁸⁴

normal working hours of the court personnel and requires the personnel's exclusive attention in performing official duties.

⁸³ *Gasulas v. Maralit*, 305 Phil. 636, 638-639 (1994).

⁸⁴ *Release of Compulsory Retirement Benefits Under R.A. No. 8291 of Mr. Isidro P. Austria, etc.*, 744 Phil. 526, 539 (2014).

Nonetheless, the Court takes note that at the time Mendoza absconded, respondent informed complainants about the problem. He updated the parties involved with all the pieces of information he had and even set-up meetings for the parties to discuss the situation, thus, showing good faith in dealing with the issue. Respondent was also a victim of Mendoza. All the monies invested in Mendoza's check-rediscouting business, including respondent's money, were not recovered. Likewise, this is the first offense of respondent in his more than ten (10) years of service in the Judiciary.

Proper Penalty

As discussed-above, respondent committed less serious dishonesty, punishable by suspension of six (6) months and one (1) day to one (1) year for the first offense,⁸⁵ and conduct prejudicial to the best interest of the service, punishable by suspension of six (6) months and one (1) day to one (1) year if committed for the first time.⁸⁶

In addition, respondent also violated several administrative rules, particularly: violation of SC-A.C. No. 5-88; and violations of Sec. 5 of Canon III (Conflict of Interest), and Sec. 1 of Canon IV (Performance of Duties) of the Code of Conduct for Court Personnel.

In the recent case of *Boston Finance and Investment Corp. v. Judge Gonzalez*,⁸⁷ the Court differentiated the imposition of administrative penalties between justices and judges, and court personnel where multiple offenses are committed, to wit:

In its present form, Rule 140 of the Rules of Court is entitled "Discipline of Judges of Regular and Special Courts and Justices of the Court of Appeals and the Sandiganbayan." As its titular heading denotes, Rule 140 was crafted to specifically govern the discipline of judges and justices of the lower courts, providing therein not only a distinct classification of charges but also the applicable sanctions. A perusal of the offenses listed therein shows that they are broad enough to cover all kinds of administrative charges related to judicial functions, as they even include violations of the codes of conduct for judges, as well as of Supreme Court directives. It is likewise apparent that the list of offenses therein includes even violations of the civil service rules, such as acts of dishonesty, gambling in public, and engaging in partisan political activities. The Court therefore holds that violations of civil service laws and rules are subsumed under the charges enumerated in Rule 140 of the Rules of Court. x x x

⁸⁵ Section 2 (b) of CSC Resolution No. 06-0538; eventually incorporated as Rule 10, Section 46 (B) (1) of the Revised Rules on Administrative Cases in the Civil Service, promulgated on November 18, 2011.

⁸⁶ Supra note 70 at 306.

⁸⁷ A.M. No. RTJ-18-2520, October 9, 2018.

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Hence, in resolving administrative cases against judges or justices of the lower courts, reference need only be made to Rule 140 of the Rules of Court as regards the charges, as well as the imposable penalties. **If the respondent judge or justice is found liable for two (2) or more charges, separate penalties shall be imposed on him/her such that Section 50 of the [Revised Rules on Administrative Cases in the Civil Service (RRACCS)] shall have no application in imposing sanctions.**

On the other hand, as regards other court personnel who are not judges or justices, the [Code of Conduct for Court Personnel] governs the Court's exercise of disciplinary authority over them. x x x.

X X X X

Consistent with these cases, the Court resolves that **in administrative cases wherein the respondent court personnel commits multiple administrative infractions, the Court, adopting Section 50 of the RRACCS, shall impose the penalty corresponding to the most serious charge, and consider the rest as aggravating circumstances.**

Thus, to summarize the foregoing discussion, the following guidelines shall be observed:

- (a) Rule 140 of the Rules of Court shall exclusively govern administrative cases involving judges or justices of the lower courts. If the respondent judge or justice of the lower court is found guilty of multiple offenses under Rule 140 of the Rules of Court, the Court shall impose separate penalties for each violation; and
- (b) The administrative liability of court personnel (who are not judges or justices of the lower courts) shall be governed by the Code of Conduct for Court Personnel, which incorporates, among others, the civil service laws and rules. **If the respondent court personnel is found guilty of multiple administrative offenses, the Court shall impose the penalty corresponding to the most serious charge, and the rest shall be considered as aggravating circumstances.**⁸⁸
(emphases supplied)

In this case, respondent is a court personnel, thus, he shall be governed by the Code of Conduct for Court Personnel, which incorporates, among others, the civil service laws and rules. Consequently, the provisions of CSC

⁸⁸ Id.



