REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

Third Division

PEOPLE OF THE PHILIPPINES, *Plaintiff,*	**CTA CRIM. CASE NOS. O-172, O-173, O-174, O-175, O-176, O-177, & O-178**
- versus -	*For: Failure to Make and File Income Tax Returns (Violation of Sections 75, 76 and 255 in rel. to Sec. 253 of the NIRC, as amended)*
PHILIPPINE CORINTHIAN LINER CORPORATION, (PCLC), CLARITA DE GUZMAN a.k.a. CLAIRE DE LA FUENTE, *Accused.*	Members: **UY,** *Chairperson,* **RINGPIS-LIBAN**, *and* **MODESTO-SAN PEDRO**, *JJ.*
	Promulgated: JUN 30 2020 1:38 p.m.

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DECISION

RINGPIS-LIBAN, *J.*:

The Case

Accused Philippine Corinthian Liner Corporation (PCLC) and Accused Clarita De Guzman, a.k.a. Claire Dela Fuente (Dela Fuente) are charged with seven separate counts of violating Sections 75, 76 and 255 in rel. to Sec. 253 of the National Internal Revenue Code of 1997 (NIRC), as amended, for failure to make and file income tax returns for taxable years (TY) 1998 to 2004.

Accused PCLC is a domestic corporation with registered address at Rm. 1029-2030 V.V. Soliven Complex, EDSA, San Juan, Metro Manila, and with

Taxpayer Identification Number (TIN) 235-865-722-000. Its primary purpose is to engage in transport and shuttle service, business carrier, and hauling, vulcanizing, auto repair, auto-building, manufacture, fabrication of chassis body and other auto parts and accessories and other related business. Accused Dela Fuente is alleged to be a responsible officer of PCLC as its Vice-President/Treasurer and/or Manager.

Plaintiff People of the Philippines, (the Prosecution), on the other hand, is represented by the Bureau of Internal Revenue (BIR), the government agency mandated to collect national internal revenue taxes for nation building with office address c/o Prosecution Division, Room 704, 7th Floor, BIR National Office Building, BIR Road, Diliman, Quezon City.

The Informations against Accused Dela Fuente and PCLC, filed on January 5, 2009, read as follows:

CTA CRIM. CASE NO. O-172[1]

> "That on or about April 15, 2001 in the City of Manila, Philippines and within the jurisdiction of the Honorable Court, the Accused **Philippine Corinthian Liner Corporation**, a domestic corporation and **CLARITA DE GUZMAN a.k.a. CLAIRE DELA FUENTE**, being the Vice-President/Treasurer/officer-in-charge of PCLC, and at the time required by law, rules and regulations to make and file the income tax return of PCLC for taxable year 2000 and pay the income tax due on the said corporation in the amount of **FORTY EIGHT MILLION EIGHT HUNDRED TWELVE THOUSAND FIVE HUNDRED FORTY FOUR PESOS (P48,812,544.00)** exclusive of interests, surcharges and penalties thereon, did then and there willfully, unlawfully and feloniously fail to make and refuse to file the said income tax return, much less pay the said amount of income tax, including the corresponding interests, surcharges and penalties due from PCLC for the said taxable year despite due notice and demand from the BIR Commissioner.
>
> CONTRARY TO LAW."

CTA CRIM. CASE NO. O-173[2]

> "That on or about April 15, 2004 in the City of Manila, Philippines and within the jurisdiction of the Honorable Court, the

[1] CTA Crim Case No. O-172, docket, pp. 551-559, with Annexes at pp. 560-604.
[2] CTA Crim Case No. O-173, docket, pp. 558-566, with Annexes at pp. 567-611.

Accused **Philippine Corinthian Liner Corporation**, a domestic corporation and **CLARITA DE GUZMAN a.k.a. CLAIRE DELA FUENTE**, being the Vice-President/Treasurer/officer-in-charge of PCLC, and at the time required by law, rules and regulations to make and file the income tax return of PCLC for taxable year 2003 and pay the income tax due on the said corporation in the amount of **SIX MILLION THREE HUNDRED THIRTY SIX THOUSAND (P6,336,000.00)** exclusive of interests, surcharges and penalties thereon, did then and there willfully, unlawfully and feloniously fail to make and refuse to file the said income tax return, much less pay the said amount of income tax, including the corresponding interests, surcharges and penalties due from PCLC for the said taxable year despite due notice and demand from the BIR Commissioner.

CONTRARY TO LAW."

CTA CRIM. CASE NO. O-174[3]

"That on or about April 15, 2000 in the City of Manila, Philippines and within the jurisdiction of the Honorable Court, the Accused **Philippine Corinthian Liner Corporation**, a domestic corporation and **CLARITA DE GUZMAN a.k.a. CLAIRE DELA FUENTE**, being the Vice-President/Treasurer/officer-in-charge of PCLC, and at the time required by law, rules and regulations to make and file the income tax return of PCLC for taxable year 1999 and pay the income tax due on the said corporation in the amount of **TWENTY FOUR MILLION THREE HUNDRED SIX THOUSAND FOUR HUNDRED EIGHTY PESOS (P24,306,480.00)** exclusive of interests, surcharges and penalties thereon, did then and there willfully, unlawfully and feloniously fail to make and refuse to file the said income tax return, much less pay the said amount of income tax, including the corresponding interests, surcharges and penalties due from PCLC for the said taxable year despite due notice and demand from the BIR Commissioner.

CONTRARY TO LAW."

CTA CRIM. CASE NO. O-175[4]

[3] CTA Crim Case No. O-174, docket, pp. 544-552, with Annexes at pp. 553-597.
[4] CTA Crim Case No. O-175, docket, pp. 552-560, with Annexes at pp. 561-605.

"That on or about April 15, 2003 in the City of Manila, Philippines and within the jurisdiction of the Honorable Court, the Accused **Philippine Corinthian Liner Corporation**, a domestic corporation and **CLARITA DE GUZMAN a.k.a. CLAIRE DELA FUENTE**, being the Vice-President/Treasurer/officer-in-charge of PCLC, and at the time required by law, rules and regulations to make and file the income tax return of PCLC for taxable year 2002 and pay the income tax due on the said corporation in the amount of **FORTY MILLION NINE HUNDRED NINETEEN THOUSAND FORTY PESOS (P40,919,040.00)** exclusive of interests, surcharges and penalties thereon, did then and there willfully, unlawfully and feloniously fail to make and refuse to file the said income tax return, much less pay the said amount of income tax, including the corresponding interests, surcharges and penalties due from PCLC for the said taxable year despite due notice and demand from the BIR Commissioner.

CONTRARY TO LAW."

CTA CRIM. CASE NO. O-176[5]

"That on or about April 15, 2002 in the City of Manila, Philippines and within the jurisdiction of the Honorable Court, the Accused **Philippine Corinthian Liner Corporation**, a domestic corporation and **CLARITA DE GUZMAN a.k.a. CLAIRE DELA FUENTE**, being the Vice-President/Treasurer/officer-in-charge of PCLC, and at the time required by law, rules and regulations to make and file the income tax return of PCLC for taxable year 2001 and pay the income tax due on the said corporation in the amount of **THIRTY SIX MILLION ONE HUNDRED THIRTY THOUSAND FOUR HUNDRED SIX PESOS AND FORTY CENTAVOS (P36,130,406.40)** exclusive of interests, surcharges and penalties thereon, did then and there willfully, unlawfully and feloniously fail to make and refuse to file the said income tax return, much less pay the said amount of income tax, including the corresponding interests, surcharges and penalties due from PCLC for the said taxable year despite due notice and demand from the BIR Commissioner.

CONTRARY TO LAW."

CTA CRIM. CASE NO. O-177[6]

[5] CTA Crim Case No. O-176, docket, pp. 565-573, with Annexes at pp. 574-618.
[6] CTA Crim Case No. O-177, docket, pp. 535-543, with Annexes at pp. 544-588.

"That on or about April 15, 2005 in the City of Manila, Philippines and within the jurisdiction of the Honorable Court, the Accused **Philippine Corinthian Liner Corporation**, a domestic corporation and **CLARITA DE GUZMAN a.k.a. CLAIRE DELA FUENTE**, being the Vice-President/Treasurer/officer-in-charge of PCLC, and at the time required by law, rules and regulations to make and file the income tax return of PCLC for taxable year 2004 and pay the income tax due on the said corporation in the amount of **FIVE MILLION SIXTY EIGHT THOUSAND EIGHT HUNDRED PESOS (P5,068,800.00)** exclusive of interests, surcharges and penalties thereon, did then and there willfully, unlawfully and feloniously fail to make and refuse to file the said income tax return, much less pay the said amount of income tax, including the corresponding interests, surcharges and penalties due from PCLC for the said taxable year despite due notice and demand from the BIR Commissioner.

CONTRARY TO LAW."

CTA CRIM. CASE NO. O-178[7]

"That on or about April 15, 1999 in the City of Manila, Philippines and within the jurisdiction of the Honorable Court, the Accused **Philippine Corinthian Liner Corporation**, a domestic corporation and **CLARITA DE GUZMAN a.k.a. CLAIRE DELA FUENTE**, being the Vice-President/Treasurer/officer-in-charge of PCLC, and at the time required by law, rules and regulations to make and file the income tax return of PCLC for taxable year 1998 and pay the income tax due on the said corporation in the amount of **FOUR MILLION FIVE HUNDRED TWENTY THREE THOUSAND NINE HUNDRED FOUR PESOS (P4,523,904.00)** exclusive of interests, surcharges and penalties thereon, did then and there willfully, unlawfully and feloniously fail to make and refuse to file the said income tax return, much less pay the said amount of income tax, including the corresponding interests, surcharges and penalties due from PCLC for the said taxable year despite due notice and demand from the BIR Commissioner.

CONTRARY TO LAW."

Consolidation

[7] CTA Crim Case No. O-178, docket, pp. 534-542, with Annexes at pp. 543-587.

On March 22, 2010, counsel for Accused filed an Entry of Appearance[8], a Motion for Reduction of Bail[9], and a Motion for Consolidation[10], asking that all the cases be consolidated with Crim Case No. O-172, the case with the lowest docket number.

On March 10, 2010[11] and March 24, 2010, respectively, the Courts in Division issued Resolutions ordering Warrants of Arrest[12] (WOA) to issue against Accused Dela Fuente, with bail bond for the provisional liberty of the Accused fixed at Twenty Thousand Pesos (₱20,000.00) in all criminal cases except for O-176 & O-178, pending before the First Division. The existence of probable cause was still undetermined at the time in the latter cases, pending submission of original Endorsement Letter of the CIR.[13]

Subsequently, Accused Dela Fuente voluntarily appeared before the Court and submitted herself to the jurisdiction of the Court by posting cash bonds in the amount of ₱20,000.00 each for her provisional liberty on March 24, 2010[14] and March 25, 2010.[15] Arraignment was set on April 21, 2010.

On April 21, 2010, the Second Division granted the Motion to Consolidate Crim Case Nos. O-174 and O-177, with O-172, the case bearing the lowest docket number, pending before the Third Division.[16]

On April 22, 2010, the First Division also granted the Motion to Consolidate Crim Case Nos. O-176 and O-178, with O-172, the case bearing the lowest docket number, pending before the Third Division.[17]

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[8] In O-172, pp. 545-546; O-173, pp. 552-553; O-174, pp. 538-539; O-175, pp. 546-547; O-176 pp. 622-623; O-177, pp. 543-544; and O-178, pp. 591-592.
[9] In O-172, pp. 542-544, O-173, pp. 549-551, O-174, pp. 535-537; O-175, pp. 543-547; O-176, pp. 619-621; O-177, 595-597; and O-178, pp. 588-590.
[10] In O-172, pp. 547-550; O-173, pp. 554-557; O-174, pp. 540-543; O-175, pp. 548-551; O-176, pp. 624-627; O-177, pp. 589-592; and O-178, 593-596.
[11] *Id.* at Note 6, p. 534.
[12] In O-172, p. 534; O-173, p. 543; O-174, p. 534; O-175, p. 536; and O-176, pp. 858-865.
[13] The WOA of Accused Dela Fuente was eventually issued on January 20, 2011 in O-176, pp. 854-857, and O-178, pp. 822-825, after the cases were consolidated before the Third Division.
[14] In O-174, pp. 598-691; and O-177-pp. 598-606.
[15] In O-172, pp. 536-541; O-173, pp. 543-548; and O-175, pp. 538-542.
[16] In O-174, pp. 807-808; and in O-177, pp. 808-809.
[17] In O-176, pp. 650; and O-178, p. 615.

On even date, Accused Dela Fuente filed a Motion to Withdraw Motion for Consolidation in Crim Case Nos. O-174[18], O-176[19], O-177[20], and O-178[21]. However, those pending before the Second Division were denied[22] and those pending before the First Divisions[23] were referred to the Third Division for appropriate action.

On June 2, 2010, the Third Division issued a Resolution indicating its conformity to the consolidation of Crim Case Nos. O-174, O-176, O-177, and O-178 with the previously consolidated cases, Crim Case No. O-172, O-173, and O-175, being heard by the Court.[24]

Incidents Prior to Arraignment

Prior to Arraignment of Accused Dela Fuente, several motions were filed by the Defense which necessitated the Court's action, such as: a) Motion to Suspend Proceeding/Arraignment Pending Resolution of the Motion for Reconsideration dated January 22, 2010 filed before the Department of Justice with Alternative Motion for Reinvestigation, b) Motion to Dismiss/Quash Information, a c) Motion to Suspend Arraignment with Motion to Reiterate (Motion to Suspend Proceeding/Arraignment Pending Resolution of the Motion for Reconsideration Dated January 22, 2010 Filed Before the Department of Justice), and other motions as recounted below:

a) Motion to Suspend Proceeding/Arraignment Pending Resolution of the Motion for Reconsideration dated January 22, 2010 filed before the Department of Justice with Alternative Motion for Reinvestigation

On March 22, 2010, Accused filed a Motion to Suspend Proceeding/Arraignment Pending Resolution of the Motion for Reconsideration dated January 22, 2010 filed before the Department of Justice with Alternative Motion for Reinvestigation in the subject criminal cases[25]. Accused prayed that the proceedings and arraignment be suspended, until after the resolution of the issues raised in the motion for reconsideration filed before the Department of Justice (DOJ) and appellate courts are resolved, and in the alternative, that its

[18] *Id.* at Note 3, pp. 803-805.
[19] *Id.* at Note 5, pp. 844-847.
[20] *Id.*at Note 6, pp. 803-805.
[21] *Id.* at Note 7.
[22] In O-174, p. 811; and O-177, p. 813.
[23] O-176, p. 849.
[24] *Id.*, pp. 838-839.
[25] In O-172, pp. 551-559, with Annexes at pp. 560-604; O-173, pp. 558-566, with Annexes at pp. 567-611; O-174, pp. 544-522, with Annexes at pp. 553-597; O-175, pp. 552-560, with Annexes at pp. 561-605; O-176, pp. 565-573, with Annexes at pp. 574-618; O-177, pp. 535-543, with Annexes at pp. 544-588; and in O-178, pp. 534-542, with Annexes at pp. 543-587.

motion be treated as a motion for reinvestigation by the DOJ and the consequent referral/remand by the DOJ to the BIR be granted.

On May 20, 2010, the Court received the Prosecution's Opposition (To Accused Motion to Suspend Arraignment) in Crim Case Nos. O-172[26], O-173[27], and O-175[28]. The Prosecution countered that the said motion has no factual and legal bases since the Secretary of Justice (SOJ) ruled that there was probable cause to charge the Accused of the crime of tax evasion; and that once an Information has already been filed in court, the court acquired jurisdiction over the case and the investigating fiscal or the SOJ should no longer entertain motions for re-investigation.

b) Motion to Dismiss/Quash Information[29]

On April 21, 2010, Accused Dela Fuente filed a Motion to Dismiss/Quash Information[30] on the grounds that a) there was no probable cause, b) the information failed to conform substantially to the prescribed form, c) the complaint was not instituted by the CIR and that, d) the criminal action or liability had already been extinguished, accused having availed of the General Tax Amnesty Law and that there was lack of recording of verified information and investigation in the Official Registry Book of the BIR.

During the Arraignment scheduled on May 24, 2010, the Prosecution was ordered to file a comment to Accused's Motion to Dismiss/Quash Informations. Accused's Motion to Suspend Arraignment was then submitted for resolution.[31]

On even date, Accused Dela Fuente filed a Manifestation with Motion to Reiterate Motion to Quash Information.[32]

On June 3, 2010, the Prosecution filed an Opposition to the Motion to Dismiss/Quash Information.[33] The Prosecution raised that a) there is probable cause to charge Accused Dela Fuente for the crime of failure to file a Return from 1998 to 2004 because she is a responsible officer of the corporation; b) the filing of the Complaint was approved by the Commissioner of Internal Revenue

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[26] O-172, pp. 825-835.
[27] O-172, pp. 816-826.
[28] *Id.* at Note 4 O-175, pp. 716-726
[29] In O-172, pp. 609-627, with Annexes at pp. 628-799; O-173, pp. 616-634, with Annexes at pp. 635-798; O-174, pp. 608-625, with Annexes at pp. 627-798; O-175, pp. 614-633, with Annexes at pp. 634-704; O-176, unpaginated; O-177, pp. 607-626, with Annexes at pp. 607-802; and O-178, unpaginated.
[30] In O-172, pp. 609-627, with Annexes at pp. 628-799; O-173, pp. 616-634, with Annexes at pp. 635-798; O-174, pp. 608-625, with Annexes at pp. 627-798; O-175, pp. 614-633, with Annexes at pp. 634-704; O-176, unpaginated; O-177, pp. 607-626, with Annexes at pp. 607-802; and O-178, unpaginated.
[31] *Id.* at Note 1 O-172, p. 816.
[32] In O-172, unpaginated; O-173, pp. 827-829; O-174, pp. 813-815; O-175, pp. 766-768; O-176, pp. 850-852; O-177, pp. 814-816; and O-178, pp. 818-820
[33] O-172, pp. 840-847, with Annexes at pp. 848-874 (for all cases because consolidated already)

(CIR); c) the Information is sufficient in form and substance as it contains a recital of the essential elements of the crimes charged; and d) the criminal liability of Accused Dela Fuente had not been extinguished because Accused PCLC's availment of tax amnesty was void.

On June 15, 2010, Accused Dela Fuente filed a Reply to Opposition to the Motion to Dismiss/Quash Information.[34]

c) Motion to Suspend Arraignment with Motion to Reiterate (Motion to Suspend Proceeding/Arraignment Pending Resolution of the Motion for Reconsideration Dated January 22, 2010 Filed Before the Department of Justice)[35]

Accused Dela Fuente also filed, on April 21, 2010, a Motion to Suspend Arraignment with Motion to Reiterate (Motion to Suspend Proceeding/Arraignment Pending Resolution of the Motion for Reconsideration Dated January 22, 2010 Filed Before the Department of Justice)[36] in all cases except for O-176 & O-178.

On May 7, 2010, the Prosecution filed a Motion for Extension to File Comment and/or Opposition (To Accused Motion to Suspend Arraignment with Motion to Reiterate)[37]

On May 12, 2020, the Court issued a Resolution granting the Prosecution's Motion for Extension to File Comment and/or Opposition (To Accused Motion to Suspend Arraignment with Motion to Reiterate)[38]

On June 22, 2010, the Court issued a Resolution[39] denying the a) Motion to Suspend Proceeding/Arraignment Pending Resolution of the Motion for Reconsideration dated January 22, 2010 filed before the Department of Justice with Alternative Motion for Reinvestigation; b) Motion to Suspend Arraignment with Motion to Reiterate (Motion to Suspend Proceeding/Arraignment Pending Resolution of the Motion for Reconsideration Dated January 22, 2010 Filed Before the Department of Justice)[40] and c) the Motion to Dismiss/Quash

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[34] In O-172, pp. 875-901.
[35] In O-172, pp. 801-804; O-173, pp. 800-803; O-174, pp. 799-802; O-175, pp. 610-613; and O-177, unpaginated.
[36] In O-172, pp. 801-804; O-173, pp. 800-803; O-174, pp. 799-802; O-175, pp. 610-613; and O-177, unpaginated.
[37] CTA Crim Case No. O-173, *docket*, pp. 808-812;
[38] CTA Crim Case No. O-173, *docket*, p. 815;
[39] O-172, Vol. 2, pp. 902-912.
[40] In O-172, pp. 801-804; O-173, pp. 800-803; O-174, pp. 799-802; O-175, pp. 610-613; O-176 (CHECK); O-177, (CHECK, IN CMIS); O-178, (CHECK)

Information[41]. Accused's Motion for Reduction of Bail was also declared moot in the same Resolution.

On June 28, 2010, Accused filed a Motion for Reconsideration with Motion to Withdraw/Quash Informations[42] On even date, Accused also filed a Motion to Suspend Arraignment on the ground that there were pending incidents for resolution by the Court.[43]

On July 22, 2010, the Prosecution filed an Opposition (To Accused Motion for Reconsideration with Motion to Withdraw/Quash Informations.[44]

Arraignment

The Arraignment of Accused was initially scheduled on April 21, 2010 in O-172, O-173 and O-175. However, Accused Dela Fuente did not appear. The Court then ordered the issuance of WOAs which Atty. Teresita Marbibi, Defense Counsel, asked for reconsideration for from the Court. The Defense manifested that Accused Dela Fuente was indisposed, as evidenced by a medical certificate. The Court then ordered the issuance of a Subpoena Ad Testificandum against the doctor who issued the medical certificate to testify at the next hearing. Atty. Marbibi requested that the Accused's presence be dispensed with pending resolution of the motions that she filed on the same day.[45]

On April 26, 2010, the Court issued a Resolution ordering that a Subpoena Ad Testificandum be issued to Dr. Aurea Jeremillo to testify on the medical certificate she issued in favor of Accused Dela Fuente.[46]

During the Arraignment scheduled on May 24, 2010[47], Dr. Aurea Jeremillo was unable to testify under subpoena as she was abroad and the Court ordered her to testify at a later date. Arraignment was once again reset to June 28, 2010.[48]

This pattern of Arraignment being scheduled and rescheduled was largely due to accommodating Accused in pursuing legal remedies in other fora, such as the DOJ, Court of Appeals (CA), and the Supreme Court (SC). These were

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[41] In O-172, pp. 609-627, with Annexes at pp. 628-799; O-173, pp. 616-634, with Annexes at pp. 635-798; O-174, pp. 608-625, with Annexes at pp. 627-798; O-175, pp. 614-633, with Annexes at pp. 634-704;and O-177, pp. 607-626, with Annexes at pp. 607-802.
[42] Vol. 2, pp. 937-952.
[43] Vol. 2, pp. 932-936.
[44] Vol. 2, pp. 1007-1208.
[45] TSN, Minutes of Hearing held on April 21, 2010 in O-172.
[46] In O-172, docket, pp. 806-807. All citations hereinafter shall refer to the docket of Crim. Case No. O-172.
[47] Vol. 2, p. 816.
[48] *Id.*

happening **simultaneously** with proceedings in the subject cases which Accused claimed the result of which would have an impact on whether or not arraignment should push through. To better appreciate the case, these proceedings shall be recounted below.

DOJ Proceedings[49]

The proceedings in the DOJ began when a Resolution was issued on November 24, 2008, by Special Prosecutor (SP) Merba Waga[50] recommending the filing of criminal charges against Accused Dela Fuente and her late husband, Moises De Guzman (collectively, DOJ Respondents).

On August 27, 2009, the DOJ Respondents filed a Petition for Review[51] before the DOJ. Subsequently, they also filed a Supplemental Petition for Review[52] on October 22, 2009.

As a result of the DOJ Resolution, on January 5, 2010, eight (8) Informations were filed before the Metropolitan Trial Court (MTC), MTC Crim. Case Nos. 456373-CR to 456380-CR, twenty-eight (28) Informations were filed before the Regional Trial Court (RTC) of Manila, Crim. Case Nos. 10-273751 to 78, and seven (7) Informations were filed before the CTA.

On January 18, 2010, a Resolution was issued by DOJ Undersecretary Linda L. Malenab-Hornilla dismissing the Petition for Review.[53] Aggrieved, on February 1, 2010, the DOJ Respondents filed a Motion for Reconsideration of the Resolutions dated January 18, 2010 and November 24, 2008.[54]

Subsequently, the DOJ Respondents posted bail with the RTC and MTC of Manila on February 16, 2010,[55] and with the CTA on March 24, 2010.[56]

On May 20, 2010, a DOJ Resolution was issued by Acting Secretary Alberto Agra *(Agra Resolution)* reversing and setting aside the Resolutions dated November 24, 2008 and January 18, 2010 which found probable cause for the Informations to be filed, granting the Motion for Reconsideration of the DOJ Respondents, and directing the City Prosecutor of Manila or any Prosecuting

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[49] Vol. 3, pp. 1243-1248, excluding Annexes.
[50] Vol. 3, pp. 1249-1270, I.S. No. 2005-973.
[51] Vol. 3, pp. 1271-1318, Case No. 2005-973, with Annexes at pp. 1319-1430.
[52] Vol. 3, pp. 1431-1476, with Annexes at pp. 1477-1564.
[53] Vol. 3, pp. 1565-1567.
[54] Vol. 3, pp. 1568-1609.
[55] Vol. 3, pp. 1613-1614.
[56] Vol. 3, pp. 1615-1621.

Officer to move for the withdrawal of the Informations filed with the MTC & RTC Manila and CTA.[57]

On June 3, 2010, Complainant BIR filed a Motion for Reconsideration of the Resolution dated May 20, 2010[58], to which the DOJ Respondents filed an Opposition on June 8, 2010.[59] However, the Motion for Reconsideration of Complainant BIR was denied in a Resolution dated June 25, 2010.[60]

On June 29, 2010, Atty. Marbibi, Counsel of the DOJ Respondents, wrote a letter to Acting Secretary Agra asking who among the state prosecutors has the responsibility for filing the Withdrawal of Informations in the CTA.[61] Atty. Marbibi likewise wrote DOJ Chief Pros. Claro Arellano and ACSP Miguel Gudio, Jr. on July 15, 2010, requesting the implementation of the DOJ directive to file Motion to Withdraw Informations in the CTA.[62]

Meanwhile, in the CTA, the Defense filed a Motion to Order Prosecuting Officers to Show Cause (Re: Declaring Them in Contempt)[63] in an attempt to have the criminal charges withdrawn as no motion had yet been filed in compliance with the *Agra Resolution.* The Defense likewise filed a Manifestation with Motion to Reiterate Motion to Quash Information[64] on the basis of the *Agra Resolution.*

On July 19, 2010, Complainant BIR filed a Second Motion for Reconsideration (with leave to file and admit the same) of the *Agra Resolution.*[65] The day after, DOJ Pros. General Claro A. Arellano directed SP Waga to file a Motion for the Withdrawal of the Informations pending before the CTA.[66] However, the DOJ had undergone a change of leadership and Leila De Lima was appointed to head the Department as Secretary.

On July 28, 2010, the new SOJ issued a Memorandum to SP Waga directing her to defer the filing of the motion to withdraw Informations in view of the filing of the Second Motion for Reconsideration by Complainant BIR. This directive came too late as the Informations pending in the RTC had already been withdrawn and an Order was issued, on even date, dismissing the criminal cases pursuant to the *Agra Resolution.*[67]

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[57] Vol. 3, pp. 1622-1629.
[58] Vol. 3, pp. 1630-1635.
[59] Vol. 3, pp. 1636-1646.
[60] Vol. 3, pp. 1647-1648.
[61] Vol. 3, pp. 1649-1651.
[62] Vol. 3, pp. 1652-1653.
[63] Vol. 2, pp. 916-923.
[64] Vol. 3, pp. 1659-1661.
[65] Vol. 3, pp. 1661-1772.
[66] Vol. 3, p. 1673.
[67] Vol. 3, p. 1675.

On July 30, 2010, SP Waga issued a Memorandum to Pros. General Arellano informing the latter of the SOJ directive to defer the filing of the Motion to Withdraw Informations in the CTA.[68]

Meanwhile, since Arraignment in the CTA was still being reset and rescheduled on account of the parallel proceedings in the DOJ, on August 6, 2010, the CTA issued a Resolution ordering SP Waga to inform the Court about any actions she had taken in compliance with the *Agra Resolution.*[69]

On September 1, 2010, the DOJ Respondents filed an Opposition/Comment (To the Memorandum dated July 30, 2010 of State Pros. Melba Waga) and Comment (To Complainant/Appellant BIR's Second Motion for Reconsideration) dated August 23, 2010.[70]

On November 2, 2010, SOJ De Lima issued a Resolution *(De Lima Resolution)* granting Complainant BIR's Second Motion for Reconsideration.[71] She reasoned that while Section 13 of Department Circular 70[72] provides that "no second or further motion for reconsideration shall be entertained", the same provision must yield to substantial justice and the motion may be given due course pursuant to the residual authority of the DOJ. The said Resolution also affirmed the findings of SP Waga.

DOJ Respondent Dela Fuente filed a Motion for Reconsideration of the *De Lima Resolution* on November 15, 2010. Complainant BIR, on the other hand, filed its Comment after an extended period[73] which DOJ Respondent Dela Fuente received on December 22, 2010[74], and to which she filed a Reply to Comment on January 17, 2011.[75]

Meanwhile in the CTA, Arraignment still did not push through owing to incidents pending resolution in the DOJ. On January 25, 2011, the CTA issued a Resolution[76] directing SOJ De Lima to resolve the Motion for Reconsideration of DOJ Respondent Dela Fuente. The said Resolution likewise directed Atty. Marbibi to follow-up the MR before the DOJ and to render a monthly report on the status of the case.[77] More importantly, the Resolution stated that

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[68] Vol. 3, p. 1676-1677.
[69] Vol. 3, pp. 1698-1701.
[70] Vol. 3, pp. 1681-1688.
[71] Vol. 3, pp. 1702-1705.
[72] 2000 NPS Rule on Appeal.
[73] Vol. 3, pp. 1737-1746.
[74] Vol. 3, pp. 1747-1774.
[75] Vol. 3, pp. 1777-1801.
[76] Vol. 2, pp. 1234-1238.
[77] Vol. 3, pp. 1803-1807.

Arraignment would proceed on March 23, 2011, with or without the Resolution of the SOJ.

In compliance with the CTA Order, on January 29, 2011, Atty. Marbibi sent a letter to the SOJ informing her of the CTA directive and manifesting that that DOJ Respondent Dela Fuente intends to file a Petition for Certiorari on the ground of grave abuse of discretion if resolution is not in their favor.[78]

In an attempt to once again postpone the Arraignment of Accused Dela Fuente at the CTA, the Defense filed a Manifestation with Motion for Suspension with Motion for Partial Reconsideration of the Order dated January 25, 2011.[79]

On June 27, 2012, DOJ Respondent Dela Fuente's Motion for Reconsideration of the *De Lima Resolution* was denied.

On August 15, 2012, the CTA received a copy of DOJ Respondents' Motion to Hold in Abeyance/Suspend Re-filing of Informations dated July 24, 2012 filed at DOJ.[80]

Court of Appeals Proceedings

DOJ Respondent Dela Fuente did not wait for the SOJ to resolve her Motion for Reconsideration of the *De Lima Resolution* before appealing to the CA.

On March 17, 2011, CA Petitioners Dela Fuente and PCLC (CA Petitioners) filed a Petition for Mandamus, Prohibition, Certiorari, Declaration of Nullity of Resolution and Proceeding with Prayer for Issuance of Writ of Preliminary/Mandatory Injunction/Temporary Restraining Order docketed as **CA-G.R. SP No. 118569** *(First CA Case).*[81] They prayed that an injunction be issued enjoining Respondents[82] from prosecuting them, that the *Agra Resolution* be upheld and that the *De Lima Resolution* be declared null and void for having been issued with grave abuse of discretion amounting to lack of jurisdiction.

Meanwhile, in the CTA, Arraignment was set on March 23, 2011, supposedly for its final and last resetting. However, during the hearing itself, the Defense moved for resetting again in view of the filing of the *First CA Case.* As

[78] Vol. 3, p. 1808.
[79] Vol. 4, pp. 1809-1815, with Annexes, pp. 1816-2202.
[80] Vol. 7, pp. 3781-3792.
[81] Vol. 4, pp. 2228-2275; received by the CTA on March 28, 2011.
[82] Hon. Leila de Lima, in Her Capacity as Secretary of Justice (DOJ), DOJ State Pros. Melba *(sic)* Waga, and Bureau of Internal Revenue.

a result, Arraignment of accused was again reset for the last time to April 4, 2011.[83]

On April 1, 2011, the CA issued a Resolution in the *First CA Case* directing the CA Petitioners to furnish the Office of the Solicitor General (OSG) with a copy of the Petition.[84]

On April 4, 2011, Accused Dela Fuente was finally arraigned in the CTA despite the Defense's motion for resetting which the Court denied. She pleaded NOT GUILTY to all charges against her.[85]

The *First CA Case* continued and CA Petitioners filed an Urgent Motion to Resolve on April 11, 2011[86], which the CA noted in a Resolution dated April 27, 2011[87], and a Manifestation and Motion[88] on May 2, 2011. The CA issued a Resolution on May 13, 2011[89] ordering respondents to file Comment and show cause why TRO should not be granted and, in response, the CA Petitioners filed a Comment with Motion to Resolve on May 31, 2011.[90]

On July 26, 2011, the OSG filed its Comment in CA, which was noted by the CA in a Resolution dated August 11, 2011[91]. The CA Petitioners filed a Reply to Comment thereto on August 15, 2011[92]. This was admitted by the CA in a Resolution dated September 2, 2011 wherein the parties were also ordered to file their respective memoranda.[93]

On October 17, 2011, CA Petitioners filed their Memorandum in the *First CA Case*[94] while CA Respondents filed their Memorandum on October 25, 2011. CA Petitioners subsequently filed a Reply (To Memorandum Dated October 25, 2011) on November 9, 2011[95], a Manifestation with Motion for Urgent Re- Raffle on November 23, 2011[96], a Manifestation and Motion for Leave to File Rejoinder to Reply with Motion to Admit the attached Rejoinder to Reply dated March 23, 2012[97] which they filed in anticipation of the Reply

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[83] Vol. 4, p. 2203.
[84] Vol. 4, pp. 2305-2306; posted on April 4, 2011 and received by the CTA on April 18, 2011.
[85] Vol. 4, pp. 2277-2291.
[86] Vol. 4, pp. 2292-2297.
[87] Vol. 4, p. 2341; received by the CTA on May 16, 2011.
[88] Vol. 4, unpaginated; received by the CTA on May 23, 2011.
[89] Vol. 4, pp. 2347-2349; received by the CTA on May 27, 2011.
[90] Vol. 4, unpaginated; posted on June 3, 2011, received by CTA on June 21, 2011.
[91] Vol. 4, p. 2455; posted on August 15, 2011, received by the CTA on August 24, 2011.
[92] Vol. 4, pp. 2458-2476; posted on August 18, 2011, received by the CTA on September 9, 2011.
[93] Vol. 5, p. 2478; posted on September 7, 2011, received by the CTA on September 14, 2011.
[94] Vol. 5, pp. 2499-2534, 2567-2602 with Annexes, pp. 2535-2566, 2603-2636.
[95] Vol. 5, pp. 2700-2722; posted on November 10, 2011, received by the CTA on November 23, 2011.
[96] Vol. 5, pp. 2740-2747; posted on December 5, 2011, received by the CTA on December 16, 2011.
[97] Vol. 6, pp. 2855-2869, with Annexes, pp. 2870-2895; posted on March 13, 2012, received by the CTA on March 21, 2012.

to be filed by the CA Respondents, a Manifestation with Motion for Leave to File and Admit Supplemental Rejoinder dated July 26, 2012[98]

On August 15, 2012, the CA **dismissed** the CA Petitioners' Petition in the *First CA Case*, CA-GR SP No. 118569, on the ground that the cases were already pending with CTA, a court of co-equal rank, and because the CTA has exclusive original and appellate jurisdiction over offenses dealt with in the *De Lima Resolution.*

A day before the *First CA Case* was dismissed, on August 14, 2012, the CA Petitioners filed another Petition for Certiorari, Injunction, with Prayer for Issuance of Writ of Preliminary Injunction/TRO with the CA, docketed as **CA-GR SP No. 126051** *(Second CA Case)* assailing the DOJ Resolution denying her Motion for Reconsideration of the *De Lima Resolution.*[99]

In view of the *Second CA Case*, the Defense attempted to once again delay the CTA cases by filing the following: a) Motion for Suspension of Proceeding on the Ground of Prejudicial Question citing the pendency of the *Second CA Case* as its main ground;[100] b) Motion to Hold in Abeyance/Suspend/Cancel Hearing/Presentation;[101] c) Motion for Suspension of Proceeding citing the pendency of the *Second CA Case*;[102] and a d) Manifestation and Motion[103] praying that the former be set for hearing

On September 12, 2012, the CA Petitioners filed a Motion for Reconsideration of the dismissal of the Petition in the *First CA Case.*[104]

On September 26, 2012, the CTA issued a Resolution[105] holding in abeyance the resolution of the Motion for Suspension of Proceedings on the Ground of Prejudicial Question, Motion for Suspension of Proceeding, and Manifestation and Motion pending Comment by the Prosecution, but held that the Motion to Hold in Abeyance/Suspend/Cancel Hearing/Presentation was already moot. The Prosecution was able to file a Comment/Opposition (Re: Accused's Motion for Suspension of Proceedings on October 15, 2012,[106] while the Defense filed their Reply to Comment on November 21, 2012.[107]

On December 14, 2012, the CTA issued a Resolution denying Accused's

[98] Posted on July 26, 2012, received by the CTA on August 3, 2012.
[99] Vol. 7, pp. 3805-3857.
[100] Vol. 7, pp. 3396-3406.
[101] Vol. 7, pp. 3407-3410.
[102] Vol. 7, pp. 3801-3857.
[103] Vol. 7, pp. 3407-3410.
[104] Vol. 8, pp. 4171-4186.
[105] Vol. 7, pp. 3926-3933.
[106] Vol. 8, pp. 3944-3954 with Annexes, pp. 3955-4107.
[107] Vol. 8, pp. 4131-4138.

