Republic of the Philippines
Department of Finance
Securities and Exchange Commission
COMMISSION EN BANC

MERIDIAN SECURITIES, INC.
Respondent-Appellant,

SEC En Banc Case No. 10-10-220
Promulgated: 27 September 2022

MENANDRO TABLANTE,
Complainant-Appellee.
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DECISION

Before this Commission is the Memorandum of Appeal[1] filed by Meridian Securities, Inc. (Meridian Securities) assailing the Resolution dated 27 October 2020 (the "Assailed Resolution") issued by the Market Integrity Board of the Philippine Stock Exchange (PSE-MIB), which affirmed the Decision of the Market Regulation Division (MRD), the dispositive portion of which reads:

> "**RESOLVED** That, the finding by the Market Regulation Division ("MRD") of a violation by Meridian Securities, Inc. of:
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> a.) SRC Rule 49.2-10 in relation to Article VI, Section 18 of the MRD Rules for failure to deliver to its client Mr. Menardo Tablante , upon the latter's demand, fully paid securities to which the latter was entitled and,
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> b.) SRC Rule 30.2-1-B-vi-c, for failure by said trading participant to ensure that client assets are accounted for properly and promptly, and the sanction of a "written reprimand" for such violation be, as it is hereby affirmed.
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> **RESOLVED** Further, that the directive of the MRD to the trading Participant Meridian Securities, Inc., to account for and deliver to its client, Mr. Menardo Tablante, within fifteen (15) business days from notice of the resolution cash and stock dividends accruing to the latter's 140 shares of Manulife Finance Corporation from the time of its erroneous sale on 13 March 2000 to the present, be, as it is hereby likewise affirmed.
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> RESOLVED Finally, That the appeal taken therefrom by the said trading participant be, as it is hereby denied."[2]

[1] Dated 27 October 2010
[2] MIB Res. No. 30 (Series of 2010)

RELEVANT FACTS

The case stemmed from a Complaint[3] for specific performance filed by Mr. Menardo Tablante (Mr. Tablante) against Meridian Securities with the Regional Trial Court of Quezon City Branch 223 (RTC Br. 223), praying that an order be issued directing Meridian Securities to immediately return to Mr. Tablante the 140 Manulife shares, or, in the alternative, directing Meridian Securities to pay Mr. Tablante the total amount of Pesos: One Hundred Forty Thousand (PhP140,000.00) representing the total value of the said shares as of January 2001 plus legal interest.

On 19 December 2005 RTC Br. 223 rendered a Decision[4] in favor of Mr. Tablante, the dispositive portion of which, in part, reads:

> "WHEREFORE, on the basis of the foregoing, judgment is hereby rendered in favor of the Plaintiff directing the Defendant to:
>
> (a) Immediately return the One Hundred Forty (140) Manulife shares to the Plaintiff and, in the alternative, pay the Plaintiff the amount of sixty-eight thousand four hundred fifty-three pesos (P68,453.00) Philippine Currency, representing its total value as of March 2000 plus legal interest from the time of demand until fully paid. xxx"

On appeal, the Special Second Division of the Court of Appeals (CA) issued a Decision[5] dated 21 February 2008 (the "CA Decision") which modified the RTC Br. 223 Decision, the dispositive portion of which reads:

> "WHEREFORE, premises considered, the appeal of the plaintiff is PARTLY GRANTED while that of the defendant is DENIED. The assailed Decision dated December 19, 2005, of the RTC of Quezon City, Branch 223, in Civil Case No. Q-01-43283 s hereby MODIFIED ordering the defendant to return the 140 Manulife shares of stock to the plaintiff, or in the alternative, to pay the amount of P645.00 per share or P90,300.00, plus 6% legal interest from the date of first demand on June 5, 2000 until fully paid. The rest of the decision stands."

The CA Decision became final and executory on 5 August 2009.[6]

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[3] Docketed as Civil Case No. Q-01-43283. See Annex "B" of the Memorandum on Appeal

[4] Annex "C" of the Notice of Appeal with Memorandum on Appeal

[6] See Annex "F" of the Petition for Certiorari which was attached to the Manifestation with Compliance dated 7 December 2020

In compliance with the RTC Decision as modified by the CA Decision, Meridian Securities returned to Mr. Tablante his 140 Manulife shares.