Resolution No. 1101502, or the Revised Rules on Administrative Cases in the Civil Service (*RRACCS*) are applicable herein.

As provided under *Boston Finance and Investment Corp. v. Gonzalez*, Sec. 50 of the *RRACCS* states that if the respondent is found guilty of two (2) or more charges or counts, the penalty to be imposed should be that corresponding to the most serious charge and the rest shall be considered as aggravating circumstances.⁸⁹ Sec. 48 of the same rules also provides that in the determination of the penalties to be imposed, mitigating and/or aggravating circumstances attendant to the commission of the offense shall be considered.⁹⁰

Here, the penalty for the most serious charge of less serious dishonesty is suspension for six (6) months and one (1) day to one (1) year. The following are the mitigating circumstances; a) first infraction; and b) more than ten (10) years in service. On the other hand, the following are the aggravating circumstances: a) conduct prejudicial to the best interest of service; b) violation of SC-A.C. No. 5-88 and; c) violations of Sec. 5 of Canon III (Conflict of Interest), and Sec. 1 of Canon IV (Performance of Duties) of the Code of Conduct for Court Personnel. Considering these circumstances,⁹¹ the Court imposes the penalty of one (1) year suspension from office.

⁸⁹ **SECTION 50. Penalty for the Most Serious Offense.** — If the respondent is found guilty of two (2) or more charges or counts, the penalty to be imposed should be that corresponding to the most serious charge and the rest shall be considered as aggravating circumstances.

⁹⁰ **SECTION 48. Mitigating and Aggravating Circumstances.** — In the determination of the penalties to be imposed, mitigating and/or aggravating circumstances attendant to the commission of the offense shall be considered.

The following circumstances shall be appreciated:

- a. Physical illness;
- b. Good faith;
- c. Malice;
- d. Time and place of offense;
- e. Taking undue advantage of official position;
- f. Taking undue advantage of subordinate;
- g. Undue disclosure of confidential information;
- h. Use of government property in the commission of the offense;
- i. Habituality;
- j. Offense is committed during office hours and within the premises of the office or building;
- k. Employment of fraudulent means to commit or conceal the offense;
- l. First offense;
- m. Education;
- n. Length of service; or
- o. Other analogous circumstances.

In the appreciation thereof, the same must be invoked or pleaded by the proper party, otherwise, said circumstances will not be considered in the imposition of the proper penalty. The disciplining authority, however, in the interest of substantial justice may take and consider these circumstances *motu proprio*.


⁹¹ **SECTION 49. Manner of Imposition.** — When applicable, the imposition of the penalty may be made in accordance with the manner provided herein below:

- a. The *minimum* of the penalty shall be imposed where only mitigating and no aggravating circumstances are present.

However, since respondent is no longer in service as he resigned from the position of Executive Assistant III in OAJ Perez, effective April 30, 2015, the penalty of suspension cannot be meted. In lieu thereof, the Court imposes against respondent the penalty of a fine of one (1) year's salary at the time of his resignation, which amount is to be deducted from whatever benefits, if any, that he is still entitled to receive after his resignation.⁹² In *Reyes, Jr. v. Belisario, et al.*,⁹³ the Court stated that if the respondent is no longer in the service, then the suspension should automatically take the form of a fine equivalent to the respondent's one (1) year salary at the time of his separation from service.⁹⁴

WHEREFORE, respondent Ramdel Rey M. De Leon is **GUILTY** of less serious dishonesty, conduct prejudicial to the best interest of the service, violations of Supreme Court Administrative Circular No. 5-88, and Section 5 of Canon III (Conflict of Interest) and Section 1 of Canon IV (Performance of Duties) of the Code of Conduct for Court Personnel. He is hereby meted with a **FINE** in the amount equivalent to his salary for one (1) year in the service to be deducted from whatever benefits he may be entitled to.

SO ORDERED.