Motion for Suspension of Proceedings on the Ground of Prejudicial Question and Motion for Suspension of Proceeding for lack of merit.[108]

On January 8, 2013, the CA Petitioners dated a Motion for Leave to File and Admit Reply to Comment with attached Reply to Comment and filed the same in the *First CA Case.*[109]

On January 15, 2013, the Motion for Reconsideration filed by the CA Petitioners in the *First CA Case* was denied. They subsequently filed a Manifestation with Motion for Leave to file and Admit Supplemental Rejoinder dated July 26, 2012.[110]

The parties filed their respective Memoranda in the *Second CA* Case, and on December 18, 2013, the CTA received a copy of the Memorandum filed by the CA Petitioners dated December 9, 2013.[111]

On August 22, 2014, the Special Fifteenth Division of the CA **dismissed** the *Second CA Case,* CA-G.R. SP NO. 126051, on the ground of deliberate forum shopping. The CA held that the elements attendant in the petition of the *Second CA Case* and the *First CA Case,* such as the identity of parties, facts alleged, rights asserted, and reliefs prayed were clearly shown in the records. Furthermore, the CA Petitioners were also found guilty of indirect contempt and fined.

The CA Petitioners filed a Motion for Reconsideration in the *Second CA Case* dated September 11, 2014.[112] They likewise filed a Manifestation with Motion to Furnish Complete Pages of the Decision dated August 22, 2014[113] and a Compliance dated September 16, 2014, manifesting payment of the contempt fine.[114] Subsequently, the CA Petitioners also filed a Motion for Leave to File and Admit Supplemental Motion for Reconsideration dated January 2, 2015 with attached Supplemental Motion for Reconsideration dated December 30, 2014.[115]

On June 28, 2016, the CA Petitioners' Motion for Reconsideration and Supplemental Motion for Reconsideration was denied for lack of merit in the *Second CA Case.*

Supreme Court Proceedings

[108] Vol. 8, pp. 4141-4155.
[109] Vol. 8, pp. 4234-4288; posted on January 11,2013, received by the CTA on January 28, 2013.
[110] Vol. 8, pp. 4468-4474 with Annexes pp. 4474-4484; posted on July 26, 2012 received by the CTA on August 3, 2012.
[111] Posted on December 14, 2013.
[112] Vol. 10, pp. 4973-4987; posted on September 12, 2014, received by the CTA on September 25, 2014.
[113] Vol. 10, pp. 4988-4993; posted on September 12, 2014, received by the CTA on September 25, 2014.
[114] Vol. 10, pp. 4995-4999; posted on September 16, 2014, received by the CTA on September 25, 2014.
[115] Vol. 10, pp. 5008-5016; posted on January 13, 2015, received by the CTA on January 30, 2015.

On February 12, 2013, the aggrieved CA Petitioners filed a Petition for Review on Certiorari under Rule 45 with the Supreme Court, docketed as G.R. S.P. No. 205305, questioning the Decision and Resolution in the *First CA Case* and arguing that the *De Lima Resolution* was issued without jurisdiction or with grave abuse of discretion tantamount to lack of jurisdiction.[116]

The aggrieved CA Petitioners in the *Second CA Case* likewise appealed the Decision and Resolution therein to the SC, docketed as G.R. No. 225319.[117] However, no further updates were furnished to the Court as regards the status of this case during the pendency of the proceedings.

CTA Proceedings Continued

As recounted above, from the time the Informations were filed on January 5, 2009, it took two years before Accused Dela Fuente was finally arraigned, on April 4, 2011. While parallel proceedings at the DOJ, CA, and the SC were ongoing, the following motions were filed at the CTA:

a) Manifestation with Motion to Dismiss the Cases

On July 6, 2010, Accused filed a Manifestation with Motion to Dismiss the Cases[118] on the basis of the *Agra Resolution.*

On Aug 11, 2010, the Prosecution filed an Opposition (To Accused Manifestation with Motion to Dismiss the Cases)[119] to which Accused filed a Reply with Manifestation with Motion to Dismiss on Aug 31, 2010.[120] The Prosecution filed a Rejoinder (Re: Accused's Reply with Manifestation with Motion to Dismiss) on September 13, 2010.[121]

On August 6, 2010, Accused filed a Manifestation with Motion to Reiterate Motion to Dismiss.[122]

b) Manifestation with Motion for Suspension

[116] Vol. 8, pp. 4289-4235, without Annexes; posted on February 18, 2013, received by CTA on March 4, 2013.
[117] Vol. 11, pp. 5361-5365; Clarita De Guzman aka Claire Dela Fuente, Philippine Corinthian Liner Corporation vs. Court of Appeals, Former Spl. 15th Division, Hon. Leila de Lima, in her capacity as Secretary of Justice (DOJ), DOJ State Pros. Melba Waga *(sic)*, Bureau of Internal Revenue.
[118] Vol. 2, pp. 957-961, with Annexes at pp. 962-982.
[119] Vol. 2, pp. 1081-1088, with Annexes at pp. 1089-1101.
[120] Vol. 2, pp. 1102-1109, with Annexes at pp. 1110-1113.
[121] Vol. 2, pp. 1133-1142.
[122] Vol. 2, pp. 1072-1076, with Annexes at pp. 1077-1080.

On November 15, 2010, Accused filed a Manifestation with Motion for Suspension asking that arraignment be suspended in view of the Motion for Reconsideration she filed on the *De Lima Resolution.*[123]

January 13, 2011, Accused filed a Manifestation with Motion for Suspension, asking that arraignment be suspended until DOJ resolves her Motion for Reconsideration of the *De Lima Resolution.*[124] A Supplemental Motion for Suspension[125] was filed shortly thereafter on January 19, 2011.

On even date, Accused filed a Manifestation with Motion to Hold in Abeyance Arraignment asking that arraignment be held in abeyance pending resolution of the previous motions she filed.[126]

On March 18, 2011, Accused filed a Manifestation with Motion for Suspension with Motion for Partial Reconsideration of the Order dated Jan. 25, 2011.[127]

The above motions, however, were rendered moot when the Arraignment of the Accused took place.

Preliminary Conference

Pre-Trial began and on May 2, 2011, both parties participated in a Preliminary Conference.[128] The Defense filed their Preliminary Conference Brief[129] on even date, while the Prosecution filed its Preliminary Conference Brief[130] on July 20, 2011.

Further Preliminary Conferences were held on the following dates: June 28, 2011[131], July 20, 2011[132], August 3, 2011[133], September 7, 2011[134], October 6,

[123] Vol. 2, pp. 1147-1151, with Annexes at pp. 1152-1182.
[124] Vol. 2, pp. 1184-1188, with Annexes at pp. 1189-1196.
[125] Vol. 2, pp. 1197-1201, with Annexes at pp. 1202-1225.
[126] Vol. 2, pp. 1227-1230.
[127] Vol. 4, pp. 1809-1815, with Annexes at pp. 1816-2202.
[128] Vol. 4, pp. 2312-2318.
[129] Vol. 4, pp. 2319-2332.
[130] Vol. 4, pp. 2393-2413; Vol. 5, pp. 2640-2660.
[131] Vol. 4, pp. 2377-2389.
[132] Vol. 4, pp. 2390-2392.
[133] Vol. 4, pp. 2446-2448.
[134] Vol. 5, 2481-2483.

2011[135], October 11, 2011[136], October 13, 2011[137], November 16, 2011[138], November 21, 2011[139], December 5, 2011[140], December 12, 2011[141], January 18, 2012[142], February 23, 2012[143], February 28, 2012[144], March 6, 2012[145], March 9, 2012[146], March 21, 2012[147], March 30, 2012[148], April 10, 2012[149], April 12, 2012[150], April 13, 2012[151], April 17, 2012[152], April 19, 2012[153], April 20, 2012[154], April 24, 2012[155], April 26, 2012[156], April 27, 2012[157], May 17, 2012[158], May 18, 2012[159], May 22, 2012[160], May 24, 2012[161], and on May 25, 2012[162].

On May 29, 2012, the Prosecution filed their Pre-Trial Brief dated May 22, 2012.[163] The Defense filed their Pre-Trial Brief dated May 28, 2012[164] also on the same date.

On June 1, 2012, during the Pre-trial Conference[165], both parties moved for Commissioner's Hearings for the marking of additional exhibits, which the Court granted. Commissioner's Hearings were conducted on June 19, 2012[166], June 21, 2012[167], June 26, 2012[168], June 28, 2012[169], July 3, 2012[170], July 5, 2012[171],

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[135] Vol. 5, pp. 2637-2639.
[136] Vol. 5, pp. 2661-2690.
[137] Vol. 5, pp. 2671-2673, 2677-2690.
[138] Vol. 5, pp. 2674-2676.
[139] Vol. 5, pp. 2697-2699.
[140] Vol. 5, pp. 2724-2727.
[141] Vol. 5, pp. 2728-2739.
[142] Vol. 5, p. 2759.
[143] Vol. 5, pp. 2793-2795.
[144] Vol. 5, pp. 2831-2833.
[145] Vol. 5, pp. 2834-2839.
[146] Vol. 5, pp. 2840-2853.
[147] Vol. 5, p. 2854.
[148] Vol. 5, pp. 2902-2914.
[149] Vol. 6, pp. 2915-2923.
[150] Vol. 6, pp. 2925-2935.
[151] Vol. 6, pp. 2937-2944.
[152] Vol. 6, pp. 2946-2955.
[153] Vol. 6, pp. 2957-2972.
[154] Vol. 6, pp. 2974-2984.
[155] Vol. 6, pp. 2987-2999.
[156] Vol. 6, pp. 3004-3025.
[157] Vol. 6, pp. 3032-3053.
[158] Vol. 6, pp. 3063-3073.
[159] Vol. 6, pp. 3081-3087.
[160] Vol. 6, pp. 3088-3105.
[161] Vol. 6, pp. 3111-3118.
[162] Vol. 6, pp. 3119-3129.
[163] Vol. 6, pp. 3180-3213.
[164] Vol. 6, pp. 3130-3179.
[165] Vol. 6, pp. 3214; 3216-3218.
[166] Vol. 6, pp. 3227-3235.
[167] Vol. 6, pp. 3236-3238.
[168] Vol. 6, pp. 3243-3249.
[169] Vol. 6, pp. 3250-3262.
[170] Vol. 6, pp. 3359-3361.
[171] Vol. 6, pp. 3362-3376.

July 17, 2012[172], July 19, 2012[173], August 30, 2012[174], September 13, 2012[175], and on September 20, 2012[176].

On July 24, 2012, the Court issued a Pre-Trial Order[177].

Incidents Before Trial

Trial ensued. However, before the initial presentation of the Prosecution's witnesses, the Defense filed several motions which necessitated the Court's attention.

One such motion was a Motion to Defer/Hold in Abeyance Plaintiff's Presentation of Evidence and/or Suspension of Proceedings (Pending Resolution of Accused's Motion for Reconsideration dated January 7, 2013 to the Resolution December 14, 2012) With Motion to Dispense Appearance of Counsel on January 16, 2013 at 1:30 p.m. Hearing[178] filed by the Defense on January 11, 2013.

This was, however, denied by the Court for lack of merit in a Resolution dated March 1, 2013.[179]

Another motion was the Motion for Reconsideration with Motion for Suspension on Ground of Prejudicial Question in View of Pending CA Case Docketed as CA-GR. SP No.126051[180] filed by the Defense on January 10, 2013.

On February 12, 2013, the Prosecution filed a Comment/Opposition (Re: Motion for Reconsideration with Motion for Suspension on the Ground of Prejudicial Question in view of pending CA Case docketed as CA-GR SP 126501 dated 7 January 2013) dated February 5, 2013.[181] The Prosecution argued that the same was clearly baseless and without merit as the motion was merely a dilatory tactic.

On March 6, 2013, Supplemental Motion for Suspension[182] was filed by

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[172] Vol. 7, pp. 3390-3395.
[173] Vol. 7, pp. 3412-3425.
[174] Vol. 7, pp. 3869-3875.
[175] Vol. 7, pp. 3898-3904.
[176] Vol. 7, pp. 3907-3923.
[177] Vol. 7, pp. 3427-3519.
[178] Vol. 8, pp. 4187-4190 with Annexes, pp. 4191-4208.
[179] Vol. 8, pp. 4350-4352.
[180] Vol. 8, pp. 4156-4170 with Annexes, pp. 4171-4186.
[181] Vol. 8, pp. 4222-4230, with Annexes at pp. 4231-4233.
[182] Vol. 8, pp. 4346-4349.

the Defense. They also filed, on the same date, a Reply to Comment/Opposition with Supplemental Motion for Reconsideration[183].

However, on April 17, 2013, the Court issued a Resolution[184] denying the motion, ratiocinating that the CA cases do not involve prejudicial questions that would warrant the suspension of the criminal proceedings before the CTA.[185]

Unsatisfied, the Defense filed a Manifestation and Motion on May 8, 2013 manifesting that it is not waiving its right to bring the Resolution dated April 17, 2013 to appellate Court in the event that the Supplemental Motion for Suspension is denied.[186] The Court noted this without action in a Resolution issued on May 28, 2013,[187] where the Court stated that the pleading filed by the Defense cannot be considered a motion because it presented no question and/or application for relief, in addition to being filed out of time.

Trial Proper

The initial presentation of evidence for the Prosecution was set on June 17, 2013. To prove its case, the Prosecution presented three (3) witnesses, namely: 1) Revenue Officer (RO) II Leonesto Bernal[188], 2) RO Lorna S. Tobias[189], and 3) RO Rogelio Ancheta.[190]

The prosecution's first witness, ***Leonesto Bernal***[191], testified that he is an RO assigned at the National Investigation Division (NID) of the BIR[192] conducting audit, examination and investigation of cases involving fraud and other violations of the Tax Code[193]; that he, together with Emma D., Andres J. Cabagat, Jr., and Emelita Aquino, conducted investigation of the consolidated cases under the supervision of Erlinda Victorino[194]; that he and his group were issued NID Memorandum Assignment[195] to investigate the Accused by the Chief, NID Division, Arnel Guballa; that attached to the Memorandum Assignment was an email from an informant citing the alleged businesses of

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[183] Vol. 8, pp. 4353-4358 with Annexes, pp. 4359-4414.
[184] Vol. 8, pp. 4423-4430.
[185] Vol. 8, pp. 4423-4430.
[186] Vol. 8, pp. 4431-4434.
[187] Vol. 8, pp. 4436-4440.
[188] Testified on July 17, 2013, August 7, 2013, September 4, 2013, November 13, 2013, November 27, 2013, February 5, 2014, March 26, 2014, April 30, 2013, June 25, 2014, July 9, 2014, July 30, 2014, August 20, 2014, Sept 17, 2014, October 15, 2014, March 25, 2015, April 8, 2015, September 9, 2015, October 21, 2015, May 11, 2016, June 29, 2016, and February 15, 2017.
[189] Testified on June 10, 2015.
[190] Testified on October 18, 2017.
[191] *Id.* at Note 188.
[192] TSN of Minutes of Hearing dated July 17, 2013, p. 5.
[193] *Id.*, p. 9.
[194] *Id.*, p. 10.
[195] Exhibit "Q7".

Accused Dela Fuente, among which is PCLC[196] and Skin Shop in Greenhills, Alabang Town Centre, and Market Market[197]; that the email from the informant alleged that Accused Dela Fuente owned 103 units in PCLC[198]; that he and his team made a verification from various regulatory government bodies such as the Securities and Exchange Commission (SEC), Land Transportation Office (LTO), and the Metro Manila Development Authority (MMDA) as part of their preliminary investigation to validate allegations of the informant[199]; that among the information he obtained from the SEC was that the official name of PCLC was the Philippine Corinthian Liner Corporation and that it was incorporated in November 18, 1996[200]; that he also secured PCLC's Articles of Incorporation (AOI) from the SEC which states the primary purpose, capitalization, incorporators, responsible officers, directors, and the principal office of the corporation which he identified[201]; that Accused Dela Fuente was listed as one of the incorporators of PCLC in its AOI and was elected by the subscribers as its Treasurer;[202] that the principal office of PCLC was to be established at 230C Regina Building Escolta, Manila;[203] that at the time of incorporation, PCLC's authorized capital stock was ₱2,500,000.00, ₱625,000.00 of which was subscribed, and only ₱156,250.00 paid up;[204] that he secured PCLC's Registration with SEC Registration No. A 199610092 from the SEC, which he identified;[205] that he discovered that the SEC registration of PCLC was revoked as of March 15, 2004 due to non-compliance with reportorial requirements, such as General Information Sheet (GIS) and Financial Statements and identified the Certification the SEC issued relative thereto;[206] that the SEC also issued a Certificate of Corporate Filing/Information executed on July 31, 2012 signed by Gerardo F. Del Rosario, Asst. Director Corporate Filing and Records Division stating that there have been no changes to the AOI since incorporation, hence, the incorporators are still the responsible officers as of the date of the Certificate;[207] that upon inquiring with the BIR who has jurisdiction over PCLC's address registered with the SEC, RDO No. 30, Binondo, Manila, he was able to secure a Certification dated August 30, 2005 from the said RDO signed by Lorna S. Tobias stating that PCLC was only registered in January of 2005 and that there were no records of registration, returns from 1997 to 2004, which he identified in Court;[208] that upon inquiry with RDO No. 42 in San Juan, Metro Manila, he learned that PCLC was registered therein since January 2005 and was also able to secure a certification signed by Rogelio G. Ancheta, Chief Document Processing Section issued on June 30, 2005 showing that PCLC had no records

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[196] *Id.*, p. 13.
[197] *Id.*, p. 15.
[198] *Id.*, p. 16.
[199] *Id.*, p. 17.
[200] *Id.*, p. 18; Exhibits C, C-1, C-2, and C-3.
[201] *Id.*; Exhibit D.
[202] *Id.*, pp. 22-23; Exhibit D-2.
[203] *Id.*, p. 25; Exhibit D-3.
[204] *Id.*, pp. 26-27.
[205] *Id.*, p. 29.
[206] *Id.*, pp. 29-30.
[207] *Id.*, p. 31; Exhibit FF, FF-1.
[208] *Id.*, pp. 36-38; Exhibit DDDD.

for TY 1997 to 2004 which he identified in Court;[209] that he also inquired with RDO No. 43 Pasig City and was able to secure a Certification dated June 27, 2005 by Raul Vicente Recto, RDO 43 Pasig City showing that PCLC had no records on file for TY 1997 to 2004 which he identified in Court;[210] that he likewise verified with RDO No. 28 of Novaliches and was able to secure a Certification dated September 20, 2005, this was signed by Edelyn I. Sarmiento, Chief Processing Section and noted by Virgilio R. Sembrano, Revenue District Officer, stating that PCLC had no records from TY 1997-2004 and that PCLC has only been registered in RDO No. 42, San Juan, since January of 2005;[211] that he also inquired with RDO No. 24, Valenzuela, and was able to secure a certification dated September 20, 2005 and signed by Atty. Ernesto Roda that PCLC had no records on file from 1997 to 2004;[212] that he subsequently conducted verification with the Information System Operation Service (ISOS) which is the central database of the BIR which stores the profile of a taxpayer, the registered address, the records of payments, and the returns filed and other records related to the transactions made by the taxpayer with the BIR;[213] and that he was able to secure a Certification dated September 20, 2005, signed by Alberto De Roda, Asst. Commissioner System Service, that PCLC was registered only in RDO 42 San Juan in January of 2005 and that there are no records of returns filed in any District Office from 1997 to 2004.[214]

RO Bernal further testified that he conducted verification with the LTFRB and discovered that PCLC applied for and was granted nineteen (19) franchises comprising 237 units of buses from 1997-2004 and had other transactions after being granted a franchise;[215] that the routes of the buses in the franchises granted to PCLC were routes within Metro Manila, such as, Alabang-Monumento, Baclaran-Monumento, Ayala-Malanday, Baclaran-Malabon, Alabang-Tenejeros, Baclaran-Sta. Maria, Baclaran-Navotas, Grotto-NAIA, among others;[216] that he conducted Franchise Verification with LTFRB to validate or confirm the existence of franchises or Certificates of Public Convenience (CPC) issued to PCLC;[217] that he discovered that in **1997**, PCLC applied for one franchise under **Case No. 97-08840** for 15 units of buses which was granted on August 28, 1998 with expiry date of December 15, 2002;[218] that in 1998, PCLC applied for five franchises with **Case Nos. 98-02725, 98-06790, 98-06792, 98-06791, 98-06796** involving 73 units and these franchise applications were granted on various dates in 1999 to 2000;[219] that in the course of his investigation with LTFRB, he interviewed Chairperson Elena Bautista-

[209] *Id.*, p. 40, Exhibits F, F-1, and F-2.
[210] TSN, Minutes of Hearing dated August 7, 2013, p. 7, Exhibit X^7.
[211] *Id.*, p. 9, Exhibit Y^7.
[212] *Id.*, p. 12; Exhibit W^7.
[213] *Id.*, pp. 13-15.
[214] *Id.*, pp. 14-16, Exhibits G^4, G^4-1, and G^4-2.
[215] *Id.*, pp. 17-18.
[216] *Id.*, p. 19.
[217] *Id.*, p. 20.
[218] *Id.*, pp. 19-20.
[219] *Id.*, pp. 23-24.

Horn, and Ms. Nida Quibic, the Chief of the Management Information Division, among others;[220] that according to the LTFRB, the buses listed in the Franchise Verification are owned by PCLC because the grantee should be the registered owner to be granted the franchise; that Franchise Verification under **Case No. 97-08840**, signed by Florecita R. Cuesta, Regional Director, shows that PCLC is the operator of 15 public utility buses (PUBs);[221] that he was able to gather only five OR/CRs of buses with plate nos. PWW-778[222], PXB-379[223], PWT-738[224], PXS-158[225], and NYD-476[226]; that attached to PXS-158 is a Deed of Sale executed on March 24, 1999 for the purchase of the bus from Aladdin Transit Corporation by PCLC, represented by Accused Dela Fuente;[227] that a Deed of Sale was likewise attached to PWT-738 executed between Dolce Mia Bubbles and PCLC, notarized on January 2, 1998 for the sale of said vehicle;[228] that in the Deed of Sale attached to NYD-476, the vendor is Accused Dela Fuente while the vendee is PCLC, as represented by Accused Dela Fuente;[229] and that he was able to obtain Deeds of Sale covering the purchase of three (3) other units specifically with plate nos. PWZ-300, PXB-379, and PWS-837.[230]

RO Bernal continued to testify that he was able to gather the OR/CR of a motor vehicle with plate no. **PWX-738**, relative to the Franchise Verification under **Case No. 97-08840**, registered to PCLC, with Deed of Sale reflecting the vendor as Aladin Transit Corp. as represented by Col. Domingo Hilario, with Accused PCLC as the vendee, as represented by Accused Dela Fuente;[231] that he was able to gather the OR/CR of a motor vehicle with plate no. **PXM-851**, relative to the Franchise Verification under **Case No. 97-08840**, registered to PCLC, with Deed of Sale reflecting the vendor as Aladin Transit Corp. as represented by Col. Domingo Hilario, with Accused PCLC as the vendee, as represented by Accused Dela Fuente;[232] and that the documents he identified are certified true copies issued by LTO Pilot District Office East Avenue, Quezon City.[233]

Upon ***interpolation by the Court***, RO Bernal testified that the plate numbers of the vehicles under the 1st Franchise are as follows: PWW-909, PWP-389, PXP-629, PXM-851, PWX-738, PWW-778, PWC-300, PWS-837, PXS-158, PVH-530, UMC-362, PWT-738, NYD-476, PXP-629, NYG-832, PYE-853, PWP-622, UMC-273, PWP-900; that the number of vehicles are more than the

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[220] Vol. 8, pp. 4547-4548, TSN, Minutes of Hearing dated September 4, 2013, p. 5.
[221] *Id.*, pp. 7-8; Exhibits N, N-1 to N-8.
[222] Exhibits VVV and VVV-1.
[223] Exhibits J^5, J^5-1, and K^5.
[224] Exhibits L^5, L^5-1, and M^5.
[225] Exhibits H^5, H^5-1,I^5, and I^5-3.
[226] Exhibits F^5, F^5-1, G^5, G^5-3 to G^5-4.
[227] Exhibits I^5-1 to I^5-2.
[228] Exhibit M^5-1.
[229] Exhibits G^5-1 to G^5-2.
[230] Exhibits K^5-1 and K^5-2.
[231] TSN, Minutes of Hearing dated November 13, 2013, pp. 26-29; Exhibits C^7, C^7-1, and C^7-3.
[232] *Id.*, p. 30; Exhibits D^7, D^7-1, and D^7-3.
[233] *Id.*, p. 31.

fifteen (15) he initially testified to because they include plate numbers of vehicles that PCLC applied for substitution.[234]

RO Bernal continued to testify on direct examination that PCLC applied for and was granted five franchises for TY 1998, namely, 98-06790, 98-06792, 98-06791, 98-06796, and 98-02725[235]; that **Franchise No. 98-06790** was for seven (7) units of air-conditioned buses; that to prove the said franchise, he was able to secure a Decision, OR/CR, OR for unit **PWX-230**,[236] CR, Application for Amendment of Line, Deed of Absolute Sale; that the Decision he obtained was on the Application for Approval of Sales and Transfer of CPC to operate a PUV auto truck air conditioned service involving the purchase of PCLC from Phonex Transport Corporation of an existing franchise consisting of seven (7) units under Franchise NCR 9413650;[237] that the said certificate was valid up to October 16, 2001 involving seven (7) units with the Ayala-Malanday via EDSA route; that said Decision was signed by Regional Director LTFRB Arthur L. Sypudin;[238] that he obtained OR 6062772-3[239] and CR 50213564[240] for unit PWX-230 and for unit NYK-611 to prove that PCLC is the owner of the CRs he identified and that the ORs were issued to PCLC; that he was able to obtain the Deeds of Sale of NYK-611[241] and PWX-230[242] indicating the name, plate no. and chassis no., which is mentioned in the Decision granting the franchise;[243] that the vendee in said Deed of Sale of NYT-611 is PCLC, as represented by Accused Dela Fuente, while the vendor is Phonex Transport Corporation as represented by Roy Buquiron;[244] that the remaining five (5) units under franchise No. 98-06790 were likewise owned by PCLC based on his interview with LTFRB Chairperson Bautista who told him that only owners will be granted a franchise[245] and that an applicant will not be given a franchise if she/he does not own the unit; and that those who are granted a franchise attest that they will stick to the previous franchise granted to them either by way of purchase of an existing franchise or a franchise originally issued to them.[246]

As regards **Franchise No. 98-06792**, RO Bernal testified that nine (9) units were involved under the franchise with a route of Baclaran, Malabon via EDSA;[247] that he was able to secure seven (7) documents, including OR/CR, Deed of Absolute Sale, and a Decision of CPC issued by the LFTRB Regional

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[234] *Id.*, p. 33.
[235] TSN, Minutes of Hearing dated November 27, 2013, p. 11.
[236] Exhibits GGG, GGG-1,HHH, and HHH-1.
[237] *Id.*, pp. 13-14.
[238] *Id.*, pp. 14-1S.
[239] Exhibit GGG to GGG-1.
[240] Exhibit HHH.
[241] Exhibits CCC, CCC-1 to CCC-3.
[242] Exhibits DDD, DDD-1 to DDD-3.
[243] *Id.*, p. 22.
[244] *Id.*, p. 25.
[245] *Id.*, p. 29.
[246] *Id.*, p. 30.
[247] *Id.*, p. 31; Exhibits S-1 to S-8.

Director with R Transport Corporation as the vendor, represented by their President, Rosalina Lamson, and PCLC as represented by its President, Accused Dela Fuente, as the vendee/applicant on the Application for Approval of Sale of Transfer of CPC to operate an auto truck air condition bus service with validity up to July 9, 2000 and approved on November 16, 1998;[248] that the Deed of Sale involved the sale for nine (9) units, particularly, NYL-554, DWS-825, NYT-308, PWZ-729, NYL-213, CPA-264, PWS-864, and NYL-368 which are the same units authorized to be operated under Case No. 98-06792;[249] that he was able to secure a Franchise Verification under Case No. 98-06792 issued to PCLC for nine (9) units under the franchise;[250] that there were two Deeds of Sales under the franchise, one covering the nine(9) units and another one for NYK-422 which he identified; that the latter Deed of Sale pertained to a substitution of grantee under the franchise which came about when PCLC applied for substitution or dropping of unit to be replaced by another one that would be maintained under the same franchise; that the vendor in the Deed of Sale of NYK-422 is Prince Transportation Corporation, as represented by Nerissa Uy while the vendor is PCLC as represented by Accused Dela Fuente;[251] and that he was able to secure the OR/CR for the vehicles NYL-215[252] and NYK-422[253].

As regards **Franchise No. 98-06791**, RO Bernal testified that he was able to gather four (4) CRs under that particular franchise and three decisions;[254] that this particular franchise was approved on November 16, 1998 by Regional Director Arthur Sypudin;[255] that the vendor was the holder of the previous Franchise No. 9356 for ten (10) units with the route Ayala, Monumento via EDSA with validity until July 9, 2000;[256] that the ten (10) units covered by this franchise include units with plate nos. PXV-968, PWY-507, PWP-946, PWY-368, PWZ-679, PXT-167, PXS-728, PXH-698, NYR-188, and NYM-627; that was able to secure a Formal Offer of Evidence by PCLC in the Application for Sale and Transfer of PUV Service under Case No. 98-06791; that his franchise verification only covered five (5) units because those were the only ones provided by the LTO; that the applicant in the Formal Offer of Evidence is PCLC and that the document is signed by Accused Dela Fuente;[257] that he was able to gather the CR of the following units: PWY-507[258], PXV-968[259], and PWZ-679.[260]

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[248] *Id.*, pp. 34-37; Exhibit QQ, QQ-3 and QQ-4.
[249] *Id.*, pp. 37, 45; Exhibits C5-1 and C5-2.
[250] *Id.* at Note 247.
[251] *Id.*, at p. 55, Exhibits A^5-1, A^5-2.
[252] Exhibits N^5, N^5-1.
[253] Exhibit A^5.
[254] *Id.*, p. 60.
[255] *Id.*, p. 61, Exhibits MM, MM-1 to MM-2.
[256] *Id.*, pp. 62-63.
[257] *Id.*, p. 68, Exhibits UU, UU-1 to UU-5.
[258] Exhibits P^5, P^5-1.
[259] Exhibits R^5, R^5-1.
[260] Exhibits S^5, S^5-1.

RO Bernal testified that his office secured a summary of the franchises Accused obtained from the LTFRB and a certification signed by Nida P. Quibic, Information System Management Division, LTFRB, addressed to James H. Roldan confirming the existence of the 19 franchises from 1997 to 2002 indicating the franchise no., the route no., the no. of units, the date it was granted, and the expiry date;[261] and that he also secured a certification issued by Ms. Quibic, that PCLC is a holder of CPC issued under **Case No. 2002-6495**, valid up to July 1, 2013, along road Sta. Maria Bulacan, to Baclaran NLEX Edsa, with use of 15 units.[262]

RO Bernal continued to testify that aside from the Deeds of Absolute Sale, Petitions for Substitution of Unit, he was able to gather lease contracts, photocopies of the sketch of the garage, annual report for taxable year 2002 which includes the income statement, balance sheet, and the audited financial statement for taxable year 2002, among others; and others from the LTFRB;[263] that he was able to gather lease contracts between PCLC, as represented by Accused Dela Fuente and Mancon Realty Development Corporation as lessors;[264] that he was also able to gather fare matrixes for the routes mentioned in the Franchise Verification for the 19 franchise verifications; that he also gathered CPCs which are the franchises, different Motions for Dropping and Substitution, Application for the Amendment of Line, Deed of Absolute Sale with corresponding OR & CR, OR/CRs, the Annual Report for TY 2003 and 2004,[265] the Audited Financial Statement for 2002, and the fare matrixes for the different routes;[266] that after gathering documents from LTFRB, he proceeded to the LTO to verify and secure documents related to PCLC; that he secured the Summary of Apprehensions/traffic violations against PCLC for TY 1998 to 2006 in the LTO, including the letter of Secretary Anneli Lontoc of the LTO to Mr. Guballa and the attached listings of the violations of the buses of Accused PCLC;[267] that he observed that there had been an apprehension as early as 1998, and that the apprehension itself was very specific as to the plate number, the description or the nature of the violation, the ticket number, the date and time of the apprehension; that there were various apprehensions from 1998 up to 2006.[268]

After the investigation, he and his team evaluated and summarized the documents gathered from various government agencies and prepared a yearly summary which he used to compute the estimated civil liability of Accused PCLC for the period TY 1998 to 2001;[269] that he computed the civil liability of Accused PCLC for TY 2002 to 2004 based on the declarations of Accused PCLC in their

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[261] TSN, Minutes of Hearing dated February 5, 2014, pp. 15-16; Exhibit M^8.
[262] *Id.*, pp. 17-18; Exhibit N^8.
[263] TSN, Minutes of Hearing dated March 26, 2014, pp. 13-22.
[264] Exhibit XX.
[265] Exhibits HH, HH-1 to HH-8.
[266] *Id.*, pp. 24-26.
[267] *Id.*, 29-32; Exhibit J^4.
[268] *Id.*, p. 33-34.
[269] *Id.*, p. 34; Exhibits T^8-11.

audited financial statement for TY 2002, annual report, financial statement, balance sheet and income statement for comparative years 2003 and 2004;[270] that in estimating the civil liability of Accused for TY 1998-2001, he factored in the number of units, the fare based on the fare matrix, distance and also consulted with the LTFRB regarding payment of drivers and conductors of buses which are on a commission basis as opposed to taxi and jeepney drivers who use the boundary system, and audited several transport companies as regards industry practice;[271] and that the total tax liability of Accused he determined is reflected in the PAN.[272]

RO Bernal also testified that based on the documents he and his team gathered from a different regulatory bodies, they were convinced that PCLC had operations from 1998 to 2004;[273] that his belief is based on the 19 franchises granted totaling 237 buses, the applications for franchise, the annual submission of required documents in relation to the franchises granted, and the subsequent transactions of PCLC with the LTFRB, as represented by Accused Dela Fuente;[274] that they were constrained to estimate the income earned by PCLC during the subject years due to the Accused not having books of account and other sourced documents since they claim not to have operated; that they researched scientific or documented studies regarding how to compute the gross income of a bus through the Philippine Statistics Authority (PSA), the National Statistics Coordination Board (NSCB), Japan International Corporation Agency (JAICA), University of the Philippines National Center for Transport Studies, Metro Manila Urban Transportation Integration Study because they are known bodies that are service and study on the bus industry;[275] that since it is a transport business, the best evidence of income is the invoices or the bus tickets which there was an absence of because the end user is the riding public and it was difficult to obtain data from the end users who do not often keep their tickets; that since PCLC deals with public transportation, extra-ordinary diligence is required of them, not only in transporting goods or persons, but also in dealing with the different government agencies which they should deal with in the most truthful manner.[276]

He added that another factor in computing the civil liability of Accused was the act of non-registration, non-filing of the returns and non-payment of taxes;[277] that aside from industry practice, they also factored in how payments were made to the drivers and conductors, minimum round trips in a day, the net pay of drivers, the distance of routes, the seating capacity, the minimum wage at

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[270] *Id.*, p. 36.
[271] *Id.*, pp. 37-40.
[272] Exhibit V[4].
[273] TSN, Minutes of the Hearing dated April 30, 2014, p. 8.
[274] *Id.*, pp. 8-9.
[275] *Id.*, p. 11.
[276] *Id.*, pp. 13-14.
[277] *Id.*, p. 14.

that time, the effects of MRT, the fare, and the number of buses;[278] that they considered five approaches to estimate the civil liability of Accused, namely, 1) the cost method, 2) the minimum wage approach, 3) one kilometer minimum approach, 4) fare capacity optimum, and 5) the practical conservative approach;[279] that the he and his team chose to use the practical conservative approach wherein estimated income is based on the fare that the bus will earn and the no. of passengers;[280] that in estimating the daily income of the bus, number of hours per trip, the seating capacity, the fare metrics, the distance were factored in;[281] that he was able to secure fare metrics from the LTFRB for regular non-airconditioned buses plying Metro Manila; that the distances of routes granted to Accused PCLC ranged from 21 km. as the shortest and 54 km. being the farthest; that in determining the average fare, they used 28 km. as the farthest point or farthest route to be more conservative;[282] that in computing trips for each bus per day, they used four (4) round trips minimum because based on their interviews with operators, bus drivers and conductors, four (4) round trips is their minimum in order for them to comply with the requirements of the bus company;[283] that they also made provisions for non-rush and rush hour trips giving 1 rush trip, 1 round trip, 1 round trip with the capacity of 60 seating capacity and an allowance for declining non-rush seating capacity;[284] that using the most conservative approach, they computed for the daily income computation and the passenger revenue wherein the daily income of buses in 1998 was estimated to be ₱3,360 per day; that in arriving at the estimated passenger revenue they multiplied the daily income for the year by the number of units, giving 30% allowance for the non-operating units;[285] that they used this formula to reach the estimated income for each of the units granted by virtue of the franchise; that for the remaining years 2002, 2003 and 2004, Accused's civil liability was based on the audited financial statement and the financial report; and that the total civil liability after the computation amounted to ₱662,862,822.34 as of June 30, 2014.[286]

RO Bernal further testified that they used the sixty (60) seating capacity with four (4) round trips minimum using the average fare in the fare matrix on regular buses;[287] that they obtained the daily income with the formula: seating capacity times the average fare; that their computation was based on four (4) round trips or eight (8) trips with one trip designated as rush hour with a total seating capacity of sixty (60) while the rest of the trips designated as non-seating capacity were based on thirty-six (36), hence arriving at a daily income of

[278] *Id.*, p. 16; Exhibit T^8-8.
[279] *Id.*, p. 17; Exhibit T^8-3.
[280] *Id.*, p. 20.
[281] *Id.*, p. 23.
[282] *Id.*, p. 27.
[283] *Id.*, p. 28.
[284] *Id.*, p. 29; Exhibit V^4-1.
[285] *Id.*, p. 31, Exhibits T^8-3 to T^8-11.

[286] *Id.*, p. 35; Exhibit T^8-11.
[287] TSN, Minutes of the Hearing dated on June 25, 2014.

