

EN BANC

[A.M. No. RTJ-07-2089 [formerly OCA I.P.I. No. 07-2659-RTJ], September 08, 2009]

LAND BANK OF THE PHILIPPINES, COMPLAINANT, VS. JUDGE ERNESTO P. PAGAYATAN, RESPONDENT.

[A.M. NO. RTJ-0921-99 [FORMERLY OCA I.P.I. NO. 07-2698-RTJ]]

LETICIA LOURDES CAMARA, COMPLAINANT, VS. JUDGE ERNESTO P. PAGAYATAN, RESPONDENT.

D E C I S I O N

CARPIO MORALES, J.:

By Decision of March 31, 2003, the Provincial Agrarian Reform Adjudicator (PARAD) of Occidental Mindoro ordered complainant Land Bank of the Philippines (LBP) to pay Josefina S. Lubrica (Josefina) P71,634,027.30 as just compensation for the 431.1407-hectare portion of a rice and corn land in Sta. Lucia, Occidental Mindoro.

On the allegation that the PARAD disregarded the formula in Presidential Decree No. 27 and Executive Order No. 228, series of 1997, LBP filed on March 5, 2004 a petition for fixing of just compensation^[1] before the Regional Trial Court (RTC) of San Jose, Occidental Mindoro.

Judge Ernesto P. Pagayatan (respondent), Presiding Judge of Branch 46 of the RTC, by Order of March 4, 2005, directed LBP to deposit the preliminary compensation in the amount of P71,634,027.30.^[2] LBP questioned this Order via petition for certiorari^[3] before the Court of Appeals, docketed as CA G.R. No. 93206, which it dismissed by Resolution of August 17, 2006 for lack of merit.

On September 26, 2006, Josefina filed before the RTC a petition^[4] to cite for contempt Teresita V. Tengco (Teresita), Acting Chief of the Land Compensation Department of LBP, and Leticia Lourdes A. Camara (Leticia), Chief of the Land Compensation Department of LBP, alleging that they disobeyed respondent's Order of March 4, 2005.

Teresita and Leticia opposed Josefina's petition for contempt, citing the pendency of a motion for reconsideration of the appellate court's dismissal of LBP's petition for certiorari in CA G.R. No. 93206.

Finding merit in the petition for contempt, respondent, by Order of February 9, 2007, issued a warrant for the arrest of Leticia and Teresita.^[5] Leticia was arrested on February 12, 2007 and was detained at the provincial jail in San Jose, Occidental

Mindoro. Teresita had evaded arrest.

In an attempt to secure Leticia's liberty, LBP deposited P71,634,027.30 in cash and in bond at its head office in Manila in the name of "The Clerk of Court, RTC Branch 46, San Jose, Occidental Mindoro, in the Matter of Agrarian Case No. 1390."

Leticia and Teresita, through LBP's counsel, thereupon filed with the trial court an Urgent Manifestation of Compliance and Motion^[6] dated February 14, 2007, attaching thereto the Certificate of Deposit, and moving that the warrant of arrest against them be quashed and recalled. They also manifested that Leticia's health did not permit a prolonged confinement in the provincial jail.

Respondent refused to consider the deposit as substantial compliance with his March 4, 2005 Order.^[7] Thus, Leticia and Teresita filed an Ex-Parte Motion for Issuance of Clarificatory Order, asking in whose name should the check and bond be issued.^[8] They also filed an Ex-Parte Very Urgent Motion for the Immediate Release of [therein] Respondent Leticia Camara,^[9] alleging that her continued detention was no longer necessary; and that in light of her medical history of colon cancer, she should stay in a comfortable place.

During the hearing of Leticia and Teresita's Urgent Manifestation of Compliance and Motion, respondent directed "LBP [to] change the account and payee's name of the cash and bond deposit to Office of Clerk of Court, Regional Trial Court, San Jose, Occidental Mindoro, **for the account of Josefina S. Lubrica**, as assignee of Federico Suntay, in the matter of Agrarian Case No. 1390."^[10] Leticia and Teresita heeded and complied with the directive and thereafter filed an Urgent Manifestation reiterating their request that Leticia be immediately released.^[11]

By Order of February 9, 2007, respondent held in abeyance the resolution of Leticia and Teresita's Urgent Manifestation of Compliance and Motion as well as the other pending incidents, explaining thus:

x x x x

The record shows that the Land Bank of the Philippines filed with the Court of Appeals a "Very Urgent Omnibus Motion (A) for the Quashal of the Warrant of Arrest dated 09 February 2007; (B) Issuance of an Order status quo ante; and Posting/fixing of cash bond" dated February 12, 2007.

