Republic of the Philippines
Department of Trade and Industry
Securities and Exchange Commission
SEC Bldg., EDSA, Greenhills, Mandaluyong City

In the matter of

PHILIPPINE INDEPENDENT CATHOLIC CHURCH, INC.

SEC Admin Case No. 10-10-123

ENFORCEMENT AND PROSECUTION DEPARTMENT,
Petitioner.
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DECISION

For consideration is the petition for revocation of the corporate registration of Philippine Independent Catholic Church, Inc.[1] ("PICCI," for clarity) filed by the Enforcement and Prosecution Department ("EPD," for brevity) of the Commission on 05 October 2010. The revocation is premised on the PICCI's persistent refusal to comply with or defiance of the lawful order[2] of the Commission to change its corporate name and amend its Articles of Incorporation in accordance with Section 6, letter (l), subparagraph (3) of Presidential Decree No. 902-A, as amended.

FACTS OF THE CASE

The case originated[3] as a letter-complaint[4] for Change of Name filed by The Most Rev. Tomas A. Millamena, D.D., Obispos Maximo, Spiritual Head, Chief Pastor and Chief Executive Officer of Iglesia Filipina Independiente[5] ("Iglesia Filipina," for clarity). The letter informed the Commission that a Certificate of Incorporation was issued to PICCI without the knowledge and permission of Iglesia Filipina since "Philippine Independent Catholic Church" is one of the names Iglesia Filipina is known for.[6]

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[1] SEC Registration No. CN200300605.
[2] Order dated 10 June 2004.
[3] Docketed as SEC Case No. 08-06-144.
[4] Dated 02 April 2003 and received by the Commission on 01 May 2003.
[5] SEC Registration No. PW-611.
[6] Iglesia Filipina is a corporation sole incorporated in 1904. The Certificate of Corporate Filing/Information issued by Director Benito A. Cataran of the Company Registration and Monitoring Department ("CRMD") on 27 February 2003 provides: "... subject corporation is a

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On 10 June 2004, the Office of the General Counsel ("OGC") issued an Order[7] to the PICCI ordering it to change its corporate name by amending its Articles of Incorporation and filing the same with this Commission within thirty (30) days from the date of receipt of the order. PICCI tried unsuccessfully to have the order nullified by filing a Motion to Set Aside the General Counsel's June 10, 2004 Null and Void Ab Initio Order alleging lack of jurisdiction on the part of the OGC and violation of due process.[8] The Motion was denied on 27 September 2006 and PICCI was again ordered to change its corporate name by amending its Articles of Incorporation within thirty days from the date of actual receipt of the Order.[9]

Aggrieved, PICCI elevated the Orders to the Court of Appeals ("CA") – first, a Petition for Certiorari which was dismissed by the CA in a Resolution dated 12 January 2007[10] and subsequently a Motion for Reconsideration, which was again denied by the CA in a Resolution dated 06 June 2007.[11] The Resolution dated 12 September 2007 became final and executory on 17 March 2008.[12]

Iglesia Filipina filed a Motion for Issuance of the Writ of Execution dated 07 October 2008[13] to enforce the Orders dated 10 June 2004 and 27 September 2006. Respondent PICCI was directed through an Order dated 04 March 2009[14] to submit its Comment on the said Motion but failed to do so despite notice that failure to do so would result in a waiver of the right to comment. The OGC issued an Order dated 08 June 2009 resolving the motion and a Writ of Execution dated 08 June 2009.[15]

However, respondent PICCI refused to comply with the Writ of Execution. The Sheriff's Report dated 11 August 2009 states:

> "That on August 11, 2009, undersigned went back to the Philippine Independent Catholic Church, Inc. and was able to talk over the phone to Supreme Bishop Armando Dela Cruz and he intimated that they have not complied with the Writ of Execution considering that there is a pending Motion to Set Aside the Null and Void Ab Initio Order and Writ of Execution pending with the Securities and Exchange Commission."[16]

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religious association which has become known also as the Iglesia Filipina Independiente or Philippine Independent Catholic Church ..." (Petition, p. 3, par. 5)

[7] Petition, Annex "F."
[8] *Ibid,* p. 4, par. 5.
[9] *Ibid,* Annex "H."
[10] *Ibid.* Annex "I."
[11] *Ibid.,* Annex "J."
[12] *Ibid.,* Annex "L."
[13] *Ibid.,* Annex "M."
[14] *Ibid.,* Annex "N."
[15] *Ibid.,* Annexes "O" and "P," respectively.
[16] Petition, Annex "Q."

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Subsequently, PICCI filed a Motion to Set Aside the Null and Void Ab Initio Order and Writ of Execution dated 30 June 2009.[17] Meanwhile, Iglesia Filipina filed a Motion for Revocation, Nullification and Cancellation of Respondent's Company Registration No. CN200300606 dated 17 August 2009.[18] Both Motions were denied by the OGC in an Order dated 01 February 2010, the dispositive portion of which reads:

> "WHEREFORE, premises considered, the Commission resolved as follows:
>
> 1. The Motion to Set Aside filed by respondent Philippine Independent Catholic Church, Inc. is hereby DENIED. Accordingly, let an Alias Writ of Execution be issued.
>
> 2. The Motion for Revocation filed by petitioner Philippine Independent Catholic Church is likewise DENIED, without prejudice to the filing of a separate petition."[19]

An alias Writ of Execution[20] was issued accordingly on 04 February 2010. In the Sheriff's Report dated 17 March 2010,[21] the pertinent portion of which states:

> "That on March 2, 2010, he cause to be served a copy of the Alias Writ of Execution, together with a copy of the letter of the undersigned Sheriff of even date directing the respondent three (3) days within which to comply with the said writ, copy of the letter is hereto attached as Annex "A";
>
> That after the lapse of the period given the respondent, they still refuse and continue to refuse to comply with the Alias Writ of Execution."