₱3,360[288]; that in computing the yearly income, they multiplied the daily income by the days in the year and multiplied that by the number of buses determined through franchise verification; that in 1998 since Accused PCLC had fifteen (15) buses, with the 30% allowance, they ultimately used the figure eleven (11) buses; that using the formula, the total passenger revenue is ₱13,305,600.00;[289] that they used the fare matrix for regular buses for the period 1998 to 2001 to be conservative even if PCLC operated air-conditioned buses; that using the fare matrix, they arrived at the minimum fare, the maximum fare and the average fare; that the .57 figure for 1998 and 1999 came from the fare matrix of regular buses as the fare matrix of air conditioned buses were still unavailable at the time they were investigating;[290] that they used 28 km as the maximum distance in order to be conservative whereas the actual distance in km of the franchise issued to PCLC exceeded 28 km;[291] and that jeepneys and taxis use the boundary system while buses employ the daily commission basis system based on daily total gross revenue.[292]

RO Bernal went on to testify that in the case of the first franchise, **Case No. 97-08840** granted in 1997, it had fifteen (15) buses plying the route of Alabang via Monumento with a total distance of 35 km; that instead of using 35 km in their computation, they used 28 km in order to be conservative; that they arrived at the minimum fare of ₱4.00 for the regular bus, maximum fare of ₱16.00 and an average fare of ₱10.00 using 20 km distance; that in estimating seating capacity during non-rush hour trips, they used 60% of full seating capacity of 60 passengers, thereby arriving at 36 passengers per trip for three round trips;[293] that he identified and marked the document Daily Income Computation of Buses[294] and the Passenger Revenue Annual[295]; that at 100% operating capacity, he computed the passenger revenue in **1998** using fifteen (15) buses multiplied by 360 days in a year to be conservative and arrived at a total of ₱18,144,000.00;[296] that at 70% operating capacity, he used 11 buses to give a 30% allowance and arrived at a total of ₱13,305,600.99;[297] that in estimating revenue for the year **1999**, the non-rush seating capacity was 35 passengers instead of 36 passengers as they gave a declining allowance due to the effect of the MRT;[298] the number of buses on which the computation was based in 1999 was 62; that they used the same formula except for the variable number of buses and the non-rush seating capacity;[299] that in 1999, 73 buses were added to PCLC's fleet

[288] *Id.*, p. 9, Exhibit T^8-10.
[289] Exhibit B^8-1.
[290] *Id.*, p. 11.
[291] *Id.*, p. 12.
[292] *Id.*, pp. 15-16.
[293] *Id.*, pp. 21-23.
[294] Exhibits W^4, W^4-1 to W^4-3.
[295] Exhibit V^4.
[296] *Id.*, pp. 27-32; Exhibits W^4, W^4-1 to W^4-3.
[297] *Id.*, p. 35.
[298] *Id.*, p. 37.
[299] *Id.*, p. 38.

because they applied for additional franchises in 1998; and that several additional buses were acquired from an existing franchise.

Upon interpolation of the Court, RO Bernal clarified that in some cases, PCLC purchased an already existing franchise which had not yet expired and they applied for a new franchise under the name of PCLC; that upon acquisition of the buses and franchise via Deed of Sale, the ownership was already transferred to PCLC, however, they needed to apply for a new franchise using the acquired franchise under their name.[300]

RO Bernal then continued to testify that in **1999**, he used 88 as the total number of buses comprised of 15 buses under the first franchise and the additional 73 buses from the subsequent franchises granted; that using the same formula at 100% operating capacity, he computed the estimated revenue of PCLC to be ₱104,554,000.00 for 1999; that in computing using 70% operating capacity he estimated 62 units to be operational with a total passenger revenue of ₱73,656,000.00; that for the year **2000**, he used the same formula with variable factors and used 59% non-rush seating capacity which amounted to 35 seating capacity seats; that using the same formula, the daily income of Accused PCLC per bus for 2000 was ₱3,960.00;[301] that the higher fare was due to the increased fare as the rate in 1998 and 1999 was only .57 centavos while the 2.65 increased fare in 2000 and 2001 changed their new minimum and maximum fares with an average fare of ₱12.00, a minimum fare of ₱6.00, and a maximum fare of ₱18.00; that the daily revenue of PCLC's buses in 2000 was multiplied by 360 days to get the yearly total and multiplied again by a factor of 150 buses which was the total number of units granted to PCLC using 100% operating capacity; that in computing 70% operating capacity, they used 107 seating capacity for an estimated passenger revenue of ₱152,539,200.00 in 2000 which figure was used in computing its tax liability;[302] that in **2001**, the daily income per bus was computed to be ₱3,168.00 using 70% operating capacity which is lower than the previous year because of the MRT and the seating capacity which was lowered to 24 passenger seats; that the **yearly income of PCLC in 2001** using 100% operating capacity was computed to be ₱160,807,680.00; that in 2001, the number of operating buses decreased to 99 units due to the expiration of their franchises; and that the estimated revenue of PCLC for 2001 was computed to be **₱112,907,520.00 using the 70% operating capacity**.

For the years **2002 to 2004**, RO Bernal testified that he did not compute based on estimated passenger buses but used the audited financial statements that PCLC submitted to LTFRB instead; that he identified a Certification issued by Marieta R. Napora, Assistant to the Board of Directors of PCLC for TY

[300] *Id.*, pp. 42-46.
[301] *Id.*, pp. 48-49.
[302] *Id.*, pp. 54-63.

2002;[303] that based on this, the passenger revenue of PCLC was ₱127,872,000.00; that he used this figure to obtain Accused PCLC's basic tax liability for 2002 using 32% as the income tax rate; that this figure was used without reference to cost because Accused PCLC did not file a return; that he also secured and used for computation the financial statement submitted by Accused PCLC to the LTFRB for TY 2003 to 2004;[304] that based on the document, the operating revenue for Accused PCLC for 2003 is ₱19,800,000.00 and ₱15,840,000.00 for 2004 which is the figures he used to compute the tax liability for the said years;[305] that the said financial statement contains an oath wherein Accused Dela Fuente swore under oath that she is the President of PCLC and that all statements and facts in said report are true and correct and a complete statement of business;[306] and that **the total civil liability of PCLC based on his computation for TY 1998 to 2004 is ₱166,097,174.41**.[307]

RO Bernal continued testifying that the **total passenger revenue** of Accused for 1998 is ₱13,305,600.00; ₱73,656,000.00 for 1999; ₱152,539,200.00 for 2000, ₱112,907,520.00 for 2001;[308] ₱127,872,000.00 for 2002; ₱19,800,000.00 for 2003, and ₱15,840,000.00 for 2004;[309] that based on his computation, the **basic income tax liability** of Accused for 1998 is ₱4,523,904.00; ₱24,306,418.00 for 1999; ₱48,812,544.00 for 2000; ₱36,130,406.40 for 2001; ₱40,919,040.00 for 2002; ₱6,336,000.00 for 2003 and ₱5,068,800.00 for 2004;[310] that the **total basic income tax liability** of Accused in **1998 to 2004** is **₱166,097,174.40**.[311]

RO Bernal testified that after computing the income tax liability, he and his team issued a Memorandum to request the issuance of an **LOA** which he identified[312]; that his team is comprised of examiners Andres J. Gabagat, Jr., Emma A. Dulfo, Amelita Aquino and Robertson Gasingan and Group Supervisor (GS) Erlinda P. Victorino;[313] that the request was approved and LOA No. 2001-00016063 dated September 7, 2005 was issued to examine Accused for TY 1997-2004, signed by OIC Jose Mario Buñag;[314] that he and his team personally served the LOA together with the required notices for the checklist of requirements such as the First Notice for Presentation of Records at the registered address of PCLC at Rm 1029-1030 VV Soliven Complex, San Juan on September 13, 2005;[315] that the LOA was received by Rosy R. Relente, the

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[303] Exhibits GG, GG-1, GG-2.
[304] Exhibits HH, HH-1 to HH-8.
[305] Exhibit HH-3.
[306] Exhibit HH-8.
[307] *Id.*, p. 78.
[308] TSN, Minutes of the Hearing dated July 9, 2014, p. 6; Exhibit WWWW.
[309] Exhibits B8-2 to B8-8.
[310] *Id.*, p. 7.
[311] *Id.*, p. 9.
[312] Exhibits U^4, U^4-1 to U^4-4.
[313] *Id.*, p. 12.
[314] Exhibits A, A-2 to A-6.
[315] *Id.*, p. 18.

secretary of Accused Dela Fuente as personally witnessed by him; that Ms. Relente represented herself as the secretary of Accused Dela Fuente to them;[316] that together with the LOA, they also served the First Notice for Presentation of Records[317] which was also received by Ms. Relente;

He continued that, thereafter, other notices were served on the Accused such as the 2nd Notice for the Presentation of Records and Invitation for Informal Conference; that the Accused did not appear during the scheduled Informal Conference; that he requested for the issuance of a PAN which was granted and dated January 28, 2011;[318] that the PAN was served via LBC and via registered mail; that the 1st copy of the PAN was received on June 7, 2011 by Claribel Hermosa at Hillsborough Subdivision Alabang and the 2nd copy of the PAN was served by registered mail on June 2, 2011;[319] that after the PAN was issued, PCLC filed a protest through their counsel, Atty. Marbibi; and that despite the protest, the opinion of counsel was that it did not fully answer the issues raised in the PAN which is why the Formal Letter of Demand (FLD) was made.

RO Bernal testified that they likewise filed criminal charges against Accused before the DOJ, as evidenced by the memorandum addressed to Hon. Raul Gonzales, Secretary of Justice, DOJ, dated September 22, 2005;[320] that they also filed their Joint Complaint Affidavit together with the Memorandum;[321] that after the Preliminary Investigation, they received the Counter-Affidavit of Accused Dela Fuente and Moises de Guzman, the responsible officers of PCLC;[322] that their legal team filed a Reply-Affidavit[323] and Supplemental Reply-Affidavit[324] which he identified; that Accused filed a Rejoinder to Reply which he identified;[325] that Accused attached six ITRs for 1997 to 2001 and that of 2003 to their Rejoinder-Affidavit;[326] that upon reading Accused's Rejoinder to Reply, they made further investigation with regard to the ITRs they claimed to have filed;[327] that they validated the ITRs attached to the Rejoinder-Affidavit and discovered that the returns were fictitious when they accessed the records to the Revenue Data Center of Southern Luzon, the ISOS, the Central Database Office of BIR, and the RDO of Binondo;[328] that the Revenue Data Center of Southern Luzon issued a Certification stating that all of the returns were only created in their database on March 1, 2006 in contrast with their allegation that they filed it

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[316] TSN, Minutes of the Hearing dated April 30, 2013, pp. 39-40.
[317] Exhibits B, B-1 to B-3.
[318] *Id.*, p. 43, Exhibit V^4-1.
[319] *Id.*, p. 44.
[320] TSN, Minutes of the Hearing dated July 9, 2014, *id.*, pp. 24-27, Exhibits P^4, P^4-1 to P^4-4.
[321] Exhibits P^4-5 to P^4-12.
[322] *Id.*, p. 30, Exhibit U^8.
[323] Exhibits Q^4, Q^4-1 to Q^4-11.
[324] Exhibits S^4, S^4-1 to S^4-8.
[325] Exhibit V^8.
[326] *Id.*, p. 43.
[327] *Id.*, p. 41.
[328] *Id.*, p. 46.

in 1998, 1999, 2000; that the stamp on the returns were likewise spurious as evidenced by a Certification[329] from Benilda Nicosia of RDO 30, Binondo, Manila that it was not her stamp and it was not her signature who issued an Affidavit of Denial[330]; that the Certification only involved TYs 1998, 1999, 2000 and 2003 as those were the ITRs that had a document locator number which serves as an audit trail and internal control found in the returns;[331] that since the ITRs claimed to have been filed by Accused contained TINs, they verified with ISOS as to the existence thereof; that Ms. Elizabeth Costales, Chief, System Maintenance and Support Division, ISOS, issued a Certification dated April 18, 2006 stating that TIN 925995132 under the name of Accused PCLC was created and registered on August 13, 1998, ceased on August 13, 2004 and was cancelled on March 2, 2006;[332] that this examination revealed three TINs belonging to PCLC with the second TIN, TIN 925995622, which was reflected in the ITR being spurious;[333] that TIN 925995622 was created only March 2, 2006, but Accused made it appear that it was created on August 30, 1998 and eventually transferred it to RDO 30, Binondo from RDO, 34 Paco on August 8, 1998;[334] that the third TIN 235885722 was the one registered in their database on December 27, 2005; that upon inquiry with Regional Office of the ISOS, Mrs. Melissa Bernal, the OIC Head of Southern Luzon issued a Certification dated April 20, 2006 that the TIN numbers on the ITRs Accused presented were only created in March 10, 2006 and were been modified on March 22, 2006;[335] and that he also obtained a Certification dated May 4, 2006 from RO Rosemary Ramos Ragasa, RDO-30 Binondo that there have been no returns filed by Accused.[336]

RO Bernal testified that the accompanying documents of Accused's Rejoinder to Reply were PCLC's ITRs for TY 1998,[337] 1999,[338] 2000[339], 2001[340], 2002[341], and 2003[342], certification, LTFRB Certification, Special Power of Attorney, and the Secretary's Certificate, among others;[343] that prior to the issuance of the PAN, they submitted a Memorandum[344] and a Supplemental Memorandum[345] to the DOJ; that after submission thereof, they issued a Notice of Informal Conference[346] against Accused but Accused Dela Fuente or any

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[329] Exhibit F^4.
[330] Exhibit M^4.
[331] *Id.*, p. 50.
[332] Exhibits L^4, L^4-1, L^4-2.
[333] *Id.*, p. 56.
[334] *Id.*, p. 57.
[335] Exhibits A^8 to A^8-2.
[336] *Id.*, p. 64, Exhibit E^4.
[337] Exhibit K^7.
[338] Exhibit L^7.
[339] Exhibit M^7.
[340] Exhibit N^7.
[341] Exhibit O^7.
[342] Exhibit P^7.
[343] TSN, Minutes of the Hearing dated July 30, 2014, p. 13.
[344] Exhibit W^8.
[345] Exhibit W^8-1.
[346] Exhibits T^4, T^4-1, T^4-2.

representative of PCLC failed to appear thereat;[347] that they computed the civil liability of Accused[348] and prepared the Summary of Franchise with Buses[349] thereafter; that they recommended for the issuance of PAN in a Memorandum dated January 28, 2011[350]; that the PAN[351] was approved by the Assistant Commissioner of BIR Enforcement Service; that the PAN was served by registered mail and by LBC[352] to the Lancaster address of Accused Dela Fuente which was the indicated address on the Memorandum signed by Accused Dela Fuente and Moises De Guzman and in several memoranda they filed before the DOJ; that they served the PAN and subsequent documents to the address of Accused Dela Fuente because Accused PCLC could no longer be located at its registered address at VV Soliven;[353] that they received a Protest Letter dated June 14, 2011[354] signed by Atty. Teresita C. Marbibi thereafter; that since Accused Dela Fuente did not properly address the issues in the PAN, they recommended for the issuance of a Formal Letter of Demand (FLD) through a Memorandum dated September 8, 2011;[355] that the FLD[356] with complete attachments including the Final Assessment Notice (FAN)[357] was signed and approved by the Assistant Commissioner; that the FLD and FAN were served to Accused via registered mail[358] and LBC[359] to her Lancaster address and to the Claire De La Fuente Grill and Sea Foods Restaurant, Dampa, Macapagal Avenue; that they sent the FLD with attachments to both addresses to make sure the it was timely received by Accused Dela Fuente;[360] and that, afterwards, they received two protests from Accused, one from Atty. Marbibi dated January 21, 2012[361] and another one dated February 17, 2012 from the law office of Kapunan Garcia & Castillo[362].

On ***cross-examination,*** RO Bernal testified that he has been a Revenue Officer since November 1999;[363] that prior to his employment with the BIR, he worked for Cosmos Bottling Corporation and China Banking Corporation and that he has never held employment with any bus company or any public transportation company; that he received a memorandum from his superiors directing him to conduct audit investigation of the Accused on May 12, 2005; that the subject of the directive was only for PCLC but that the directive was prompted by a complaint of an informer alleging various businesses of Accused

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[347] *Id.*, p. 20.
[348] Exhibits W4, W4-1 to W4-3.
[349] Exhibits X4, X4-1.
[350] Exhibit Y^8.
[351] Exhibit V^4.
[352] Exhibit V^4-1.
[353] *Id.*, p. 26.
[354] Exhibit P^8.
[355] Exhibit Z^8.
[356] Exhibit B^8 to B^8-1.
[357] Exhibit B^8-2 to B^8-8.
[358] Exhibits C^8-1 and D^8-1.
[359] Exhibit C^8.
[360] *Id.*, p. 33.
[361] Exhibit X^8.
[362] Exhibit Q^8.
[363] TSN, Minutes of the Hearing dated August 20, 2014, p. 5.

Dela Fuente, including PCLC;[364] that they focused on PCLC because of the subsequent information provided by the informant; that he was not at liberty to divulge the identity of the informant under their Confidential Information Program; that other than the NID Memorandum Assignment for PCLC, he could not remember any other directive issued; that he pursued the investigation with his groupmates; that he gained knowledge about the public transport industry because it is his duty to research his assignments and that he has previously investigated other transport companies and inquired amongst other bus drivers, contractors and informers;[365] that he has previously investigated more than four or five public bus companies; that the present case is the only one wherein the RATE case was filed; that the cases against the other bus companies were not pursued because they paid the tax imposed by the BIR;[366] that he became aware of PCLC only in 1998 when he saw and rode one of their buses; that at the time he rode the bus, he was not aware whether or not a franchise was approved; that he does not have personal knowledge of PCLC's operations when its franchise was granted in August 1998;[367] that his estimates of its revenue was based on documents obtained from government offices; that he did not see the regular operation of buses of Accused from 1998 to 2004;[368] that all the estimated revenues of PCLC were based on his own group's estimates, based on public documents; that they were not able to secure daily operation documents from Accused; that the Deed of Sale dated March 24, 1999, covered only one out of 15 units under the franchise; that the when a franchise is granted, whether or not PCLC was operational depends if it was an existing franchise but he was not sure if it were a new franchise[369]; that when he procured the AOI of Accused, the address of PCLC stated therein was in Escolta, Manila and not in V.V. Soliven Building in San Juan City;[370] that he recalls the reason the SEC revoked the registration of PCLC on March 15, 2004 was due to lack of financial statements submitted by PCLC; that as a CPA, he cannot recall an instance of a corporation's registration being cancelled because of non-operation but that it could be a possible cause of revocation of registration;[371] that the non-submission of reportorial requirements such as the Financial Statement is a sign that the corporation is non-operational under the SEC; that when he interviewed LTFRB Chairperson Elena Bautista-Horn and asked how to know if a bus company was operating legitimately or not, she answered that anyone can verify the existence of a franchise through Franchise Verification; that he followed up with questions about the franchise verification process; that he wasn't able to ask the LTFRB Chairperson what the total number of franchises were granted in Metro Manila; that he doesn't know that there are 10,000 franchises, more or less, granted by the LTFRB; that the application for franchise of PCLC was filed in 1997 was granted in August 1998 which gives him an idea of how long the

[364] *Id.*, p. 7.
[365] *Id.*, p. 10.
[366] *Id.*, p. 11.
[367] *Id.*, p. 14.
[368] *Id.*, pp. 16-17.
[369] *Id.*, p. 26.
[370] *Id.*, p. 28
[371] *Id.*, pp. 29-30.

process takes; and that his basis in including Accused Dela Fuente in the case was because she was a responsible officer of PCLC as its AOI indicated her as the Treasurer and Mr. Guzman as the President.[372]

Furthermore, RO Bernal testified on ***cross-examination*** that he did not find any other documents wherein Accused Dela Fuente's name appeared as Treasurer, there were several documents wherein her name appeared as President and Manager of PCLC;[373] that she was named as President of PCLC in several documents such as the various Petitions for Substitution of Units, the audited financial statements submitted to LTFRB, among others; that all the documents that he obtained from the LTFRB, such as the deeds of sale and petitions, among others, were signed by Accused Dela Fuente and that he could not remember anyone else who signed the document;[374] that in the first franchise, Case no. 97-08840 referring to 15 units, the documents he secured to prove that those units actually operated aside from the franchise verification were the OR/CR of the particular units, apprehensions by the LTO as early as 1998 that shows that there were violations since buses were apprehended during their operation;[375] that for the units covered by the first franchise, he could not identify any particular unit, plate number, make, or franchise number because that would be nearly impossible, but that he saw a bus with the PCLC logo and the company name; that he was able to see and ride one of the 73 units covered by the five franchises issued in 1998, but he cannot identify which case number it was; that he found out during his interview with LTFRB officials that before a bus company is granted a franchise and before they operate the bus units, they have to undergo examination and inspection by their technical division;[376] that he has not seen any inspection report, but was able to secure documents pertaining to the yearly confirmation of units, such as those included in the Formal Offer of Evidence of the Accused, and relied on the franchise verification; that when he tried to inquire with Accused why it did not submit any report to the SEC in 2005, he could not do so because he was unable to find them in their registered address with the SEC and BIR; that when he went to the VV Soliven address, it was Ms. Relente he spoke to and not Accused Dela Fuente; that Ms. Relente introduced herself as the secretary of Accused Dela Fuente and PCLC[377] which he likewise verified with the Security Officer of the building; that he relied on the representation of Ms. Relente because she actually received the documents he was serving; that he did not check with the SEC or with PCLC the authority of Ms. Relente;[378] that in computing the estimated revenue earned by PCLC, he did not interview anyone from PCLC.[379]

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[372] *Id.*, p. 41.
[373] TSN, Minutes of the Hearing dated September 17, 2014, p. 4.
[374] *Id.*, pp. 5-8.
[375] *Id.*, p. 10.
[376] *Id.*, p. 13.
[377] *Id.*, p. 15.
[378] *Id.*, p. 19.
[379] *Id.*, p. 23.

When cross-examined further, RO Bernal testified that one of the functions of the National Investigation Division (NID) is to conduct examination and investigation of cases involving fraud and violation of the Tax Code;[380] that fraud means intent to evade, willful intent to defraud the government, also under-declaration of more than 30% and other prima facie actions that will involve dishonesty; that the fraud involved Accused's unlawful pursuit of business, non-filing of the required return and non-payment of taxes because PCLC was required to register since it is an entity registered with the SEC; that there was also deliberate willful non-compliance of the BIR regulation to register, file, and pay; that there is a need for the company to register with the BIR even if it is not conducting any business; that the NIRC has a provision that registration should be ten (10) days before one commences a business operation;[381] that he was unable to check whether or not PCLC started paying percentage tax after its apparent registration in 2005[382] and only saw a summary thereof; that PCLC was allowed to pay compromise penalty for late registration only but not for non-registration as non-registration is not subject to compromise; that he was not sure when the RATE program started[383] but he knows that the program was created to increase voluntary compliance and to generate fear factor;[384] that the RATE program wasn't necessarily limited to prosecuting prominent persons; that only legitimate non-operational entities will not have books of account and other accounting records;[385] that a passenger ticket is only one of the major documents to prove sales in the transport industry; that the official receipts from a transport company include that for the purchases needed in their operations, such as purchases of fuel and oil, among others;[386] that there were more than two informers that precipitated the filing of the case;[387] that informers are given a reward once the BIR is able to recover taxes which is 10% of the total amount collected, net of withholding with a maximum cap of 1 million;[388] and that he did not base his conclusion that PCLC was operating on the SEC documents alone.

RO Bernal further testified that none of the documents marked as evidence for the prosecution constitutes books of accounts or accounting records and that the documents he used to determine the tax liability of Accused came from third party sources;[389] that there is nothing in the SEC documents showing that Accused Dela Fuente was elected as Treasurer in the succeeding years after its registration[390] nor is there anything showing that PCLC conducted business operations; that if an entity does not intend to commence business

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[380] TSN, Minutes of the Hearing dated October 15, 2014, p. 12.
[381] *Id.*, p. 17.
[382] *Id.*, p. 18.
[383] *Id.*, p. 21.
[384] *Id.*
[385] *Id.*, pp. 24-25.
[386] *Id.*, p. 27.
[387] *Id.*, p. 36.
[388] *Id.*, pp. 36-38.
[389] TSN, Minutes of the Hearing dated March 25, 2015, pp. 10-12.
[390] *Id.*, p. 20.

operation, it need not register with the BIR;[391] that based on the certification he got from the San Juan BIR, PCLC registered in 2005, but he could not vouch that PCLC started paying percentage taxes in 2005; that the said certification is not a book of account or an accounting record; that for the franchises issued in 1998 consisting of 73 units, the word "YC" means year confirmation which pertains to the inspection and determination if the vehicles are indeed existing; that the document he submitted had no entries under the column "YC";[392] and that as regards the three Franchise Verifications and Decisions for 1998, these are not books of account and accounting records but are third party records that are proof of actual operations together with other documents.[393]

Upon ***interpolation by the Court,*** RO Bernal clarified that the Franchise Verification or the Decision would support ownership of the units aside from the OR/CR because based on his interviews with the LTFRB Chairperson and officers, the owner of the franchise granted must be the owner of the vehicles as well; that a decision for an application for a franchise would not be rendered if there are no units available as there must be a unit first prior to the issuance of a Decision granting the application.[394]

RO Bernal continued to testify under ***cross-examination*** that as for **Case No. 98-06790**,[395] one of the franchises granted in **1998**, he could not find the Franchise Verification although he has the Decision of the sale of the franchise itself;[396] that he was able to get said Decision without verifying if the franchise mentioned in the decision was existing; that the first TY charged against Accused, Crim Case No. O-178, alleged that Accused failed to pay income tax for 1998 in the amount of ₱4,523,904.00;[397] that his basis for the computation thereof was not from books of accounts but other bases; that in **Franchise No. 98-06790** issued in 1998, he based the number of buses on the public documents from the LTFRB such as the franchise verification issued to PCLC;[398] that the existence of the buses are necessary before a franchise decision is issued; that he based his conclusion on interviews with LTFRB officials such as Imelda Quebec and Chairperson Bautista; that he asked them if they personally examined existence of the buses and their response was that they were not in-charge or present during the approval of the decision;[399] that **Case No. 2002-6498**[400] was approved on the basis that there were several cases issued to PCLC, including Franchise No. 98-06790 which consisted of seven (7) buses while **Franchise No. 98-06792**[401] consisted of nine (9) buses; that he was aware

[391] *Id.*, p. 26.
[392] *Id.*, pp. 31-34.
[393] *Id.*, pp. 40-43.
[394] *Id.*, pp. 44-46.
[395] Exhibits OO, OO-1 to OO-4.
[396] TSN, Minutes of the Hearing dated April 8, 2015, pp. 16-17.
[397] TSN, Minutes of the Hearing dated September 9, 2015, pp. 6-8.
[398] *Id.*, p. 9.
[399] *Id.*, p. 14.
[400] Exhibit J[8].
[401] Exhibits QQ, QQ-1 to QQ-3.

that there is a discrepancy in the number of units in the Franchise Verification which states nine units and the number of units indicated in the Decision which refers to seven units, but that he based his computation on the Franchise Verification;[402] that he obtained the OR/CRs of the units mentioned in the Decision 96-06790 and the inspection reports which indicates inspection of the units involved;[403] and that he also obtained Applications for Amendment of Line, Deeds of Absolute Sale to prove the existence of the seven units.[404]

Under cross-examination for **Franchise No. 98-06792**,[405] RO Bernal testified that he based his conclusion that the said franchise was issued to PCLC on two CRs, ORs, two Deeds of Sale, and one CPC;[406] that he was not fully aware of the meaning of "R.C.C.T.N. 30-355" stated in the Franchise Verification, but that he used the document as basis for the existence of the nine (9) units under the franchise;[407] that he was not sure of the exact meaning of "YC" in the document and that the LTFRB would be the proper personnel to answer that; that he was aware that "dropping and substitution" referred to particular buses that were replaced due to wear and tear and for other reasons;[408] that he came to know that even under the old plate numbers, there had been dropping and substitutions under that franchise; that he was aware that the meaning of "franchise with authorized units" means the right to use nine (9) units and that the franchisee is only allowed to use the nine (9) units under that franchise;[409] that he has the OR/CRs of the unit, one of which would be **CR No. 53004420** with plate no. **NYI-215**,[410] but that the proof of date of registration was not legible;[411] that since it was not legible, one could not tell that the unit was issued in 1998; that he likewise obtained **CR No. 53032318**,[412] deed of absolute sale covering the nine (9) units, and several other documents which the prosecution refused to ask questions on.

During cross-examination for **Franchise No. 98-06791**,[413] RO Bernal testified that it was the third franchise granted in 1998;[414] that the documents proving the existence of the franchise include three (3) CPCs, four (4) CRs, one (1) FOE, a decision, application for approval of sale and transfer of CPC, and **CR No. 50232150**,[415] but the prosecution refused to question him on those documents; and that other documents proving the existence of the franchise

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[402] *Id.*, pp. 23-24.
[403] *Id.*, p. 26.
[404] *Id.*, p. 28.
[405] Exhibits S-1 to S-8.
[406] TSN, Minutes of the Hearing dated October 21, 2015, p. 6.
[407] *Id.*, pp. 8-9.
[408] *Id.*, p. 11.
[409] *Id.*, p. 12.
[410] Exhibits N^5, N^5-1.
[411] *Id.*, p. 14.
[412] Exhibits Z^4, Z^4-1.
[413] Exhibits MM, MM-1 to MM-2.
[414] *Id.*, p. 21.
[415] Exhibits P^5, P^5-1.

were **CR No. 00776463**,[416] **CR No. 52987983** under Plate No. **PXV-960**,[417] however the prosecution also reserved questioning on those documents.[418]

Under cross-examination for **Franchise No. 98-06796,**[419] RO Bernal testified that to prove the existence of the franchise, he has a franchise verification which mentioned the existence of thirty-five (35) units consisting of units with plate numbers as indicated in his summary;[420]that he was informed that the "YC" under the "Remarks" column means "Year Confirmation" although he was not fully aware of that before; [421] that he was unaware that the LTFRB has not confirmed existence of the units based on the document;[422] that based on the franchise, PCLC has the right to use thirty-five (35) units only; that based on his interviews he learned that the Franchise Verification is a document that shows that they are allowed to use the number of units and that it has undergone the annual confirmation procedure although it is not stated in the document; that, as stated in the document, thirty-five (35) units have gone through dropping and substitution; that to prove the existence of units under this particular franchise, he has substitution of units or OR/CR which the prosecution declined to question due to its provisional marking.

As for the last franchise in 1998, during cross-examination of **Franchise No. 98-02725;**[423] RO Bernal testified that there are twelve (12) units under this franchise[424], but that he did not have any other documents to prove the existence of the units.

For franchises issued in **1999**, RO Bernal testified during cross-examination that the income tax due from PCLC in 1999 amounted to ₱34,306,480.00[425], exclusive of interest and surcharges; that in coming up with that figure, he considered several factors such as the Franchise Verification, the fare matrix, the number of buses, among others; that the Franchise Verification is not a book of account or an accounting record; that documents that may support the book of accounts may be obtained from the taxpayer or from 3rd parties;[426] that a Franchise Verification may be attached to the book of accounts to come up with a computation; that it may be necessary to do so because the operations in the bus industry require a number of buses, a fare and the capacity, and the Franchise Verification indicating the number of buses and the capacity

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[416] Exhibits Q^5, Q^5-1.
[417] Exhibits R^5, R^5-1.
[418] *Id.*, p. 32.
[419] Exhibits O, O-1 to O-8.
[420] *Id.*, p. 37.
[421] *Id.*, p. 39.
[422] *Id.*, p. 40.
[423] Exhibits R, R-1 to R-8.
[424] *Id.*, p. 47.
[425] TSN, Minutes of the Hearing dated May 11, 2016, p. 4.
[426] *Id.*, p. 7.

gives an idea how much the company could earn or potentially earn;[427] that there were two franchises granted in 1999, **Franchise Nos. 99-12623[428] and 99-01008[429]** with the route Alabang-Tenejeros and Alabang-Malanday, respectively; that such franchises have **Case Nos. 99-01008 and 99-12623**, contrary to his prior statement that there were nine (9) franchises issued in 1999;[430] that there is no Franchise Verification for Franchise No. 99-01008, but that he has three (3) documents;[431] that there is also no Franchise Verification for Franchise No. 99-12623; that although it is through the franchise verification that one can determine if a franchise is issued to a taxpayer, it is the franchise itself that gives the actual right or privilege to a company;[432] that for this particular franchise number, he was incorrect in stating that his factual basis in determining the income tax due was the Franchise Verification because this was unavailable;[433] that part of his basis for the computation was the number of buses which can be found in the verification or the franchise itself; that he did not present the Franchise Verification because the franchise itself was available;[434] that to prove **Franchise No. 99-12623**, he has four (4) documents including CPC CR No. 68511025,[435] Deed of Absolute Sale and CR No. 52987983 which he presented;[436] that the decision in case NCR 99-12623 is on the Application for the Approval of the Sale and Transfer of Certificate of Public Convenience with Extension of Validity;[437] that the same was one of the factors in he used in computing the tax liabilities of the accused; that he likewise considered the existence of eight (8) units which were the subject matter of the Application for the Approval of Sale made by Ichiban Land Transport Corporation;[438] that he knew when he started the investigation on May 12, 2005 that this franchise was no longer subsisting because the CPC issued by virtue of the decision was valid and subsisting only for the period up to June 16, 2004;[439] that even if he knew the franchise no longer existed, he considered it in filing the case; that as regards Franchise No. 99-01008, the Franchise Verification was unavailable but the franchise or decision was available;[440] that the Decision refers to an Application for the Approval of Sale by Ichiban Land Transport in favor of PCLC of a CPC the validity of which is only up to June 16, 1999;[441] and that he used the Decision and sale documents to determine the tax liability of Accused in 1999.

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[427] *Id.*, p. 9.
[428] Exhibits PP, PP-1.
[429] Exhibit M^8.
[430] *Id.*, p. 11.
[431] *Id.*, p. 15.
[432] *Id.*, p. 16.
[433] *Id.*, p. 16.
[434] *Id.*, p. 17.
[435] Exhibits H^6, H^6-1.
[436] *Id.*, p. 30, Exhibits R^5, R^5-1.
[437] *Id.*, p. 32.
[438] *Id.*, p. 34; Exhibits PP, PP-1.
[439] *Id.*, pp. 37-40.
[440] TSN, Minutes of the Hearing dated June 29, 2016, p. 4.
[441] *Id.*, p. 5.

RO Bernal continued to testify during cross-examination that to prove business operations of Accused in 1999 under **Franchise Verification 99-12623**, he has four documents, namely, the CPC, CR No. 68511025 for unit NYK-249,[442] a Deed of Absolute Sale pertaining to the same unit[443] and CR No. 52987983 for bus unit PXV-968;[444] that based on the CR, the bus was not registered in 1999 but on November 20, 2000;[445] that he does not have the OR of the same vehicle; that he obtained the copy of the CPC in his capacity as RO with third party verification; that the CPC was formally transmitted to his office by the LTO and the signatory of the certification is indicated in the document;[446] that he is still looking for a copy of CR No. 5298783; that he cannot present any documents for additional units under Franchise No. 99-12623 other than those for the two units;[447] that to prove the existence of Franchise No. 99-01008, he has three documents, namely, **CR No.75933180** for unit **NYK-850**,[448] a Deed of Absolute Sale for the same unit[449] and a CPC; that all three documents pertain to one vehicle, NYK-850; that the name of the person who signed the certification that it is a certified true copy of the Deed of Sale is not legible;[450] that there is no printed name in the certification to identify who the issuer is; that he did not have a copy of the transmittal letter at the time of the cross-examination; that the CR refers to a registration issued on October 30, 2001 and not in 1999;[451] that the business operation of the Accused is proved by the issuance of the Franchise Verification involving NYK-850, the CR, the deed of sale, including other documents;[452] that he obtained a Decision entitled Application for Modification of Proof with Consolidation of Cases per Bus Rationalization Project for Metro Manila with extension of validity citing various franchises including 99-01008; that the documents he presented, including the decision and franchise verification, are the only documents he has to prove the business operations of Accused in 1999;[453] that the documents he presented were not the only basis he used in computing the income tax due on PCLC for 1999 because franchises granted in previous years have a life of five years;[454] that in computing for tax due for 1998, they included fifteen units coming from Franchise No. 97-08840 which was applied for and granted in 1997 and franchises applied for 1998, were included in computing the tax due for 1999; that the year 1997 is not the subject of the seven cases;[455] that since the life of the franchise is for five years, if the franchise was issued in the latter part of the year, it would be inaccurate to include only the remaining months of that year in the computation; that to be

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[442] Exhibits H^6, H^6-1.
[443] Exhibits H^6-3.
[444] *Id.*, p. 7, Exhibits R^5, R^5-1.
[445] *Id.*, p. 9.
[446] *Id.*, pp. 11 and 18.
[447] *Id.*, p. 14.
[448] Exhibits I^6, I^6-1.
[449] Exhibits I^6-3.
[450] *Id.*, p. 18.
[451] *Id.*, p. 20.
[452] *Id.*, p. 22.
[453] *Id.*, pp. 25-26.
[454] *Id.*, pp. 28-29.
[455] *Id.*, p. 30.

conservative, they take the unit on for a complete 12 months basis;[456] that if there is an approved franchise in, say, 1998, he took the totality of the documents and made it as the basis for his computation of tax due for the succeeding year;[457] that for 1999, there are only two franchises and three vehicles, NYK-850, NYK-249, and PXV-968, however, they are still looking for the original documents of PXV-968;[458] and that he computed the tax liability of the Accused for the year 1999 in the amount of ₱24,306,480 on the basis of the two franchises consisting of three vehicles, including the five franchises issued in 1998 involving 15 vehicles, the Franchise Verifications, CRs and CPCs.[459]

When cross-examined for the franchises issued in **2000**, RO Bernal testified that Accused was charged with failure to make and file ITR which the subject matter of Crim. Case No. O-172 and that the ITR should have been filed on or about April 15, 2001;[460] that as basis for his computation of income tax due in the amount of ₱48,802,544.00, he used documents they gathered from several government agencies such as SEC, LTFRB, LTO, and their own documents from the BIR;[461] that to prove the same he has Franchise Verifications for **Case No. 2000-00484**[462] and **Case No. 2000-00485**[463], and that there were two cases approved;[464] that for **Case No. 2000-00484**, the documents he has are the Franchise Verification, Deed of Absolute Sale, two (2) Franchise Verifications, another Deed of Absolute Sale, CR No. 68497558,[465] OR No. 58484621[466], and Deed of Absolute Sale[467]; that he prepared a Summary of Exhibits, as requested by the Court; that the Franchise Verification of the first franchise in 2000 is one of the proofs of business operation of Accused;[468] that based on the Franchise Verification, there has already been an inspection as to the existence of the units because the LTFRB conducts mandatory confirmation of buses which is done annually; and that each bus or each franchise is inspected annually through a process called Annual Confirmation; that the document indicates that Annual Confirmation has been made in the remarks portion thereof. The prosecution, however, declined to propound questions on exhibits they authenticity of which they questioned.