ALEXANDER G. GESMUNDO
Associate Justice

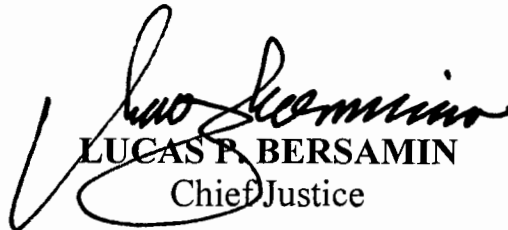
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- b. The *medium* of the penalty shall be imposed where no mitigating and aggravating circumstances are present.
 - c. The *maximum* of the penalty shall be imposed where only aggravating and no mitigating circumstances are present.
 - d. Where aggravating and mitigating circumstances are present, paragraph [a] shall be applied where there are more mitigating circumstances present; paragraph [b] shall be applied when the circumstances equally offset each other; and paragraph [c] shall be applied when there are more aggravating circumstances. (Revised Uniform Rules on Administrative Cases in the Civil Service, CSC Resolution No. 1101502, November 8, 2011).

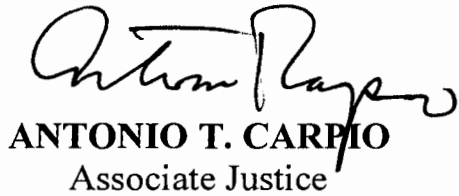
⁹² Cf. *Orfila v. Arellano*, 517 Phil. 481, 502 (2006).

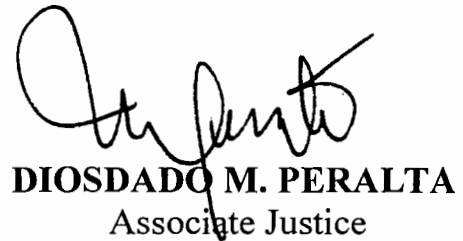
⁹³ 612 Phil. 936 (2009).

⁹⁴ Id. at 964.

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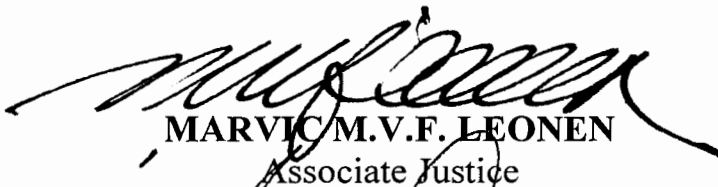

LUCAS P. BERSAMIN
Chief Justice

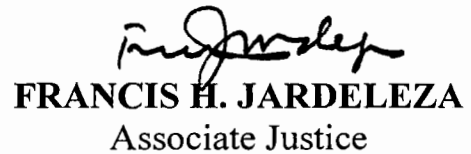

ANTONIO T. CARPIO
Associate Justice

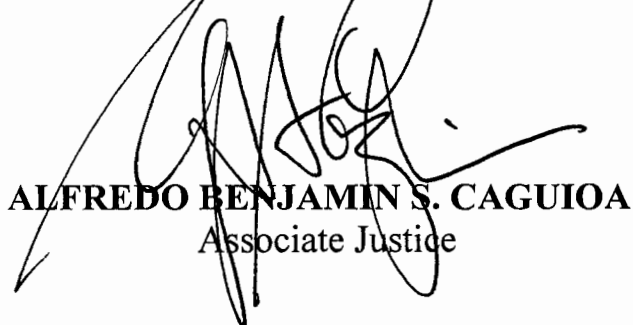

DIOSDADO M. PERALTA
Associate Justice

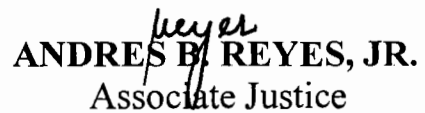

MARIANO C. DEL CASTILLO
Associate Justice

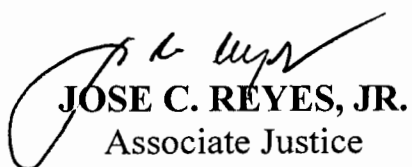

ESTELA M. PERLAS-BERNABE
Associate Justice

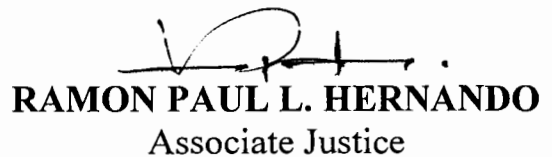

MARVIC M. V. F. LEONEN
Associate Justice


FRANCIS H. JARDELEZA
Associate Justice


ALFREDO BENJAMIN S. CAGUIOA
Associate Justice


ANDRES B. REYES, JR.
Associate Justice


JOSE C. REYES, JR.
Associate Justice


RAMON PAUL L. HERNANDO
Associate Justice


ROSMARI D. CARANDANG
Associate Justice

