



**REPUBLIC OF THE PHILIPPINES
SANDIGANBAYAN
QUEZON CITY**

FIFTH DIVISION

**REPUBLIC OF THE
PHILIPPINES,**

Plaintiff,

Civil Case No. 0024

**For: Reconveyance
Reversion Accounting
Damages**

-vs-

**PETER A. SABIDO, ET AL,
Defendants.**

Present:

**LAGOS, J., Chairperson
MENDOZA-ARCEGA, J.,
and CORPUS-MAÑALAC, J.**

Promulgated:

May 29, 2023

Genel J. Lagos

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RESOLUTION

MENDOZA-ARCEGA:

Submitted for judicial determination are the Motion to Direct Court-Appointed Legal Representatives of Luis A. Yulo to Appear and Substitute for the Deceased, filed by the defendants, YKR Corporation and Six Out of the Ten legal Heirs of the Late Luis A. Yulo, through counsel, on March 23, 2023; Comment Ad Cautelam on the Motion to Direct Court-Appointed Legal Representatives of Luis A. Yulo to Appear and Substitute for the Deceased, filed by Ma. Paz Socorro J. Yulo-Cammack, through counsel, on April 11, 2023;

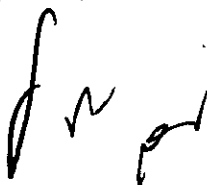
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Comment (Re: Motion to Direct Court-Appointed Legal Representatives to Appear and Substitute for the Deceased, filed by Ma. Antonia J. Yulo-Gonzaga, through counsel, on April 20, 2023; and Friendly Reminder to the Court Appointed Legal Representatives, filed by Yulo Aliling Pascua & Zuñiga, counsel for YKR Corporation and six (6) out of ten (10) legal heirs of defendant Luis A. Yulo, on April 24, 2023.

In said motion, YKR Corporation and the Six Out of Ten Legal Heirs of the late Luis A. Yulo, state that the Regional Trial Court (RTC) of Manila, Branch 17, has appointed Ma. Antonia J. Yulo Loyzaga (Executor) and Ma. Paz Socorro J. Yulo Cammack (Co-Administrator) as joint administrators of the estate of the late Luis A. Yulo on Sp. Proc. No. 99-94048 entitled "In the matter of the testate estate of the late Luis A. Yulo." The deceased was also designated as counsel for his estate in his Last Will and Testament. For purposes of the motion, they submitted the addresses of the mentioned legal representatives. The defendants, then prayed that: a. Ma. Antonia J. Yulo-Loyzaga and Ma. Paz Socorro J. Yulo-Cammack be directed to appear and substitute for the late Luis A. Yulo as his legal representatives in this case pursuant to Section 16, Rule 3 of the Rules of Court; and b. that the undersigned counsel be allowed to retire from this case so that the counsel for the estate of Luis A. Yulo can enter their appearance.

In response, Ma. Paz Socorro J. Yulo-Cammack (Cammack), by counsel, filed a Comment Ad Cautelam, stating that it appears that the six out of ten legal heirs of decedent Lay have already continue to represent him in the present case before the Court. The purposes of substitution are already being achieved, and it would best serve the interest of justice and due process for the six heirs to continue as substitutes/representatives. On the other hand, Cammack did not appear and substitute, has not participated as a party, and has not been represented by counsel, in the proceedings before the Court.

On April 20, 2023, Ma. Antonina J. Yulo-Loyzaga (Loyzaga), in her capacity as executor of the estate of the late Luis A. Yulo, through counsel, filed a Comment, wherein she cited Section 16, Rule 3 of the Rule of Court, which provides that: The heirs of the deceased may be allowed to be substituted for the deceased, without requiring the appointment of an executor or administrator and the court may appoint a guardian *ad litem* for the minor heirs. In compliance thereof, the Belo Gozon Parel Asuncion & Lucila Law Offices, then counsel for defendant Yulo and YKR Corporation, filed a Notice of Death of Defendant Yulo, informing the Court of the death of Yulo and the names and addresses of the ten (10) heirs namely: Teresa J. Yulo, Cecilia Jugo Yulo, Maria Paz Socorro J. Yulo Cammack, Maria Teresa Carmen Jugo Yulo Gomez, Jose Luis Jugo Yulo, Jose Enrique Jugo Yulo, Maria Carmen Jugo Yulo, Maria Antonia Jugo Yulo-Loyzaga, Jose Manuel Jugo Yulo, and Jose Maria Jugo Yulo. In response, the Court ordered the substitution of the late Yulo by all his ten (10) heirs.



It is the position of Loyzaga that the estate of Yulo has been sufficiently represented thus, the heirs need not be re-substituted by the executor and/or co-administrator of his estate. Finally, she respectfully prayed that the subject Motion to Direct Court Appointed Legal Representatives of Luis A. Yulo to Appear and Substitute for the Deceased, dated March 23, 2023, be considered as not filed on behalf of Ma. Antonia J. Yulo Loyzaga and for the subject motion to be dismissed for lack of merit.