For **Case No. 2000-00485,** RO Bernal continued to testify under cross-examination that the documents he has are the Franchise Verification,[469] a

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[456] *Id.*, p. 31.
[457] *Id.*, p. 33.
[458] *Id.*, p. 40.
[459] *Id.*, pp. 41-42.
[460] TSN, Minutes of the Hearing dated February 15, 2017, p. 4.
[461] *Id.*, pp. 5-6.
[462] Exhibits T, T-1 to T-8.
[463] Exhibits X, X-1 to X-8.
[464] *Id.*, p. 13.
[465] Exhibits D^5 and D^5-1.
[466] Exhibit E^5.
[467] Exhibits E^5-1, E^5-2.
[468] *Id.*, p. 14.
[469] Exhibits X, X-1 to X-8.

Petition for Substitution of Unit from the LTFRB Management Information Division which is a petition of the bus operator to replace a malfunctioning or non-operational unit for him to maintain the same number of buses granted under the franchise; that this Petition for Substitution of Unit involves only one unit[470] under Case No. 2000-00485 which has preapproved units of fifteen (15) buses; and that he also has a CR[471], a Deed of Absolute Sale[472], and several CRs[473], which the prosecution declined to question him on due to their previous manifestation on authenticity; and that the documents he presented are what he used as basis in determining the income tax due of Accused for TY 2000 under the two (2) franchises in 2000.

When cross-examined on his testimony for TY **2001**, subject matter of Crim. Case No. O-176, on the income tax due from Accused in the amount of ₱36,130,406.40, RO Bernal testified that the franchises issued from 1998 to 2000 were the basis of the buses since the life of the franchise is five (5) years;[474] that there were no applications approved in 2001; that the computation for 2001 income tax assessment was based on units from the franchises approved from 1998 to 2000 minus any franchise that already expired; that this was based on estimates unlike the previous years; and that since there were no books of account and accounting records, estimates had to be done based on existing documents.

After concluding his testimony, RO Bernal was discharged as a witness.

The prosecution's second witness, ***RO Lorna S. Tobias,*** testified that she is a government employee designated as Revenue District Officer of RDO 26;[475] that she issued and signed a Certification dated August 30, 2005 with a two-page printout attachment stating that PCLC has no records of returns covering calendar years 1997 to 2004 in RDO 30, Binondo;[476] and that she likewise signed the certified true copy of the document after comparing it with the original.[477]

On ***cross-examination,*** RO Tobias testified that she was aware of the NIRC provisions on registration and when the NIRC of 1997 took effect;[478] that she was uncertain when the NIRC took effect but was reminded that it was on January 1, 1998;[479] that the district database file she referred to in her certification was that of RDO 30, Binondo;[480] and that the said Certification contains the

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[470] *Id.*, p. 27; Exhibits LL, LL-1.
[471] Exhibits Z^5, Z^5-1.
[472] Exhibits Z^5-3.
[473] Exhibits B^6, B^6-1, C^6, C^6-1, E^6, E^6-1, F^6, F^6-1, G^6, G^6-1.
[474] *Id.*, p. 32.
[475] TSN, Minutes of the Hearing dated June 10, 2015, p. 8.
[476] Exhibit DDDD.
[477] *Id.*, pp. 13-21.
[478] *Id.*, p. 25.
[479] *Id.*, p. 28.
[480] *Id.*, p. 29.

statement, "The said taxpayer is an active registrant of Revenue District No.42, San Juan. See computer print-out.".

After concluding her testimony, RO Tobias was discharged as a witness.

The prosecution's third witness, ***RO Rogelio Ancheta,*** testified that he is a Revenue Officer III assigned in the Bureau of Internal Revenue, Revenue Region 6[481]; that he has been working with the BIR for 27 years; that in 2005, he was assigned to RDO No. 42, San Juan, Metro Manila as Chief of the Document Processing Section; that among his duties were supervising the processing and encoding of tax returns and issuing certifications that a certain taxpayer has no records on file; that he remembers having issued a Certification relative to the tax records of PCLC;[482] that he issued the Certification that PCLC has no records on file for Income Tax Return for 1999 to 2004 in his capacity as Chief, Document Processing Section;[483] that he identified his signature on the Certification; that the said Certification reads, "This is to certify that as per records available in this office, Philippine Corinthian Liner Corporation of Room 1029 VV Soliven Complex, EDSA, Greenhills, San Juan, Metro Manila, with taxpayer identification number 235885722 has no records on file of taxpayer's monthly and year-end withholding tax returns, alphabetical list of compensation and expanded, percentage tax returns, monthly and quarterly VAT returns and income tax returns with audited financial statements for taxable year 2001 to 2004. This certification is issued for whatever legal purpose it may serve. Issued this 13th day of April 2005.";[484] that he signed and dated the Certification again before the Court and affirmed that it was same certification he issued on April 13, 2005;[485] that he also issued another Certification which reads, "This is to certify that as per records availabilities office, Philippine Corinthian Liner Corporation, Room 1029 VV Soliven Complex, EDSA Greenhills, San Juan, Metro Manila, with taxpayer identification number 235885722 has no records on file of income tax return for taxable years 1999 to 2004. This certification is issued for whatever legal purpose it may serve. Issued this 30th day of June 2005.";[486] and that the signature appearing on the document is his;[487] and that the Certification shown to him is the same Certification he issued on June 30, 2005.[488]

On **cross-examination**, RO Ancheta testified that he is a Records Officer of RDO 42; that PCLC is a registered entity with the BIR, RDO 42;[489] and that

[481] TSN, Minutes of the Hearing dated October 18, 2017, p. 7.
[482] *Id.*, pp. 8-9.
[483] *Id.*, p. 16.
[484] *Id.*, p. 17, Exhibit U[7].
[485] *Id.*, p. 20.
[486] *Id.*, pp. 20-21, Exhibits T[7], 6.
[487] Exhibits T[7]-1, 6-A.
[488] *Id.*, p. 23.
[489] *Id.*, p. 25.

he did not have on his person during the time of the cross-examination any records to show that PCLC is a registered entity with the BIR, RDO 42.

On **redirect examination**, RO Ancheta testified that when he issued the Certifications, he based it on the Integrated Tax System (ITS) verification and the records on file;[490] and that when checking with the ITS, one can verify if a taxpayer registered in the district has complied and submitted tax records or tax returns.

Having concluded his testimony, RO Ancheta was discharged as a witness.[491]

Oct 30, 2017, the Prosecution filed its Formal Offer of Evidence (FOE) dated October 30, 2017.[492]

After requesting for an extended period within which to file Comment[493] which the Court granted[494], the Defense filed its Comment (to FOE) December 1, 2017.[495]

On January 8, 2018, the Court issued a Resolution on the FOE of the Prosecution and scheduled the initial presentation of evidence for the Defense.[496] However, on February 13, 2018, the Defense filed a Motion for Partial Reconsideration (to the Resolution dated January 8, 2018),[497] claiming that the Court should not have admitted certain exhibits, particularly those that were not properly identified by the custodian of the records or those that are mere photocopies but were described as certified true xerox copies, certified copies and certified true copies, and the originals were not presented.

On March 5, 2018, the Prosecution filed a Comment on the Motion for Partial Reconsideration to the Resolution.[498]

On March 22, 2018, the Court issued a Resolution denying the Defense's Motion for Partial Reconsideration for lack of merit and for being filed out of time.[499] This did not deter the Defense who filed a Motion for Reconsideration

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[490] *Id.*, p. 27.
[491] *Id.*, p. 28.
[492] Vol. 11, pp. 5551-5573.
[493] Vol. 12, pp. 6221-6222.
[494] Vol. 12, pp. 6338-6339.
[495] Vol. 12, pp. 6223-6336.
[496] Vol. 12, pp. 6341-6344.
[497] Vol. 13, pp. 6444-6456.
[498] Vol. 13, pp. 6464-6467.
[499] Vol. 13, pp. 6472-6477.

thereof on April 6, 2018.[500] However, during the hearing held on April 11, 2018, the Defense admitted that it was a second motion for reconsideration of the Resolution dated March 22, 2018, and this was denied by the Court for being prohibited under the rules.[501]

Based on the Court's Resolutions dated January 8, 2018 and March 22, 2018, the following exhibits were either admitted or denied, to wit:

Admitted Prosecution Exhibits

Exhibits	Description
A, A-2, A-3, A-4, A-5, A-6	Letter of Authority dated September 7, 2005 with LOA No. 200100016063[502]
B, B-1, B-2, B-3	First Notice of Presentation of Records dated September 13, 2005[503]
C, C-1, C-2, C-3, D, D-1, D-2, D-3, D-4, D-5, D-6, D-7	SEC Certificate with SEC Reg No. A199610092 signed by Elnora E. Adviento with an Attached Articles of Incorporation of PCLC[504]
E, E-1, E-2	Letter dated June 30, 2005 of Evangeline S. Abanilla
F, F-1, F-2	BIR Certification dated June 30, 2005 executed by Rogelio G. Ancheta
G, G-1 to G-8	LTFRB Franchise Verification Printouts[505]
H, H-1 to H-8	LTFRB Franchise Verification Printouts[506]
I, I-1 to I-8	LTFRB Franchise Verification Printouts[507]
J, J-1 to J-8	LTFRB Franchise Verification Printouts[508]
K, K-1 to K-8	LTFRB Franchise Verification Printouts[509]
L, L-1 to L-8	LTFRB Franchise Verification Printouts[510]
M, M-1 to M-8	LTFRB Franchise Verification Printouts[511]
N, N-1 to N-8 **O, O-1 to O-8** **P, P-1 to P-8** **Q, Q-1 to Q-8** **T, T-1 to T-8** **U, U-1 to U-8** **X, X-1 to X-8**	LTFRB Franchise Verification Printouts
R, R-1 to R-8	LTFRB Franchise Verification Printouts[512]
S, S-1 to S-8	LTFRB Franchise Verification Printouts[513]

[500] Vol. 13, pp. 6480-6485.
[501] Vol. 13, pp. 6522-6527, TSN, Minutes of the Hearing dated April 11, 2018.
[502] Common Exhibit; Defense Exhibits 1, 1-A.
[503] Common Exhibit; Defense Exhibits 2, 2-A.
[504] Common Exhibit; Defense Exhibits 3, 3-A, 4, 4-A to 4-J.
[505] Common Exhibit; Defense Exhibits 40, 40-A, 40-B, 40-C.
[506] Common Exhibit; Defense Exhibits 41, 41-A, 41-B, 41-C.
[507] Common Exhibit; Defense Exhibits 42, 42-A, 42-B, 42-C.
[508] Common Exhibit; Defense Exhibits 43, 43-A, 43-B, 43-C.
[509] Common Exhibit; Defense Exhibits 44, 44-A, 44-B, 44-C.
[510] Common Exhibit; Defense Exhibits 45, 45-A, 45-C.
[511] Common Exhibit; Defense Exhibits 46, 46-A, 46-B, 46-C.
[512] Common Exhibit; Defense Exhibits 111-HH, 111-HH-1 to 111-HH-20.
[513] Common Exhibit; Defense Exhibit 111-II.

DD, DD-1 to DD-8	LTFRB Franchise Verification Printouts[514]
FF, FF-1	Certificate of Corporate Filing/Information issued by Gerardo F. Del Rosario of the Securities and Exchange Commission[515]
HH, HH-1 to HH-8	LTFRB Annual Report of PCLC
II, II-1 **JJ, JJ-1** **KK, KK-1** **LL, LL-1**	LTFRB Substitution of Units signed by Clarita Dela Fuente for PCLC and Approved by Atty. Glenn N. Zaragoza
PP, PP-1	LTFRB Decision with Case No. NCR-99-12623
RR, RR-1 to RR-2	Formal Offer of Evidence for Case No. 2002-6492
VV and VV-1	Second Notice of Hearing dated February 21, 2003
TT, TT-1, TT-2	Application dated June 23, 2002 and signed by Clarita Dela Fuente
YY	Contract of Lease dated January 8, 2002 between Apolinar Mariano and PCLC
XX	Lease Agreement dated May 16, 2003 between Mancon Realty and Clarita Dela Fuente
WW, WW-1, WW-2	Petition for Case No. 2002-6501 dated May 9, 2003
SS, SS-1, SS-2	Formal Offer of Evidence dated April 22, 2003
UU, UU-1 to UU-5	Formal Offer of Evidence dated July 28, 2000 with Attachments
ZZ, ZZ-2 to ZZ-3	Deed of Absolute Sale dated February 6, 1998
FFF, FFF-1, 49-1	Deed of Absolute Sale dated March 1998 between Aladdin Transit Corp. and PCLC with attached Certificate of Registration ***Notes:*** FFF & FFF-1(document marked shoes that the date on first page is May 14, 1999 while the date on the second page is March 1998); Exhibit 49-A was not marked for the prosecution
AAA, AAA-1	Deed of Absolute Sale dated March 15, 1999 between Clarita Dela Fuente and Dulcemia Bables with attached printouts and Certificate of Registration
BBB, BBB-1, BBB-2	Deed of Absolute Sale between Clarita Dela Fuente and PCLC with attached printouts and Certificate of Registration
CCC, CCC-1 to CCC-3	Deed of Absolute Sale dated February 6, 1998 between Clarita Dela Fuente and Roy Boquiron with attached printouts and Certificate of Registration
DDD, DDD-1 to DDD-3	Deed of Absolute Sale dated February 6, 1998 between Clarita Dela Fuente and Roy Boquiron with attached printouts and Certificate of Registration
EEE, EEE-1	Deed of Absolute Sale dated December 26, 1998 between Clarita Dela Fuente and Dulcemia Bables with attached printouts and Certificate of Registration
DDDD	Certification dated August 30, 2005 executed by Lorna S. Tobias, Revenue District Officer
EEEE	Letter from Rosemarie Ramos-Ragasa, Revenue District Officer, dated May 4, 2006 with attached Certification ***Note:*** no certification attached to the document marked
GGG, GGG-1	Official Receipt No. 6062773-3
HHH, HHH-1	Certificate of Registration with CR No. 50213564

[514] Common Exhibit; Defense Exhibits 47, 47-A, 47-B, 47-C.
[515] Common Exhibit; Defense Exhibit 5.

III	Metro Manila Bus Rationalization Project Inspection Report dated March 30, 2003
MMM, MMM-1	Official Receipt with MVRR No. 79697406
NNN, NNN-1	Certificate of Registration with CR No. 50236907
OOO, OOO-1	Substitution of Units with Case No. 98-06796
PPP, PPP-1	Official Receipt with MVRR No. 82504978
QQQ, QQQ-1	Certificate of Registration with CR No. 52989827
RRR, RRR-1	Official Receipt with MVRR No. 54288450
SSS, SSS-1	Certificate of Registration with CR No. 50234141
TTT, TTT-1	Official Receipt with MVRR No. 90776463
UUU, UUU-1	Certificate of Registration with CR No. 53010944
VVV, VVV-1	Official Receipt with MVRR No. 59671506
WWW, WWW-1	Certificate of Registration with CR No. 50221203
XXX, XXX-1	Substitution of Units for Case No. NCR 98-06796 signed by Clarita Dela Fuente
YYY, YYY-1	Official Receipt with MVRR No. 59663283
ZZZ, ZZZ-1	Certificate of Registration with CR No. 52994777
A^4, A^4-1	Official Receipt with MVRR No. 64613160
B^4, B^4-1	Certificate of Registration with CR No. 52994755
C^4, C^4-1	Substitution of Units with Case No. 98-06796
H^4, H^4-1	Letter of Melissa G. Bernal, OIC Head, RDC-Southern Luzon, dated April 20, 2006 with attachments
F^4	Certification of Benilda M. Nicosia, Chief, Data Processing Section of BIR-Binondo, Manila
G^4, G^4-1, G^4-2	Certification of Alberto A. Pio De Roda, Asst. Commissioner of Information Systems Operation Service
J^4	Letter of Anneli R. Lontoc dated April 12, 2006 with Attached Printouts ***Note:*** No printouts attached to the document marked
N^4, N^4-1, O^4, O^4-1 to O^4-6	Map and Pictures issued by Nida T. Quibic, Chief of the Management Information Division of the LTFRB
P^4, P^4-1 to P^4-12	Referral Letter dated September 22, 2005 and Joint Affidavit dated September 22, 2005
Q^4, Q^4-1 to Q^4-11	Reply-Affidavit dated January 18, 2006
S^4, S^4-1 to S^4-8	Supplemental Reply-Affidavit dated February 21, 2006 with Attachments
T^4, T^4-1, T^4-2	Letter dated January 17, 2011 signed by Sixto C. Dy, Jr., Chief of National Investigation Division with Registry Receipt[516]
U^4, U^4-1 to U^4-4	Memorandum approved by Jose Mario C. Bunag dated June 21, 2005
V^4	Preliminary Assessment Notice dated January 28, 2011 with Annexes, Details of Discrepancies and Computation of Liabilities[517]
W^4, W^4-1 to W^4-5	Computation of Civil Liabilities for Taxable Years 1998 to 2001[518]
X^4, X^4-1	Summary of Buses owned by PCLC[519]
Z^4, Z^4-1	Certificate of Registration with CR No. 53032318
A^5	Official Receipt with MVRR No. 34225255

[516] Common Exhibit; Defense Exhibits 105, 105-A, 105-B.
[517] Common Exhibit; Defense Exhibits 111, 111-A to 111-C.
[518] Common Exhibit; Defense Exhibits 111-AA, 111-AA-1 to 111-AA-3.
[519] Common Exhibit; Defense Exhibit 111-BB.

A^5-1, A^5-2	Deed of Absolute Sale between Nerissa Uy/Prince Transport and Clarita Dela Fuente
C^5-1 and C^5-2	Deed of Absolute Sale between R Transport Corporation/Rizalina Lamzon and PCLC
D^5 and D^5-1	Certificate of Registration with CR No. 684 97558
E^5	Official Receipt with MVRR No. 58484621
E^5-1, E^5-2	Deed of Absolute Sale between Aladdin Transport Corporation/Col. Domingo Hilario and PCLC
F^5, F^5-1, G^5, G^5-1 to G^5-5, H^5, H^5-, I^5, I^5-1 to I^5-3, J^5, J^5-1, K^5, K^5-1, K^5-2, L^5, L^5-1, M^5, M^5-1, N^5, N^5-1, N^5-2, O^5, O^5-1, O^5-3 to O^5-4, P^5, P^5-1, Q^5, Q^5-1, R^5, R^5-1, S^5, S^5-1, V^5, V^5-1, V^5-3 to V^5-4, W^5, W^5-1, X^5, X^5-1, Y^5, Y^5-1, I^7, I^7-1, Z^5, Z^5-1, Z^5-3, B^6-1, C^6, C^6-1, D^6-1, E^6, E^6-1, F^6, F^6-1, G^6, G^6-1, H^6, H^6-1, H^6-3, I^6, I^6-1, I^6-3, J^6, J^6-1, K^6, K^6-1, K^6-3, L^6, L^6-1, M^6, M^6-1, N^6, N^6-1, O^6, O^6-1, P^6, P^6-1, Q^6, Q^6-1, R^6, R^6-1, S^6, S^6-1, T^6, T^6-1, U^6, U^6-1, V^6, X^6 to X^6-1, Y^6, Y^6-1, Z^6, Z^6-1, A^7 to A^7-1,	Various Certificates of Registration, Official Receipts, Deeds of Absolute Sale and Printouts of PCLC

B^7, B^7-1, B^7-3, B^7-4, C^7, C^7-1, C^7-3, D^7, D^7-1, D^7-3, E^7, E^7-1, E^7-3, E^7-4, G^7, G^7-1, G^7-3, H^7, H^7-1, H^7-3, J^7, J^7-1, J^7-3	
Q^7, Q^7-1	Memorandum dated May 12, 2005 signed by Arnel SD Guballa[520]
R^7, R^7-1	Certificate of Corporate Filing/Information signed by Gerardo F. Del Rosario dated July 31, 2012
T^7, T^7-1	Certification dated June 30, 2005 issued by Rogelio G. Ancheta[521]
U^7	Certification dated April 13, 2005 issued by Rogelio G. Ancheta
V^7	Letter dated September 22, 2005 signed by Ernest D. De Vota
W^7	Letter dated September 20, 2005 signed by Arnel S. D. Guballa, Chief of National Investigation Division
X^7	Certification dated June 27, 2005 signed by Raul Vicente L. Recto, Revenue District Officer
Y^7	Certification dated September 20, 2005 signed by Evelyn I. Sarmiento, Chief, Document Processing Section or BIR RDO No. 28
$A^8$to A^8-2	Letter dated April 7, 2006 signed by Melissa G. Bernal, OIC Head, RDC South Luzon with Attachments
B^8 and B^8-1, C^8, D^8,	Formal Letter of Demand dated September 12, 2011 with Attachments and LBC Receipts and Registry Return Cards[522]
B^8-2 to B^8-8	Audit Result/Assessment Notice against PCLC for the years 1998 to 2004
E^8, F^8, G^8, H^8, I^8, J^8, K^8, L^8	LTFRB Decisions with Case No. 2002-6454, 2002-6492, 2002-6492, 2002-6493, 2002-6494, 2002-6495, 2002-6498, 2002-6500, 2002-6501
M^8	LTFRB Letter dated September 17, 2013 signed by Nida P. Quibic, Information Systems Management Division[523]
N^8	LTFRB Certification dated September 17, 2013 signed by Nida P. Quibic, Information Systems Management Division[524]
O^8	Annex 2, List of Franchise
Q^8	Protest Letter dated February 17, 2002 by Kapunan Garcia and Castillo Law Offices[525]
R^8 to R^8-20, S^8	Franchise Verification
U^8	Counter-Affidavit dated December 14, 2005
V^8	Rejoinder to Reply dated May 15, 2006 with Annexes
W^8, W^8-1	Memorandum of the BIR dated May 3, 2005 and Supplemental Memorandum of the BIR dated May 18, 2005
X^8	Letter of Marbibi & Associates dated January 21, 2012[526]
Y^8	Memorandum dated January 28, 2011 approved by Estela V. Sales, Deputy Commissioner[527]

[520] Common Exhibit; Defense Exhibit 109.
[521] Common Exhibit; Defense Exhibits 6, 6-A.
[522] Common Exhibits; Exhibit B^8 is Defense Exhibits 111-DD, 111-DD-1; Exhibit B^8-1 is Defense Exhibit 111-EE.
[523] Common Exhibit; Defense Exhibits 111-FF, 111-FF-1 to 111-FF-7.
[524] Common Exhibit; Defense Exhibit 111-GG.
[525] Common Exhibit; Defense Exhibits 107, 107-A to 107-K.
[526] Common Exhibit; Defense Exhibit 106.
[527] Common Exhibit; Defense Exhibit 108.

Z[8]	Memorandum dated September 8, 2011 approved by Estela V. Sales, Deputy Commissioner[528]

Denied Prosecution Exhibits

Exhibits	Description
GG, GG-1, GG-2	Balance Sheet of PCLC as of December 31, 2002 filed by Marietta R. Nafura[529]
MM, MM-1 to MM-2	LTFRB Decision with Case No. NCR-98-06791[530]
NN, NN-1	LTFRB Decision with Case No. NCR-98-06796[531]
OO, OO-1 to OO-4	LTFRB Decision with Case No. NCR-98-06790[532]
QQ, QQ-1 to QQ-3	LTFRB Decision with Case No. NCR-98-06792[533]
TT-3	Application dated June 23, 2002 and signed by Clarita Dela Fuente[534]
ZZ-1	Deed of Absolute Sale dated February 6, 1998[535]
CCC-4	Deed of Absolute Sale dated February 6, 1998 between Clarita Dela Fuente and Roy Boquiron with attached printouts and Certificate of Registration[536]
DDD-4	Deed of Absolute Sale dated February 6, 1998 between Clarita Dela Fuente and Roy Boquiron with attached printouts and Certificate of Registration[537]
LLL	Printouts with Plate No. PWS-724[538]
I[4]	Certification of Venicio Ma. L. Jalandoni dated March 23, 2006[539]
K[4]	Letter of Evangeline S. Abanilla, Revenue District Officer, dated April 13, 2005[540]
L[4], L[4]-1, L[4]-2	Memorandum of Elizabeth P. Costales, Chief of Systems Maintenance and Support Division dated April 18, 2006 with Attachments[541]
M[4]	Affidavit of Denial of Benilda M. Nicosia dated May 12, 2006[542]
V[4]-1	Preliminary Assessment Notice dated January 28, 2011 with Annexes, Details of Discrepancies and Computation of Liabilities[543]

[528] Common Exhibit; Defense Exhibits 111-CC, 111-CC-1.
[529] Denied for failure to present originals for comparison.
[530] Denied for failure to present originals for comparison.
[531] Denied for failure to present originals for comparison and failure to identify.
[532] Denied for failure to present originals for comparison.
[533] Denied for failure to present originals for comparison.
[534] Denied for not being found in the records of the case.
[535] Denied for not being found in the records of the case.
[536] Denied for failure to present originals for comparison.
[537] Denied for failure to present originals for comparison.
[538] Denied for failure to present originals for comparison and failure to identify.
[539] Denied for failure to identify.
[540] Denied for failure to identify.
[541] Denied for failure to present originals for comparison.
[542] Denied for failure to identify.
[543] Denied for failure to present originals for comparison.

O^5-2, P^5-2, Q^5-2, R^5-2, S^5-2, V^5-2, W^5-2, X^5-2, Y^5-2, I^7-2, Z^5-2, A^6-2, B^6-2, C^6-2, D^6-2, E^6-2, F^6-2, G^6-2, H^6-2, I^6-2, J^6-2, K^6-2, L^6-2, M^6-2, N^6-2, O^6-2, P^6-2, R^6-2, S^6-2, V^6-1, X^6-2, Y^6-2, Z^6-2, A^7-2, B^7-2, C^7-2, D^7-2, E^7-2, G^7-2, H^7-2, J^7-2	Various Certificates of Registration, Official Receipts, Deeds of Absolute Sale and Printouts of PCLC[544]
K^7, L^7, M^7, N^7, O^7, O^7-1, P^7, P^7-1	Income Tax Returns of PCLC for 1998, 1999, 2000, 2001, 2002, 2003[545]
S^7	Certification dated May 9, 2006 issued by Necifora P. Leis[546]
Z^7	Letter dated April 13, 2005 signed by Evangeline S. Abanilla, Asst. Revenue District Officer[547]
C^8-1, D^8-1	Formal Letter of Demand dated September 12, 2011 with Attachments and LBC Receipts and Registry Return Cards[548]
P^8 and P^8-1	Letter dated June 14, 2011 signed by Teresa C. Marbibi with Annexes[549]
T^8 to T^8-1, T^8-3 to T^8-10	Summary of Exhibits Gathered during the Investigation with Annexes[550]
T^8-2	Summary of Exhibits Gathered during the Investigation with Annexes[551]

Prior to the Defense presenting any of its witnesses on the stand, it filed several motions, to wit:

a) Motion for Issuance of Subpoena Duces Tecum and Ad Testificandum to Nida P. Quibic filed on February 7, 2018,[552] granted by the Court in its March 22, 2018 Resolution;[553]

b) Motion for Issuance of Subpoena Duces Tecum (Ms. Lilia Espejo) and Ad Testificandum with Motion for Forensic Laboratory Examination filed on February 9, 2018,[554] also granted by the Court in its March 22, 2018 Resolution, however, the Court treated the Defense's Motion for Forensic Laboratory Examination as a Motion to Refer to NBI for

[544] Denied for failure to present originals for comparison.
[545] Denied for failure to present originals for comparison.
[546] Denied for failure to identify.
[547] Denied for failure to present originals for comparison and failure to identify.
[548] Denied for failure to present originals for comparison.
[549] Denied for failure to present originals for comparison.
[550] Denied for failure to identify.
[551] Denied for not being found in the records of the case and for failure to identify.
[552] Vol. 13, pp. 6345-6351, with Annexes at pp. 6352-6414.
[553] *Id.* at Note 501.
[554] Vol. 13, pp. 6415-6418, with Annexes at pp. 6419-6440.

Expert Examination;[555]

c) Manifestation with Motion for Deferment of Presentation of Defense Evidence filed on February 15, 2018,[556] which was granted by the Court in its February 20, 2018 Resolution;[557]

d) Motion for Deferment of Presentation of Evidence filed on April 6, 2018,[558] which was granted by the Court;[559]

e) Manifestation with Motion for Issuance of Subpoena Duces Tecum and Ad Testificandum to Nida P. Quibic, to Mary Jane Manajero and Lilia A. Espejo-Coloma or Joel J. Bolano filed on May 3, 2018,[560] which subpoenas were issued by the Court;[561]

f) Motion for Issuance of Subpoena Duces Tecum and Ad Testificandum dated May 28,2018 to SEC Records/Custodian filed on May 30, 2018;[562]

g) Motion for Leave to Admit Motion for Issuance of Subpoena Duces Tecum and Ad Testificandum dated May 28, 2018 to Mary Jane Manajero filed on May 30, 2018[563] to subpoena her replacement upon retirement; and

h) Motion for Issuance of Subpoena Duces Tecum and Ad Testificandum to the representative of BIR Revenue Region No.7, Revenue District Office No.42, San Juan, Metro Manila filed on July 24, 2018.[564]

The last three motions were granted by the Court during the July 25, 2018 hearing[565] and, subsequently, subpoenas were issued.[566] However, during the hearing held on August 29, 2018, none of the subpoenaed witnesses appeared.

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[555] *Id.* at Note 501.
[556] Vol. 13, pp. 6457-6460.
[557] Vol. 13, p. 6463.
[558] Vol. 13, pp. 6486-6489.
[559] Vol. 13, pp. 6522-6527, TSN, Minutes of the Hearing dated April 11, 2018.
[560] Vol. 13, pp. 6530-6544.
[561] Vol. 13, pp. 6545,6546, 6606 to 6607.
[562] Vol. 13, p. 6555-6557, with Annexes at pp. 6558-6581.
[563] Vol. 13, pp. 6583-6589 with Annexes at pp. 6590-6603.
[564] Vol. 13, pp. 6608-6613, with Annexes at pp. 6614-6643.
[565] Vol. 13, pp. 6645-6647.
[566] Vol. 13, pp. 6648-6650.

During the hearing held on October 17, 2018, the Defense filed another Urgent Motion to Reset Hearing[567] which was granted by the Court, for the last time, subject to the condition that except for Atty. Marbibi and Accused, the presentation of the rest of the witnesses for the Defense listed in the Pre-Trial Order, was deemed waived.[568]

On November 9, 2018, the Defense filed a Motion for Reconsideration of the above-mentioned ruling.[569]

On November 22, 2018, the Defense filed a Supplemental Motion for Reconsideration with Manifestation/Compliance indicating the names of additional intended witnesses and the purpose of their respective testimonies[570], in compliance with the Order of the Court on November 14, 2018.[571]

In a Resolution dated January 7, 2019, the Defense was ordered to submit the complete names and addresses of their intended witnesses and the purposes of their testimonies, and to manifest if the issuance of subpoenas is necessary.[572] The Compliance of the Defense was filed on January 28, 2019.[573]

Ultimately, the Defense presented four witnesses, namely: Mrs. Margarita P. Iguiron[574], Mr. Joel Bolano[575], Clarita De Guzman (Accused Dela Fuente)[576] and Ms. Zenaida Maranan.[577]

The **first witness** of the defense, ***Mrs. Margarita P. Iguiron*** was duly authorized to appear in court in connection with the Subpoena Duces Tecum Ad Testificandum (SDTAT) issued to Ms. Nida P. Quibic. She testified that she works as a Records Officer II in the LTFRB;[578] that she has been working at the LTFRB since 1984; that she has been a Records Officer of the Records Section of the LTFRB since 2013;[579] that she was given an authorization dated April 11, 2018 and signed by Ms. Quibic for her to appear in connection with the SDTAT issued to the latter;[580] that she was only able to bring Exhibits E^8, F^8, G^8, H^8, I^8,

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[567] Vol. 13, pp. 6655-6657.
[568] Vol. 13, pp. 6678-6679.
[569] Vol. 13, pp. 6694-6697.
[570] Vol. 13, pp. 6711-6714.
[571] Vol. 13, pp. 6709-6710.
[572] Vol. 13, 6716-6717.
[573] Vol. 13, 6718-6719.
[574] Testified on May 9, 2018.
[575] *Id.*
[576] Testified on November 14, 2018, January 30, February 20, 2019, March 13, 2019, April 10, 2019, May 8, 2019, and June 19, 2019.
[577] Testified on July 3, 2019.
[578] TSN, Minutes of the Hearing dated May 9, 2018, p. 10.
[579] *Id.*, p. 14.
[580] *Id.*, p. 15.

J[8], K[8], and L[8] in connection with the SDTAT;[581] that the other documents that were subpoenaed pertained to case numbers granted in 2002 to 2003; that those documents were attached to case folders of case records which were already disposed of by the LTFRB;[582] that the documents she was able to bring are as follows: Exhibit E[8] - certified true copy of the Decision dated July 4, 2003 under Case No. **2002-6454**, Exhibit F[8] - LTFRB Decision dated July 1, 2003 under Case No. **2002-6492**, Exhibit G[8] - certified true copy of LTFRB Decision dated July 1, 2003 under Case No. **2002-6493**, Exhibit H[8] - certified true copy of LTFRB Decision dated July 1, 2003 under Case No. **2002-6494**, Exhibit I[8] - certified true copy of LTFRB Decision dated July 1, 2003 under Case No. **2002-6495**, Exhibit J[8] - certified true copy of LTFRB Decision dated July 1, 2003 under Case No. **2002-6498**, Exhibit K[8] - certified true copy of Decision dated July 7, 2003 under Case No. **2002-6500** and Exhibit L[8] - certified true copy of Decision dated July 1, 2003 under Case No. **2002-6501**;[583] that Exhibit E[8] is an Application for Modification of Route with Consolidation of Cases Per Bus Rationalization Project for Metro Manila; that she has not seen the documents that were disposed because she has only been a Records Officer since 2013; and that she has a certification of disposal dated for the year 2002 and 2003 stating that documents for 2002 and 2003 were already disposed of as evidenced by the Certification of National Archive of the Philippines dated May 16, 2013.[584]

The prosecution no longer cross-examined her and Mrs. Iguiron, having concluded her testimony, was discharged as a witness.

The **second witness** the defense presented, ***Mr. Joel Bolano***[585], testified that he is the Chief Transportation Development Officer of the LTFRB;[586] that he has worked in LTFRB for 28 years since January of 1990;[587] that he is currently the Head of the Technical Division, having been promoted last September 2015; that he was issued an SDTAT requiring him to bring the annual reports submitted by PCLC for the year ending December 31, 2004; that he was unable to bring the annual reports because they were submitted in 2004 and he only assumed his position last 2015;[588] that he did not see the physical presence of the 2004 Annual Report of PCLC;[589] that he only became Chief last 2015, and if ever they had it in the office, the Annual Report is only good for five years, after which, it will be disposed; and that if the document exists, they would have been disposed of already.

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[581] *Id.*, p. 17.
[582] *Id.*, pp. 18-19.
[583] *Id.*, pp. 20-21.
[584] *Id.*, p. 27; Exhibits 57 and 58.
[585] Testified on May 9, 2018.
[586] *Id.*, p. 30.
[587] *Id.*, p. 32.
[588] *Id.*, p. 33.
[589] *Id.*, p. 34.

The prosecution declined to subject Mr. Bolano to cross-examination. He was discharged as a witness after concluding his testimony.

The **third witness** of the defense was ***Clarita De Guzman***[590] who testified that she is also known as Claire Dela Fuente; that she knows of PCLC because she is one of the incorporating stockholders thereof; that she stopped being a stockholder thereof because she executed a Deed of Assignment[591] executed on December 23, 1997 in favor of Teofilo De Guzman, the real owner of PCLC, which she presented in court; that when she sold her shares in PCLC, she was not aware of any increase in the authorized capital stock whether subscribed or paid-up;[592] that as Treasurer in trust of PCLC, she received the ₱156,250.00 paid-up capital; that the paid-up capital was used by PCLC for its incorporation and expenses; that she is not the officer responsible for filing the ITR of PCLC for **1998** as charged in **Crim Case No. O-178** and there was nothing to file because PCLC had no operations;[593] that she had no connection with PCLC from 1998 up to 1999; that neither was she required to file or pay PCLC's income tax in 1999; that she has not received any PAN since 1999; that in **Crim Case No. O-174** subject of TY **1999**, she had no obligation to file and pay income taxes thereon because they did not have any business operations;[594] that she was not connected with PCLC from **1999 to 2000**; that she was not the responsible officer to file the ITRs during that period; that she did not receive a PAN for the amount of ₱24,306,480.00 up to the present;[595] that in **Crim Case No. O-172** subject of TY **2000**, she did not receive a PAN for the amount of ₱48,812,544.00; that she is not the person responsible for receiving or paying the same; that she was not connected with PCLC from 2000 up to 2001; that she would give the same answers in **Crim Case No. O-176** subject of TY 2001, for **Crim Case No. O-175** subject of TY 2002; **Crim Case No. O-173** subject of TY 2003, and **Crim Case No. O-177** subject of TY 2004;[596] that neither her nor her employees received an LOA and First Notice of Presentation of Records; that the person who allegedly received the LOA and First Notice of Presentation of Records, Rosie Rellente, has never been connected with her; that she came to know of the existence of such because someone told her about them and gave her a photocopy thereof which she immediately brought to her lawyer, Atty. Marbibi; that she instructed her lawyer to respond to the same since there were no attachments and since she wanted to know what their violations were; that her lawyers sent a Letter dated September 20, 2005 to the BIR[597]; that the BIR did not reply to that letter;

[590] Vol. 13, pp. 6720-6783, TSN, Minutes of the Hearing dated November 14, 2018, p. 13.
[591] Exhibits 7, 7-A, 7-B.
[592] *Id.*, p. 15.
[593] *Id.*, p. 16.
[594] *Id.*, p. 17.
[595] *Id.*, pp. 17-18.
[596] *Id.*, p. 20-21.
[597] Exhibit 16.