On the strength of the CA Decision, Mr. Tablante sent a letter dated 4 May 2010 to Meridian Securities (copy furnished the PSE) demanding from the latter the payment of P66,304.00 as cash dividends, as well as the delivery of 140 Manulife shares as stock dividends accruing from his original 140 Manulife shares.[7]

In compliance with the Letter dated 5 May 2010 issued by the MRD, Meridian Securities filed on 11 May 2010 a Letter-Answer, where it argued that the demand of Mr. Tablante should be addressed by the court of origin i.e. the RTC of Quezon City and not the MRD, as the same relates to the proper execution of a final and executory judgment of the said court.

On 3 August 2010, the MRD issued a Decision (the "MRD Decision") finding Meridian Securities to have violated SRC Rule 49.2-10 in relation to Article VI, Section 18 of the MRD Rules for its failure to deliver to Mr. Tablante upon demand, the fully paid securities, and SRC Rule 30.2-1-B-vi-c for its failure to ensure that client's assets are accounted for. On account thereof, PSE-MRD imposed upon Meridian Securities a penalty of written reprimand, and directed the latter to account for and deliver to Mr. Tablante the cash and stock dividends accruing to his 140 Manulife Shares reckoned from March 2001 (the time of the erroneous sale) until the present.

On 11 August 2010, Meridian Securities filed an Appeal with the Market Integrity Board (MIB) praying for the reversal and setting-aside of the MRD Decision. Meridian Securities argued that MRD has no jurisdiction to take cognizance of a complaint that sough the execution of a decision of a regular court that has attained finality, nor to modify such decision.

On 24 September 2010, the MIB issued the Assailed Resolution denying the appeal of Meridian Securities and affirming *in toto* the MRD Decision.[8]

Meridian Securities forthwith elevated to this Commission the Assailed Resolution.

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[7] This was treated by MRD as a Complaint and was docketed as PSE-PED-IC-2012-002

[8] Annex "A" the Notice of Appeal with Memorandum on Appeal

On 16 August 2010, or during the pendency of the appeal, Mr. Tablante filed with the RTC Br. 223 a Motion for Issuance of Writ of Execution With Prayer for Accounting.[9]

In an Order dated 8 October 2010[10], the RTC Br. 223 granted the Motion for Issuance of a Writ of Execution, but denied Mr. Tablante's prayer for accounting on the basis of the doctrine of immutability of judgments which prohibits the alteration/modification of judgments that has attained finality. The Motion for Reconsideration was denied by the RTC Br. 223 in an Order dated 25 March 2011[11] (collectively, the "RTC Orders").

On 11 July 2011, Mr. Tablante filed with the CA a Petition for *Certiorari*[12] praying for the reversal of the RTC Orders as the same were allegedly issued with grave abuse of discretion amounting to lack or excess of jurisdiction. Mr. Tablante essentially argued that an order sustaining the accounting does not amount to an amendment/alteration of the final and executory CA Decision and does not violate the doctrine of immutability of judgments; accounting is "*merely a logical and necessary consequence of the judgment rendered and a necessary implication of what was adjudged.*"[13]

On 27 November 2014, the CA issued a Decision dismissing the Petition for *Certiorari*. Motion for Reconsideration which was subsequently filed by Mr. Tablante was likewise denied by the CA in a Resolution promulgated on 28 July 2005.

Accordingly, Mr. Tablante filed a Petition for Review dated 2 September 2015 with the Supreme Court (SC), which was docketed as G.R. No. 220084. In his Manifestation with Compliance dated 7 December 2020, Mr. Tablante informed this Commission that the Petition for Review is currently pending with the SC.

The information relating to the filing of the Petition for Review is contained in the Manifestation with Compliance (with Order dated 23 November 2020) filed by Mr. Tablante on 21 December 2020, where he also attached thereto and furnished the Commission copies of the (a) Petition for Review dated 02 September 2015, (b) Decision dated 27

[9] See Annex "G" of the Petition for Certiorari dated 29 June 2011 filed with the CA (docketed as CA G.R. No. 120067), which was attached as Annex "C" to the Petition for Review filed with the Supreme Court (docketed as G.R. No. 220084)

[10] See Annex "A" of the Petition for Certiorari; Annex "B" of the Petition for Review with the SC

[11] See Annex "B" of the Petition for Certiorari; Annex "C" of the Petition for Review with the SC

[12] See Annex "C" of the Petition for Review filed with the Supreme Court (docketed as G.R. No. 220084) which is attached as Annex "A" to the Manifestation with Compliance dated 7 December 2020.