In the said Omnibus Motion, the Land Bank of the Philippines prayed the Court of Appeals:

"To QUASH the warrant of Arrest dated 9 February 2007 issued against LBP Officials Leticia Camara and Teresita Tengco for alleged indirect contempt. TO ISSUE an Order Status Quo Ante or an Order prior to the issuance of the said Warrant of Arrest, or FIX THE AMOUNT OF CASH BOND and allow the POSTING THEREOF for the provisional release of Mrs. Camara who is in custody of the arresting officer."

In deference to the Court of Appeals and out of Judicial courtesy, this

Court deems it best to **await the resolution by the Court of Appeals of the Land Bank of the Philippines' Omnibus Motion dated February 12, 2007 before acting on the pending incidents.**

SO ORDERED.^[12] (Emphasis and underscoring supplied)

By Very Urgent Manifestation dated February 20, 2007,^[13] Leticia and Teresita informed the trial court that the Court of Appeals had denied LBP's Omnibus Motion, and thus reiterated the request for Leticia's immediate release.

By Order^[14] of February 21, 2007, respondent found Leticia and Teresita's compliance with its directive relative to the change of "the account and payee's name of the cash bond and deposit" unsatisfactory, the change not having been made, so respondent stated, in such form that Josefina could immediately withdraw the deposit without difficulty. Thus respondent, this time, ordered:

x x x that the cash and bond payments **be placed in the name of Josefina S. Lubrica as payee**, in a form that is readily withdrawable. Upon compliance, Respondent [Leticia] Camara shall forthwith be ordered released from custody, and the warrant of arrest of Respondent Tengco shall be ordered recalled.^[15] (Emphasis, italics and underscoring supplied)

On February 22, 2007, Teresita and Leticia filed before the trial court an Urgent Ex-Parte Omnibus Motion for (A) Immediate Resolution of the February 14, 2007 Urgent Manifestation of Compliance, (B) Immediate Release of AVP [Leticia] Camara and/or Quashal of Warrant of Arrest dated February 9, 2007, and (C) Fixing/Posting of Cash Bond.^[16] Respondent did not act on this Omnibus Motion, drawing LBP, Teresita, and Leticia to file on February 23, 2007 a Petition for Certiorari and Mandamus^[17] before the Court of Appeals, docketed as CA-G.R. SP No. 98032, for the annulment of respondent's February 9, 2007 and February 21, 2007 Orders; and for an order commanding respondent to consider the deposit of P71,634,027.30 as faithful compliance with his March 4, 2005 order and to issue an order directing the release of Leticia from detention. They also prayed for a preliminary mandatory injunction to secure Leticia's release pending resolution of the petition.

In a related move, Leticia's son filed, on her behalf, on February 27, 2007 a petition for habeas corpus before this Court for her release,^[18] docketed as G.R. No. 176563, "*In the Matter of the application for issuance of Writ of Habeas Corpus in behalf of Leticia Lourdes A. Camara, Asst. Vice President of Land Bank of the Philippines, represented by her son, Mark Darwin Camara, petitioner v. Hon. Ernesto P. Pagayatan, in his capacity as Presiding Judge, RTC San Jose, Occidental Mindoro, Branch 46, and all other persons acting on his behalf, respondents.*"

On April 2, 2007, this Court, acting on Leticia's son's petition for habeas corpus, found Leticia's continued detention unlawful, and ordered respondent to desist from detaining Leticia.^[19] It turned out that on March 1, 2007, the Court of Appeals, in CA-G.R. SP. No. 98032 (for Certiorari and Mandamus, for the annulment of

respondent's February 9, 2007 and February 21, 2007 Orders) had granted a writ of preliminary mandatory injunction ordering the immediate release of Leticia, following which or on the following day, March 2, 2007, respondent ordered Leticia's release.^[20]