She continued to testify that on September 22, 2005, the BIR filed a case against her in the DOJ;[598] that the case filed by the BIR was not only against her but also her late husband, Moises de Guzman (Moises), who died on December 2, 2006;[599] that at the time of his death, the case had not yet reached the CTA; that a Joint Affidavit was executed by the BIR witnesses against her and her husband; that her husband was no longer a stockholder of PCLC from 1999 to 2004 because he was only an incorporator and after incorporation, he gave the stocks to the true owners of PCLC composed of her late brother-in-law, Rolando De Guzman (Rolando), and her late father-in-law, Teofilo De Guzman (Teofilo) as evidenced by a Deed of Assignment dated December 23, 1997[600]; that her late husband executed the Deed of Assignment to assign his PCLC shares to Rolando De Guzman; that she has no knowledge of any other Affidavit that the BIR witnesses presented other than the Joint Affidavit submitted on September 22, 2005;[601] that she came to know that the SEC revoked PCLC's Certificate of Incorporation in 2004 prior to the case filed against her by the BIR in the DOJ;[602] that she knows that PCLC registered with the BIR in 2005 but that year is not the subject of the criminal cases;[603] that PCLC registered only in 2005 because that was the only time it had the capacity to accumulate buses since it had no money from 1998 to 2004; that at the time of registration with the BIR, the transferees Teofilo and Rolando, both surnamed De Guzman, had already died; that the reason PCLC registered with the BIR was because when Rolando was dying, he had a standing debt owing to her friend for franchises purchased by PCLC for which she would be liable so Rolando transferred the ownership of the franchises to her and her husband Moises; that the Certificate of Revocation from the SEC is dated March 15, 2004 but the case was filed in the DOJ on September, 2005; that the ownership of several Franchise Verifications were transferred to her and her husband in satisfaction of the debt of Teofilo and Rolando;[604] and that the "YC" found in the Franchise Verifications means "Year Confirmed" and that if a certain year is indicated in that column, it means that that was the year that the vehicle was registered.[605]

Accused Dela Fuente continued to testify, explaining that "Year of Confirmation" is confirmation coming from the LTFRB that the unit desired to be registered truly exists and this confirmation is given to the LTO; that Franchise Verifications that do not have a year indicated in the "YC" column pertain to units that have been drafted and substituted but not registered;[606] that a corporation that has been issued a franchise does not mean that it has business operations; that when the franchises were transferred to her and her husband Moises in payment of a debt, they had PCLC registered with the BIR as

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[598] *Id.*, p. 26, Exhibits P^4, P^4-1 to P^4-4.
[599] *Id.*, pp. 26-27.
[600] Exhibit 8.
[601] *Id.*, p. 35.
[602] Exhibits FF, FF-1.
[603] *Id.*, p. 37.
[604] Exhibits G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, X, and VV.
[605] *Id.*, p. 46.
[606] *Id.*, p. 47.

evidenced by a Certificate of Registration dated September 27, 2005;[607] that after such registration, they operated the business in 2005 but that year was not the subject of the criminal cases; that she paid percentage taxes upon operation of the business in 2005;[608] that the address of PCLC in the payment form is Rm. 1030, V.V. Soliven Complex in EDSA, Quezon City; that PCLC registered with the BIR in San Juan; that the reason why the BIR has Certifications showing that PCLC has no record of registration from 1999 up to 2004 is because it was only registered in 2005;[609] that the documents presented by the Prosecution from the LTFRB were only photocopies which she cannot verify because no originals were presented;[610] that she did not sign the Annual Report which was the Prosecution's basis for computation of income tax due for 2002 to 2004, the original copy of which was not presented; and that she is willing to have the signature in the Annual Report forensically examined by the NBI to show that it was not her signature although she was uncertain if it was forged or not.

As regards the PAN, Accused Dela Fuente testified that she did not receive a PAN[611] in 2005 but only in 2011; that upon receipt of the PAN in 2011, her lawyer, Atty. Kapunan, filed a Protest Letter[612] to it; that the franchises from 1998 to 2000 have already been cancelled by the LTFRB due to its rationalization program in Metro Manila so only the case numbers starting from 2000 remain;[613] that the Decisions from the LTFRB presented by the Prosecution[614] state that the applicant's authority to ply a certain route under a particular case number is cancelled in favor of another case number and that all the units therein no longer exist;[615] that the case filed by the BIR before the DOJ was dismissed by former DOJ Secretary Agra;[616] that the BIR filed a Motion for Reconsideration of that Resolution which was also dismissed[617]; that afterwards, they filed a second motion for reconsideration with Sec. De Lima[618] which is why these cases are before the CTA; that there were other cases filed against her by the BIR in the RTC[619] and the MTC[620] which were dismissed;[621] and that the remaining cases filed against her are all before the CTA.

During the continuation of her direct examination, Accused Dela Fuente testified that while she has no connection with Rosie Rellente, she received

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[607] Exhibit 17; date of Registration on the exhibit states January 27, 2005.
[608] Exhibits 19 to 38.
[609] *Id.*, p. 51.
[610] *Id.*, p. 52.
[611] Exhibits 111, 111-A to 111-C, V[4].
[612] Exhibits 107, 107-A to 107-K, Q[8].
[613] *Id.*, p. 56.
[614] Exhibits E[8], F[8], J[8], K[8] and L[8].
[615] *Id.*, p. 57.
[616] Exhibit 74.
[617] Exhibit 76.
[618] Exhibit 77.
[619] Exhibits 79, 79-A to 79-AA.
[620] Exhibits 84 to 91.
[621] *Id.*, p. 60; Exhibits 81 to 83, 92.

photocopies of the LOA and the First Notice for Presentation of Records[622] from somebody else;[623] that these were referred to her lawyer who wrote a Letter to the BIR;[624] that there was no reply to that Letter, instead, she discovered that the BIR filed a case against her on national television; that even if the LOA indicated that there was a 30-day period for her to appear, this was not observed by the BIR because the LOA was received on September 13, but the case was filed only nine days later or on September 22; that Commissioner Buñag wrote a Referral Letter[625] to Sec. Raul Gonzales referring the case for preliminary investigation accompanied by the Joint Affidavit of BIR Revenue Officers;[626] that the affiants who signed the Joint Affidavit are the same persons who signed the First Notice for Presentation of Records;[627] that the Joint Affidavit was the basis of filing the seven counts against her although it did not include demands for the years 1998 to 2001 but only for the years 2002 to 2004;[628] that the Reply-Affidavit also makes no mention of the years 1998 to 2002;[629] that she was the one who executed the Counter-Affidavit;[630] that the signature in the Annual Report[631] is not her signature; that she was able to get a certification from the LTFRB that the Financial Statement for the year 2002 that was certified by Ms. Nida Quibic is a certified photocopy of the photocopy of PCLC's Financial Statement on file;[632] that during the hearing before the DOJ, she kept asking complainants for original copies thereof which they failed to present; that she requested original copies so that she could compare them to her specimen signatures on cash return checks[633] during the years in question; that the certifications of various BIR offices stating that PCLC has no records is but expected because it was only in 2005 that PCLC started operating;[634] that she paid percentage taxes due to PCLC's operations from January to December 2005;[635] that prior to 2005, she was not connected with PCLC and was not operating business under PCLC;[636] that she had the various Franchise Verifications presented by the Prosecution marked as her evidence to show that they were only secured on June 8, 2005 and not prior to that;[637] that remarks made in the Franchise Verification stating "then with finality MTN correction DG72104" means that all corrections were made in 2004; that due to the rationalization old case numbers were cancelled and assigned new case numbers;

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[622] Exhibits 1, 1-A, 2, 2-A.
[623] Vol. 13, pp. 6787-6843; TSN, Minutes of the Hearing dated January 30, 2019, p. 5.
[624] Exhibit 16.
[625] Exhibits P^4, P^4-1 to P^4-4.
[626] *Id.*, p. 8, Exhibits P^4-5 to P^4-12.
[627] Exhibits 2, 2-A, B, B-1, B-2, B-3.
[628] *Id.*, p. 10.
[629] Exhibits Q^4, Q^4-1 to Q^4-11.
[630] Exhibits 59, U^8.
[631] Exhibits HH, HH-1 to HH-8.
[632] Exhibits 61, 61-A.
[633] Exhibits 62 to 62-Z, 62-AA to 62-JJ.
[634] *Id.*, p. 18.
[635] *Id.* at Note 608.
[636] *Id.*, p. 23.
[637] Exhibits 40-46, including sub-markings.

and that all franchises presented as evidence by the Prosecution have already been cancelled as evidenced by the Decisions.[638]

As regards the testimony of the Prosecution's main witness, Accused Dela Fuente testified[639] that the franchises he testified to have already been cancelled;[640] and that all the units that he claims to have based the income tax due of PCLC are merely estimates.[641]

Upon submission of her Judicial Affidavit[642], Accused Dela Fuente testified that she was the one who executed the same; that her signature is the same as the signature appearing on the document;[643] and that she read the same and affirms the correctness and truthfulness of its contents, including the exhibits mentioned therein.

Subsequently, Accused Dela Fuente moved to have the original Judicial Affidavit she submitted expunged to be replaced with an Amended Supplemental Affidavit which the Court granted.[644]

Accused Dela Fuente testified that she was the one who executed the Amended Supplemental Judicial Affidavit; that her signature is the same as the signature appearing on the document; that the signature in the Attestation portion thereof is that of her lawyer; that she understands the contents of her affidavit and affirms the correctness and truthfulness thereof, including all of its attachments;[645] that she identified common exhibits and defense exhibits therein.

By way of Amended Supplemental Judicial Affidavit,[646] Accused Dela Fuente additionally testified that she marked common exhibits as defense exhibits to show that exhibits admitted by the Court are hearsay and inadmissible because no original copies were presented and the custodians of the documents or those who issued certifications were not presented;[647] that prior to 2005, there were no actual units and no documents covering units under a franchise that existed because the units were either no longer functioning or not existing which is why she dispensed with several of her documentary evidence; that she did not adopt some of the Prosecution's exhibits as her own because they failed to present competent persons to testify on the document's existence and

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[638] *Id.*, pp. 30-34.
[639] Vol. 13, pp. 6848-6878; TSN, Minutes of the Hearing dated February 20, 2019, p. 5.
[640] *Id.* at Note 637, Exhibits 40-46, including sub-markings.
[641] *Id.*, pp. 6-17.
[642] Vol. 14, pp. 6959-7009, with Attachments at pp. 7010-7362.
[643] Vol. 14, p. 7364; Vol. 15, pp. 7415; TSN, Minutes of the Hearing dated May 8, 2019, p. 4.
[644] Vol. 15, pp. 7879-7921; TSN, Minutes of the Hearing dated June 19, 2019, p. 7.
[645] *Id.*, pp. 9-11.
[646] Vol. 15, pp. 7430-7482, Amended/Supplemental Judicial Affidavit of Clarita De Guzman a.k.a. Clarita Dela Fuente.
[647] *Id.*, p. 7431.

genuineness of the documents; that the Memorandum dated May 12, 2005 signed by Arnel SD Guballa[648] was not attached to the Joint-Affidavit Complaint presented to the DOJ and was presented only in the CTA; that while the investigation of the Prosecution started on May 12, 2005, she was not invited for Preliminary Conference/Investigation from that time up to the time the Complaint was filed;[649] that PCLC operated business in 2005 but prior to commencement of operations it registered and secured a TIN; that the Prosecution was notified[650] of the various Deeds of Assignments[651] executed by her and her late husband in favor of Rolando prior to filing the complaint with the DOJ; that PCLC did not hold an election of the Board of Directors and officers after its incorporation prior to the execution of the Deeds of Assignments because she and her husband were only nominees in the formation of the corporation and were not the real stockholders;[652] that she was not connected to and was not a responsible officer of PCLC form 1997 to 2004 as the SEC Certificate of Registration was already revoked as of March 15, 2004; that after being sued by the DOJ, she ceased operating the business for the remaining months of 2005 and the succeeding years;[653] that the Prosecution's own evidence showed lack of business operation, lack of members of the board and officers elected, lack of revenue, lack of receipts and financial statements; that the reason why the RDOs of Pasig, Valenzuela, and Novaliches have no records in their file of PCLC's returns from 1998 to 2004 is because PCLC is an active registrant of RDO 42, San Juan;[654] that since registration of PCLC was revoked by the SEC on March 15, 2004, Complainant BIR knew that PCLC had no more legal personality when it filed the criminal complaint and, hence, it cannot be sued;[655] that there was no corporation that needed to be dissolved from 2001 to 2004 because its legal existence was revoked before it started operating business in 2005; that she secured certifications from the LTFRB stating that the Annual Report are just certified photocopies of the photocopies on file with the LTFRB;[656] that she was not afforded due process and she was persecuted from 2005 to 2010; that all the criminal cases filed against her have no factual and legal basis; that she only saw the letter referring her case for Preliminary Investigation in the CTA hearing;[657] that after PCLC's incorporation, the actual owner of PCLC did not operate business in 1997 up to 2004;[658] that Teofilo and Rolando died before she started operating a few units under the PCLC franchises but only after she registered it with the BIR in RDO San Juan and got its TIN in 2005 and only after she received franchises with the effectivity of July 23, 2003 from Rolando; that less than ten units were inspected and verified as existing and qualified for operation as a public utility in 2004 and 2005;

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[648] Exhibits Q7, Q7-1, 109.
[649] *Id.*, p. 7433.
[650] Exhibits 16 and 16-A.
[651] Exhibits 7 to 7-B, 8 to 8-A, 9-B, 10 to 10-A, 11 to 15.
[652] *Id.*, p. 7434.
[653] *Id.*, p. 7435.
[654] *Id.*, p. 7437; Exhibit X^7.
[655] *Id.*, p. 7439.
[656] *Id.*, p. 7442; Exhibits 61, 61-A.
[657] *Id.*, p. 4757, Exhibit P^4 with submarkings.
[658] *Id.*, p. 7458.

that she did the foregoing acts not as an owner of PCLC but merely to save PCLC franchises after the start of the rationalization program of the LTFRB in 2001 to 2004; that she availed of the tax amnesty without prejudice to her defense so that she would not be unjustly persecuted and her agony would not be prolonged;[659] that original copies of franchises should be presented since there are no actual units functioning as public utilities in the franchises issued by the LTFRB; that the units are actually not existing or still need to be confirmed as existing in order for a bus operator to conduct business;[660] that upon raising her concern with the DOJ, the DOJ should have requested the appropriate government agencies to safekeep the records or requested its custody so that they would not be subjected to disposal; that the NIC was dated after the filing of the criminal cases in court and served only to her lawyer and not her, thus she was not afforded the opportunity to present her side;[661] that she also did not receive the PAN as it was served to her lawyer; that RO Bernal's testimony is not true as the Notice for Preliminary Conference, PAN, FAN, Audit Result Assessment Notice (ARAN) were served to her lawyer when the cases were already being tried by the CTA;[662] and that most of the Prosecution's evidence are mere xerox copies where the custodian of the original copies and the person issuing the certifications were not presented which makes them hearsay and inadmissible.[663]

During ***cross-examination,*** Accused Dela Fuente testified that PCLC was incorporated in the SEC in 1996;[664] that the reasons the Deed of Assignment in favor of the assignees shows an execution date a year after the incorporation was because after PCLC was registered in 1996, she and her husband had already executed an undated Deed of Assignment which they gave to the assignees who were the real owners in good faith; that she and her husband were only the ones who were tasked to process the incorporation of PCLC because the real owners did not know how;[665] that she allowed herself to be an incorporator of PCLC because it was the request of her father-in-law, Teofilo; that she was requested to do so because she used to be a bus operator of King of Kings; that the reason she accommodated the request was because her father-in-law had limited mobility at the time and she could not decline; that her father-in-law was around 60 years old at the time of the request and his health was already deteriorating because he died two years later, in 1998;[666] that she failed to inform the SEC of the Deed of Assignment of Shares; that the IMBOA she referred to in her JA is an acronym for Integrated Metro Bus Operators Association; that it is not necessary to be a bus operator to be a President of IMBOA because, to be President, one only needs to be popular and know how to speak well to represent the organization; that she is a professional singer although she also previously

[659] *Id.*, p. 7460; Exhibit 65.
[660] *Id.*, p. 7469.
[661] *Id.*, p. 7472.
[662] *Id.*, p. 7477.
[663] *Id.*, pp. 7432,
[664] Exhibits C, C-1, C-2, C-3, 3, 3-A.
[665] *Id.*, p. 19.
[666] *Id.*, p. 20.

operated King of Kings from 1990 to 1995 which closed down due to bankruptcy;[667] that when a complaint was filed against her in the DOJ, the attachments included assessments from 2002 to 2004 based on photocopies of the Annual Report and Financial Statement;[668] that when she became President of IMBOA in 2000, she was representing another company called Roman Cameron; that she denies being Treasurer, President or Manager of PCLC;[669] that despite being an incorporator of PCLC, she had nothing to do with the company and let her in-laws manage it because it was difficult to intervene and they never asked her to do anything for them; that from 1996 to 2004, she did not acquire any bus units for PCLC; that she decided to register PCLC in 2005 because when her brother-in-law, Rolando, developed a heart condition in 2004, he suggested to give PCLC to her and her husband as repayment of their debt and for them to operate as he rued letting PCLC go to waste;[670] that she no longer invested shares in PCLC in 2005 but merely bought around five (5) buses; that after the complaint was filed against PCLC in 2005, it no longer operated profitably so they stopped operations because they were disheartened that it was made the subject of litigation and it pained her because it caused the death of her husband in 2006;[671] that her husband died of cancer, but prior to his death, he told her that he no longer wanted to live because he could not afford to pay whatever his creditors were claiming since he was not earning anything and did not have any involvement whatsoever; that her husband asked why this happened to them; and that, in her opinion, she was being persecuted by the government because of the RATE program wherein they targeted high profile taxpayers or big fish to serve as an example to the public.[672]

The defense waived ***redirect examination.*** Upon ***interpolation of the Court,*** Accused Dela Fuente testified that PCLC was registered in 1996 with the SEC only but not with the BIR; that it was only registered with the BIR in 2005; that between 1996 and 2005, she has no knowledge if PCLC filed any document with the SEC because she merely negotiated with her father-in-law and brother-in-law; that when they executed a Deed of Assignment in her favor, she presumed that they would be doing the filing with the SEC;[673] that although her claim is that they are the real owners of PCLC, it is plausible that third parties relied on documents registered with the government; that she is still intent on the forensic examination of her signature on the Annual Report which she claims is forged, but the original thereof was not produced; that the only reason that she continued the operations of PCLC in 2005 is that she requested her brother-in-law to turn over the franchise to her in repayment of his debt to her;[674] that she and her husband had difficulty reconstructing the papers of PCLC when they took over because there were no documents previously kept; that the Deed of

[667] *Id.*, p. 22.
[668] *Id.*, p. 23.
[669] *Id.*, p. 25.
[670] *Id.*, p. 27.
[671] *Id.*, p. 28.
[672] *Id.*, p. 29.
[673] *Id*, p. 32.
[674] *Id.*, p. 35.

Assignment was executed in 1995 but the same was notarized in 1996; that the shares of stock of her in-laws were not transferred under her name;[675] that the registration of PCLC was originally under her name and the shares of her in-laws were not transferred to her and could no longer be transferred because they were already deceased and could not execute the transfer; that since the shares of stocks were transferred in 2005, she was no longer the owner; that even if there was a Deed of Assignment in 1996 transferring her shares to her in-laws, as far as the SEC is concerned, she and her husband remained stockholders of PCLC because the transfer was not recorded in the SEC records;[676] and that despite the Deed of Assignment, she remained stockholder of record from 1996 up to 2005.

After concluding her testimony, Accused Dela Fuente was discharged as a witness.

The **fourth witness** of the defense, ***Teresita Gutierrez,*** testified that she is a bus operator of Miami Transport Corporation;[677] that she executed a Judicial Affidavit[678] which she identified; that the signature on the Judicial Affidavit is hers; that she understands the contents thereof and attests to its correctness and truthfulness; that Atty. Marbibi's signature appears on the same; that the documents that she mentioned in her Judicial Affidavit already form part of the records of the case; and she also identified exhibits that were not part of the records of the case but which were pre-marked during the Commissioner's Hearing.

By way of Judicial Affidavit[679], Ms. Gutierrez additionally testified that when she met Accused Dela Fuente in 1990, Accused Dela Fuente was a bus operator of King of Kings and a Liaison Officer of several transport companies;[680] that after Accused Dela Fuente's business, King of Kings, suffered bankruptcy, she ventured into the food industry, catering and restaurant business, buy and sale of goods and continued her singing career but continued as a liaison officer for transport companies, including being elected as President of IMBOA; that she is the bus operator of Mayamy Transport Corp. which has been in business since 1990;[681] that Mayamy Transport Corp. owns four franchises with 37 buses; that the effectivity of the franchises granted is for five years and that prior to the expiration of the franchise, one either files for an extension or sells the franchise; that approval for the extension takes as long as five years so within a year after the release of the Decision granting the extension of franchise that is about to expire, she has to file another extension;[682] that the transfer or sale of franchise takes around the same period so there are occasions

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[675] *Id.*, p. 36.
[676] *Id.*, p. 39.
[677] Vol. 15, pp. 7932-7977; TSN, Minutes of the Hearing dated June 26, 2019, p. 5.
[678] Exhibit "113" to "113-b".
[679] Docket, Vol. 15, pp. 7859-7875, Judicial Affidavit of Teresita C. Gutierrez.
[680] *Id.*, p. 7860.
[681] *Id.*, p. 7861.
[682] *Id.*, p. 7862.

when it is only after the expiration of the franchise that the LTFRB Decision approving the sale and transfer of franchise is released so the new franchisee has to file for an extension; that while the Decision on the sale and transfer is pending, the original franchise holder uses the franchise;[683] that if a franchise was sold to PCLC, that franchise cannot be used by PCLC for business operation until the approval of the sale and transfer is released; that the original application for issuance of franchise takes about as long; that the length in processing time is usually because of oppositors, claims of ownership by others, intra-corporate conflict, existing claims for damages, injuries or death and other reasons;[684] that upon the approval of the LTFRB of the transfer or sale of a franchise, the franchise holder cannot conduct business until the LTO conducts an inspection of the units under the franchise to make sure they are roadworthy; that if there is a unit that does not pass the inspection, the franchise holder has to make repairs or replace the unit until it passes as roadworthy; that if the unit can no longer be repaired, the franchise holder can file an Application for Substitution of Engine or Substitution of Unit; that the units in a franchise are not inspected at the same time and that, usually, one unit is inspected under the franchise per year;[685] that this is because there are also other units owned by other bus operators to be inspected and it is expensive for bus operators to have units inspected and repaired to be roadworthy; that, in the meantime, the other units under the franchise are not being operated until inspection by the LTFRB and the LTO; that upon the LTO finding the unit roadworthy, the unit cannot be immediately operated until the LTFRB conducts an inspection of the documentation of the unit and the unit itself to see if it is existing; that the inspection process takes a long time especially if body or engine parts have to be sourced and replaced; that after the LTO deems the unit roadworthy, the bus owner has to request for an inspection by the LTFRB; that this inspection is to avoid colorum; that after the inspection by the LTFRB and everything is found to be in order, the LTFRB makes a report of confirmation for the registration as a PUB and issues a yellow plate number for the unit;[686] that when the bus is registered for private ownership, it gets a white plate, but when it is registered as a PUB, it gets a yellow plate; that if a vehicle's registration originated from a provincial LTO Office, one has to request a confirmation or circular from the province of origin confirming the validity of registration before registration in the LTO main office is allowed for change denomination (CD); that inspection of second-hand buses by the LTO take longer and the LTFRB's approval of substitution of unit is difficult; that the CR of the units are not proof of business operation or income received because there are other things to be done after a franchise is issued with units under it;[687] that it takes years before a franchise holder can operate a unit covered by a franchise because of the inspections that have to be conducted and the other documentary submissions; that after registration of a unit with a yellow plate, a franchise holder will need to register

[683] *Id.*
[684] *Id.*, p. 7863.
[685] *Id.*, p. 7864.
[686] *Id.*, p. 7865.
[687] *Id.*, p. 7866.

the business with the BIR, get a Certificate of Registration, TIN, Authority to Print Receipts, apply for Mayor's Permit and get licenses from the LGU before it can operate;[688] that one purchases a franchise despite not being able to operate immediately because it is difficult to apply for a franchise but the franchise is a property right that can be acquired and sold, plus, the value of the franchise appreciates; that at present the market value of franchise per bus ranges from ₱50,000.00 to ₱100,000.00 even if the unit is not roadworthy or not yet confirmed as existing; that if such unit is fit for public use, the market value is raised to ₱5,000,000.00; that Accused Dela Fuente does not own a franchise, PUB, and garage;[689] that while Accused Dela Fuente previously owned a franchise to operate a public utility, she did not renew it when the franchise expired; and that PCLC did not operate business after July 2003 because of the LTFRB rationalization program which prohibited petitions for transfer and approval for one year, up to July 2004 which was followed up with another circular requiring that all units for reinspection and inclusion in the franchise be brand new units.[690]

On ***cross-examination***, Ms. Gutierrez testified that she has been a bus operator for almost thirty years, since 1990;[691] that she owns 37 units; that she is very well familiar with the process in the LTO and the LTFRB as regards the business because she has personally processed their own franchise; that she has a close relationship with Accused Dela Fuente because they share the same line of work; that they see each other in Impounding and chat whenever they get a break at work; that they have known each other since 1990;[692] that the encounters she had with Accused Dela Fuente during processing of impounded vehicles are in relation to King of Kings and not PCLC; that Atty. Marbibi approached her to be corroborative witness because she also knows her and has been friends with her since the 1980s; that she also has friends who have hired Atty. Marbibi as their lawyer; that Accused Dela Fuente is not the owner of PCLC;[693] that it is Accused Dela Fuente's father-in-law and brother-in-law that truly owns PCLC; that PCLC did not operate as a bus company from 1996 to 2004; that the business belongs to the in-laws of Accused Dela Fuente; that when her in-laws filed a Sale and Transfer, the Decision pertaining to that was not released right away so Accused Dela Fuente couldn't have operated during that period;[694] that the Decision she referred to was the Decision rendered by the LTFRB on the sale and transfer of the franchise with accompanying bus; that Accused Dela Fuente was the one who transacted for the purchase of the franchises; that Accused Dela Fuente processed the transaction because she was the buyer and had to follow procedures; that although she is not certain, Accused Dela Fuente was probably authorized to transact on behalf of PCLC even if she was not the

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[688] *Id.*, p. 7867.
[689] *Id.*, p. 7868.
[690] *Id.*, p. 7870.
[691] *Id.* at Note 677, p. 13.
[692] *Id.*, p. 14.
[693] *Id.*, p. 15.
[694] *Id.*, p. 16.

owner because she is familiar with the process;[695] that the seller in the transaction she is referring to was Teofilo De Guzman and PCLC was the buyer; however, she also testified that in that same transaction, Teofilo was the buyer; and that PCLC, as represented by Accused Dela Fuente, purchases franchises from other bus companies.[696]

On ***redirect examination***, Ms. Gutierrez testified that prior to the formation of PCLC, Teofilo was a transport operator of Family Transport; that she was uncertain what happened to Family Transport eventually; and that it was a possibility that it became bankrupt.[697]

The Prosecution waived ***recross-examination.*** However, during the ***interpolation of the Court***, Ms. Gutierrez testified that when she first came to know Teofilo and Accused Dela Fuente, they were both in the transport business; that King of Kings was operated by Accused Dela Fuente then while Teofilo operated Family Transport; that she personally experienced buying and selling of franchises because she has been applying since the 1990s; that she once sold a franchise to her friend involving the Navotas-Alabang line during the '80s;[698] that King of Kings went bankrupt sometime in '95 or '96; that in 1980, Accused Dela Fuente was not operating a transport business yet and was just processing papers; that King of Kings was operating in 1990 while Family Transport operated simultaneously in 1992; that she came to know about PCLC while processing papers for her own line and she and Accused Dela Fuente had hearings for extension of validity on the same dates because the hearings involved different case numbers; that she and Accused Dela Fuente would attend hearings together and would see each other when they had an impound; that she also knows Teofilo personally; that she did not inquire about the documentation of PCLC; that she saw the buses of Family Transport plying routes but did not see buses of PCLC; that she did not see the documentation of PCLC because they kept to themselves; that once a franchise expires, she applies for an extension; that in the interim, while waiting for a Decision on the Application for Extension, they continue to operate; that one has to apply for an extension prior to the expiration of the franchise; that it is not indicated in the Application for Extension how long the extension period should be; that in the case of extensions, once a Decision has been rendered, one can just keep applying for extensions of validity; that for Sale and Transfer, it takes a long time; that buses are allowed to ply routes while awaiting the Decision of an Application for Extension of Validity if such application was filed before the expiry of the franchise;[699] that she applied for a five-year extension but since the Decision doesn't come out right away, she continues operating and just applies for another extension if the Decision still hasn't come out after five years; that this is the

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[695] *Id.*, p. 18.
[696] *Id.*, p. 20.
[697] *Id.*, p. 23.
[698] *Id.*, p. 25.
[699] *Id.*, p. 32.

reason why she has to monitor the progress of the release of the Decision so she can file for an extension prior to expiry;[700] that she has previous experience selling buses as she was able to sell one bus in the 1980s; that excluding the bus that she sold, she has 37 buses currently operating; that she was able to sell ten buses belonging to one case number; that, currently, the number of buses under a single case number depends on how many invoices and OR/CRs can be provided to support the application, although there was no minimum before; that there was a time when one could apply for franchises/case numbers for less than ten (10) buses, but now, it is a requirement that applications must be for ten (10) buses and above;[701] that when she previously transferred ownership of a bus to her friend, she asked her friend to wait for the Sale and Transfer to be processed before operating the buses because if an accident happens while the bus was still under her name, she would be liable;[702] that even if the sale has already been executed, she still does not operate the sold bus until a decision is rendered by the LTFRB approving the sale; that in her experience, applying for a sale and transfer takes a long time similar to applying for a franchise because it affects all other operators plying the same route who have to be notified; that her friend hasn't paid her in full for the sale and transfer as the balance will be due when a Decision has been rendered by the LTFRB;[703] that her friend was amenable to this arrangement because the moratorium ended around 1995 and there were no open franchises available so she had no other option but to buy instead; and that she came to know about PCLC because their hearings were scheduled at the same time as hers but she was not able to see their documentation.[704]

Ms. Gutierrez then concluded her testimony and was discharged as a witness.

The defense then presented its ***fifth and last witness***, **Ms. Zenaida Maranan** who testified that she executed the Judicial Affidavit of Zenaida De Castro as she is also known by that name and identified her signature thereon;[705] that even if her Judicial Affidavit is in English, the contents thereof were explained to her in Tagalog prior to her signing and attesting to the truthfulness of its contents and having it notarized by Atty. Pedro Henato; that Zenaida De Castro is her name from birth and that Zenaida C. Maranan is merely her stage name because she is not legally married to the person she considers her second husband; that she used the name Zenaida C. Maranan as her stage name when running for a Barangay post; and that the signature of the lawyer in her Judicial Affidavit belongs to Atty. Marbibi who signed the document in her presence.[706]

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[700] *Id.*, p. 35.
[701] *Id.*, p. 38.
[702] *Id.*, p. 39.
[703] *Id.*, p. 41.
[704] *Id.*, p. 43.
[705] TSN, Minutes of the Hearing dated July 3, 2019, page 6.
[706] *Id.*, p. 8.

By way of Judicial Affidavit[707], Ms. Maranan additionally testified that she knows Accused Dela Fuente as an actress and a singer; that when they first met, Accused Dela Fuente was President of IMBOA while she was the President of Federation of Jeepney Operators and Drivers Association of the Philippines (FEDOJAP); that she is still currently the President of FEDOJAP even if she is not a jeepney franchise owner or operator;[708] that she is not familiar with PCLC or King of Kings Bus Company; that FEDOJAP was organized for the mutual protection of jeepney operators before government agencies supervising and monitoring transport operators and for the representation of jeepney operators before the Executive Department and the Legislative Department of the Philippines in cases there are laws to be enacted affecting transport public utilities;[709] that Alex Yague who was elected as President of Provincial Bus Operators was also not a franchise owner; and that she believes he was elected because he is an effective speaker, leader who is able to meet with the President of the Philippines.

On ***cross-examination***, she testified that while she has proof that she is the President of FEDOJAP, she did not submit this to the Court; that FEDOJAP is registered with the SEC and her position in the organization can be verified there; that she did not have any identification with her at the time of the cross-examination; that she correctly replied in Question 11 of her JA that Accused Dela Fuente is not the owner of the bus;[710] that she knows this to be true because when she became FEDOJAP President in 2001, they encountered each other during meetings called by either the DOTR, LTO, or LTFRB; that she hasn't seen any documents confirming that Accused Dela Fuente does not own any buses, but she knows that Accused Dela Fuente does not own any buses;[711] that she hasn't seen any documents to prove that Accused Dela Fuente is not a bus operator; that she knows Accused Dela Fuente is not a bus operator because of meetings held with others wherein Accused Dela Fuente represented herself as president of IMBOA;[712] and that her previous testimony stating that Alex Yage has been a president of a transport operator but is not a franchise owner was not based on any document but just on their meetings with each other where they ask each other questions.[713]

During the ***interpolation of the Court***, Ms. Maranan testified that she has a copy of the By-Laws of FEDOJAP in their office; that she has not read the AOI and By-Laws of FEDOJAP because she was only chosen to replace her husband who died in 2001 and they elected her the year after in order to legalize

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[707] *Docket*, Vol. 15, pp. 7923-7927; Judicial Affidavit of Zenaida De Castro @ Zenaida C. Maranan.
[708] *Id.*, p. 7924.
[709] *Id.*, pp. 7924-7925.
[710] *Id.* at Note 705, p. 10.
[711] *Id.*, pp. 10-14.
[712] *Id.*, p. 15.
[713] *Id.*, p. 17.

her position in the Federation; that, initially, she could not believe that she was appointed by the officials of the Federation; that anybody can become president of FEDOJAP as long as the members agree to elect somebody into position;[714] that it doesn't matter if they are members or not, they can still be elected as what happened to her before where only her father who owned a jeep but she was not a member; that her late husband used to be President of FEDOJAP who replaced Sarao when the latter died; that previously when Sarao was the President in 1980, her late husband was the Secretary General and he assumed that post because the membership wanted him to; that when she became President of FEDOJAP, she was not a member of the Federation but was voted into the position; that her father was a member because he owned seven (7) jeepneys; that her late husband did not own jeepneys when he was elected President; that her purpose in testifying was because Atty. Marbibi called her to prove that a president of FEDOJAP can hold office without owning any jeepneys; that Accused Dela Fuente got her as a witness because they spent time together from 2001 to 2001 in meetings talking about how they could help their members; that she initially knew Accused Dela Fuente as a singer but she eventually developed a relationship with her when she got involved with FEDOJAP; that she knows that Accused Dela Fuente does not own any buses because hasn't seen any operating and she doesn't know any buses that Accused Dela Fuente owns;[715] and that she has never seen or heard that Accused Dela Fuente owns any vehicles which is the main reason for her testifying.

Having concluded her testimony, Ms. De Castro was discharged as a witness.

Over the course of the presentation of evidence of the Defense, several Commissioner's Hearings were conducted for the marking of the exhibits for the Defense which initially numbered more than 600. These hearings were conducted on the following dates: February 20, 2019,[716] March 6, 2019,[717] March 13, 2019,[718] April 2, 2019,[719] April 10, 2019,[720] May 16, 2019,[721] May 30, 2019,[722] June 11, 2019,[723] and on June 13, 2019.[724]

On August 16, 2019, the Defense filed a Formal Offer of Exhibits for the Accused.[725] In response, the Prosecution filed a Comment and Opposition (to

[714] *Id.*, p. 20.
[715] *Id.*, p. 24.
[716] Vol. 13, p. 6845.
[717] Vol. 13, pp. 6879-6891.
[718] Vol. 13, pp. 6895-6906.
[719] Vol. 14, pp. 6919-6920.
[720] Vol. 14, pp. 6953-6954.
[721] Vol. 14, pp. 7367-7371.
[722] Vol. 14, pp. 7384-7385.
[723] Vol. 14, pp. 7388-7393.
[724] Vol. 14, pp. 7395-7399.
[725] Vol. 16, pp. 7981-8005, with Annexes at pp. 8006-8482.

Accused FOE) on September 16, 2019.[726]

Based on the Resolution dated October 24, 2019[727], the following exhibits were either admitted or denied, to wit:

Admitted Defense Exhibits

Exhibits	Description
1, 1-A	Faithful Reproduction of the Original Copy of the Letter of Authority dated September 7, 2005 addressed to PCLC[728]
2, 2-A	Faithful Reproduction of the Original Copy of NID First Notice for Presentation of Records to PCLC[729]
3, 3-A, **4, 4-A to 4-J**	PCLC Securities and Exchange Commission (SEC) Registration No. A1996 10092 PCLC Articles of Incorporation[730]
5	FRO - SEC Certificate of Revocation of Certificate of Registration of PCLC[731]
6, 6-A	FRO - BIR Rev. District Office 42 San Juan BIR RDO 42 San Juan Certification Dated June 30, 3005 *(sic)* - Rogelio G. Ancheta, TIN# 235-885-722[732]
7, 7-A, 7-B	Original Copy of Deed of Assignment dated Dec. 23, 1997 executed by Clarita Dela Fuente in favor of Teofilo V. de Guzman of her 1,250 share in PCLC with Certified True Copy of Deed of Assignment dated Dec. 23, 1997 issued by RTC Manila Notarial Section stamped by the RTC Manila as "Certified True Copy"
8, 8-A	Certified True Copy of Deed of Assignment dated Dec. 23, 1997 executed by Moises de Guzman in favour of Rolando de Guzman of 1,235 shares in PCLC issued by RTC Manila Notarial Section stamped by the RTC Manila as "Certified True Copy"

[726] Vol. 16, pp. 8484-8495.
[727] Vol. 16, pp. 8497-8S00.
[728] Common Exhibit; Prosecution's Exhibits A, A-2, A-3, A-4, A-S, A-6, Letter of Authority dated September 7, 2005 with LOA No. 200100016063.
[729] Common Exhibit; Prosecution's Exhibits B, B-1, B-2, B-3, First Notice of Presentation of Records dated September 13, 2005.
[730] Common Exhibit; Prosecution's Exhibits C, C-1, C-2, C-3, D, D-1, D-2, D-3, D-4, D-5, D-6, D-7, SEC Certificate with SEC Reg No. A199610092 signed by Elnora E. Adviento with an Attached Articles of Incorporation of PCLC.
[731] Common Exhibit; Prosecution's Exhibits FF, FF-1, Certificate of Corporate Filing/Information issued by Gerardo F. Del Rosario of the Securities and Exchange Commission.
[732] Actually dated June 30, 2005; Common Exhibit; Prosecution's Exhibits T7, T7-1, Certification dated June 30, 2005 issued by Rogelio G. Ancheta.