[13] Pars. 37 and 40 of the Petition for Certiorari dated 29 June 2011

November 2014 issued by the CA, (c) Order dated 08 October 2010 issued by the RTC Br. 223, and (d) Order dated 25 March 2011 issued by the RTC Br. 223.

ISSUES

(A) Did the PSB-MIB commit reversible error in sustaining the imposition of the penalty of reprimand on the basis of a finding that Meridian Securities violated (i) SRC Rule 49.2-10 in relation to Article VI, Section 18 of the MRD Rules, and (ii) SRC Rule 30.2-1-B-vi-c (collectively, the "Relevant Rules")?

(B) Did the PSE-MIB commit reversible error in affirming MRD and directing Meridian Securities to account for and deliver to Mr. Tablante, cash and stock dividends accruing to the latter's 140 Manulife shares from the time of its erroneous sale in 13 March 2000?

RULING

The Appeal is impressed with merit.

At the outset, and to provide a proper context on the grounds/bases which this Commission duly considered in deciding this case, it should be noted and emphasized that the issue on whether Mr. Tablante is entitled to cash and stock dividends on his 140 Manulife shares is still pending with the Supreme Court (SC).

The foregoing finds support in the fact that the Petition for Review which Mr. Tablante filed with the SC specifically prayed for the issuance of an order "*directing the accounting and return of the dividends accruing from the 140 Manulife shares of stock*"[14] adjudicated in his favor, which both the RTC Br. 223 and the CA[15] previously denied, applying the

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[14] See Prayer No. 3 (page 18) of the Petition for Review

[15] "Settled is the rule that a judgment that has become final and executory is immutable and unalterable. The judgment may no longer be modified in any respect, even if the modification is meant to correct what is perceived to be an erroneous conclusion of fact or law, and regardless of whether the modification is attempted to be made by the court rendering it or by the highest court of the land. While there are recognized exceptions – e.g., the correction of clerical errors, the so-called *nunc pro tunc* entries which cause no prejudice to any party, void judgments, and whenever circumstance transpire after the finality of the decision rendering its execution unjust and inequitable – none of these exceptions apply to the present case.

xxx xxx xxx

In the case at bar, no pronouncement was ever made regarding the grant of an award for the return of the accruing dividends. The right to accrual of dividends on the subject Manulife shares was not alleged in petitioner's complaint before the RTC, thus private respondent was not able to present evidence to doctrine of finality of judgments. Mr. Tablante maintained and reiterated therein that the issuance of an order directing the accounting and delivery of cash and stock dividends on his 140 Manulife shares does not amount to an amendment or alteration of the decision that has attained finality because the same is merely a logical and necessary consequence of a judgment rendered and a necessary implication of what was adjudged.[16]

This notwithstanding, the Letter-Compliant dated 4 May 2010 which Mr. Tablante filed with the MRD nonetheless shows that he specifically demanded from Meridian Securities for the payment of P66,304.00 as cash dividends, as well as the delivery of 140 Manulife shares as stock dividends accruing from his original 140 Manulife shares, arguing that as the owner of the original shares, he is entitled to the fruits thereof.

Relative thereto, it is equally notable that the Decision of MRD (which was affirmed by the PSE-MIB in the Assailed Resolution) sustained not only Mr. Tablante's ownership of the 140 Manulife shares, but also his entitlement to the payment of P66,304.00 as cash dividends, as well as the delivery of additional 140 Manulife shares as stock dividends accruing therefrom. We quote the relevant findings of the MRD in its Decision which considered the foregoing as the main issue in the Complaint of Mr. Tablante:

> "In his letter-complaint, Mr. Tablante brought for proper action the refusal of MSI to pay cash and stock dividends accruing to his 140 Manulife shares. He claims that he is entitled to the said cash and stock dividends by reason of a decision rendered by the Regional Trial Court ("RTC") of Quezon City, as modified by the Court of Appeals ("CA"), which, although ordering the return of his 140 Manulife shares to Mr. Tablante, did not expressly provide for the dividends accruing, or which may have accrued, to the said shares.
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> xxx xxx xxx
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> **The major issue to be resolved, then, is whether Mr. Tablante is indeed entitled to the cash and stock dividends that he claims.**
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> xxx xxx xxx
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> The same issue has already been resolved by the Supreme Court in the case of Cojuanco v. Sandiganbayan, where the Court ruled that even if the