On August 24, 2007, LBP filed before this Court the first above-captioned administrative complaint against respondent,^[21] charging him with

- a. Violation of Article III, Section 1 of the 1987 Constitution which provides that "No person shall be deprived of life, liberty, or property without due process of law, nor shall any person be denied the equal protection of the laws;"
- b. Violation of the Anti-Graft and Corrupt Practices Act (R.A. No. 3019), Section 3(e), in relation to Rule 140, Section 8(2) of the Revised Rules of Court;
- c. Gross Ignorance of the Law or Procedure under Rule 140, Section 8(9) of the Revised Rules of Court;
- d. Knowingly Rendering an Unjust Judgment (Article 204, Revised Penal Code), in relation to Rule 140, Section 8(4) of the Revised Rules of Court;
- e. Knowingly Rendering an Unjust Interlocutory Order (Article 206, Revised Penal Code), in relation to Rule 140, Section 8(4) of the Revised Rules of Court;
- f. Malicious Delay in the Administration of Justice (Article 207, the Revised Penal Code), in relation to Rule 140, Section 9(1) of the Revised Rules of Court (Undue Delay in Rendering a Decision or Order);
- g. Arbitrary detention (Article 267, Revised Penal Code);
- h. Code of Judicial Conduct (Canon 1, Rules 1.01 to 1.03, and Canon 2, Rule 2.01) in relation to Rule 140, Section 8(3) of the Revised Rules of Court, to wit:

"Canon 1

A judge should uphold the integrity and independence of the judiciary

Rule 1.01 - A judge should be the embodiment of competence, integrity, and independence.

Rule 1.02. -- A judge should administer justice impartially and without delay.

Rule 1.03. - A judge should be vigilant against any attempt to subvert the independence of the judiciary and resist any pressure from whatever source.

Canon 2

A judge should avoid impropriety and the appearance of impropriety in all activities.

Rule 2.01. - A judge should so behave at all times as to promote public confidence in the integrity and impartiality of the judiciary."

i. Code of Judicial Ethics (Par. 3), which states that:

"3. Avoidance of appearance of impropriety

A judge's official conduct should be free from the appearance of impropriety, and his personal behavior, not only upon the bench and in the performance of judicial duties, but also in his every day life, should be beyond reproach."^[22]

for having

I. X X X ISSUED THE ORDER DATED 4 MARCH 2005 DIRECTING LBP TO DEPOSIT P71,634,027.30 WITH THE LAND BANK OF THE PHILIPPINES AS PRELIMINARY COMPENSATION FOR JOSEFINA S. LUBRICA WHEN THERE IS NO LEGAL BASIS THEREFOR.

II. X X X [TAKEN] COGNIZANCE OF THE PETITION FOR INDIRECT CONTEMPT FILED BY LUBRICA AGAINST MS. LETICIA LOURDES A. CAMARA, ASSISTANT VICE-PRESIDENT, LBP LAND COMPENSATION DEPARTMENT, AND MS. TERESITA V. TENGCO, MANAGER, LBP BOND SERVICING DEPARTMENT, DESPITE THE NON-PAYMENT OF THE REQUIRED DOCKET FEES.

III. X X X ISSUED THE ORDER DATED 9 FEBRUARY 2007 FINDING MS. CAMARA AND MS. TENGCO GUILTY OF INDIRECT CONTEMPT AND DIRECTING THEIR ARREST, WITHOUT ANY HEARING.

IV. X X X ISSUED THE CONTEMPT AND ARREST ORDER OF 9 FEBRUARY 2007 IN SPITE OF THE PENDING MOTION FOR RECONSIDERATION FILED BY LBP IN CA G.R. NO. 93206 (PETITION FOR CERTIORARI), IN VIOLATION OF JUDICIAL COURTESY.

V. X X X ISSUED THE ORDER DATED 21 FEBRUARY 2007 FINDING LBP'S EARLIER DEPOSIT AND COMPLIANCE WITH HIS 4 MARCH 2005 ORDER AS INSUFFICIENT, AND ARBITARILY COMMANDING