



Republic of the Philippines  
**SANDIGANBAYAN**  
Quezon City

**FIFTH (5<sup>th</sup>) DIVISION**

**PEOPLE OF THE**  
**PHILIPPINES,**

*Plaintiff,*

**Criminal Case No.:**  
**SB-18-CRM-0463**

*-versus-*

For: Violation of Section 3(e) of  
R.A. 3019, as amended

**HONESTO F. BANIQUED,**

*Accused.*

*Present:*

**Lagos, J.,** Chairperson,  
**Mendoza-Arcega, J.,** and  
**Corpus-Mañalac, J.**

Promulgated:

May 6, 2022 *mea*

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**RESOLUTION**

**LAGOS, J.:**

This resolves the following:

1. **MOTION FOR RECONSIDERATION (of the Decision dated 25 March 2022)**<sup>1</sup> dated 08 April 2022, filed by accused Honesto Frigillana Baniqued; and
2. **Prosecution's COMMENT/OPPOSITION to accused Baniqued's Motion for Reconsideration (of the Decision dated 25 March 2022)**<sup>2</sup> dated 22 April 2022.

In the assailed Decision<sup>3</sup>, this Court convicted accused Baniqued for violating Section 3(e) of Republic Act No. 3019, as amended. The dispositive portion of which provides:

<sup>1</sup> Records, Volume 4.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid, pages 389-430.

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“WHEREFORE, judgment is rendered by this Court finding **HONESTO FRIGILLANA BANIQUED guilty beyond reasonable doubt** for violating Section 3(e) of Republic Act No. 3019, as amended.

Accordingly, the Court imposes an indeterminate penalty of **SIX (6) YEARS AND ONE (1) MONTH, as minimum, to EIGHT (8) YEARS, as maximum**, with perpetual disqualification to hold public office. As civil liability, he is ordered to indemnify NABCOR the amount of Four Million and Seven Hundred Ninety-Seven Thousand Pesos (PhP4,797,000.00).

**SO ORDERED.”**

In the present **Motion**, accused Baniqued prays that this Court reconsider its Decision dated 25 March 2022 and, in lieu thereof, to render a new one acquitting him of the crime charged. Further, he argues that the second and third elements to constitute violation of Section 3(e) of R.A. 3019, as amended, are absent in this case, and reiterates that:

1. He firmly believes that the kind of “consulting services” that are subject to competitive public bidding are consulting services for public works and infrastructure projects and do not include financial advisor;
2. The approval of Government Corporate Counsel (GCC) would have been required if Romero was engaged for legal services; and
3. Romero was being paid on a contingency basis and relying on good faith on NABCOR Finance Team’s findings that Romero had complied with the conditions for payment and on their recommendation to pay Romero, he approved the same.

In its **Comment/Opposition**, the Prosecution contends that accused Baniqued’s Motion is a mere rehash of the previous arguments raised which were already passed upon by this Court, specifically, it submits that:

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1. The Court correctly ruled that as Romero’s engagement by NABCOR as Financial Advisor or Consultant does not fall under any of the exceptions in which alternative methods of procurement is allowed, it should have undergone the required competitive bidding;
2. Accused Baniqued contradicted his assertion that Romero was being paid on a contingency basis, yet, he approved the payment of Four Million and Seven Hundred Ninety-Seven Thousand Pesos (PhP4,797,000.00) despite Romero’s non-compliance with the required deliverables provided in his Contract of Service; and
3. As astutely observed by this Court, accused Baniqued clearly failed to exercise the degree of diligence required of him under the law before approving the payment to Romero. He miserably failed to perform his “legal obligation and duty” under Republic Act No. 10149, particularly Sections 19 and 21 thereof, which direct members of the Board of Directors/ Trustees and the Officers of GOCCs to always “act in the best interest of the GOCC” and to act with “utmost good faith” in all dealings with the property and monies of the GOCC.