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disprove that it was not obligated to return the same. The parties and even the trial court were confined to the averments of the complaint, and the answer and the issues joined by the major pleadings." (see pages 7 and 8 of the Decision dated 27 November 2014 issued by the CA)

[16] Pars. 46 and 49 (page 10) of the Petition for Review dated 2 September 2015

> dispositive portion of the Court's decision did not order the accounting, delivery and remittance of stock, cash and property dividends, the plaintiff was still entitled to the same. xxx.
>
> Xxx xxx xxx
>
> **The import of this decision is clear. When the court orders the return of shares of stock, it also impliedly orders the return of the stock, cash and property dividends accruing thereto. This fact need not be stated in the dispositive portion of the decision, or even in the decision itself. It would be absurd to award the shares and not include the dividends accruing thereto, as "the right thereto is an incident of ownership of stock." This flows from the technical sense and ordinary acceptation of the term "dividend" as "a payment to the stockholders of a corporation as a return upon their investment."**[17] (Emphasis supplied)

Both the MRD and the PSE-MIB used the fore-quoted ratiocination as basis for concluding and holding that Meridian Securities violated the Relevant Rules, and justifying the imposition of the penalty of reprimand, and the directive to pay the cash and stock dividends, to wit:

> **"It bears noting that had MSI opted to comply with the alternative portion of the court's order, this problem would never have arisen. Since it has, however, opted to instead return the 140 Manulife shares to Mr. Tablante, retaining him as a client, it then gained the corresponding responsibility to comply with Article VI, Section 18 of the MRD Rules to deliver upon Mr. Tablante's demand, the securities to which he is entitled, including the stock dividends which accrued thereto**. Moreover, **MSI should have also complied with SRC Rule 30.2-1-B-vi-c and included in their accounting of the assets under Mr. Tablante's account, all the stock and cash dividends to which he is entitled**, including those that accrued to his 140 Manulife shares." (Emphasis supplied)

Prescinding from the foregoing, it appears that the MRD made a determination and eventually found that Meridian Securities violated the Relevant Rules because the latter failed to comply with the demand of Mr. Tablante for accounting and return of the cash and stock dividends that have allegedly accrued to his original 140 Manulife shares. The PSE-MIB agreed with, and affirmed this finding in its Assailed Resolution. Stated otherwise, it is the position of both the MRD and PSE-MIB that the Decision of the RTC Br. 223, as modified by the CA Decision which ordered the return of Mr. Tablante's 140 Manulife shares or, in the alternative, to pay its monetary equivalent, includes by implication, the return of the stock, cash, and property dividends accruing thereto, and

[17] See pages 1-3 of the Decision dated 3 August 2010mof the MRD

the failure of Meridian Securities to return/pay the said dividends constituted a violation of the Relevant Rules.

This Commission cannot accede to the finding and decision of PSE-MIB.

While it is true that the MRD (and the PSE-MIB on appeal) has primary jurisdiction over complaints alleging violation of the Relevant Rules, this Commission holds that in the instant case, the principle of judicial courtesy is applicable, and should have prompted and/or cautioned both MRD and PSE-MIB, even without an injunctive order from the higher court, from further determining and even ruling (granting) on the Complaint of Mr. Tablante, which, on its face, clearly sought the issuance of an order directing Meridian Securities to pay and deliver the cash and stock dividends accruing to his 140 Manulife shares, as this matter involves/relates to the implementation of the final and executory decision which is currently pending with the Supreme Court.

