

## EN BANC

[ G.R. NO. 183278, April 24, 2009 ]

**IMELDA O. COJUANGCO, PRIME HOLDINGS, INC., AND THE  
ESTATE OF RAMON U. COJUANGCO PETITIONERS, VS.  
SANDIGANBAYAN, REPUBLIC OF THE PHILIPPINES, AND THE  
SHERIFF OF SANDIGANBAYAN, RESPONDENTS.**

### D E C I S I O N

**CARPIO MORALES, J.:**

The present petition is one for Certiorari.

Petitioners Imelda O. Cojuangco, Prime Holdings, Inc., and the Estate of Ramon Cojuangco assail *via* certiorari the Resolutions dated November 7, 2007<sup>[1]</sup> and June 13, 2008<sup>[2]</sup> of the Sandiganbayan in Civil Case No. 0002, *Republic of the Philippines v. Ferdinand Marcos, et. al.*

A brief recital of the antecedent facts is in order.

On July 16, 1987, respondent Republic of the Philippines (Republic) filed before the Sandiganbayan a "Complaint for Reconveyance, Reversion, Accounting, Restitution and Damages," docketed as Civil Case 0002, praying for the recovery of alleged ill-gotten wealth from the late President Marcos and former First Lady Imelda Marcos and their cronies, including some 2.4 million shares of stock in the Philippine Long Distance Telephone Company (PLDT).

The complaint, which was later amended to implead herein petitioners Ramon and Imelda Cojuangco (the Cojuangcos), alleged that the Marcoses' ill-gotten wealth included shares in the PLDT covered by shares of stock in the Philippine Telecommunications Investment Corporation (PTIC), registered in the name of Prime Holdings, Inc. (Prime Holdings).

The Sandiganbayan dismissed the complaint with respect to the recovery of the PLDT shares, hence, the Republic appealed to this Court, docketed as **G.R. No. 153459**, which appeal was later consolidated with pending cases of similar import - G.R. Nos. 149802, 150320, and 150367.

By Decision<sup>[3]</sup> dated January 20, 2006, this Court, in **G.R. No. 153459**, ruled in favor of the Republic, declaring it to be the owner of 111,415 PTIC shares registered in the name of Prime Holdings. The dispositive portion of the Decision reads:

**WHEREFORE**, the petition of the Republic of the Philippines in G.R. No. 153459 is **GRANTED** to the extent that it prays for the reconveyance to the Republic of 111,415 PTIC shares registered in the name of PHI. The petitions in G.R. Nos. 149802, 150320, 150367, and 153207 are

**DENIED** for lack of merit.

**SO ORDERED.**

The Decision became final and executory on October 26, 2006, hence, the Republic filed on November 20, 2006 with the Sandiganbayan a Motion for the Issuance of a Writ of Execution, praying for the cancellation of the 111,415 shares/certificates of stock registered in the name of Prime Holdings and the annotation of the change of ownership on PTIC's Stock and Transfer Book. The Republic further prayed for the issuance of an order for PTIC to account for all cash and stock dividends declared and/or issued by PLDT in favor of PTIC from 1986 up to the present including compounded interests appurtenant thereto.

By Resolution dated December 14, 2006, the Sandiganbayan granted the Motion for the Issuance of a Writ of Execution with respect to the reconveyance of the shares, but denied the prayer for accounting of dividends.

On Motion for Reconsideration of the Republic, the Sandiganbayan, by the first assailed **Resolution dated November 7, 2007**, directed PTIC to deliver the cash and stock dividends pertaining to the 111,415 shares, including compounded interests, ratiocinating that the same were covered by this Court's Decision in **G.R. No. 153459**, since the Republic was therein adjudged the owner of the shares and, therefore, entitled to the fruits thereof.

The Cojuangcos (hereafter petitioners) moved to reconsider the November 7, 2007 Sandiganbayan Resolution, alleging that this Court's Decision in **G.R. No. 153459** did not include a disposition of the dividends and interests accruing to the shares adjudicated in favor of the Republic.

By the other challenged Resolution dated June 13, 2008, the Sandiganbayan partly granted petitioners' Motion for Reconsideration by including legal interests, but not compounding the same, from the accounting and remittance to the Republic. The Sandiganbayan thereupon issued a Writ of Execution,<sup>[4]</sup> hence, spawned the present petition for certiorari.

From the myriad assignments of error proffered by petitioners, the pivotal issues for the Court's resolution are: (1) whether the Sandiganbayan gravely abused its discretion in ordering the accounting, delivery, and remittance to the Republic of the stock, cash, and property dividends pertaining to the 111,415 PTIC shares of Prime Holdings, this Court's Decision in **G.R. No. 153459** not having even discussed the same; and (2) whether the Republic, having transferred the shares to a third party, is entitled to the dividends, interests, and earnings thereof.

Petitioners insist on a literal reading of the dispositive portion of this Court's Decision in **G.R. No. 153459** as excluding the dividends, interests, and earnings accruing to the shares of stock from being accounted for and remitted.

The term "dividend" in its technical sense and ordinary acceptation is that part or portion of the profits of the enterprise which the corporation, by its governing agents, sets apart for ratable division among the holders of the capital stock.<sup>[5]</sup> It is a payment to the stockholders of a corporation as a return upon their investment,<sup>[6]</sup>