9-B	FRO - Deed of Assignment dated Dec. 17, 1999 executed by Moises de Guzman in favor of Rolando de Guzman
10, 10-A	Certified True Copy of Deed of Assignment dated Dec. 17, 1999 executed by Moises de Guzman in favour of Rolando de Guzman of his 15 shares of stocks in PCLC issued by RTC Manila Notarial Section stamped by the RTC Manila as "Certified True Copy"
11	O.R. No. 3283610 for CTC of Deed of Assignment
12	O.R. No. 3284753 for CTC of Deed of Assignment
13	RTC Manila Certification dated Dec. 13, 2005 certifying that the following persons: Clarita dela Fuente, Moises de Guzman, Teresita C. Marbibi, Jennifer Nuque, Jolina Tolentino executed Deed of Assignment and were notarized by Atty. Mario G. Ramos and duly entered in his Notarial Register Book
14	O.R. No. 2753863 proof of payment in securing Certifications from RTC Manila
15	O.R. No. 2752498 proof of payment in securing Certifications from RTC Manila
16, 16-A	Letter of Teresita C. Marbibi to BIR dated Sept. 20, 2005; Last paragraph of the letter re: transfers of shares of stocks of the Sps. Moises and Clarita de Guzman to Teofilo de Guzman and Rolando de Guzman
17, 17-A	FRO- BIR Certificate of Registration dated Jan. 27, 2005 with PCLC TIN 235-683-722-000[733]
18, 18-A, 18-B	FRO-BIR DST Declaration/Return dated Jan. 27, 2005[734] with PCLC TIN 235-885-722-000 dated Jan. 17, 2005[735]
19, 19-A	FRO- Original Monthly Percentage Tax Return January 2005 showing PCLC TIN 235-885-722
20, 20-A	FRO-Tax Payment Receipt Slip showing PCLC TIN 235-885-722
21, 21-A	FRO-Monthly Percentage Tax Return February 2005 showing PCLC TIN 235-885-722
22, 22-A	FRO-Tax Payment Receipt Slip showing PCLC TIN 235-885-722
23, 23-A	FRO-Monthly Percentage Tax Return March 2005 showing PCLC TIN 235-885-722
24, 24-A	FRO-Tax Payment Receipt Slip showing PCLC TIN 235-885-722
25, 25-A	FRO-Monthly Percentage Tax Return April 2005 showing PCLC TIN 235-885-722
26, 26-A	FRO-Tax Payment Receipt Slip showing PCLC TIN 235-885-722
27, 27-A	FRO-Monthly Percentage Tax Return May 2005 showing PCLC TIN 235-885-722
28, 28-A	FRO-Tax Payment Receipt Slip showing PCLC TIN 235-885-722
29, 29-A	FRO-Monthly Percentage Tax Return June 2005 showing PCLC TIN 235-885-722

[733] The submarking of this exhibit has been incorrectly identified as 235-855-722-000 in the Defense's FOE.
[734] Actually dated January 28, 2005 and the date January 27, 2005 referred to the date of transaction.
[735] Actually dated January 28, 2005.

30, 30-A	FRO-Tax Payment Receipt Slip showing PCLC TIN 235-885-722
31, 31-A	FRO-Monthly Percentage Tax Return July 2005 showing PCLC TIN 235-885-722
32, 32-A	FRO-Tax Payment Receipt Slip showing PCLC TIN 235-885-722
33, 33-A	FRO-Tax Payment Receipt Slip showing PCLC TIN 235-885-722
34, 34-A	FRO-Monthly Percentage Tax Return August 2005 showing PCLC TIN 235-885-722
35, 35-A	FRO-Tax Payment Receipt Slip showing PCLC TIN 235-885-722
36, 36-A	FRO-Monthly Percentage Tax Return October 2005 showing PCLC TIN 235-885-722
37	FRO-Tax Payment Receipt Slip
38, 38-A	FRO-Monthly Percentage Tax Return November 2005 showing PCLC TIN 235-885-722
39, 39-A	FRO-Tax Payment Receipt Slip showing TIN 106-090-186[736]
40, 40-A, 40-B, 40-C	Franchise Verification Case No. **2002-6492**, Column YC, Date of Verification, Status[737]
41, 41-A, 41-B, 41-C	Franchise Verification Case No. **2002-6494**, Column YC, Date of Verification, Status[738]
42, 42-A, 42-B, 42-C	Franchise Verification Case No. **2002-6498,** Column YC, Date of Verification, Status[739]
43, 43-A, 43-B, 43-C	Franchise Verification Case No. **2002-6454,** Column YC, Date of Verification, Status[740]
44, 44-A, 44-B, 44-C	Franchise Verification Case No. **2002-6493,** Column YC, Date of Verification, Status[741]
45, 45-A, 45-C	Franchise Verification Case No. **2002-6496,** Column YC, Status[742]
46, 46-A, 46-B, 46-C	Franchise Verification Case No. **2002-6500,** Column YC, Date of Verification, Status[743]
47, 47-A, 47-B, 47-C	Franchise Verification Case No. **2002-6501,** Column YC, Date of Verification, Status[744]
50-AA, 50-AA-1 to 50-AA-4	LTFRB Decision dated July 4, 2003 Case No. 2002-6454; page 2; page 3; bracketed portion showing number

[736] Incorrectly referred to as PCLC TIN 235-885-722 in the Defense's FOE.
[737] Common Exhibit; Prosecution's Exhibits G, G-1 to G-8, LTFRB Franchise Verification Printouts; in relation to Exh. F^8 - cancelled franchises 1998-06796, 2000-00486, 2000-00484.
[738] Common Exhibit; Prosecution's Exhibits H, H-1 to H-8, LTFRB Franchise Verification Printouts; in relation to Exh. H^8 - cancelled franchises 2000-00484/97-08840, 98-06792/2000-00486,98-06791/98-06796.
[739] Common Exhibit; Prosecution's Exhibits I, I-1 to I-8, LTFRB Franchise Verification Printouts; in relation to Exh. J^8 - cancelled franchises 98-06796/99, 2000-00485, 99-12623, 2000-00486, 98-6792.
[740] Common Exhibit; Prosecution's Exhibits J, J-1 to J-8, LTFRB Franchise Verification Printouts; in relation to Exh. E^8 - cancelled franchises 2000-00484, 2000-00485, 2000-00486.
[741] Common Exhibit; Prosecution's Exhibits K, K-1 to K-8, LTFRB Franchise Verification Printouts; in relation to Exh. G^8 - cancelled franchises 2000-00486, 2000-00484, 98-6796, 98-6792, 98-6791.
[742] Common Exhibit; Prosecution's Exhibits L, L-1 to L-8, LTFRB Franchise Verification Printouts; actually refers to Franchise Verification Case No. 2002-6495.
[743] Common Exhibit; Prosecution's Exhibits M, M-1 to M-8, LTFRB Franchise Verification Printouts; in relation to Exh. L^8 - cancelled franchises, 98-06790, 2000-00485, 99-12623, 2000-00486, 98-06792.
[744] Common Exhibit; Prosecution's Exhibits DD, DD-1 to DD-8, LTFRB Franchise Verification Printouts; cancelled franchises 98-06790, 2000-00485, 98-06791, 97-8840.

	of franchises, authorized route, number of units and its validity; bracketed portion on page 2 showing cancelled franchises
52-AA, 52-AA-1 to 52-AA-4	LTFRB Decision dated July 1, 2003 Case No. **2002-6493;** page 2; page 3; bracketed portion showing number of franchises, authorized route, number of units and its validity; bracketed portion on page 2 showing cancelled franchises
53-AA, 53-AA-1 to 53-AA-4	LTFRB Decision dated July 1, 2003 Case No. **2002-6494**; page 2; page 3; bracketed portion showing number of franchises, authorized route, number of units and its validity; bracketed portion on page 2 showing cancelled franchises
54-AA, 54-AA-1 to 54-AA-3	LTFRB Decision dated July 1, 2003 Case No. **2002-6495**; page 2; bracketed portion showing number of franchises, authorized route, number of units and its validity; bracketed portion on page 2 showing cancelled franchises
55-AA, 55-AA-1 to 55-AA-4	LTFRB Decision dated July 1, 2003 Case No. **2002-6498**; page 2; page 3; bracketed portion showing number of franchises, authorized route, number of units and its validity; bracketed portion on page 2 showing cancelled franchises
56-AA, 56-AA-1 to 56-AA-4	LTFRB Decision dated July 1, 2003 Case No. **2002-6500**; page 2; page 3; bracketed portion showing number of franchises, authorized route, number of units and its validity; bracketed portion on page 2 showing cancelled franchises
57-AA, 57-AA-1 to 57-AA-4	LTFRB Decision dated July 1, 2003 Case No. **2002-6501**; page 2; page 3; bracketed portion showing number of franchises, authorized route, number of units and its validity; bracketed portion on page 2 showing cancelled franchises
57	National Archives Certificate of Disposal
58	National Archives Certificate of Disposal
59	Counter-Affidavit
60	FRO- LTFRB Certification dated Dec. 8, 2005
61, 61-A	FRO-LTFRB letter to Atty. Marbibi dated Dec. 9, 2005 certifying that the Annual Reports of PCLC and Clarita dela Fuente are certified true copies of photocopies on file
62 to 62-Z, 62-AA to 62-JJ	Checks
63	FRO-Copy of Rejoinder to Reply
64	FRO- Copy of Supplemental Motion for Suspension
65	Letter of Marbibi Law Office dated Nov. 26, 2007 re: Request for Approval of Availment of Amnesty
66	Notice of Availment of Tax Amnesty
67	Tax Amnesty Payment Form
68	Tax Amnesty Return
69	PCLC Statement of Assets, Liabilities, and Networth (SALN) as of December 31, 2005
70	Deposit Slip

71	DOJ Resolution dated November 24, 2008 issued by the DOJ recommending the filing of informations against the accused
72	DOJ Resolution dated January 18, 2010 dismissing the Petition for Review filed by Accused
73	Motion for Reconsideration filed by Accused of the DOJ Resolution dated January 18, 2010
74	DOJ Resolution dated May 20, 2010 granting the Motion for Reconsideration filed by the Accused
75	BIR Motion for Reconsideration of the DOJ
76	DOJ Resolution dated June 25, 2010 denying BIR Motion for Reconsideration
77	BIR Second Motion for Reconsideration of the Resolution dated June 25, 2010
78	Opposition/Comment dated August 23, 2010 filed by Claire dela Fuente to BIR Second Motion for Reconsideration
79, 79-A to 79-AA	RTC Branch 21, Manila Information Crim. Case Nos. 10-273751 to 10-273778
81	RTC Branch 21, Manila Order dated July 28, 2010, crim. Case Nos. 10-273751-78
82	RTC Branch 21 Order dated September 20, 2010, Crim. Case No. 10-273751-78
83	RTC Branch 21, Manila Entry of Judgment dated March 4, 2011, Crim. Case Nos. 10-273751-78
84, 84-A to 84-C	MTC Branch 22, Manila Information Case No. 11-282970; stamps marked certified true copy; page 2
85, 85-A to 85-C	MTC Branch 22, Manila Information Case No. 11-282971; page 2; stamps marked certified true copy
86 to 90	MTC Branch 22, Manila Information Case Nos. 11-282972 to 11-282976
91	MTC Branch 28, Manila Information Case No. 456380
92	MTC Branch 29 Order dated July 30, 2010, Crim. Case No. **456373**-79-CR;[745] 456380-CR
96	Atty. Teresita C. Marbibi letter dated June 29, 2010 to Acting Secretary Alberto Agra, requesting for copy of the Resolution dated May 20, 2010 and June 25, 2010, be served to the Prosecuting Officers of the BIR[746]
97	Atty. Teresita C. Marbibi letter dated July 15, 2010 to Chief Pros. Claro Arellano and ACSP Miguel gudio, Jr. requesting for directive to State Prosecutor Merba Waga to Comply with the Resolutions dated June 25, 2010 and May 20, 2010
98	DOJ 1st Indorsement dated July 20, 2010, referred to State Pros. Merba Waga the letter of Atty. Teresita C. Marbibi dated July 15, 2010.
100	DOJ Memorandum to Claro Arellano, Pros. General dated July 30, 2010 issued by Pros. Merba Waga in compliance with the directive of Sec. De Lima.
101	Atty. Teresita C. Marbibi letter dated January 29, 2011 addressed to Sec. Leila M. de Lima

[745] Incorrectly described as 4563734-79-CR in the Defense's FOE.
[746] Identified as Atty. Teresita C. Marbibi letter dated January 29, 2010.

102	DOJ Resolution dated November 2, 2010
103	Motion for Reconsideration dated November 12, 2010
104	BIR Comment (Re: Motion for Reconsideration dated November 12, 2010)
105, 105-A, 105-B	BIR NID Letter dated January 17, 2011 addressed to Clarita M. dela Fuente, proof of mailing, proof of receipt/return card[747]
106	Marbibi Law Office letter dated January 21, 2012 to Asst. Comm. James H. Roldan[748]
107, 107-A to 107-K	Kapunan Garcia & Castillo letter dated February 17, 2012 addressed to BIR, Quezon City[749]
108	BIR NID letter Memorandum dated January 28, 2011[750]
109	BIR Memorandum dated May 12, 2005[751]
111, 111-A to 111-C	NID Preliminary Assessment Notice dated January 28, 2011[752]
111-AA, 111-AA-1 to 111-AA-3	Computation of Civil Liabilities for Taxable Years 1998 to 2001[753]
111-BB	Summary of Buses[754]
111-CC, 111-CC-1	BIR NID Memorandum dated September 8, 2011[755]
111-DD, 111-DD-1	BIR NID Formal Letter of Demand dated September 12, 2011[756]
111-EE	Details of Discrepancies addressed to PCLC re: Income Tax and Percentage Tax for 1998 to 2001[757]
111-FF, 111-FF-1 to 111-FF-7	LTFRB letter dated Sept. 17, 2013 addressed to Hon. James H. Roldan[758]
111-GG	LTFRB Certification dated Sept. 17, 2013[759]
111-HH, 111-HH-1 to 111-HH-20	Franchise Verification Printout[760]
111-II	Franchise Verification Printout[761]

[747] Common Exhibit; Prosecution's Exhibits T^4, T^4-1, T^4-2, Letter dated January 17, 2011 signed by Sixto C. Dy, Jr., Chief of National Investigation Division with Registry Receipt.
[748] Common Exhibit; Prosecution's Exhibit X^8; Letter of Marbibi & Associates dated January 21, 2012.
[749] Common Exhibit; Prosecution's Exhibit Q^8; Protest Letter dated February 17, 2002 by Kapunan Garcia and Castillo Law Offices.
[750] Common Exhibit; Prosecution's Exhibit Y^8; Memorandum dated January 28, 2011 approved by Estela V. Sales, Deputy Commissioner.
[751] Common Exhibit; Prosecution's Exhibits Q^7, Q^7-1; Memorandum dated May 12, 2005 signed by Arnel SD Guballa; identified as Exhibit 108.
[752] Common Exhibit; Prosecution's Exhibits V^4, V^4-1; Preliminary Assessment Notice dated January 28, 2011 with Annexes, Details of Discrepancies and Computation of Liabilities.
[753] Common Exhibit; Prosecution's Exhibits W^4, W^4-1 to W^4-3; Computation of Civil Liabilities for Taxable Years 1998 to 2001.
[754] Common Exhibit; Prosecution's Exhibits X^4, X^4-1; Summary of Buses owned by PCLC.
[755] Common Exhibit; Prosecution's Exhibits Z^8; Memorandum dated September 8, 2011 approved by Estela V. Sales, Deputy Commissioner.
[756] Common Exhibit; Prosecution's Exhibits B^8; Formal Letter of Demand dated September 12, 2011.
[757] Common Exhibit; Prosecution's Exhibits B^8-1; Formal Letter of Demand dated September 12, 2011 with Attachments and LBC Receipts and Registry Return Cards.
[758] Common Exhibit; Prosecution's Exhibits M^8; LTFRB Letter dated September 17, 2013 signed by Nida P. Quibic, Information Systems Management Division.
[759] Common Exhibit; Prosecution's Exhibits N^8; LTFRB Certification dated September 17, 2013 signed by Nida P. Quibic, Information Systems Management Division.
[760] Common Exhibit; Prosecution's Exhibits R, R-1 to R-8; LTFRB Franchise Verification Printouts.
[761] Common Exhibit; Prosecution's Exhibit S; LTFRB Franchise Verification Printouts.

111-JJ	Daily Income Bus Company[762]

Denied Defense Exhibits

Exhibits	Description
56	LTFRB Certification dated April 11, 2018[763]
80	Motion to Withdraw Information Crim. Case Nos. 10-273751-78, RTC Branch 21, Manila[764]
93	BIR Motion for Extension of Time to File Petition for Review, RTC Manila Branch 47, Crim. Case No. 11-125485[765]
94	RTC Manila Branch 47 Order dated February 20, 2012, Crim. Case No. 11-125485 withdrawing complainant's motion for extension of time to file petition for review which was granted withdrawn in an Order of February 20, 2012[766]
95	BIR Notice of Appeal (Re: Order dated February 28, 2011), MTC Branch 29, Manila, Crim. Case No. 456373-79-CR[767]
111-JJ-1	Summary of Exhibits Gathered[768]
111-KK	Marbibi Law Office letter dated June 14, 2011 addressed to Asst. Comm. James J. Roldan[769]
51-AA, 51-AA-1 to 51-AA-4	LTFRB Decision dated July 4, 2003 Case No. **2002-6492;** page 2; page 3; bracketed portion showing number of franchises, authorized route, number of units and its validity; bracketed portion on page 2 showing cancelled franchises[770]
48	Memorandum Circular 2002-014[771]
49	Memorandum Circular 2003-024[772]
99	DOJ Memorandum dated July 28, 2010 by Pros. Leila de Lima to State Pros. Merba A. Waga directing Pros. Merba Waga to defer the filing of the motion to withdraw the informations that she filed before the Court of Tax Appeals[773]
110	NO EXH. 110[774]

[762] Common Exhibit; Prosecution's Exhibit T^8-5; Summary of Exhibits Gathered during the Investigation with Annexes.
[763] Denied for failure to identify.
[764] Denied for failure to identify.
[765] Denied for failure to identify.
[766] Denied for failure to identify.
[767] Denied for failure to identify.
[768] Common Exhibit; Prosecution's T^8-1 to T^8-4; Summary of Exhibits Gathered during the Investigation with Annexes; denied for failure to identify. This was, however, considered by the Court in this Decision after finding the exhibit to be sufficiently identified by RO Bernal.
[769] Common Exhibit; Prosecution's P^8; Letter dated June 14, 2011 signed by Teresa C. Marbibi with Annexes; denied for failure to identify.
[770] Denied for failure for the exhibit formally offered to correspond with the document actually marked.
[771] Denied for failure to submit the duly marked exhibit.
[772] Denied for failure to submit the duly marked exhibit.
[773] Denied for failure to present the original for comparison.
[774] Denied for failure to offer any document.

The Defense then rested its case. In the Resolution dated October 24, 2019, the Court ordered the parties to file their respective memoranda.[775]

On November 27, 2019, the Prosecution filed a Memorandum (for the Plaintiff).[776] The Defense, on the other hand, asked for extended periods of time to submit the same[777] which the Court granted[778]. On December 23, 2019, a Memorandum for the Accused was filed by the Defense.[779] A Reply to Memorandum was likewise filed by the Defense on February 5, 2020.[780] However, on even date, the consolidated cases were deemed submitted for decision.[781]

The Issues

The issues in the consolidated cases were summarized in the Pre-Trial Order[782], as follows:

> Whether or not the Accused may be held criminally and civilly liable for the crimes charged in these seven (7) consolidated cases.

The Arguments

The **Prosecution** primarily argues that PCLC engaged in the transport business in 1998 to 2004 where it derived income from its business operations but failed to register as a taxpayer, failed to make and file the returns for the said taxable years, and failed to pay the taxes due thereon. As regards its failure to register, no records of returns and registration can be found with the BIR during the years in question and PCLC only registered and obtained a TIN in 2005, through fraudulent means.

The Prosecution claims that it has presented both testimonial and documentary evidence to prove that PCLC has been operating its business from 1997 to 2004. These include documents and certifications from various government agencies such as the BIR, LTO, SEC, LTFRB, consisting of original issuances of the aforementioned agencies and submissions by PCLC and Accused Dela Fuente in pursuance of operating its transport business, which include, but are not limited to, Deeds of Sale of units of buses with

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[775] *Id.* at Note 727.
[776] Vol. 17, pp. 8501-8569.
[777] Vol. 17, pp. 8572-8574, 8651-8653.
[778] Vol. 17, pp. 8577, 8655.
[779] Vol. 17, pp. 8579-8648.
[780] Vol. 17, pp. 8666-8739.
[781] Vol. 17, p. 8742.
[782] Vol. 7, p. 3429.

accompanying OR/CR, Franchises, Contracts of Lease of garage premises, all designed to show the viability of PCLC to operate. The Summary of Apprehensions the Prosecution obtained from the LTO indicate actual operation of the units during the period in question. The Prosecution claims that the documentary evidence that it presented are admissible in evidence and have probative value, despite being photocopies, as PCLC and Accused Dela Fuente have custody of the originals thereof, and that these show the guilt of PCLC and Accused Dela Fuente beyond reasonable doubt.

In the process of assessing PCLC and Accused Dela Fuente of their civil obligation for unpaid taxes, the Prosecution claims that there was no violation of their constitutional right to due process and equal protection. Notices were regularly issued and served. The civil liabilities were also computed under the "best evidence obtainable rule" which is permitted under the power of the CIR to make assessments. Moreover, the Prosecution was able to prove the civil liabilities of PCLC and Accused Dela Fuente through preponderance of evidence.

The Prosecution likewise maintains that Accused Dela Fuente is a responsible corporate officer of PCLC, having represented herself as President and Representative of PCLC to third parties, and since she is the Treasurer of the company on record with the SEC. As such, she is liable for the violations committed by the corporation. Hence, both Accused are guilty of the crimes charged and are civilly liable for the alleged deficiency income taxes for taxable years 1998 to 2004.

On the other hand, the **Defense** argues that Prosecution failed to prove the guilt of Accused Dela Fuente beyond reasonable doubt. She claims she is not guilty of the crimes charged and merits an acquittal. Charges against PCLC should also have been dropped because a corporation cannot be sued in a criminal complaint. Neither has the civil liability of PCLC been proven by clear and convincing evidence.

The Defense claims that the **first element of the crime charged** - *that income has been received* - has not been proven. Accused Dela Fuente claims that PCLC did not conduct any business operations during the subject period, and that it only began conducting operations in 2005 after the deaths of the real owners, Teofilo and Rolando, during which PCLC obtained a Certificate of Registration from the BIR and paid the necessary percentage taxes.

The evidence of the Prosecution taken from third parties such as those from the SEC, BIR, LTFRB, and LTO, are mere photocopies where the representative or custodian of the documents have not been presented, rendering them inadmissible. The Defense claims that since this is a criminal case, originals should have been produced, but also presented evidence showing that the

original records have been disposed of. Accused Dela Fuente also claims that her signature was forged on several documents such as the Financial Statement for year 2002 and LTFRB Annual Report for 2003-2004, documents that the Prosecution based the computation of civil liability on.

As for the Franchise Verification or Franchises presented by the Prosecution, Accused Dela Fuente claims that the issuance of a franchise does not prove that business operations were conducted or that revenues were received. Franchises issued to PCLC up to TY 2002 were either transfers or sales of transfers, the dates of issuance thereof do not correspond to the date of actual operations as each unit under the franchise is needed to be confirmed to be existing and operational by the LTFRB which takes time. PCLC's existing franchises in 2002 were also mooted in view of the issuance of LTFRB Circulars requiring all units for transport to be brand new. Accused Dela Fuente claims that it was only in 2005 wherein she operated a few units which year is not the subject of these criminal cases.

The Defense likewise argues that the **second element of the crime** - *that Accused be informed of the taxes due* - does not exist. Accused Dela Fuente denies receiving the LOA, PAN, FAN, FAR, FLD and the Prosecution failed to prove that that PCLC or Accused Dela Fuente received it or that Ms. Rellente was authorized to receive the notices on behalf of the company. Accused Dela Fuente also denies any relation to Ms. Rellente, the person shown by the Prosecution to have received the LOA and First Notice of Presentation of Records. The Notice of Investigation, PAN, FAN, FAR, on the other hand, were served to Accused's lawyer and only in 2011 or beyond the 3-year prescriptive period, long after the criminal cases had been filed.

The Defense argues that the presentation of the required assessment notices by the Prosecution during trial is not only a violation of the BIR's own rules and procedures, but also a denial of Due Process. Since no proof was presented that assessment notices were issued, sent or received, the assessments are null and void

The **third element** - that *there has been a willful and deliberate failure to pay* - is also inexistent. The Defense argues that Accused Dela Fuente could not have willfully failed to pay the taxes due since she did not receive the required notices and did not know that taxes were due.

As regards the Prosecution's computation of civil liability, the Defense contends that the BIR's method of computation of tax due, the "Fare Matrix Method" is not a method recognized or authorized by law. As such, the assessments are "naked assessments" based on speculations and conjectures. While an assessment is not necessary before a criminal complaint based on fraud

can be filed, fraud can only be gauged if the first element is proven which the Prosecution failed to establish.

Lastly, the Defense claims that Accused Dela Fuente is not a responsible officer of PCLC. Despite being an incorporator of PCLC, Accused Dela Fuente claims that she, together with the other incorporators and stockholders of PCLC, were just nominees and representatives in the formation of the family corporation of her in-laws, the De Guzmans, but that after incorporation, the corporation did not operate business. The real owners of PCLC are her in-laws, Teofilo and Rolando, both now deceased, who required the incorporators and stockholders to execute a Deed of Assignment in the former's favor. As such, Accused Dela Fuente's participation in the operations of PCLC since 1997 was merely by request of her in-laws and limited to representing PCLC before government agencies on account of her being a prominent personality in transport business. Accused Dela Fuente also claims that she was not responsible to file and pay taxes during the periods in question.

Even if Accused Dela Fuente was an officer of IMBOA, a transport group, she claims that being an owner/operator of a transport business was not a requirement for membership or holding an elective position therein, as testified to by other witnesses. She acquired ownership and control of the franchises of PCLC shortly before the death of Rolando who ceded the existing franchises of the corporation to her and her late husband in payment of his debt around 2004. Accused Dela Fuente claims that she and her husband took over management of PCLC in 2005 and only started operations then. Hence, she cannot be held criminally and civilly liable for the crimes charged during 1998-2004.

The Ruling of the Court

The Informations charge both Accused PCLC and Accused Dela Fuente with violations of Sections 75, 76, and 255 of the NIRC of 1997, as amended, in relation to Section 253 thereof. The relevant provisions are quoted below:

> "**SEC. 255.** *Failure to File Return, Supply Correct and Accurate Information, Pay Tax, Withhold and Remit Tax and Refund Excess Taxes Withheld on Compensation.* - Any person required under this Code or by rules and regulations promulgated thereunder to pay any tax, make a return, keep any record, or supply correct and accurate information, who willfully fails to pay such tax, make such return, keep such record, or supply such correct and accurate information, or withhold or remit taxes withheld, or refund excess taxes withheld on compensation, at the time or times required by law or rules and regulations shall, in addition to other penalties provided by law, upon conviction thereof, be punished by a fine of not less than Ten

thousand pesos (P10,000) and suffer imprisonment of not less than one (1) year but not more than ten (10) years."

"**SEC. 253.** *General Provisions.* -

(a) Any person convicted of a crime penalized by this Code shall, in addition to being liable for the payment of the tax, be subject to the penalties imposed herein: Provided, That payment of the tax due after apprehension shall not constitute a valid defense in any prosecution for violation of any provision of this Code or in any action for the forfeiture of untaxed articles.

(b) Any person who willfully aids or abets in the commission of a crime penalized herein or who causes the commission of any such offense by another shall be liable in the same manner as the principal.

(c) If the offender is not a citizen of the Philippines, he shall be deported immediately after serving the sentence without further proceedings for deportation. If he is a public officer or employee, the maximum penalty prescribed for the offense shall be imposed and, in addition, he shall be dismissed from the public service and perpetually disqualified from holding any public office, to vote and to participate in any election. If the offender is a Certified Public Accountant, his certificate as a Certified Public Accountant shall, upon conviction, be automatically revoked or cancelled.

(d) In the case of associations, partnerships or corporations, the penalty shall be imposed on the partner, president, general manager, branch manager, treasurer, officer-in-charge, and the employees responsible for the violation.

(e) The fines to be imposed for any violation of the provisions of this Code shall not be lower than the fines imposed herein or twice the amount of taxes, interest and surcharges due from the taxpayer, whichever is higher." (Emphasis supplied)

As regards the returns Accused allegedly failed to file, the provisions of Sections 75, and 76 of the NIRC, provides as follows:

"**SEC. 75. Declaration of Quarterly Corporate Income Tax.** - Every corporation shall file in duplicate a quarterly summary declaration of its gross income and deductions on a cumulative basis for the preceding quarter or quarters upon which the income tax, as provided in Title II of this Code, shall be levied, collected and paid. The tax so computed shall be decreased by the amount

of tax previously paid or assessed during the preceding quarters and shall be paid not later than sixty (60) days from the close of each of the first three (3) quarters of the taxable year, whether calendar or fiscal year."

"SEC. 76. Final Adjustment Return. - Every corporation liable to tax under Section 27 shall file a final adjustment return covering the total taxable income for the preceding calendar or fiscal year. If the sum of the quarterly tax payments made during the said taxable year is not equal to the total tax due on the entire taxable income of that year, the corporation shall either:

(A) Pay the balance of tax still due; or

(B) Carry-over the excess credit; or

(C) Be credited or refunded with the excess amount paid, as the case may be.

In case the corporation is entitled to a tax credit or refund of the excess estimated quarterly income taxes paid, the excess amount shown on its final adjustment return may be carried over and credited against the estimated quarterly income tax liabilities for the taxable quarters of the succeeding taxable years. Once the option to carry-over and apply the excess quarterly income tax against income tax due for the taxable quarters of the succeeding taxable years has been made, such option shall be considered irrevocable for that taxable period and no application for cash refund or issuance of a tax credit certificate shall be allowed therefor.

The following are the elements of the crime of violation of Section 255 that must be proven by the Prosecution:

1. The Accused is the person required under the tax code or by rules and regulations to file a return, to pay the tax and supply correct and accurate information;

2. The Accused failed to file a return, to pay the tax and supply correct and accurate information at the time required by law; and

3. Such failure was willful.

Under Sec. 255, there are three modes by which the crime may be committed: a) failure to file a return; b) failure to pay the tax; and c) failure to supply correct and accurate information at the time required by law. Only the first two are relevant to our discussions.

First Element: Accused is Required to File a Return and Pay Taxes

Accused PCLC is a domestic corporation evidenced by its SEC Certificate of Registration, Articles of Incorporation, and By-laws[783], and as such, its income is subject to 30% income tax rate under Section 27 of the NIRC of 1997.

The Certificate of Corporate Filing/information dated July 31, 2012[784] issued by Assistant Director Gerardo F. Del Rosario of the Corporate Filing and Records Division of the SEC states that PCLC was registered on November 18, 1996 with a corporate term of 50 years. The same certificate likewise states that there have been no filings of: a) Amended Articles of Incorporation dissolving the corporation, b) General Information Sheet for 1997-2004, or c) Financial Statements for 1997-2004 as of July 31, 2012.

The Prosecution contends that, as a domestic corporation, PCLC was required to comply with the requirements of declaring its income quarterly, filing its annual adjusted income tax return, and paying the corresponding taxes due thereon for the preceding taxable year, specifically for TYs 1998 to 2004, as it was operating its business.

Section 23 of the NIRC, provides that " a domestic corporation is taxable **on all income derived from sources within and without** the Philippines".[785] On the other hand, the requirement to register as a taxpayer is mandated in Section 236 of the NIRC, as follows:

> **SEC. 236**. *Registration Requirements.* -
>
> **(A) Requirements. -** Every person subject to any internal revenue tax shall register once with the appropriate Revenue District Officer:
>
> (1) Within ten (10) days from date of employment, or
>
> (2) **On or before the commencement of business**, or

[783] Exhibits C, C-1, C-2, C-3, D, D-1, D-2, 0-3, D-4, D-5, D-6, D-7.
[784] Exhibits R^7, R^7-1.
[785] Section 23 (e), NIRC.

(3) Before payment of any tax due, or

(4) Upon filing of a return, statement or declaration as required in this Code.

x x x x x x x x x *(Emphasis supplied)*

Now, was PCLC operating its business during the subject period as to give rise to the obligation to register for a TIN, file returns, and pay taxes?

Accused Dela Fuente categorically denies that PCLC had any business operations from its inception. She claims that **there was nothing to file because PCLC had no operations**, to wit:

ATTY. MARBIBI
Q The Prosecution charges you of non-filing of Income Tax Return for taxable year 1998 and non-payment of alleged Income Tax due in the amount of Php4,523,904.00 which is a subject matter in Criminal Case No. O-178 having been allegedly not filed and paid on or about April 15, 1999. Tell us if you are the responsible officer required to file?

MS. DE GUZMAN
A ***Hinde po ako tsaka wala pong ifa-file, wala pong operation.***[786]

x x x x x x x x x

ATTY. MARBIBI
Q The same thing in Criminal Case No. O-174 wherein it refers to failure to file Income Tax Return of PCLC for taxable year 1999 required to be filed on or before April 15, 2000 in the amount of Twenty-Four Million Three Hundred Six Thousand Four Hundred Eighty Pesos (Php24,306,480.00), said obligation is allegedly your obligation, what can you say to this?

MS. DE GUZMAN
A ***Hinde po wala po kaming operation kaya hinde po totoo 'yon.***[787]

[786] Vol. 13, pp. 6720-6783, TSN, Minutes of the Hearing dated November 14, 2018, p. 16.
[787] *Id.*, p. 17.

When asked if she would give the same answer if she would be asked the same question for the remaining criminal cases, Accused Dela Fuente answered in the affirmative.

Evidentiary Weight of Photocopies of Public Documents

The Prosecution claims that it has submitted credible documentary and testimonial evidence to prove that PCLC was operating the business for the subject years. The Defense priorly posited the argument that since the bulk of the Prosecution's evidence consisted of photocopies bearing the stamp marked "certified copy", "certified xerox copy" its admissibility is in question, moreso because the issuer of the certifications or the custodian of the documents were not presented in Court for authentication and verification.

The Court has already resolved this objection in the **Resolution dated March 22, 2018**[788], where we held that:

> Considering that the exhibits in question on its face appear to be copies certified by the officer having legal custody of the record, these exhibits were admitted in evidence and are *prima facie* evidence of the facts stated therein.[789]
>
> Although trial courts are enjoined to observe strict enforcement of the rules of evidence, however, in connection with evidence which may appear to be of doubtful relevancy, incompetency, or admissibility, it is the safest policy to be liberal, not rejecting them on doubtful or technical grounds, but admitting them unless plainly irrelevant, immaterial or incompetent, for the reason that their rejection places them beyond the consideration of the court, if they are thereafter found relevant or competent; on the other hand, their admission, if they turn out later to be irrelevant or incompetent, can easily be remedied by completely discarding them or ignoring them.[790]

However, in order to accord the proper evidentiary weight to the evidence admitted, the Court's judicial evaluation rested within the guidelines provided by the rules of evidence.

[788] Vol. 13, pp. 6472-6477.
[789] Section 23, Rule 132, Rules of Court.
[790] *Atienza vs. Board of Medicine, et al.*, G.R. No. 177407, February 9, 2011.

Under Section 19, Rule 132 of the Rules of Court, there are two classes of documents, public and private documents; the authenticity of **a private document** must be proved either: (a) by anyone who saw the document executed or written; or (b) by evidence of the genuineness of the signature or handwriting of the maker. It must be emphasized that **the requirement of authentication does not apply to public documents** as they are admissible in evidence even without further proof of their due execution and genuineness.

While a **public document** does not require the authentication imposed upon a private document, **what is necessary is a showing to the court that a record of such public document exists**. Under the rules, the record of public documents may be evidenced by an official publication thereof or by a copy attested by the officer having legal custody of the record;[791] the attestation must state, in substance, that the copy is a correct copy of the original.[792] A **public record of a private document** may be proved by the original record or by a copy attested with a certificate that such officer has the custody.[793] Sections 24, 25 and 27, Rule 132 of the Rules of Court read:

> **"Section 24.** *Proof of official record.* - **The record of public documents** referred to in paragraph (a) of Section 19, when admissible for any purpose, **may be evidenced by** an official publication thereof or by a **copy attested by the officer having the legal custody of the record,** or by his deputy, and accompanied, if the record is not kept in the Philippines, with a certificate that such officer has the custody. If the office in which the record is kept is in foreign country, the certificate may be made by a secretary of the embassy or legation, consul general, consul, vice consul, or consular agent or by any officer in the foreign service of the Philippines stationed in the foreign country in which the record is kept, and authenticated by the seal of his office.
>
> **Section 25.** *What attestation of copy must state.* - Whenever a copy of a document or record is attested for the purpose of evidence, **the attestation must state, in substance, that the copy is a correct copy of the original,** or a specific part thereof, as the case may be. The attestation must be under the official seal of the attesting officer, if there be any, or if he be the clerk of a court having a seal, under the seal of such court.

[791] Section 24, Rule 132 of the Rules of Court.
[792] Section 25, Rule 132 of the Rules of Court.
[793] Section 27, Rule 132 of the Rules of Court.