The principle of judicial courtesy was first applied by the Supreme Court in the case of *Eternal Gardens Memorial Park Corporation vs The Honorable Court of Appeals*[18] where it was held that due respect to the High Court, as well as ethical and practical considerations demand that the CA waits for the final determination of the case to avoid mooting that matter that was pending with the former, thus:

> "**Although this Court did not issue any restraining order against the Intermediate Appellate Court to prevent it from taking any action with regard to its resolutions** respectively granting respondents' motion to expunge from the records the petitioner's motion to discuss and denying the latter's motion to reconsider such, order, upon learning of the petition, **the appellate court should have refrained from ruling thereon because its jurisdiction was necessarily limited upon the filing of a petition for certiorari with this Court questioning the propriety of the issuance of the above-mentioned resolutions. Due respect for the Supreme Court and practical and ethical considerations should have prompted the appellate court to wait for the final determination of the petition before taking cognizance of the case and trying to render moot exactly what was before this court.** As we have ruled in the case of *People v. Court of Appeals*, (101 SCRA 450, 463 and 466):
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> > ... Thirdly, the statement that *whatever rights the movants were allowed to exercise in the Supreme Court could be exercised by them in the Court of Appeals'* is clearly misplaced. It implies concurrence of jurisdiction between this Tribunal and respondent Court, which is totally

[18] G.R. No. L-50054 August 17, 1988

> unacceptable. It would lead to the absurd situation where within the reglementary period from finality of a Decision or Resolution, a party can simultaneously file a Petition for Review before this Tribunal as well as a Motion for Reconsideration before respondent Court. This interpretation does havoc to the rules on orderly procedure. A party should not be allowed to pursue simultaneous remedies in two different forums.
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> xxx xxx xxx
>
> We find the foregoing without merit. The Writ of certiorari is intended to keep a tribunal within the limits of its jurisdiction. As explained above, respondent court acted without or in excess of its jurisdiction and with grave abuse of discretion when it passed upon private respondents Fourth Motion for Reconsideration considering that its judgment of conviction had already become final. And what is even more glaring, respondent Court acted on said Fourth Motion for Reconsideration after this Tribunal had already denied private respondents' petition for Review on Certiorari, as well as the reconsideration thereof. The attention of respondent Court, as explained heretofore, was called to such development. It paid no heed. Although now, it is claimed that had it known, it would have stopped action or desisted from taking any at any stage in which the fourth (4th) motion for reconsideration was found.

Applying the foregoing precedent, we rule that the appellate court acted with grave abuse of or in excess of jurisdiction when it issued the resolutions dated March 27 and April 5, 1979 correcting its earlier erroneous orders which were already before us." (Emphasis supplied)

In the case of *Oca vs Custodio*[19], the Supreme Court emphasized that principle of judicial courtesy should apply if there is a strong probability that the issues before the higher court would be rendered moot as a result of the continuation of the proceedings in the lower court, thus:

> "Judicial courtesy is exercised by suspending a lower court's proceedings although there is no injunction or an order from a higher court. The purpose is to avoid mooting the matter raised in the higher court. It is exercised as a matter of respect and for practical considerations.
>
> However, this principle applies only if the continuation of the lower court's proceedings will render moot the issue raised in the higher court."

[19] G.R. No. 199825, [July 26, 2017]

In the instant case, by affirming the MRD Decision, the PSE-MIB has, in the Assailed Resolution, effectively passed upon the issue on Mr. Tablante's entitlement to the cash and stock dividends that have accrued to the 140 Manulife shares. The PSE-MIB has also directed Meridian Securities to pay and give to Mr. Tablante such cash and stock dividends, and proceeded to penalize Meridian Securities for its failure to do so.

The foregoing, however, is the main issue presented in the Petition for Review of Mr. Tablante which the Supreme Court is yet to rule upon. In fact, one of the main arguments presented therein by Mr. Tablante in support of his claim that he is entitled to the cash and stock dividends that have accrued to the 140 Manulife shares, is the applicability of the case of Cojuangco vs Sandiganbayan.[20] Given the pendency of the Petition for Review, the applicability of the Cojuangco vs Sandiganbayan case to the instant case is for the Supreme Court, and not the PSE-MIB, to determine.

Until the Supreme Court rules with finality that Mr. Tablante is entitled to the cash and stock dividends, the determination on whether Meridian has violated the Relevant Rules in relation to such cash and stock dividends which PSE-MIB used as basis for its decision is baseless/premature.