**OUR RULING**

After a thoughtful consideration, we **deny** the present motion.

An examination of the issues raised in the Motion for Reconsideration readily reveals that the arguments raised by accused Baniqued **were mere reiterations** of the arguments he raised in his pleadings.

It is a well-settled rule that a Motion for Reconsideration should be denied when the same only constitutes a rehash of issues previously put forward.<sup>4</sup> These arguments have already been deliberated and exhaustively passed upon by this Court and we find no cogent reason to overturn our earlier pronouncement.

The Court reiterates its findings in the Decision dated 25 March 2022 which states:

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<sup>4</sup> Komatsu Industries v. CA, G.R. No. 127682., 24 April 1998.

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*“Further, even assuming that accused Baniqued relied in good faith with the representations of his team and their higher management, it bears stressing that the offense defined under Section 3(e) may also be committed by gross inexcusable negligence. The Court finds that accused Baniqued’s negligence under the circumstances was not only gross but also inexcusable. As President and being a high ranking official of NABCOR, he is not only expected to know the proper procedure in the procurement of supplies, goods and services, he is also duty bound to follow the same and to not favor anyone.*

*Secondly, accused Baniqued, carelessly and negligently approved the payment of Four Million and Seven Hundred Ninety-Seven Thousand Pesos (PhP4,797,000.00) despite Romero’s non-compliance with the required deliverables provided in the contract. To reiterate, under the Contract of Service, Romero was tasked to:*

**Obtain PDIC approval of a Debt Restructuring Plan (DRP) calling for the:**

- a. Write-off/ condonation of all penalties and approximately 50% percent reduction on the interest component of NABCOR’s debt to PDIC; and*
- b. Amortization of the remaining debt in accordance with an amortization schedule with a timeframe of, preferably, ten (10) years.*

*The terms of the contract were understood by accused Baniqued as evidenced in his Counter-Affidavit dated 03 May 2016:*

*“18.2. It is to be noted that Romero was being paid on contingency. He was not to be paid anything for his services unless they resulted in (a) the PDIC’s agreeing to a debt restructuring under certain terms; and (b) a written agreement between PDIC and NABCOR of a final debt restructuring plan.”*

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*However, the Court notes that NABCOR made the initial payment of Two Hundred Ninety-Seven Thousand Pesos (PhP297,000.00) in April 2012, soon after Romero's engagement as financial advisor. The four million and five hundred thousand pesos (PhP4,500,000.00) was paid to him on 26 July 2012, immediately upon accused Baniqued's receipt of (1) Romero's Letter dated 25 June 2012 with an attached Amortization Schedule advising him that PDIC already agreed to the proposed debt restructuring plan; and (2) Romero's Letter dated 26 June 2012 reiterating PDIC's approval and with a request to collect the fifty percent (50%) of the agreed remuneration.*

*A careful scrutiny of all the evidence presented indicates that aside from the mere representation of Romero that the PDIC had agreed to restructure the loan, there was no document to support that the proposed Debt Restructuring Plan (DRP)/ Amortization Schedule was indeed approved by the PDIC Board. The Court finds that the Amortization Schedule attached in Romero's Letter dated 25 June 2012 was a sham.*

*It can thus be easily deduced that no approval from the PDIC Board was obtained by Romero when he demanded from NABCOR the immediate payment of the fifty percent (50%) of the agreed remuneration, and when accused Baniqued approved and released the said payment. When Romero was paid on 26 July 2012, there was no written agreement yet between PDIC and NABCOR of a final Debt Restructuring Plan to merit the payment of Four Million and Seven Hundred Ninety-Seven Thousand Pesos (PhP4,797,00.00) to Romero as agreed in the Contract of Service. Accused Baniqued and NABCOR's Finance Team blindly relied on Romero's misrepresentations and the Letter dated 22 June 2012 of PDIC's Vice-President Teresita D. Gonzales to Romero which merely stated:*