> **Section 27.** *Public record of a private document.* - An authorized **public record of a private document may be proved by** the original record, or by a copy thereof, **attested by the legal custodian of the record, with an appropriate certificate that such officer has the custody."** (Emphasis supplied)

In *Luis S. Doble, Jr. vs. ABB, Inc./Nitin Desal,*[794] the Supreme Court pronounced that there is no distinction between a certified "xerox copy" and a "true copy" as long as the photocopy is certified by the proper officer of the court, tribunal, agency or office involved or his duly-authorized representative and that the same is a faithful reproduction of the original.

The *Doble* case involved an illegal dismissal complaint by Doble, an engineer who had worked with the company for 19 years. The Labor Arbiter ruled his resignation was involuntary and ordered payment of backwages. On appeal to NLRC, NLRC ruled there was no illegal dismissal and no basis for the award of other monetary claims so Doble appealed to the CA.

The CA dismissed outright Doble's Petition for Certiorari because the assailed NLRC Decision and Resolution attached were mere 'CERTIFIED PHOTOCOP(IES)' and not duplicate originals or certified true copies.

On appeal to the SC, the SC held that the CA gravely erred in dismissing the petition on the ground that the assailed NLRC Decision and Resolution attached were mere "certified photocopies" and not duplicate originals or certified true copies.

Citing *Coca-Cola Bottlers Phils., Inc. v. Cabalo,*[795] the Court in *Doble* quoted, thus:

> The submission of the duplicate original or certified true copy of judgment, order, resolution or ruling subject of a petition for certiorari is essential to determine whether the court, body or tribunal, which rendered the same, indeed, committed grave abuse of discretion. The provision states that either a legible duplicate original or certified true copy thereof shall be submitted. If what is submitted is a copy, then it is required that the same is certified by the proper officer of the court, tribunal, agency or office involved or his duly-authorized representative. **The purpose for this requirement is not difficult to see. It is to assure that such**

[794] G.R. No. 215627, June 5, 2017.
[795] G.R. NO. 144180; January 30, 2006.

> **copy is a faithful reproduction of the judgment, order, resolution or ruling subject of the petition.**
>
> x x x x x x x x x
>
> Indeed, for all intents and purposes, a certified Xerox copy is no different from a certified true copy of the original document. The operative word in the term certified true copy under Section 3, Rule 46 of the Rules of Court is certified. The word means made certain. It comes from the Latin word *certificare* meaning, to make certain. Thus, **as long as the copy of the assailed judgment, order, resolution or ruling submitted to the court has been certified by the proper officer of the court, tribunal, agency or office involved or his duly-authorized representative and that the same is a faithful reproduction thereof, then the requirement of the law has been complied with.** It is presumed that, before making the certification, the authorized representative had compared the Xerox copy with the original and found the same a faithful reproduction thereof. *(Emphasis supplied)*

It is under this guidance that the documents submitted by the Prosecution from the different government agencies, such as the BIR, SEC, LTFRB, LTO, etc. were evaluated. Aside from the certifications & attestations the documents bear, RO Bernal testified that he personally obtained the same from the said government agencies.

The Defense claims that since the documents presented are in connection with a criminal case, originals must be presented. However, this argument fails as the non-presentation of the originals, in these consolidated cases, are among the exceptions enumerated under the Best Evidence Rule.

Sections 3(a), 3(d) and Section 7 of Rule 130 of the Rules of Court, which state:

> **"Section 3. Original document must be produced; exceptions. -** When the subject of inquiry is the contents of a document, no evidence shall be admissible other than the original document itself, except in the following cases:
>
> (a) When the original has been lost or destroyed, or cannot be produced in court, without bad faith on the part of the offeror;
>
> x x x x x x x x x
>
> (d) When the original is a public record in the custody of a public officer or is recorded in a public office.

x x x x x x x x x

> **Section 7. Evidence admissible when original document is a public record.** - When the original of document is in the custody of public officer or is recorded in a public office, its contents may be proved by a certified copy issued by the public officer in custody thereof."

In fact, the Defense was instrumental in presenting evidence for these exceptions to apply when it presented as its witnesses Mrs. Iguiron from the LTFRB and Mr. Bolano from the SEC in **2018**. Mrs. Iguiron testified that documents pertaining to case numbers granted in 2002 to 2003 had already been disposed of[796] and the Defense also presented Certificates of Disposal from the National Archives of the Philippines[797] stating that case folders from 2000 to 2004 were disposed of. Similarly, Mr. Bolano testified that while he did not see the physical presence of the 2004 Annual Report of PCLC as he only assumed his post in 2015, the Annual Report is only good for five years, after which, it will be disposed of.[798]

That being said, *Heirs of Ochoa vs. G.S. Transport Corporation*[799] reminds us of the raison d' etre of the rule exempting public documents from stringent authentication, thus:

> However, it must be remembered that this requirement of authentication only pertains to private documents and "does not apply to public documents, these being admissible without further proof of their due execution or genuineness. Two reasons may be advanced in support of this rule, namely: **said documents have been executed in the proper registry and are presumed to be valid and genuine until the contrary is shown by clear and convincing proof**; and, second, because **public documents are authenticated by the official signature and seals which they bear and of which seals, courts may take judicial notice**."[800] Hence, in a case, the Court held that in the presentation of public documents as evidence, due execution and authenticity thereof are already presumed.[801]

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[796] TSN, Minutes of the Hearing dated May 9, 2018, pp. 18-19.
[797] Exhibits 57 and 58.
[798] TSN, Minutes of the Hearing dated May 9, 2018, p. 34.
[799] G.R. No. 170071, July 16, 2012
[800] *Id.* citing Francisco, Ricardo, J., *Basic Evidence*, 1992 Ed., p. 274.
[801] *Id.* citing *Teoco v. Metropolitan Bank and Trust Company*, G.R. No. 162333, December 23, 2008, 575 SCRA 82, 97.

As the evidence stands, the Defense has presented no clear and sufficient evidence to overcome these presumptions.

Franchises Granted to PCLC to Operate as a Public Utility

As a company engaged in public utility transportation, Accused PCLC necessarily had to obtain Franchises or CPCs to operate. RO Bernal testified that he sought verification with the LTFRB if Accused PCLC was indeed operating its business.

He obtained Franchise Verifications[802] from the LTFRB which showed that PCLC was granted franchises on July 1, 2003, July 4, 2003, July 7, 2003, August 28, 1998, December 6, 2001, September 13, 1998, August 31, 2000, and July 19, 2000, to operate 257 buses from Baclaran-Navotas to Edsa Ayala, Alabang-Malanday via Edsa, Sta. Maria Bulacan-Baclaran NLEX Edsa, Grotto-NAIA via Edsa Fairview, Alabang-Monumento via Edsa, Ayala-Malabon via Edsa, Baclaran-Malabon via Edsa, Baclaran-Monumento via Edsa. The Franchise Verifications proved that Accused PCLC applied for franchises and were granted franchises for specific routes. RO Bernal testified[803] as follows:

> STATE PROS. WAGA
> Q After verification from the BIR that indeed there was no return filed by PCLC from 1997 until 2004 and it was not registered with any RDO office of the BIR, what else did you and your team do?
>
> MR. BERNAL
> A After verifying that PCLC has no records on file from 1997 to 2004, we went to LTFRB to check on various cases.
>
> STATE PROS. WAGA
> Q You said you went to LTFRB, why?
>
> MR. BERNAL
> A Since from SEC, **PCLC is the primary purpose of it, is to be engaged in the transport and shuttle service, we went to LTFRB since it is a regulatory body, handling a certificate of public convenience particularly this E-Bus Operation.**
>
> x x x x x x x x x

[802] Exhibits G, G-1 to G-8, H, H-1 to H-8, 1, 1-1 to I-8, J, J-1 to J-8, K, K-1 to K-8, L, L-1 to L-8, M, M-1 to M-8, N, N-1 to N-8, 0, 0-1 to 0-8, P, P-1 to P-8, Q, Q-1 to Q-8, R, R-1 to R-8, S, S-1 to 5-8, T, T-1 to T-8, U, U-1 to U-8, X, X-1 to X-8, DD, DD-1 to DD-8, R^8 to R^8-20, S^8.
[803] TSN for Hearing on August 07, 2013, pages 16 to 18.

STATE PROS. WAGA
Q You said you went to LTFRB to verify because the LTFRB is a government regulatory body in charge or which has jurisdiction in the issuance of certificate of public convenience?

MR. BERNAL
A Yes, Ma'am.

STATE PROS. WAGA
Q So, you investigated PCLC?

MR. BERNAL
A Yes, Ma'am.

STATE PROS. WAGA
Q **What was the result of that investigation that you conducted in LTFRB as regards the operation of PCLC?**

MR. BERNAL
A **Our verification from LTFRB shows that PCLC from taxable year 1997 to 2004 has applied for franchise and has been granted a franchise and also the acquired existing franchise and that they have other transaction after the grant of the franchise.**

STATE PROS. WAGA
Q So you said that it was issued franchises?

MR. BERNAL
A Yes, Ma'am.

STATE PROS. WAGA
Q **From 1997 to 2004?**

MR. BERNAL
A **Yes, Ma'am.**

STATE PROS. WAGA
Q **In your investigation, how many franchises were issued to PCLC by LTFRB from 1997 to 2004 or the period under your investigation?**

MR. BERNAL

A **PCLC was granted a total of 19 franchises from 1997 to 2004.**

STATE PROS. WAGA
Q Involving how many buses is that franchise from that period?

MR. BERNAL
A **The 19 franchises has a total of 237 number of units all in all.**

STATE PROS. WAGA
Q Now, Mr. Witness, where was the route of these buses as reflected in the franchise that you were able to gather when you conducted the investigation?

MR. BERNAL
A There are lots of routes, there are routes from Alabang-Monumento, Baclaran-Monumento, Ayala-Malanday, Baclaran-Malabon, Alabang-Tenejeros, Baclaran-Sta. Maria, Baclaran-Navotas, Grotto-NAIA, those were the routes of PCLC.

After verification by the Court, the Franchise Verification Summary[804] prepared by RO Bernal corresponds to documents certified by and obtained from the LTFRB. It is reproduced below for reference:

	CASE NUMBER	UNITS	ROUTES	YEAR TOTAL	GRANTED	EXPIRY	YEARS
1	97-08840	15	Alabang-Monumento	15	8/28/98	12/15/02	4.30
2	98-06790	7	Ayala-Malanday			10/16/06	
3	98-06792	9	Baclaran-Malabon		8/31/00	7/9/05	4.85
4	98-06791	10	Ayala-Monumento			7/9/05	
5	98-06796	35	Ayala-Malabon		12/6/01	9/18/05	3.78
6	98-02725	12	Baclaran-Monumento	73	9/30/98	3/4/01	2.43
7	99-12623	8	Alabang-Tenejeros			6/16/04	
8	99-01008	3	Alabang-Malanday	11		2/1/04	
9	2000-00484	20	Baclaran-Monumento		7/19/00	3/1/05	4.62
10	2000-00485	15	Baclaran-Malabon		7/19/00	8/3/05	5.04
11	2000-00486	19	Alabang-Malabon	54		5/29/05	
12	2002-6495	14	Baclaran-Sta. Maria		7/1/03	7/1/08	5.00
13	2002-6454	12	Baclaran-Sta. Maria		7/4/03	7/4/08	5.00
14	2002-6498	11	Alabang-Malanday		7/1/03	12/15/07	4.46
15	2002-6494[805]	13	Baclaran-Navotas		7/1/03	12/15/07	4.46
16	2002-6501	7	Baclaran-Sta. Maria		7/1/03	12/15/07	4.46
17	2002-6492	8	Baclaran-Navotas		7/1/03	7/1/08	5.00
18	2002-6500	5	Grotto-NAIA		7/7/03	7/19/08	5.03

[804] Exhibit R[8].
[805] Indicated as 2002-6492 in the original, but upon verification by the Court, pertains to 2002-6494.

19	2002-6493	14	Baclaran-Sta. Maria	84	7/1/03	7/1/08	5.00
		237		**237**			

The Certifications signed by Nida P. Quibic, Information System Management Division, LTFRB, addressed to James H. Roldan, Assistant Commissioner, NID,[806] which are all marked "Original", also confirms the existence of the 19 franchises granted to PCLC from 1997 to 2002. Attached therewith were certified true copies of Decisions for Case Nos. 2002-6500, 2002-6498, 2002-6493, 2002-6501, 2002-6492, 2002-6494, 2002-6454, a separate Certification for Case No. 2002-6495, and an attestation that the records for the following Decisions are in their custody: 97-08440, 98-02725, 98-06790, 98-06792, 98-06791, 98-06796, 99-01008, 99-12623, 2000-00484, 2000-00485, 2000-00486. Corollarily, all submissions by Accused PCLC to the LTFRB in pursuance of Decisions under the mentioned franchises which the LTFRB has certified are necessarily included in said attestation.

Apart from franchises granted[807], the Prosecution has shown that Accused PCLC submitted numerous petitions for subsequent reapplications and amendments[808], substitutions[809], dropping and cancellation procedures and modification of routes[810], for correction of entry[811] which have been recurring acts instead of just an isolated transaction.

The evidence likewise shows that various documents were submitted by Accused PCLC to the LTFRB to prove operation and capacity to operate, e.g., Lease Contract[812] signifying presence of garage, ORs and CRs[813], Deeds of Absolute Sale[814] of CPCS and/or motor vehicles to PCLC, Formal Offer of

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[805] Exhibits M^8/ 111-FF, 111-FF-1 to 111-FF-7, N^8, and O^8.

[807] Exhibit O^8 showing franchises of 15 units in 1997, 73 units in 1998, 11 units in 1999, 54 units in 2000, 84 units in 2002 granted.

[808] Exhibits TT, TT-1 to TT-2 showing Application for Amendment of Line with consolidation of cases, extension of validity and provisional authority dated June 23, 2002, signed by Clarita de la Fuente.

[809] Exhibits I, II-1, JJ, JJ-1, KK, KK-1, LL, LL-1, OOO, OOO-1, XXX, XXX-1, C^4, C^4-1 showing LTFRB Substitution of Units with Case No. 98-06796 signed by Clarita Dela Fuente for PCLC.

[810] Exhibit E^8, F^8, G^8, H^8, I^8, J^8 , K^8, L^8 showing LTFRB Decisions issued on July 4, 2003 (Case No. 2002-6454), July 1, 2003 (Case Nos. 2002-6492, 2002-6493, 2002-6494, 2002-6495, 2002-6498, 2002-6501), July 7, 2003 (Case No. 2002-6500) by the LTFRB approving the Application by PCLC for the Modification of Route With Consolidation of Cases Per Bus Rationalization Project for Metro Manila of the DOTC With Extension of Validity.

[811] Exhibits WW, WW-1, WW-2 showing Petition of PCLC to correct entry of units filed with LTFRB on May 16, 2003, signed by Clarita de la Fuente.

[812] Exhibits XX, YY showing Contracts of Lease between Mancon Realty Development Corporation and PCLC dated May 16, 2003, and between Apolinar Mariano and PCLC dated January 8, 2002, for the lease of parcels of land covered by TCT No. V-19023 located at Brgy, Dalandanan, Valenzuela City, and TCT Nos. 172341, 103463, 159605 and 103461 located at San Jose Patag, Sta. Maria, Bulacan, respectively, signed by Clarita de la Fuente as President of PCLC.

[813] Exhibits HHH, HHH-1, II, MMM, MMM-1, NNN, NNN-1, PPP, PPP-1, QQQ, QQQ-1, RRR, RRR-1, SSS, SSS-1, TTT, TTT-1, UUU, UUU-1, VVV, VVV-1, WWW, WWW-1, YYY, YYY-1, ZZZ, ZZZ-1, A^4, A^4-1, B^4, B^4-1, Z^4, Z^4-1, A^5, D^5 and D^5-1, E^5, GGG, GGG-1 showing plate nos. PWX-230, CVL-812, PXV-783, PXT-187, PXS-617, PWW-778, PXS-318, TVF-240, MYK-422, and NYM-627 registered in the name of PCLC.

[814] Exhibits ZZ, ZZ-2, ZZ-3, FFF, FFF-1, 49-AAAA, AAA-1, BBB, BBB-1, BBB-2, CCC, CCC-1, CCC-2, CCC-3, DDD, DDD-1, DDD-2, DDD-3, EEE, EEE-1, A^5-1, A^5-2, C^5-1 and C^5-2, E^5-1, E^5-2 showing various Deeds of Absolute

Evidence[815], LTFRB Decisions[816], LTFRB Notices[817], other documents[818] proving ownership by PCLC, and the Annual Report[819] with the balance sheet and income statements.

As regards the Annual Report for 2003-2004 with the balance sheet and income statements which was certified and attested by Lilia A. Espejo-Coloma, OIC, Technical Evaluation Division, LTFRB, Accused Dela Fuente claims that the document is spurious and that her signature therein was forged. The Defense contends that the balance sheet and income statements were not prepared by or ordered to be prepared by Accused, nor were they filed by them with the LTFRB.[820]. The Defense further claims that *"the signatures of Claire dela Fuente appearing in the balance sheet and income statements for 2003 and 2004 are not my (Claire) signatures"*.

It is axiomatic that he who alleges forgery has the burden of proving the same by clear and convincing evidence[821] in court. Burden of proof is the duty of a party to present evidence on the facts in issue necessary to establish his claim or defense by the amount of evidence required by law[822]. It means the obligation

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Sale of Certificate of Public Convenience and/or motor vehicles in 1998 and 1999 (with attached Certificate of Registration) from Clarita Dela Fuente, Aladdin Transit Corp. Dulcemia Bables, Roy Boquiron, Dulcemia Bables, Nerissa Uy/Prince Transport, R Transport Corporation/Rizalina Lamzon, and Aladdin Transport Corporation/ Col. Domingo Hilario to Clarita Dela Fuente and PCLC.

[815] Exhibits RR, RR-1 to RR-2, S5, SS-1, SS-2, UU, UU-1 to UU-5 showing the Formal Offer of Evidence filed on July 28, 2000 and April 22, 2003, filed with the LTFRB, signed by Clarita de la Fuente.

[816] Exhibits PP, PP-1, M^8 showing LTFRB Decision in Case No. NCR-99-12623 with approval by Regional Director Marcelo G. Salud of sale made by Ichiban Land Transport Corp in favor of PCLC of Certificate of Convenience issued in Case No. NCR-93-8881 for & PUB Auto-Truck Airconditioned Units; and LTFRB Letter dated September 17, 2013 signed by Nida P. Quibic, of LTFRB Information Systems Management Division, stating that Decisions issued to PCLC under case nos. 2002-6500, 2002-6498, 2002-6493, 2002-6501, 2002-6492, 2002-6494, 2002-6454 were furnished to BIR ACIR James Roldan.

[817] Exhibits VV and VV-1 showing Second Notice of Hearing dated February 21, 2003, addressed to PCLC, indicating 79 units of bus owned by PCLC.

[818] Exhibits F^5, F^5-1, G^5, G^5-1 to G^5-4, H^5, H^5-1, I^5, I^5-1 to I^5-3, J^5, J^5-1, K^5, K^5-1, K^5-2, L^5, L^5-1, M^5, M^5-1, N^5, N^5-1, N^5-2, O^5, O^5-1, O^5-3 to O^5-4, P^5, P^5-1 and, Q^5, Q^5-1 and, R^5, R^5-1 and S^5, S^5-1, V^5, V^5-1, V^5-3 to V^5-4, W^5, W^5-1, X^5, X^5-1, Y^5, Y^5-1 , I^7, I^7-1, Z^5, Z^5-1, Z^5-3, B^6-1, C^6, C^6-1, D^6-1, E^6, E^6-1, F^6, F^6-1, G^6, G^6-1, H^6, H^6-1, H^6-3, I^6, I^6-1, I^6-3, J^6, J^6-1, K^6, K^6-1, K^6-3, L^6, L^6-1, M^6, M^6-1, N^6, N^6-1, O^6, O^6-1, P^6, P^6-1, Q^6, Q^6-1, R^6, R^6-1, S^6, S^6-1, T^6, T^6-1, U^6, U^6-1, V^6, X^6 to X^6-1, Y^6, Y^6-1, Z^6, Z^6-1, A^7 to A^7-1, B^7, B^7-1, B^7-3, B^7-4, C^7, C^7-1, C^7-3, D^7, D^7-1, D^7-3, E^7, E^7-1, E^7-3, E^7-4, G^7, G^7-1, G^7-3, H^7, H^7-1, H^7-3, J^7, J^7-1, J^7-3, showing PCLC transactions in 1997, 1998, and 1999, represented by its President Clarita de la Fuente and PCLC ownership of bus units and/or motor vehicles with plate nos. NYM-627, NYM-627, PXS-158, PXB-379, PWT-738, NYL-21S (owned by Clarita de la Fuente), PXT-167, PWY-S07, PWY-368, PXV-968, PWZ-679, CRG-805, CRG-803, CRG 369, CRG-819, CRG-B04 and CRG 802, TVY-S85, TVX-433, TVY-329, TVY 339, PWW-495, PXR-927, NY5-191, NXT-69S, NYG 972, PWS-975, PXR-168, PXV-410, PXV-836, NYK-249, NYK-850, PXS-568, PXT-187, PXV-783, PXT-238, PXS-578, PXS-398, PXS-667, PXS-607, PXS-677, PXS-617, PXS 308, PX5-688, PXS-318, PXS-2S8, PKS-687, PWP-389, PWX-738, PXM-851, PWw-778, PWZ-300, PXB 379, PWS-837, PWE-S04, TVF-370, and TVF-240.

[819] Exhibits HH, HH-1 to HH-8 showing the Certified True Copy (CTC) of the Annual Report of PCLC for the year ending December 31, 2004, including numbers for 2004 and 2003, showing PCLC total assets of P17,847,218.00, and the NOTARIZED declaration under oath of Clarita de la Fuente as President of PCLC to the LTFRB.

[820] Exhibit U^8, paragraph 5.2, see also paragraphs 14 and 21 of the Counter-Affidavit.

[821] *Marcela Gonzales Almeida vs. Court of Appeals*, G.R. NO. 159124, JANUARY 17, 2005.

[822] Section 1 of Rule 131, Revised Rules of Court.

imposed upon a party who alleges the existence of a fact or thing necessary in the prosecution or defense of an action to establish it by proof.[823]

The Court notes that while Accused Dela Fuente has repeatedly offered to have her signature forensically examined to prove the alleged forgery, she actually failed to pursue this course of action despite being given permission to do so by the Court.

The Defense filed a Motion for Issuance of Subpoena Duces Tecum (Ms. Lilia Espejo) and Ad Testificandum with Motion for Forensic Laboratory Examination on February 9, 2018.[824]

In a Resolution dated March 22, 2018, the Court granted the Defense's Motion for Forensic Laboratory Examination, but treated the same as a Motion to Refer to NBI for Expert Examination, with a caveat that it was for the account of the Accused to procure the necessary procedural requirements that the Questioned Documents Division of the NBI will need, including payment of a fee, for the NBI to process Accused's request for examination of a questioned document.[825] However, Accused chose to forego pursuing this avenue to prove their allegations, and instead, merely submitted in evidence sample signatures of Accused Dela Fuente on checks[826] when the Court already allowed her to refer the matter to the agency with the necessary expertise to make a forensic evaluation of the questioned document. Consequently, the Defense's allegations of forgery remain unproven and the Annual Report for 2003-2004 certified by the LTFRB continues to enjoy the presumptions of legitimacy and veracity.

As regards the existence of the units under the franchises presented by RO Bernal, Accused Dela Fuente claims that prior to 2005, there were no actual units that existed nor were there any documentation thereof under any franchise because the units were either no longer functioning or existing. In her Amended/Supplemental Judicial Affidavit,[827] she testified thus:

> Q67: What is the relevance, materiality of the need to have the original copies of the exhibits for the prosecution presented?
>
> A: Because **in reality, prior to 2005, there were no actual units, no documents covering units under a franchise, were existing, or allegedly being used in business operations in these franchises issued by LTFRB, for**

[823] Jones on Evidence, 2d.Ed., Section 481.
[824] Vol. 13, pp. 6415-6418, with Annexes at pp. 6419-6440.
[825] Vol. 13, pp. 6472-6477.
[826] Exhibits 62 to 62-Z, 62-AA to 62-JJ.
[827] Vol. 15, pp. 7430-7482, Amended/Supplemental Judicial Affidavit of Clarita De Guzman a.k.a. Clarita Dela Fuente.

> **instance, to PCLC**. Those units are either **no longer nor actually existing, or if existing, are not functioning** for a bus operator to conduct business; thus, we dispensed the presentation of several other documentary evidence, marked as Exhibits about more than 600 Exhibits and testimonial evidence of about 100 witnesses.
>
> x x x x x x x x x
>
> A: x x x As to franchise verifications, I could have told complainant (BIR) even if I am not connected or not the responsible officer of PCLC from 1997 to 2004, the units under each franchise have still to be inspected, verified, if existing; and if existing, being old, dilapidated, second hand units, if still fit to operate as a public utility by the LTO; then inspected by the LTFRB for confirmation on the genuineness of the documents of the units involved included in the franchise before it is allowed registration as a public utility vehicle with yellow plate number by the LTO to ensure the safety, protection, interest, security of the public. **After its incorporation, it appears the actual owner of PCLC did not operate business in 1997 up to 2004** x x x[828]
>
> x x x x x x x x x
>
> A: " x x x and only after **I received the PCLC Franchises with effectivity of July 23, 2003** from Rolando de Guzman and **only after few units less than 10 units were inspected and verified as existing in 2004 and 2005**, and qualified for operation as a public utility, not as an owner of PCLC but to save PCLC franchises after the start of the rationalization program of LTFRB in 2001 to 2004 x x x"[829]

The confirmation by the LTFRB of the existence of the units, accompanied with the proper supporting documentation was testified to by Accused Dela Fuente as the "Year Confirmation" or "YC" indicated in the franchises. In order to verify her other claim that most of the units were likewise cancelled out due the Bus Rationalization Program of the LTFRB in 2001, the Court cross-referenced the **units under a particular franchise with the evidence available to support its existence** in the tables below. These findings of fact *do not include exhibits that are supported by faulty attestations.* In particular, several documents certified by the LTO were not considered by the Court because although they were stamped "Certified True Copy" by the LTO, the

[828] *Id.*, p. 7458.
[829] *Id.*, p. 7459.

attestation merely contains a signature without the name of the custodian of the record and the date the document was attested to.

The tables below include fields for the plate numbers of the units granted under the particular franchise, the "Year of Confirmation", other evidence supporting the existence of the particular unit, apart from the franchise itself, a description of the relevant exhibit, and the weight of the exhibit presented. As can be seen below, the operational lifespan of several units under a particular franchise was extended by virtue of another franchise granted in response to the Bus Rationalization Program.

1. FRANCHISE 97-08840

This franchise was proven by an LTFRB Franchise Verification Printout in the Original, Exhibits N, N-1 to N-8. Granted on **August 28, 1998**, with an expiry date of **December 15, 2002**, authorizing **fifteen (15) units**. Additional units are replacements.

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	**NYG-832**	**2002**	None		
2	**PWP-622**	**2003**	KK, KK-1	LTFRB Substitution of Units signed by Clarita Dela Fuente for PCLC and Approved by Atty. Glenn N. Zaragoza; Isuzu PWT-738 to Isuzu PWP-622; notarized in 2003	Certified & Attested
		2005	DD, DD-1 to DD-8, 47, 47-A, 47-B, 47-C	Franchise Verification Case No. 2002-6501: Cancelled franchise 97-08840 (among others); granted July 1, 2003	Original
			L[8], 57-AA	LTFRB Decisions with Case No. 2002-6501; granted July 1, 2003 Application for Modification of Route with Consolidation of Cases Per Bus Rationalization Project of the DOTC with Extension of Validity (Bus Rationalization) Decision authorized operation of 7 units, including **Isuzu PWP-622**	Certified & Attested to by Quibic in M[8]
3	**PWP-900**	**2003**	DD, DD-1 to DD-8, 47, 47-A, 47-B, 47-C,	Franchise Verification Case No. 2002-6501. Cancelled Franchise 97-08840, among others. (YC 2004); granted July 1, 2003	Original & Attested to by Quibic in M[8]

		2003	KK, KK-1	LTFRB Substitution of Units signed by Clarita Dela Fuente for PCLC and Approved by Atty. Glenn N. Zaragoza; MITS UMZ-273 to Isuzu PWP-900; notarized in 2003	Certified & Attested
			L[8], 57-AA	LTFRB Decision with Case No. 2002-6501; granted July 1, 2003 Bus Rationalization Decision authorized operation of 7 units, including **Isuzu PWP-900**	Certified & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[830] 11/18/01 - Smoke-Belching 8/22/02 - Disregard Traffic Signal 9/17/02 - Driving with Open Door 10/13/05 - Disregard Traffic Signal	
4	**NWW-909**		None		
5	**PWP-389**	**2004**	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498.Cancelled Franchise 97-08840, among others; granted July 1, 2003	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[831] 8/2/04 - Arrogance 8/2/04 - Fail Paint Route 8/2/04 - Install Window Light/Tint 8/2/04 - LTFRB MC-2002-03 8/2/04 - No Body Number 8/2/04 - No EWD 8/2/04 - Seatbelt not worn 8/2/04 - Unauthorized plates	
6	**PXP-629**		J[4]	LTO Apprehension List[832] 3/30/01 - Disregard Traffic Signal 6/3/01 - Smoke-belching 1/31/02 - No head/tail lights 7/18/02 - No head/tail lights	FRO
7	**PXM-851**		J[4]	LTO Apprehension List[833] 9/3/01 - Smoke-belching 11/10/01 - No head/tail lights 11/17/01 - Obstruction 5/12/02 - Obstruction 8/23/02 - No head/tail lights 6/16/04 - Smoke-Belching	FRO

[830] Vol. 11, p. 5754.
[831] Vol. 11, pp. 5753-5754.
[832] Vol. 11, p. 5758.
[833] *Id.*

				7/24/04 - Smoke-Belching	
8	**PWX-738**		J[4]	LTO Apprehension List[834] 10/22/99 - Obstruction	FRO
9	**PWW-778**	**2004**	L, L-1 to L-8, 45, 45-A, 45-C	Franchise Verification Case No. 2002-6495; granted July 1, 2003	Original & Attested to by Quibic in M[8]
			WWW, WWW-1	Certificate of Registration with CR No. 50221203 dated January 8, 1999 for PWW-778 under Original Case No. 97-08840, later on 98-06796	Certified but by LTFRB, Attested to by Quibic in M[8]
			XXX, XXX-1	Substitution of Units for Case No. NCR 98-06796 signed by Clarita Dela Fuente; Validity: September 18, 2000; Replaced Isuzu PWW-778	Certified & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[835] 10/13/01 - No head/tail lights 7/11/02 - Disregard Traffic Signal 7/11/02 - Invalid License 9/5/02 - Smoke-Belching 3/25/04 - Smoke-Belching 7/10/04 - Out of Line 7/10/04 - Out of Line	FRO
			I[8]	LTFRB Decision with Case No. 2002-6495; granted July 1, 2003 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PWW-778**	Certified & Attested to by Quibic in N[8]
10	**PWZ-300**	**2003**	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498; granted: July 1, 2003	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[836] 10/18/00 - Obstruction 8/9/01 - Smoke-belching 7/23/02 - Driving with Open Door 7/23/02 - Obstruction 10/22/02 - Smoke-belching	FRO
11	**PXB-379**		None; all disqualified		

[834] Vol. 11, p. 5755.
[835] Vol. 11, p. 5755.
[836] Vol. 11, p. 5748.

12	**PWS-837**		None; all disqualified		
13	**PXS-158**		None; all disqualified		Dropped & Substituted
14	**PVH-530**		None		Dropped & Substituted
15	**UMZ-362**		None		
16	**PWT-738**		KK, KK-1	LTFRB Substitution of Units signed by Clarita Dela Fuente for PCLC and Approved by Atty. Glenn N. Zaragoza; Franchise Verification Case No. 97-08840; notarized March 19, 2003	Dropped & Substituted Certified & Attested
17	**NYD-476**		None; all disqualified		
18	**PXP-629**		J[4]	LTO Apprehension List[837] 3/30/01 - Disregard Traffic Signal 6/3/01 - Smoke-belching 1/31/02 - No head/tail lights 7/18/02 - No head/tail lights	FRO
19	**PYE-853**	**2005**	DD, DD-1 to DD-8, 47, 47-A, 47-B, 47-C	Franchise Verification Case No. 2002-6501; granted July 1, 2003. Cancelled franchise 97-08840	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[838] 9/30/00 - Disregard Traffic Signal 9/30/00 - Out of line 12/15/00 - Disregard Traffic Signal 12/15/00 - Obstruction 11/28/01 - Obstruction 9/11/02 - No head/tail lights 9/19/02 - Smoke-belching 10/18/02 - Obstruction 5/7/03 - Obstruction 5/7/03 - Out of line 6/22/04 - Smoke-belching 6/22/04 - Failure to Retrofit 11/30/04 - Disregard Traffic Signal	FRO
			L[8], 57-AA	LTFRB Decisions with Case No. 2002-6501 Bus Rationalization Decision authorized operation of 7 units, including **Hino PYE-853**	Certified & Attested to by Quibic in M[8]
20	**UMZ-273**		KK, KK-1	LTFRB Substitution of Units signed by Clarita Dela Fuente for PCLC and Approved by	Dropped & Substituted

[837] Vol. 11, p. 5758.
[838] Vol. 11, p. 5747.

				Atty. Glenn N. Zaragoza; Franchise Verification Case No. 97-08840; notarized March 19, 2003; MITS UMZ-273 to Isuzu PWP-900	Certified & Attested

2. FRANCHISE 98-06790

This was proven by Exhibits OO, OO-1 to OO-4, LTFRB Decision with Case No. NCR-98-06790. Although this was initially denied for failure to present originals for comparison, this was subsequently discovered to have been certified by Mary Jane M. Manajero, Records Officer, and attested to by Quibic in M[8]. The validity of the CPC under this franchise lasted until **October 16, 2001**; authorizing **seven (7) units**.

Moreover, in Exhibits TT, TT-1 to TT-2, the Application for Amendment of Line Under the Route Rationalization Program with Consolidation of Cases, Extension of Validity and Provisional Authority (by PCLC) where Accused Dela Fuente was the Petitioner, there is an admission as to the existence of this Franchise, to wit:

> "1. The **petitioner is a grantee of certificate of public convenience** to operate a PUB aircon for the transportation of passengers and freight **under case no. 98-06790** on the Ayala-Malanday via Edsa **with the use of seven (7) units** x x x"

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	**NYK-611**	**2005**	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498; granted: July 1, 2003	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[839] 3/8/01 - No head/tail lights 7/9/01 - Smoke-belching 7/21/01 - Smoke-belching 11/16/03 - Smoke-belching 2/11/04 - Smoke-belching 12/24/04 - Disregarding traffic signals	FRO
			J[8]	LTFRB Decision with Case No. 2002-6498; granted July 1, 2003. Cancelled franchise 98-06790 Bus Rationalization Decision authorized operation of 11	Certified & Attested to by Quibic in M[8]

[839] Vol. 11, p. 5749.

				units, including **Isuzu NYK-611**	
2	**PWX-230**	**2004**	DD, DD-1 to DD-8, 47, 47-A, 47-B, 47-C	Franchise Verification Case No. 2002-6501; granted July 1, 2003. Cancelled franchise 98-06790	Original & Attested to by Quibic in M[8]
			GGG, GGG-1	Official Receipt No. 6062773-3, Dated March 27, 2003 for PWX-230	Certified & Attested to by Quibic in M[8]
			HHH, HHH-1	Certificate of Registration with CR No. 50213564, dated November 13, 1998 for PWX-230	Certified & Attested to by Quibic in M[8]
			III	Metro Manila Bus Rationalization Project Inspection Report dated March 30, 2003 for PWX-230	Certified & Attested
			J[4]	LTO Apprehension List[840] 12/23/01 - Illegal Overtaking 2/26/02 - Smoke-belching 3/7/02 - Smoke-belching 4/11/04 - No EWD 4/11/04 - Out of line 9/1/04 - No Plate Lights 9/1/04 - No Rear View Mirror	FRO
			L[8], 57-AA	LTFRB Decision with Case No. 2002-6501; granted July 1, 2003; cancelled franchise 98-06790 Bus Rationalization Decision authorized operation of 7 units, including **Isuzu PWX-230**	Certified & Attested to by Quibic in M[8]
3	**PXU-480**		**None**		
4	**PXU-460**		**None**		
5	**PXU-790**		**None**		
6	**PXU-470**	**2004**	DD, DD-1 to DD-8, 47, 47-A, 47-B, 47-C	Franchise Verification Case No. 2002-6501; granted July 1, 2003; cancelled franchise 98-06790	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[841] 10/11/00 - No Head/Tail lights 5/4/01 - Disregard Traffic Signals 5/4/01 - Obstruction 4/17/04 - No red flag/lights	FRO
7	**NYK-613**		**None**		

[840] Vol. 11, p. 5755.
[841] Vol. 11, p. 5762.

3. FRANCHISE 98-06792

This franchise was proven by an LTFRB Franchise Verification Printout in the Original, Exhibits S-1 to S-8. Granted on August 31, 2000, with an expiry date of July 9, 2005, authorizing **nine (9) units.**

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	**PYA-435**	**2001**	None		
			J[4]	LTO Apprehension List[842] 2/23/01 - Disregard Traffic Signals 10/7/04 - Smoke-belching	FRO
2	**NYM-184**	**2002**	None		
		2003	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454; granted: July 4, 2003	Original & Attested to by Quibic in M[8]
		2005	M, M-1 to M-8, 46, 46-A, 46-B, 46-C	Franchise Verification Case No. 2002-6500; granted July 7, 2003. Cancelled franchise 98-06792	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[843] 1/8/03 - Obstruction 1/8/03 - **Out of Line** 10/27/03 - No Rear View Mirror	FRO
			K[8]	LTFRB Decision with Case No. 2002-6500; granted July 7, 2003. Cancelled franchise 98-06792 Bus Rationalization Decision authorized operation of 5 units, including **Fuso NYM-184**	Certified & Attested to by Quibic in M[8]
3	**NVL-695**	**2002**	None		
4	**NYL-544**	**2005**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494; granted July 1, 2003. Cancelled franchise 98-06792	Mega Taxi Original
5	**PWS-825**	**2005**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 98-06792	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[844] 12/12/00 - Smoke-belching 1/26/01 - No Head/Tail Lights	FRO

[842] Vol. 11, p. 5747.
[843] Vol. 11, p. 5750.
[844] Vol. 11, p. 5746.