On account thereof, this Commission holds that the act of PSE-MIB in ruling that the case of Cojuangco vs Sandiganbayan is applicable, and in directing the payment and/or delivery of the cash and stock dividends to Mr. Tablante on the basis thereof, constitutes a clear violation of the principle of judicial courtesy because it effectively mooted the issue/matter presented in the Petition for Review, and denied the Supreme Court the courtesy and respect due to it. Consequently, the Assailed Order should be struck down for having been issued with grave abuse of discretion amounting to lack or excess of jurisdiction. This is the necessary consequence of an act that is found to be violative of the principle of judicial courtesy. Hence, in the case of *Calayag v. Sulpicio Lines, Inc.*[21], the Supreme Court nullified and set-aside the Order of the Regional Trial Court which was issued in violation of this principle, thus:

> "On this score, it bears mentioning that **although judicial courtesy is indeed not mandatory, under such circumstances, Judge Villanueva should have been more circumspect in the exercise of his discretion and recused himself from further presiding over the said civil cases to remove any doubt on his neutrality**. While Section 7 of Rule 65 provides the general rule that the mere pendency of a

[20] See Pars. 62 to 69 of the Petition for Review

[21] G.R. No. 221864, September 14, 2016

special civil action for *certiorari* does not stay the proceedings in the lower court in the absence of a writ of preliminary injunction or TRO, this Court in *Eternal Gardens Memorial Park v. Court of Appeals* explained:

> Although this Court did not issue any restraining order against the Intermediate Appellate Court to prevent it from taking any action with regard to its resolutions respectively granting respondents' motion to expunge from the records the petitioner's motion to dismiss and denying the latter's motion to reconsider such order, upon learning of the petition, the appellate court should have refrained from ruling thereon because its jurisdiction was necessarily limited upon the filing of a petition for *certiorari* with this Court questioning the propriety of the issuance of the above-mentioned resolutions. Due respect for the Supreme Court and **practical and ethical considerations** should have prompted the appellate court to wait for the final determination of the petition before taking cognizance of the case and trying to render moot exactly what was before this court. . . . . [Emphasis and underscoring supplied]

Thus, while petitioners were correct in asserting that Judge Villanueva had yet to receive the CA decision ordering his inhibition when he handed down his decision on the civil cases, **he should not have entertained the subsequent motion for execution pending appeal and recused himself from the case as he already received the September 21, 2015 CA Decision and December 18, 2015 Resolution ordering his inhibition**. It bears to reiterate that the Executive Judge even directed him to turn over the entire records of the case to the Clerk of Court of Manila. Despite this, he acted on the motion for execution pending appeal.

Petitioners cannot argue that no TRO or writ of preliminary injunction was issued by the CA enjoining Judge Villanueva from further acting on the case. **In the same way that a lower court should readily comply with the provisional orders of a higher court, then it is with more reason that he should respect and comply with a higher court's final disposition of the case on the merits.**

Taking into consideration the actions of Judge Villanueva during the trial and his overzealousness to have his decision executed despite clear directive from the CA, the Court finds that Sulpicio's right to have an impartial judge was clearly violated. Thus, the Court will let stand the ruling of the CA ordering Judge Villanueva to recuse himself from the case.

Clearly issued with grave abuse of discretion, the May 11, 2016 Order of Judge Villanueva granting petitioners' motion of execution pending appeal should be annulled. To let it be is to

sanction and reward disrespect of a higher tribunal." (Emhasis supplied)

Finally, Meridian Securities maintains that the instant case is dismissible on the ground of forum shopping, arguing that the Complaint of Mr. Tablante filed with the PSE-MIB raised the same issue, and sought the same relief as that in the Motion for Issuance of Writ of Execution With Prayer for Accounting, which is now the subject of the Petition for Review pending with the Supreme Court.

Mr. Tablante, on the other hand, argues that the PSE-MIB was correct in holding that he did not violate the rule on forum shopping because the primary relief that he sought was merely the imposition of disciplinary sanction against Meridian Securities which is within the authority of the MRD and PSE-MIB.[22] Thus, Mr. Tablante maintained that the PSE-MIB was correct in imposing the administrative penalties upon Meridian Securities on the basis of the finding of violation of the Relevant Rules.

The Commission finds for Meridian Securities.

The concept of forum shopping which is abhorred by our legal system was clearly explained by the Supreme Court in *Municipality of Taguig v. Court of Appeals*[23], thus:

> **"Forum shopping exists when, as a result of an adverse opinion in one forum, a party seeks a favorable opinion (other than by appeal or certiorari) in another, or when he institutes two or more actions or proceedings grounded on the same cause, on the gamble that one or the other court would make a favorable disposition. What is truly important to consider** in determining whether forum shopping exists or not **is the vexation caused the courts and parties-litigants by a party who asks different courts and/or administrative agencies to rule on the same or related causes and/or grant the same or substantially the same reliefs**, in the process creating the possibility of conflicting decisions being rendered by the different fora upon the same issues." (Emphasis supplied)

In the instant case, a careful review of the Complaint filed by Mr. Tablante with the MRD, and the Motion for Issuance of Writ of Execution With Prayer for Accounting, in relation to his Petition for Review which is currently pending with the Supreme Court, will readily show that there was indeed forum shopping.