*"Dear Atty. Romero,*

*We are formally sending you the attached amortization schedule for the proposed Loan Restructuring of the account of NABCOR as discussed with you during our meeting on 21 June*



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*2012 for the consideration and appropriate action of National Agribusiness Corporation (NABCOR).*

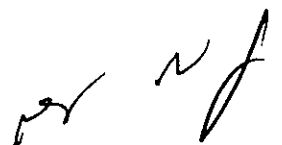
*Thank you."*

*The wordings of the letter were clear; it was merely a proposal which was not approved yet by the PDIC Board. As a matter of fact, it was only on 09 November 2012 that the PDIC Board approved the restructuring of the loan account of NABCOR.*

*This was confirmed by witness Ribay in her Judicial Affidavit dated 24 May 2021 and during her court testimony on 07 July 2021:*

- 1. For the period 20 April 2012 to July 2012, there was no Debt Restructuring Plan (DRP) approved by the PDIC in favor of NABCOR.*
- 2. For the period covering June 2012 to October 2012, Romero was still negotiating for a loan restructuring program including a fifty percent (50%) reduction of the interest component of the outstanding loan obligation of NABCOR to PDIC.*
- 3. It was only on 09 November 2012 that the PDIC Board approved the restructuring of the loan account of NABCOR and that a notice of approval was communicated to accused Baniqued through a Letter dated 19 November 2012.*
- 4. A draft of the Restructuring Agreement was sent to accused Baniqued per PDIC Letter dated 07 December 2012, which was received by the said accused on 11 December 2012.*

*Clearly, there is no doubt that accused Baniqued acted with gross inexcusable negligence when he allowed the payment of Four Million and Seven Hundred Ninety-Seven Thousand Pesos (PhP4,797,000.00) to Romero without confirming the accuracy of Romero's representations. Accused*



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*Baniqued's invocation of good faith on NABCOR's Finance Team findings that Romero had complied with the conditions for payment and his reliance in the ruling of **Arias v. Sandiganbayan**<sup>5</sup> must necessarily fail.*"<sup>6</sup>

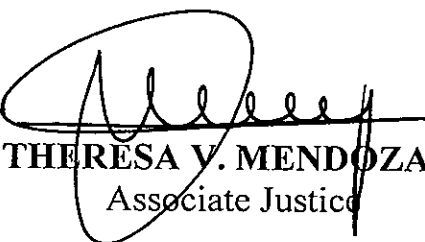
This Court maintains its ruling that as proven by Prosecution's evidence, accused Baniqued's guilt has been very-well established beyond reasonable doubt.

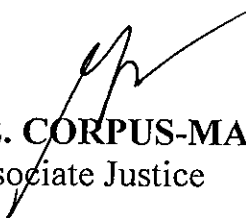
WHEREFORE, in light of all the foregoing, the present **MOTION FOR RECONSIDERATION** (of the **Decision dated 25 March 2022**) dated 08 April 2022, filed by accused Honesto Frigillana Baniqued is **DENIED** for lack of merit.

**SO ORDERED.**

  
**RAFAEL L. LAGOS**  
Associate Justice  
Chairperson

WE CONCUR:

  
**MARIA THERESA V. MENDOZA-ARCEGA**  
Associate Justice

  
**MARYANN E. CORPUS-MAÑALAC**  
Associate Justice

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<sup>5</sup> G.R. No. 81563 and 82512, 19 December 1989. "Heads of offices can rely to a reasonable extent on their subordinates on preparations of bids, purchase of supplies, or negotiations. Any executive of agencies or commissions can attest to the volume of papers that must be signed. Thus, executive head cannot be convicted on the sole basis of signature or approval appearing on a voucher. To sustain a conspiracy charge and conviction, evidence must be presented other than her signature on the voucher."

<sup>6</sup> Records, Volume 4, Decision dated 25 March 2022, pages 421-424.