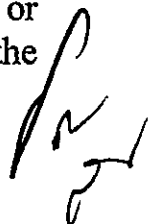
On April 24, 2023, Yulo Aliling Pascua & Zuñiga (counsel) filed a Friendly Reminder to the Court-Appointed Legal Representatives. The counsel urge executor Ma. Antonia J. Yulo-Loyzaga and co-administrator Ma. Paz Socorro J. Yulo-Cammack to remember that: a. the Last Will and Testament of Luis A. Yulo had already been approved by the probate court; b. Ma. Antonia J. Yulo-Loyzaga has been appointed executor of the estate of Yulo by the probate court; c. Ma. Paz Socorro J. Yulo-Cammack has been appointed as her co-administrator by the probate court; d. Luis A. Yulo designated a counsel for his estate in his Last Will and Testament; and e. the undersigned counsel were not the ones who were designated by Luis A. Yulo as counsel of his estate. Moreover, he said that when the six out of ten legal heirs substituted for Luis A. Yulo, the probate court has not yet approved the Last Will and Testament of Luis A. Yulo and no executor or administrator had been appointed. With the appointment of the executor and co-executor, Cammack and Loyzaga became the legal representatives of the deceased. Consequently, the six out of ten legal heirs together with the counsel had lost their standing to represent the late Luis A. Yulo and his interests in YKR Corporation. It is the position of the counsel that Cammack and Loyzaga have the legal and moral duty to replace the six out of ten legal heirs and appear as substitute for the late Luis A. Yulo as his legal representatives in the case pursuant to Section 16, Rule 3 of the Rules of Court. Finally, the counsel said that the six out of ten legal heirs and counsel have no written authority from Cammack and Loyzaga to continue representing the late Luis A. Yulo and his interests in YKR Corporation.

The issue to be resolved by the Court is whether there is need to compel or direct the court-appointed representatives of deceased Luis A. Yulo to appear and substitute for the deceased.

Section 16, Rule 3 of the Rules of Court states:

Section 16. *Death of party; duty of counsel.* — Whenever a party to a pending action dies, and the claim is not thereby extinguished, it shall be the duty of his counsel to inform the court within thirty (30) days after such death of the fact thereof, and to give the name and address of his legal representative or representatives. Failure of counsel to comply with his duty shall be a ground for disciplinary action.

The heirs of the deceased may be allowed to be substituted for the deceased, without requiring the appointment of an executor or administrator and the court may appoint a guardian *ad litem* for the minor heirs.



The court shall forthwith order said legal representative or representatives to appear and be substituted within a period of thirty (30) days from notice.

If no legal representative is named by the counsel for the deceased party, or if the one so named shall fail to appear within the specified period, the court may order the opposing party, within a specified time to procure the appointment of an executor or administrator for the estate of the deceased and the latter shall immediately appear for and on behalf of the deceased. The court charges in procuring such appointment, if defrayed by the opposing party, may be recovered as costs. (16a, 17a)

Corollarily, Section 2, Rule 87, provides as follows:

SEC. 2. Executor or administrator may bring or defend actions which survive.- For the recovery or protection of the property or rights of the deceased, an executor or administrator may bring or defend, in the right of the deceased, actions for causes which survive.

The Supreme Court, citing Sec. 2, Rule 87, held in *Gochan vs. Young*¹ that, "The above rules, while *permitting* an executor or administrator to represent or bring suits on behalf of the deceased, do not *prohibit* the heirs from representing the deceased. xxx."²

Accordingly, the Supreme Court ratiocinated that, "The Rules are to be interpreted liberally in order to promote their objectives of securing a just, speedy and inexpensive disposition of every action and proceeding. They cannot be interpreted in such a way as to unnecessarily put undue hardship on litigants. For the protection of the interests of the decedent, this Court has in previous instances recognized the heirs a proper representative of the decedent, even when there is already an administrator appointed by the court. x x x."³

Applying the foregoing pronouncements, this Court finds that there is no necessity to direct the court-appointed representatives to appear and substitute for the deceased in view of the active involvement of the six (6) out of ten (10) legal heirs of the late Luis A. Yulo, in the present case. Moreover, the movant also did not present compelling reasons that would warrant the prayed appearance and substitution by the legal representatives, Cammack and Loyzaga.

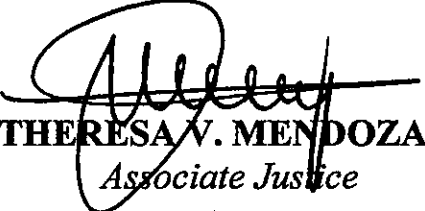
¹ G.R. No. 131889, March 12, 2001, 354 SCRA 207.

² Id., p. 220; emphasis in the original. The "rules" referred to in the decision, in addition to Sec. 2, Rule 87, refers to Sec.3, Rule 3 of the Rules of Court, to wit: "Sec.3. *Representatives as parties.*- Where the action is allowed to be prosecuted or defended by a representative or someone acting in a fiduciary capacity, the beneficiary shall be included in the title of the case and shall be deemed to be the real party in interest. A representative may be a trustee of an express trust, a guardian, an executor or administrator or a party authorized by law of these rules. An agent acting in his own name and for the benefit of an undisclosed principal may sue or be sued without joining the principal except when the contract involves things belonging to the principal."

³ Id., p. 221; cites omitted; underscoring supplied.

IN VIEW OF THE FOREGOING, the Motion to Direct Court-Appointed Legal Representatives of Luis A. Yulo to Appear and Substitute for the Deceased, is hereby **DENIED** for lack of merit.

SO ORDERED.


MARIA THERESA V. MENDOZA-ARCEGA
Associate Justice

WE CONCUR:


RAFAEL R. LAGOS
Chairperson
Associate Justice


MARYANN E. CORPUS-MAÑALAC
Associate Justice