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[22] See Par. 41 of the Reply Memorandum dated 12 November 2010 of Mr. Tablante
[23] G.R. No. 142619, [September 13, 2005], 506 PHIL 567-582

In his Letter-Complaint filed with the MRD, Mr. Tablante's position and demand was clear:

> "**I lament the very literal and simplistic interpretation you gave to the RTC/CA Order**. You claim that since the payment of dividends was not mentioned in the Order, you are not required to pay dividends. You will note that the order explicitly required you to return to me 140 shares or its equivalent amount in peso at the time of demand plus 6% legal interest until fully paid.
>
> xxx xxx xxx
>
> **Your refusal to pay my rightful cash and stock dividends forces me to reiterate my demand for payment on 15 days upon receipt of this letter.** xxx" (Emphasis supplied)

We find this very same relief (and the same arguments in support thereof) in the Petition for Review which is currently pending with the Supreme Court, to wit:

> "WHEREFORE, the foregoing premises considered, it is respectfully prayed that the Honorable Court:
>
> xxx xxx xxx
>
> 3. **ISSUE an order directing the accounting and return of the dividends accruing from the 140 Manulife shares of stock adjudicated in favor of Petitioner.**" (Emphasis supplied)

The violation of the rule against forum shopping is glaring. Mr. Tablante sought from both MRD (and PSE-MIB) and the Supreme Court (after he was denied by the RTC Br. 223 and the CA) a ruling that will direct Meridian Securities to account for, pay, and return the cash and stock dividends that have accrued to his 140 Manulife shares, which is allegedly entitled to on the basis of the doctrine in Cojuangco vs Sandiganbayan. Mr. Tablante did this after both the RTC Br. 223 and the CA earlier issued a ruling that denied his entitlement to the cash and stock dividends that have accrued to his 140 Manulife shares. The violation, however, was triggered by his act of filing the Complaint with MRD and the Petition for Review with the SC considering that both sought essentially the same remedy.

The MRD (which was affirmed by the PSE-MIB) have, in fact, already granted Mr. Tablante's prayer and directed Meridian Securities to pay and deliver the cash and stock dividends that have accrued to his 140 Manulife shares after ruling (apparently agreeing with the position of Mr. Tablante) that the case of Cojuangco vs Sandiganbayan is applicable. MRD and PSE-MIB forthwith used this legal conclusion in finding that Meridian Securities violated the Relevant Rules after it failed to account for and deliver to Mr. Tablante the cash and stock dividends that have accrued to his 140 Manulife shares.

What happens then if the SC affirms the position of both the RTC Br. 223 and the CA, and dismisses Mr. Tablante's Petition for Review? More importantly, is the SC now precluded from dismissing his Petition for Review considering that the PSE-MIB has, in the Assailed Resolution, already ruled that he is entitled to the payment and deliver the cash and stock dividends that have accrued to his 140 Manulife shares?

On account thereof, it is not difficult to see how the filing of both the Complaint with the MRD and the Petition for Review with the SC has vexed them, as well as the party litigants, on the ground that Mr. Tablante has created the possibility of a conflicting decisions being rendered by this Commission (whom he now requests to affirm the Assailed Resolution) and the SC who is still to rule on his Petition for Review.

WHEREFORE, premises considered, the instant Appeal is hereby **GRANTED**. MIB Resolution No. 30, Series of 2010 affirming the 03 August 2012 Decision of the PSE-MRD in PSE-PED-IC-2012-002 is hereby **NULLIFIED** and **SET ASIDE**.

SO ORDERED.

Makati City, Philippines.

EMILIO B. AQUINO
Chairperson

JAVEY PAUL D. FRANCISCO
Commissioner

KELVIN LESTER K. LEE
Commissioner

KARLO S. BELLO
Commissioner

MCJILL BRYANT T. FERNANDEZ
Commissioner