

FIRST DIVISION

[G.R. No. 214415, October 15, 2018]

IN THE MATTER OF THE INTESTATE ESTATE OF MIGUELITA C. PACIOLES AND EMMANUEL C. CHING, PETITIONER, V. EMILIO B. PACIOLES, JR., RESPONDENT.

DECISION

TIJAM, J.:

Before Us is a Petition for Review on *Certiorari*^[1] under Rule 45 of the Rules of Court, assailing the Decision^[2] dated February 27, 2014 and the Resolution^[3] dated September 4, 2014 of the Court of Appeals (CA) in CAG.R. SP No. 130666, affirming the Orders dated May 31, 2012^[4] and September 3, 2012^[5] of the Regional Trial Court (RTC) of Quezon City, Branch 224, in SP. Proc. No. Q-92-13155, which ordered the release of funds from a joint foreign currency deposit account.

Facts of the Case

Upon the death of Miguelita Ching Pacioles (Miguelita), she left several real properties, stock investments, bank deposits and interests. She was survived by her husband, respondent Emilio B. Pacioles, Jr. (Emilio), their two minor children, Miguelita's mother, Miguela Chuatoco-Ching (Miguela), now deceased and Miguelita's brother, herein petitioner Emmanuel C. Ching (Emmanuel).^[6]

On August 20, 1992, Emilio filed a petition for the settlement of Miguelita's estate with prayer for his appointment as its regular administrator. Thereafter, Emilio and Emmanuel were appointed as co-administrators.^[7]

However, the appointment of Emmanuel was nullified in the CA Decision^[8] dated July 22, 2002 in CA-G.R. CV No. 46763.

Among the properties left by Miguelita and included in the inventory of her estate were her two dollar accounts with the Bank of the Philippine Islands (BPI)-San Francisco Del Monte (SFDm) Branch (subject BPI account), the subject matter of the instant case.^[9]

However, said dollar accounts were closed and consolidated into a single account (consolidated account) which is Account No. 003248-2799-14 under the names of Emilio **and** Miguela Chuatoco or Emmanuel upon their written request addressed to the bank.^[10]

On September 30, 2011, Emilio filed a motion to allow him to withdraw money from the subject BPI account to defray the cost of property taxes due on the real properties of Miguelita's estate.^[11]

Ruling of the RTC

In an Order^[12] dated November 28, 2011, the intestate court granted the motion, to wit:

WHEREFORE, in the interest of substantial justice, the instant Motion to Allow Withdrawal of Bank Deposit filed by the Administrator is partly GRANTED for the sole purpose of paying the subject realty obligation and the costs thereof.

Accordingly, the Branch Manager of the [BPI], Del Monte Branch, or any authorized representative is hereby [o]rdered to immediately RELEASE in favor of the Administrator, [Emilio], the total amount of Four Hundred Thirty Thousand Pesos (Php 430,000.00) from Account No. 003248-2799-14 while the difference shall remain in the custody of the said bank under the same type of account until further orders from this court.

Thereafter, the said Branch Manager and the Administrator or any authorized representative are each [o]rdered to SUBMIT to this Court a Compliance/Report with the pertinent document/s on the matter within five (5) days from receipt thereof.

SO ORDERED.^[13]

BPI-SFDM, through its bank manager, requested for a clarification on the abovementioned Order and gave an opinion that the subject BPI account is covered by the Foreign Currency Deposit Act of the Philippines. As such, it is exempt from orders of judicial and quasi-judicial bodies and that withdrawals therefrom can only be made with the written consent of the account holders, who are Emilio and Emmanuel.^[14]

In an Order^[15] dated May 31, 2012, the intestate court held that:

WHEREFORE, premises considered, this Court affirms and reiterates the Order dated November 28, 2011 as substantial justice requires. To further clarify the same, the Administrator, [Emilio], shall personally express his conformity and consent to the Branch Manager of the [BPI], Del Monte Branch, or any authorized representative for the withdrawal of the subject amount of money which shall be deemed sufficient for the purpose.

After such conformity and consent are expressed, the said Branch Manager or any authorized representative is [o]rdered to immediately RELEASE in favor of the said Administrator, [Emilio], the total amount of Four Hundred Thirty Thousand Pesos (Php 430,000.00) from Account No. 003248-2799-14 while the difference shall remain in the custody of the said bank under the same type of account until further orders from this Court.

Accordingly, the said Branch Manager and the Administrator or any authorized representative are each [o]rdered to SUBMIT to this Court a Compliance/Report with the pertinent document/s on the matter within five (5) days from receipt thereof.

SO ORDERED.^[16]

Emmanuel filed a motion for reconsideration.^[17] In his motion, he asserted that the trial court erred in directing the withdrawal of funds from the subject BPI account. Such motion was however denied in an Order^[18] dated September 3, 2012.

Undaunted, Emmanuel filed a Petition for *Certiorari*,^[19] assailing the abovesaid Orders of the trial court, before the CA.

Ruling of the CA

In a Decision^[20] dated February 27, 2014, the CA dismissed the petition. The CA found that the intestate court did not err in allowing the withdrawal of funds from the subject BPI account as such court has jurisdiction over the properties of Miguelita until the same have been distributed among the heirs entitled thereto. The *fallo* the Decision reads:

WHEREFORE, premises considered, the instant Petition for *Certiorari* is DENIED for lack of merit and the assailed orders of the [RTC] of Quezon City, Branch 224 dated 31 May 2012 and 03 September 2012 are hereby **AFFIRMED**.

SO ORDERED.^[21]

A motion for reconsideration^[22] filed by Emmanuel was denied by the CA in a Resolution^[23] dated September 4, 2014, *viz.*:

WHEREFORE, premises considered, the motion for reconsideration is hereby **DENIED** for lack of merit.

SO ORDERED.^[24]

Hence, this Petition.

Issue

Essentially, the issue in the present case is whether or not the order of release of funds from a joint foreign currency deposit account without securing the consent of a co-depositor is proper.

Ruling of the Court

We proceed with the nature of the subject BPI account.

It is established that the subject joint account, which involves foreign currency deposits, is under the names of Emilio **and** Miguela (now deceased) or Emmanuel.

The rule on foreign currency deposits is embodied in Section 8 of Republic Act No. 6426,^[25] also known as the Foreign Currency Deposit Act of the Philippines, which provides that:

Sec. 8. Secrecy of foreign currency deposits. – All foreign currency deposits authorized under this Act, as amended by PD No. 1035, as well as foreign currency deposits authorized under PD No. 1034, are hereby declared as and considered of an absolutely confidential nature and, except upon the written permission of the depositor, in no instance shall