However, until the present date, PICCI refuses to comply with the Alias Writ of Execution.

Hence, the instant petition.

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[17] *Ibid.*, Annex "R."
[18] *Ibid.*, Annex "S."
[19] *Ibid.*, Annex "T."
[20] *Ibid.*, Annex "U."
[21] *Ibid.*, Annex "V."

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ISSUE

Whether there is a valid ground to revoke the corporate registration of respondent PICCI.

RULING

In the instant case, a Writ of Execution and an Alias Writ have been issued for the respondent PICCI to comply with the Order of the OGC dated 10 June 2004. The directive of that Order is clear: for PICCI to amend its Articles of Incorporation by changing its corporate name.

In addition, SEC Memorandum Circular No. 14-2000[22] provides that "registrant corporations or partnerships shall submit a letter undertaking to change their corporate or partnership name in case another person or firm has acquired a prior right to the use of the said firm name or the same is deceptively or confusingly similar to one already registered unless this undertaking is already included as one of the provisions of the articles of incorporation or partnership of the registrant."[23] Thus, respondent PICCI is well aware of its obligations and undertaking for it to obtain and continue holding a primary license with the Commission.

It must be recalled that "the decisions and orders of administrative agencies, rendered pursuant to their quasi-judicial authority, have upon their finality, the force and binding effect of a final judgment.xxx"[24] Moreover, "execution is the final stage of litigation, the end of the suit. It cannot be frustrated except for serious reasons demanded by justice and equity. In this jurisdiction, the rule is that when a judgment becomes final and executory, it is the ministerial duty of the court to issue a writ of execution to enforce the judgment."[25]

However, despite this, the PICCI continues to refuse to comply with the order of the Commission and has resorted to dilatory tactics in order to prolong the inevitable execution of the decision.

In its Answer dated 08 November 2010 to the Petition for Revocation, PICCI merely rehashes its arguments that remain unsubstantiated, frivolous and outright dilatory. Respondent prayed for the dismissal of the complaint, imposition of sanctions on the General Counsel of the Commission, alleging that the petition is based on "null and void proceedings," and that there are procedural irregularities in the conduct of the case.

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[22] Issued on October 24, 2000.
[23] SEC Memorandum Circular No. 14-2000, Par. 15.
[24] Felisimo San Luis vs. Court of Appeals, G.R. No. 80160. June 26, 1989.
[25] Chona P. Torres vs. National Labor Relations Commission, et al. G.R. No. 107014. April 12, 2000.

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It cannot be denied that PICCI was given ample opportunity to ventilate its side during the proceedings before the Commission. The persistent refusal and defiance of the lawful orders of the Commission by PICCI makes mockery of the observed procedures and processes of the Commission.

In one case, the Supreme Court even imposed stiffer penalties on erring private respondents for their blatant refusal to comply with the orders issued by the court:

> "To enforce said decision, the court a quo issued an Order dated July 1, 1992, directing private respondent Toyota Bel-Air, Inc., thru its officers, to return the vehicle of petitioner. However, private respondents refused to comply therewith. Having failed to show any justifiable reason why they have repeatedly ignored the trial court's orders, private respondents should be indefinitely incarcerated for disobeying orders, until such time that they are able to comply with the same. ***The Court cannot therefore uphold the imposition below of a fine of Five Hundred (P500.00) Pesos. This will set a precedent, long avoided by the Court, for its orders to be easily disregarded and rendered inutile when the only sanction for their refusal to comply with the same, without justifiable reason, is an imposition of measly fines.***
>
> xxx
>
> It is hereby ordered that private respondent Toyota Bel-air, Inc. thru its officers Robert L. Yupangco, Leonardo Bahia and their counsel, Atty. Rudy B. Canal ***be placed in custody and kept in confinement by the Sheriff in the case until the Order, dated July 1, 1992, directing them to return the subject car is complied with, or until further orders.***"[26] (emphasis supplied)

The Commission is no doubt empowered to revoke the registration of a corporation if it refuses to comply with or defies any lawful order issued by the Commission. The authority emanates from Section 6, paragraph l(3) of Presidential Decree No. 902-A, as amended that enumerates the powers of the Commission:

> "(l) To suspend, or revoke, after proper notice and hearing, the franchise or certificate of registration of corporations, partnerships or associations, upon any of the grounds provided by law, including the following:
>
> xxx

[26] Carolina Quinio vs. Court of Appeals, G.R. No. 113867. July 13, 2000.

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3. ***Refusal to comply or defiance of any lawful order*** of the Commission restraining commission of acts which would amount to a grave violation of its franchise."

Considering the delay that PICCI has caused in the frustration of the execution of the judgment in SEC Case No. 08-06-144 to the prejudice of the aggrieved parties, and the callous disregard for the decisions and orders of the Commission, there is no other recourse but revocation.

WHEREFORE, the certificate of incorporation of PHILIPPINE INDEPENDENT CATHOLIC CHURCH, INC. (CN200300605) is hereby **REVOKED.**

Let a copy of this **Decision** be furnished to the Company Registration and Monitoring Department for its information and appropriate action. Lastly, let copies of this Decision be furnished to the Economic Research and Information Department and all the extension offices of this Commission for dissemination to the general public.

SO ORDERED.

Mandaluyong City, 11 March 2011.

FE B. BARIN
Chairperson

MA. JUANITA E. CUETO
Commissioner

RAUL J. PALABRICA
Commissioner

MANUEL HUBERTO B. GAITE
Commissioner

ELADIO M. JALA *
Commissioner

*on approved leave

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Securities Counsel III

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