				1/8/02 - Disregard Traffic Signals 2/15/02 - Seatbelt not Worn 2/15/02 - Unauthorized Plates 10/2/02 - Disregard Traffic Signals 10/2/02 - Out of Line 7/6/04 - Failure to Retrofit	
			G[8], 52-AA	LTFRB Decision with Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 98-06792 Bus Rationalization Decision authorized operation of 14 units, including **Isuzu PWS-825**	Certified & Attested to by Quibic in M[8]
6	**NYR-308**		None; all disqualified		Dropped & Substituted
7	**PWS-729**		None		
8	**NYL-215**		J[4]	LTO Apprehension List[845] 6/10/01 - Smoke-belching 6/13/01 - Smoke-belching 2/7/02 - Illegal Overtaking 5/9/02 - Obstruction 5/14/02 - Smoke-belching 7/27/04 - Smoke-belching 9/27/04 - Dilapidated MV 9/27/04 - No Brake Lights 9/27/04 - Plate Not Visible 11/30/04 - Smoke-belching 12/16/04 - Plate Not Visible 12/16/04 - Seatbelt not Worn	FRO
9	**CPA-264**		None; all disqualified		
10	**PWS-864**		None; all disqualified		
11	**NYL-368**		None; all disqualified		Dropped & Substituted
12	**NYG-902**	**2005**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494; granted July 1, 2003. Cancelled franchise 98-06792	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[846] 7/30/01 - Smoke-belching 5/6/02 - Invalid License 5/6/02 - No Head/Tail Lights 7/3/02 - Fail Use EWD	FRO

[845] Vol. 11, p. 5750.
[846] Vol. 11, p. 5744.

			H[8], 53-AA	LTFRB Decision with Case No. 2002-6494; granted July 1, 2003. Cancelled franchise 98-06792 Bus Rationalization Decision authorized operation of 13 units, including **Isuzu NYG-902**	Certified & Attested to by Quibic in M8
13	**NYK-422**		None; all disqualified		Dropped & Substituted
14	**PXS-657**		None; all disqualified		Dropped & Substituted

4. FRANCHISE 98-06791

This franchise was proven by an LTFRB Decision with Case No. NCR-98-06791 on an Application for Approval of Sale and Transfer of Certificate of Public Convenience to Operate a PUB Auto-Truck Airconditioned Service, Exhibits MM, MM-1 to MM-2. This was originally denied for failure to present originals for comparison, but was subsequently found to be certified by Mary Jane M. Manajero, Records Officer and Attested to by Quibic in M[8]. Granted on **November 18, 1998**, with an expiry date of **July 9, 2000**.

Moreover, in Exhibits TT, TT-1 to TT-2, the Application for Amendment of Line Under the Route Rationalization Program with Consolidation of Cases, Extension of Validity and Provisional Authority (by PCLC) where Accused Dela Fuente was the Petitioner, there is an admission as to the existence of this Franchise, to wit:

> "1. The petitioner is a grantee of certificate of public convenience to operate a PUB aircon for the transportation of passengers and freight under x x x **case no 98-06791** on the line Ayala-Monumento via Edsa with the use of **ten (10) units** x x x"

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	**PXV-968**	**2004**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 98-06791	Certified & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[847] 1/26/02 - Obstruction 5/19/03 - Smoke-belching 8/4/03 - Smoke-belching	

[847] Vol. 11, p. 5762.

			G[8], 52-AA	LTFRB Decision with Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 98-06791 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PXV-968**	Certified & Attested to by Quibic in M[8]
2	**PWY-507**	**2004**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 98-06791	Certified & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[848] 5/25/01 - No Head/Tail Lights 7/8/01 - Smoke-belching 7/6/04 - Disregard Traffic Signals 7/6/04 - Obstruction	FRO
			G[8], 52-AA	LTFRB Decision with Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 98-06791 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PXV-968**	Certified & Attested to by Quibic in M[8]
3	**PWP-946**	**2004**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494; granted: July 1, 2003. Cancelled franchise 98-06791	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[849] 4/28/01 - Smoke-belching 7/2/01 - Smoke-belching 10/5/01 - Smoke-belching 10/18/01 - Smoke-belching 3/12/02 - Smoke-belching 6/5/02 - Smoke-belching 6/21/02 - Failure to Retrofit 6/21/02 - No Brake Lights 6/21/02 - Plate Not Visible 9/13/02 - Obstruction 9/20/02 - Smoke-belching 10/14/02 - Smoke-belching 4/29/03 - No Fare Matrix 4/29/03 - Trip Cutting 8/15/03 - Smoke-belching 9/19/03 - Smoke-belching 4/30/04 - Smoke-belching	FRO

[848] Vol. 11, p. 5748.
[849] Vol. 11, p. 5754.

			H[8], 53-AA	LTFRB Decision with Case No. 2002-6494; granted July 7, 2003. Cancelled franchise 98-06791 Bus Rationalization Decision authorized operation of 13 units, including **Isuzu PWP-946**	Certified & Attested to by Quibic in M[8]
4	**PWY-368**	**2004**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494; granted July 1, 2003. Cancelled franchise 98-06791	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[850] 5/28/01 - Smoke-belching 5/29/02 - Smoke-belching 2/12/03 - Smoke-belching 4/12/03 - Smoke-belching 8/12/04 - Fail Use EWD 8/12/04 - Failure to Retrofit 8/12/04 - Use of Slippers	FRO
			H[8], 53-AA	LTFRB Decision with Case No. 2002-6494; granted July 1, 2003. Cancelled franchise 98-06791 Bus Rationalization Decision authorized operation of 13 units, including **Isuzu PWP-946**	Certified & Attested to by Quibic in M[8]
5	**PWZ-679**	**2004**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 98-06791	Certified & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[851] 4/8/01 - No EWD 4/8/01 - **Out of Line** 6/3/01 - Smoke-belching 9/27/01 - Smoke-belching 8/26/02 - Smoke-belching 2/11/04 - Disregard Traffic Signals 9/6/04 - Dilapidated MV 9/6/04 - Failure to Retrofit 9/6/04 - Seatbelt not Worn 9/29/04 - Disregard Traffic Signals	FRO
			G[8], 52-AA	LTFRB Decision with Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 98-06791	Certified & Attested to by Quibic in M[8]

[850] Vol. 11, p. 5748.
[851] Vol. 11, p. 5756.

				Bus Rationalization Decision authorized operation of 14 units including **Isuzu PWZ-679**	
6	**PXT-167**		J[4]	LTO Apprehension List[852] 4/10/01 - Smoke-belching 4/30/01 - Smoke-belching 6/25/01 - Smoke-belching 8/5/02 - Smoke-belching	FRO
			H[8], 53-AA	LTFRB Decision with Case No. 2002-6494; granted July 1, 2003. Cancelled franchise 98-06791 Bus Rationalization Decision authorized operation of 13 units, including **Isuzu PXT-167**	Certified & Attested to by Quibic in M[8]
7	**PSX-728**		None		
8	**PXS-698**	**2004**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 98-06791	Certified & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[853] 10/7/01 - Disregard Traffic Signals 12/13/01 - No Head/Tail Lights 8/14/02 - Obstruction 8/14/02 - Seatbelt not Worn 11/3/02 - Arrogance 11/3/02 - **Colorum Operation** 11/3/02 - Disregard Traffic Signals 11/3/02 - Invalid Registration 11/26/04 - Obstruction	FRO
			G[8], 52-AA	LTFRB Decision with Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 98-06791 Application for Modification of Route with Consolidation of Cases Per Bus Rationalization Project of the DOTC with Extension of Validity.	Certified & Attested to by Quibic in M8

[852] Vol. 11, p. 5761.
[853] *Id.*

				Decision authorized operation of 14 units including **Isuzu PXS-698**	
9	**NYR-188**		None		
10	**NYM-627**		None; all disqualified		

5. FRANCHISE 98-06796

This franchise was proven by an LTFRB Franchise Verification Printout in the Original, Exhibits O, O-1 to O-8. Granted on **December 6, 2001**, with an expiry date of **September 18, 2005**; authorizing **thirty-five (35) units**.

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	**PXS-288**		None		
2	**PXS-258**		J^4	LTO Apprehension List[854] 3/8/01 - Disregard Traffic Signals 4/11/01 - Smoke-belching 9/2/01 - Smoke-belching 11/16/01 - Illegal Turn 3/21/05 - Disregard Traffic Signals	FRO
			I^8	LTFRB Decision with Case No. 2002-6495; granted July 1, 2003. Cancelled franchise 98-06796 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PXS-258**	Certified & Attested to by Quibic in N^8
3	**PXS-687**	**2004**	G, G-1 to G-8, 40, 40-A, 40-B, 40-C	Franchise Verification Case No. 2002-6492; granted July 1, 2003. Cancelled franchise 98-06796	Original & Attested to by Quibic in M^8
			J^4	LTO Apprehension List[855] 2/15/02 - Smoke-belching 4/23/02 - Smoke-belching 1/25/05 - Smoke-belching	FRO
			O^4, O^4-1 to O^4-6	Pictures issued by Nida T. Quibic, Chief of the Management Information Division of the LTFRB, Pics show buses with plate no. **PXS-687**	Certified & Attested to by Quibic in M^8

[854] Vol. 11, p. 5759.
[855] Vol. 11, p. 5761.

			F[8]	LTFRB Decision with Case No. 2002-6492; granted July 1, 2003. Cancelled franchise 98-06796 Bus Rationalization Decision authorized operation of 12 units including **Fuso PXS-687**	Certified & Attested to by Quibic in M8
4	**PXS-688**		J[4]	LTO Apprehension List[856] 1/7/02 - Disregard Traffic Signals 2/18/03 - Smoke-belching 8/25/03 - Smoke-belching	FRO
			I[8]	LTFRB Decision with Case No. 2002-6495; granted July 1, 2003. Cancelled franchise 98-06796 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PXS-688**	Certified & Attested to by Quibic in N[8]
5	**PXS-597**		II, II-1	LTFRB Substitution of Units signed by Clarita Dela Fuente for PCLC and Approved by Atty. Glenn N. Zaragoza Under Case No. 98-06796 Isuzu PXS-597 to Nissan EBF-616	Dropped & Substituted Certified & Attested
			J[4]	LTO Apprehension List[857] 5/26/01 - Smoke-belching 9/27/01 - No Head/Tail Lights 5/22/02 - Invalid License 5/22/02 - Seatbelt not Worn 5/22/02 - Use of Slippers 9/11/02 - Obstruction	FRO
6	**PXS-588**		JJ, JJ-1	LTFRB Substitution of Units signed by Clarita Dela Fuente for PCLC and Approved by Atty. Glenn N. Zaragoza Date: Sept 16, 2002, Isuzu PXS-588 to Isuzu WMP-651	Dropped & Substituted Certified & Attested to by Quibic in M[8]
7	**PXS-398**		J[4]	LTO Apprehension List[858] 8/7/01 - Smoke-belching 9/16/01 - Smoke-belching 2/18/03 - No Fare Matrix	FRO

[856] *Id.*
[857] *Id.*
[858] Vol. 11, p. 5759.

				2/18/03 - Obstruction 2/18/03 - Trip Cutting 7/14/03 - Smoke-belching	
			I[8]	LTFRB Decision with Case No. 2002-6495; granted July 1, 2003. Cancelled franchise 98-06796 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PXS-398**	Certified & Attested to by Quibic in N[8]
8	**PXS-578**		J[4]	LTO Apprehension List[859] 10/31/00 - Disregard Traffic Signals 10/31/00 - Obstruction 5/12/02 - Smoke-belching 6/27/02 - Smoke-belching 8/10/02 - Disregard Traffic Signals 8/10/02 - Obstruction 9/4/04 - CR/OR Not Carried 9/4/04 - Defective Wipers 9/4/04 - Failure to Retrofit 9/4/04 - Illegal Install Aircon Invalid Registration, No Head/Tail Lights, Out of Line, Unauthorized Plates, Smoke-belching	FRO
			I[8]	LTFRB Decision with Case No. 2002-6495; granted July 1, 2003. Cancelled franchise 98-06796 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PXS-578**	Certified & Attested to by Quibic in N[8]
9	**PXS-388**		J[4]	LTO Apprehension List[860] 5/27/02 - Reckless Driving 9/19/05 - Failure to Retrofit	FRO
			I[8]	LTFRB Decision with Case No. 2002-6495; granted July 1, 2003. Cancelled franchise 98-06796 Bus Rationalization Decision authorized operation of 14 units including **Fuso PXS-388**	Certified & Attested to by Quibic in N[8]
10	**PXS-767**		None; all disqualified		

[859] Vol. 11, p. 5760.
[860] Vol. 11, p. 5759.

11	**PXT-228**		None; all disqualified		
12	**PXS-318**	**2004**	G, G-1 to G-8, 40, 40-A, 40-B, 40-C	Franchise Verification Case No. 2002-6492; granted July 1, 2003. Cancelled franchise 98-06796	Dropped & Substituted Original & Attested to by Quibic in M[8]
			O[4], O[4]-1 to O[4]-6	Pictures issued by Nida T. Quibic, Chief of the Management Information Division of the LTFRB Note: Photos shows bus with plate no. PXS-318	Certified & Attested to by Quibic in M[8]
			F[8]	LTFRB Decision with Case No. 2002-6492; granted July 1, 2003. Cancelled franchise 98-06796 Bus Rationalization Decision authorized operation of 12 units, including **Fuso PXS-318**	Certified & Attested to by Quibic in M[8]
13	**PXT-177**		C[4], C[4]-1	Substitution of Units with Case No. 98-06796 Validity: September 18, 2000 WITHDRAWN: Isuzu PXT-177	Certified & Attested to by Quibic in M[8]
14	**PXS-718**		None; all disqualified		
15	**PXS-617**		TTT, TTT-1	Official Receipt with MVRR No. 90776463 dated July 14, 2000 for PXS-617 Validity: September 18, 2000	Certified but by LTFRB, Attested to by Quibic in M[8]
			UUU, UUU-1	Certificate of Registration with CR No. 53010944 dated July 29, 1999 for PXS-617	Certified but by LTFRB, Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[861] 3/23/01 - Disregard Traffic Signals 8/22/02 - Smoke-belching 8/30/04 - Obstruction 3/16/05 - Smoke-belching	FRO
			I[8]	LTFRB Decision with Case No. 2002-6495; granted July 1, 2003. Cancelled franchise 98-06796	Certified & Attested to by Quibic in N[8]

[861] Vol. 11, p. 5760.

				Bus Rationalization Decision authorized operation of 14 units including **Fuso PXS-617**	
16	**PXT-187**		RRR, RRR-1	Official Receipt with MVRR No. 54288450 dated August 2, 2000 for PXT-187	Certified but by LTFRB, Attested to by Quibic in M[8]
			SSS, SSS-1	Certificate of Registration with CR No. 50234141 dated March 5, 1999 for PXT-187	Certified but by LTFRB, Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[862] 12/6/00 - Obstruction 9/3/02 - Obstruction 8/16/05 - Smoke-belching	FRO
			I[8]	LTFRB Decision with Case No. 2002-6495; granted July 1, 2003. Cancelled franchise 98-06796 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PXT-187**	Certified & Attested to by Quibic in N[8]
17	**PXT-238**		J[4]	LTO Apprehension List[863] 6/3/01 - Smoke-belching 11/22/01 - Disregarding Officer, No EWD 2/14/02 - Smoke-belching 3/3/03 - Smoke-belching 8/18/03 - Smoke-belching	FRO
			I[8]	LTFRB Decision with Case No. 2002-6495; granted July 1, 2003. Cancelled franchise 98-06796 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PXT-238**	Certified & Attested to by Quibic in N[8]
			G[8], 52-AA	LTFRB Decision with Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 98-06791 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PXS-647**	Certified & Attested to by Quibic in M[8]
18	**PXS-647**		G[8], 52-AA	LTFRB Decision with Case No. 2002-6493; granted July 1,	Certified & Attested to by Quibic in M[8]

[862] Vol. 11, p. 5761.
[863] *Id.*

				2003. Cancelled franchise 98-06791 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PXS-647**	
19	**PXS-308**		J[4]	LTO Apprehension List[864] 6/6/01 - Smoke-belching	FRO
20	**PXV-783**		G[8], 52-AA	LTFRB Decision with Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 98-06791 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PXV-783**	Certified & Attested to by Quibic in M[8]
		2005	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 98-06791	Certified & Attested to by Quibic in M[8]
			PPP, PPP-1	Official Receipt with MVRR No. 82504978 dated May 11, 2001	Certified but by LTFRB, Attested to by Quibic in M[8]
			QQQ, QQQ-1	Certificate of Registration with CR No. 52989827 dated April 29, 1999	Certified but by LTFRB, Attested to by Quibic in M[8]
21	**PXV-613**		J[4]	LTO Apprehension List[865] 3/3/01 - Disregard Traffic Signals	FRO
22	**PXS-268**		None; all disqualified		
23	**PXS-607**		J[4]	LTO Apprehension List[866] 10/5/02 - Invalid License, Obstruction, **Out of Line**	FRO
24	**PXS-558**	**2004**	DD, DD-1 to DD-8, 47, 47-A, 47-B, 47-C	Franchise Verification Case No. 2002-6501; granted July 1, 2003. Cancelled franchise 98-06796	Original & Attested to by Quibic in M[8]
25	**PXS-667**	**2004**	G, G-1 to G-8, 40, 40-A, 40-B, 40-C	Franchise Verification Case No. 2002-6492; granted July 1, 2003. Cancelled franchise 98-06796	Dropped & Substituted Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[867]	FRO

[864] *Id.*
[865] Vol. 11, p. 5762.
[866] Vol. 11, p. 5760.
[867] *Id.*

				11/14/01 - Smoke-belching 11/17/01 - Smoke-belching 1/21/02 - Smoke-belching 2/11/02 - Smoke-belching 2/15/02 - Smoke-belching 3/1/02 - Smoke-belching 5/9/02 - Smoke-belching 9/18/02 - Smoke-belching 2/4/03 - Smoke-belching 2/22/03 - Smoke-belching 8/16/03 - Smoke-belching 9/20/03 - Smoke-belching	
			F[8]	LTFRB Decision with Case No. 2002-6492; granted July 1, 2003. Cancelled franchise 98-06796 Bus Rationalization Decision authorized operation of 12 units, including **Fuso PXS-667**	Certified & Attested to by Quibic in M[8]
26	**PXS-657**		None; all disqualified		
27	**NDJ-738**		None; all disqualified		
28	**PXS-378**		None; all disqualified		
29	**PXS-298**		None; all disqualified		
30	**PXS-677**		M, M-1 to M-8, 46, 46-A, 46-B, 46-C	Franchise Verification Case No. 2002-6500; granted July 7, 2003. Cancelled franchise 98-06792	Original & Attested to by Quibic in M[8]
			K[8]	LTFRB Decisions with Case No. 2002-6500; granted July 7, 2003. Cancelled franchise 98-06792 Bus Rationalization Decision authorized operation of 5 units including **Isuzu PXS-677**	Certified & Attested to by Quibic in M[8]
31	**NEP-749**		None; all disqualified		
32	**PXP-999**		OOO, OOO-1	Petition for Substitution of Units with Case No. 98-06796, dated February 9, 1999 WITHDRAWN: Isuzu PXP-999	Certified & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[868] 4/29/01 - Smoke-belching 5/19/01 - Smoke-belching	FRO

[868] Vol. 11, p. 5758.

				7/23/02 - Disregard Traffic Signals, Driving with Open Door 10/17/02 - Disregard Traffic Signals 1/22/03 - Smoke-belching 2/6/03 - Smoke-belching 3/5/03 - Smoke-belching 11/8/03 - Disregard Traffic Signals 11/17/03 - Driving with Open Door 5/13/04 - Disregard Traffic Signals 11/12/04 - Disregard Traffic Signals	
33	**PXS-568**		J[4]	LTO Apprehension List[869] 2/15/02 - Out of Line, Seatbelt not Worn	FRO
			I[8]	LTFRB Decision with Case No. 2002-6495; granted July 1, 2003. Cancelled franchise 98-06796 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PXS-568**	Certified & Attested to by Quibic in N[8]
34	**CHA-239**		None		
35	**TVT-802**		None		
36	**TVT-494**		None		
37	**TVX-713**	**2005**	G, G-1 to G-8, 40, 40-A, 40-B, 40-C	Franchise Verification Case No. 2002-6492; granted July 1, 2003. Cancelled franchise 98-06796	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[870] 2/3/05 - Install Window Light/Tint, Failure to Retrofit	FRO
			F8	LTFRB Decision with Case No. 2002-6492; granted July 1, 2003. Cancelled franchise 98-06796 Bus Rationalization Decision authorized operation of 12 units, including **Isuzu TVX-713**	Certified & Attested to by Quibic in M[8]
38	**PXG-661**		J[4]	LTO Apprehension List[871] 5/21/01 - Smoke-belching 5/9/02 - Smoke-belching	FRO

[869] Vol. 11, p. 5759.
[870] Vol. 11, p. 5763.
[871] Vol. 11, p. 5757.

			H^8, 53-AA	LTFRB Decision with Case No. 2002-6494; granted July 1, 2003. Cancelled franchise 98-06796 Bus Rationalization Decision authorized operation of 13 units, including **Isuzu PXG-661**	Certified & Attested to by Quibic in M^8
39	**TVF-240**		A^4, A^4-1	Official Receipt with MVRR No. 64613160 Note: Dated May 19, 1999 for **TVF-240**	Certified but by LTFRB, Attested to by Quibic in M^8
			B^4, B^4-1	Certificate of Registration with CR No. 52994755 dated November 17, 2000 for **TVF-240**	Certified but by LTFRB, Attested to by Quibic in M^8
			C^4, C^4-1	Substitution of Units with Case No. 98-06796 dated April 16, 1999 REPLACED: Isuzu TVF-240	Certified & Attested to by Quibic in M^8
			J^4	LTO Apprehension List[872] 10/2/01 - Smoke-belching 11/17/01 - No Plate Lights 2/3/02 - Obstruction 1/8/04 - CR/OR not Carried, Out of Line, Seatbelt not Worn 9/7/04 - Smoke-belching	FRO
40	**TVF-370**	**2004**	DD, DD-1 to DD-8, 47, 47-A, 47-B, 47-C	Franchise Verification Case No. 2002-6501; granted July 1, 2003. Cancelled franchise 98-06796	Original & Attested to by Quibic in M^8
			C^4, C^4-1	Substitution of Units with Case No. 98-06796 Note: Dated April 16, 1999 REPLACED: Isuzu TVF-370	Certified & Attested to by Quibic in M^8
			J^4	LTO Apprehension List[873] 5/22/02 - Smoke-belching 4/6/04 - Illegal Display of Sign Board, **Out of Line** 1/27/05 - Smoke-belching	FRO
41	**PYA-105**		J^4	LTO Apprehension List[874] 10/18/02 - Seatbelt not Worn 9/20/02 - Smoke-belching 8/18/03 - Smoke-belching 3/28/06 - Smoke-belching	FRO

[872] Vol. 11, p. 5763.
[873] *Id.*
[874] Vol. 11, p. 5747.

42	**PWW-778**		VVV, VVV-1	Official Receipt with MVRR No. 59671506 dated September 14, 2000	Certified but by LTFRB, Attested to by Quibic in M[8]
			WWW, WWW-1	Certificate of Registration with CR No. 50221203 dated January 8, 1999 for **PWW-778**	Certified but by LTFRB, Attested to by Quibic in M[8]
			XXX, XXX-1	Substitution of Units for Case No. 98-06796 signed by Clarita Dela Fuente REPLACED: **Isuzu PWW-778**	Certified & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[875] 10/13/01 - No Head/Tail Lights 7/11/02 - Disregard Traffic Signals, Invalid License 9/5/02 - Smoke-belching 3/25/04 - Smoke-belching 7/10/04 - **Out of Line**	FRO
			I[8]	LTFRB Decision with Case No. 2002-6495; granted July 1, 2003. Cancelled franchise 98-06796 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PWW-778**	Certified & Attested to by Quibic in N[8]
43	**PYK-282**		None		
44	**PWE-504**		J[4]	LTO Apprehension List[876] 5/7/01 - Disregard Traffic Signals 9/23/02 - Failure to Retrofit, No Plate Lights 9/29/02 - Disregard Traffic Signals, Invalid License, Obstruction, 1/27/03 - Smoke-belching 7/20/04 - No EWD, Out of Line	FRO
45	**CVL-812**		MMM, MMM-1	Official Receipt with MVRR No. 79697406 dated March 19, 2001 for **Isuzu CVL-812**	Certified but by LTFRB, Attested to by Quibic in M[8]
			NNN, NNN-1	Certificate of Registration with CR No. 50236907 dated March 25, 1999 for **Isuzu CVL-812**	Certified but by LTFRB, Attested to by Quibic in M[8]

[875] Vol. 11, p. 5746.
[876] Vol. 11, p. 5753.

			OOO, OOO-1	Petition for Substitution of Units with Case No. 98-06796, dated February 9, 1999 REPLACED: Isuzu CVL-812	Certified & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[877] 11/6/01 - No Plate Lights 5/6/02 - Smoke-belching 6/17/02 - Install Window Light/Tint, No Head/Tail Lights, No Rear View Mirror 8/12/02 - No Head/Tail Lights 9/4/02 - Smoke-belching 12/10/02 - **Out of Line**	FRO
46	**PXB-420**		OOO, OOO-1	Petition for Substitution of Units with Case No. 98-06796, Dated February 9, 1999 REPLACED: Isuzu PXB-420	Certified & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[878] 10/19/01 - Smoke-belching 11/13/01 - Smoke-belching 10/4/02 - CR/OR Not Carried, Invalid Registration, No Franchise/CPC/PA, Out of Line, Unauthorized Plates, 11/16/04 - Smoke-belching 11/27/04 - Smoke-belching	FRO
47	**PYA-182**		None		
48	**PXL-212**	**2003**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454; granted: July 4, 2003	Original & Attested to by Quibic in M[8]
49	**NYM-814**	**2002**	Q, Q-1 to Q-8	LTFRB Franchise Verification Printout, Case No. 98-06796; granted Dec 6, 2001; expires Sept 18, 2005	Original
			J[4]	LTO Apprehension List[879] 11/8/00 - Disregard Traffic Signals, Overloading, 2/19/02 - Smoke-belching	FRO
			O[4], O[4]-1 to O[4]-6	Pictures issued by Nida T. Quibic, Chief of the Management Information Division of the LTFRB Photos show a bus with plate no. **NYM-814**	Certified & Attested to by Quibic in M[8]

[877] Vol. 11, p. 5744.
[878] Vol. 11, p. 5757.
[879] Vol. 11, p. 5750.

50	**WMP-651**		JJ, JJ-1	LTFRB Substitution of Units signed by Clarita Dela Fuente for PCLC and Approved by Atty. Glenn N. Zaragoza Date: Sept 16, 2002 Isuzu PXS-588 to Isuzu WMP-651	Certified & Attested to by Quibic in M[8]
51	**EBF-616**		II, II-1	LTFRB Substitution of Units signed by Clarita Dela Fuente for PCLC and Approved by Atty. Glenn N. Zaragoza Isuzu PXS-597 to Nissan EBF-616	Certified & Attested to by Quibic in M[8]

6. FRANCHISE 98-02725

This franchise was proven by an LTFRB Franchise Verification Printout in the Original, Exhibits R, R-1 to R-8, 111-HH, 111-HH-1 to 111-HH-20. Granted on **September 30, 1998**, with an expiry date of **March 4, 2001**, authorizing **twelve (12)** units.

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	**NYB-212**		None		
2	**NYB-337**		J[4]	LTO Apprehension List[880] 1/26/02 - No Plate Lights	FRO
3	**PVA-772**		None		
4	**NYB-982**		None		
5	**NXW-829**		None		
6	**NYY-543**		None		
7	**NYN-183**		None		
8	**PVA-782**		J[4]	LTO Apprehension List[881] 7/10/01 - Smoke-belching 9/19/03 - Smoke-belching 8/3/05 - Smoke-belching	FRO
9	**NYL-337**		None		
10	**NYL-138**		None		
11	**NXW-737**		None		
12	**NYR-193**		None		

7. FRANCHISE 99-12623

This franchise was proven by an LTFRB Decision with Case No. NCR-99-12623, Decision on Application for Approval of Sale and Transfer of a Certificate of Public Convenience with Extension of validity to Operate an Airconditioned PUB Service, Exhibits PP, PP-1, certified and attested to by

[880] Vol. 11, p. 5744.
[881] Vol. 11, p. 5752.

Ms. Quibic in M[8]. Granted on **August 11, 2000**. This Decision was the approval for a Sale of CPC (Case No. 93-8881, **valid until June 16, 1999**) by Ichiban Land Transport Corp to PCLC involving **eight (8)** units. The CPC validity was **extended by this Decision up to June 16, 2004**.

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	**NYP-895**		None; all disqualified		
2	**NYR-838**	**2004**	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498; granted July 1, 2003. Cancelled franchise 99-12623	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[882] 9/25/00 - Obstruction 4/17/01 - Smoke-belching 11/12/01 - Obstruction 11/18/01 - No Head/Tail Lights 1/29/02 - Obstruction 3/1/02 - Smoke-belching 4/15/02 - Smoke-belching 8/31/02 - Driving with Open Door 11/14/02 - Obstruction, Use of Slippers 11/18/03 - Smoke-belching 7/14/04 - Seatbelt not Worn 12/2/04 - Disregard Traffic Signals 12/7/04 - Obstruction	FRO
			J[8]	LTFRB Decision with Case No. 2002-6498; granted July 1, 2003. Cancelled franchise 99-12623 Bus Rationalization Decision authorized operation of 11 units, including **Isuzu NYR-838**	Certified & Attested to by Quibic in M[8]
3	**NYK-249**	**2004**	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498; granted July 1, 2003. Cancelled franchise 99-12623	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[883] 10/24/00 - Disregard Traffic Signals, Obstruction 10/30/00 - Disregard Traffic Signals, Obstruction 7/3/01 - Obstruction 7/22/01 - Smoke-belching	FRO

[882] Vol. 11, p. 5751.
[883] Vol. 11, pp. 5745, 5749.

				10/30/01 - Smoke-belching 11/5/01 - Disregard Traffic Signals 1/7/02 - Smoke-belching 5/29/02- Smoke-belching 7/31/02 - Illegal Turn 12/2/02 - Smoke-belching 2/3/03 - Smoke-belching 3/4/03 - Smoke-belching 6/5/03 - Smoke-belching 8/13/03 - Smoke-belching 12/2/03 - Smoke-belching	
			J[8]	LTFRB Decision with Case No. 2002-6498; granted July 1, 2003. Cancelled franchise 99-12623 Bus Rationalization Decision authorized operation of 11 units, including **Isuzu NYK-249**	Certified & Attested to by Quibic in M8
4	**PYR-430**		None; all disqualified		
5	**NYP-763**	**2005**	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498; granted July 1, 2003. Cancelled franchise 99-12623	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[884] 11/3/04 - Seatbelt not Worn	FRO
6	**PWW-927**		None; all disqualified		
7	**PWE-494**		None		
8	**CPA-999**		None; all disqualified		

8. FRANCHISE 99-01008

There are no LTFRB Decisions or Franchise Verifications for this particular franchise. However, this franchise was mentioned in LTFRB Decision with Case No. 2002-6498, Exhibit J[8], certified and attested, as having cancelled franchises since July 1, 2003, including Franchise 99-01008 which authorized three (3) units.

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	**NYK-850**		J[4]	LTO Apprehension List[885] 3/27/01 - Obstruction, Reckless Driving 7/22/01 - Smoke-belching	FRO

[884] Vol. 11, p. 5751.
[885] Vol. 11, p. 5749.

				10/18/01 - Obstruction, Reckless Driving 10/28/01 - Smoke-belching 11/21/01 - Smoke-belching 12/28/01 - Disregard Traffic Signals 4/29/02 - Smoke-belching 6/4/02 - Reckless Driving 2/20/03 - Smoke-belching 3/21/03- Smoke-belching 9/25/04 - Smoke-belching 10/6/04 - Seatbelt not Worn 10/10/04 - Obstruction 11/15/05 - Obstruction	

9. FRANCHISE 2000-00484

This franchise was proven by an LTFRB Franchise Verification Printout in the Original, Exhibits T, T-1 to T-8. Granted on **July 19, 2000**, with an expiry date of **March 1, 2005**, authorizing **twenty (20)** units.

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	**PWD-350**	**2002**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 2000-00484	Original & Attested to by Quibic in M^8
			J^4	LTO Apprehension List[886] 4/7/01 - Smoke-belching 6/9/01 - Disregard Traffic Signals 2/19/04 - Smoke-belching	FRO
2	**PWD-310**	**2002**	J^4	LTO Apprehension List[887] 6/30/05 - Smoke-belching	Dropped & Substituted
3	**PWZ-467**	**2004**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454; granted July 4, 2003. Cancelled franchise 2000-00484	
			J^4	LTO Apprehension List[888] 4/29/01 - Smoke-belching 6/14/01 - Smoke-belching 1/11/02 - Smoke-belching 1/14/02 - Smoke-belching 5/16/02 - Smoke-belching	FRO
			E^8, 50-AA	LTFRB Decision with Case No. 2002-6454; granted July 4, 2003. Cancelled franchise 2000-00484	Certified & Attested to by Quibic in M^8

[886] Vol. 11, p. 5753.
[887] *Id.*
[888] Vol. 11, p. 5748.

				Bus Rationalization Decision authorized operation of 12 units including **Isuzu PWZ-467**	
4	**PXN-692**	**2005**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494; granted July 1, 2003. Cancelled franchise 2000-00484	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[889] 5/25/01 - Smoke-belching 5/6/03 - Smoke-belching 7/13/04 - Dilapidated MV, Failure to Retrofit, Invalid License 1/26/05 - Smoke-belching	FRO
			H[8], 53-AA	LTFRB Decision with Case No. 2002-6494; granted July 1, 2003. Cancelled franchise 2000-00484 Bus Rationalization Decision authorized operation of 13 units including **Fuso PXN-692**.	Certified & Attested to by Quibic in M8
5	**NYJ-932**		None; all disqualified		
6	**PWM-454**	**2005**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 2000-00484	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[890] 2/26/02 - Fail Use EWD 9/12/05 - No Head/Tail Lights	FRO
			G[8], 52-AA	LTFRB Decision with Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 98-06791 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PWM-454**	Certified & Attested to by Quibic in M[8]
7	**PWX-757**	**2004**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454; granted July 4, 2003. Cancelled franchise 2000-00484	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[891] 6/27/01 - Smoke-belching	FRO

[889] Vol. 11, p. 5758.
[890] Vol. 11, p. 5753.
[891] Vol. 11, p. 5755.

				6/11/04 - Disregard Traffic Signals 9/7/04 - Failure to Retrofit, Smoke-belching 4/22/05 - Obstruction	
8	**PWZ-517**	**2004**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 2000-00484	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[892] 4/29/03 - Smoke-belching 6/22/04 - Smoke-belching 3/7/06 - Dilapidated MV	FRO
			G[8], 52-AA	LTFRB Decision with Case No. 2002-6493; granted July 1, 2003. Cancelled franchise 98-06791 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PWZ-517**	Certified & Attested to by Quibic in M[8]
9	**PWY-597**	**2004**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454; granted July 4, 2003. Cancelled franchise 2000-00484	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[893] 5/11/98 - Invalid License, Out of Line, Use of Slippers 6/5/02 - Smoke-belching 8/21/02 - Smoke-belching 9/14/04 - Failure to Retrofit, Spurious Documents 1/31/06 - Disregard Traffic Signals	FRO
10	**PWS-724**	**2005**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494; granted July 1, 2003. Cancelled franchise 2000-00484	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[894] 3/3/04 - Smoke-belching 8/25/05 - Smoke-belching	FRO
			H[8], 53-AA	LTFRB Decision with Case No. 2002-6494; granted July 1, 2003. Cancelled franchise 2000-00484 Bus Rationalization Decision authorized operation of 13	Certified & Attested to by Quibic in M8

[892] Vol. 11, p. 5756.
[893] Vol. 11, p. 5748.
[894] Vol. 11, pp. 5754, 5746.

				units including **Isuzu PWS-724**	
11	**PWD-340**	**2004**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494; granted July 1, 2003. Cancelled franchise 2000-00484	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[895] 4/25/01 - Smoke-belching 8/26/02 - Smoke-belching 5/15/03 - Smoke-belching 12/12/05 - Out of Line	FRO
			H[8], 53-AA	LTFRB Decision with Case No. 2002-6494; granted July 1, 2003. Cancelled franchise 2000-00484 Bus Rationalization Decision authorized operation of 13 units including **Isuzu PWD-340**	Certified & Attested to by Quibic in M8
12	**PXD-120**	**2004**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494; granted July 1, 2003. Cancelled franchise 2000-00484	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[896] 2/21/05 - Broken Windshield	FRO
			H[8], 53-AA	LTFRB Decision with Case No. 2002-6494; granted July 1, 2003. Cancelled franchise 2000-00484 Bus Rationalization Decision authorized operation of 13 units including **Isuzu PXD-120**	Certified & Attested to by Quibic in M[8]
13	**NYP-666**		None; all disqualified		
14	**PMU-298**		None		
15	**NYK-491**		None; all disqualified		
16	**NYS-224**		None; all disqualified		
17	**NYS-444**		None; all disqualified		
18	**NYP-543**		None; all disqualified		
19	**NYP-666**		None; all disqualified		
20	**PWU-298**		J[4]	LTO Apprehension List[897] 5/7/01 - Smoke-belching	FRO

[895] Vol. 11, p. 5753.
[896] Vol. 11, p. 5758.
[897] Vol. 11, p. 5746.

				5/28/01 - Smoke-belching 4/21/02 - No Head/Tail Lights 6/5/02 - Obstruction 10/12/02 - Smoke-belching 11/21/02 - Smoke-belching 5/12/03 - Smoke-belching 11/24/03 - Smoke-belching 3/9/06 - Smoke-belching	
21	**GRG-805**		None		

10. FRANCHISE 2000-00485

This franchise was proven by an LTFRB Franchise Verification Printout in the Original, Exhibits X, X-1 to X-8. Granted on **July 19, 2000**, with an expiry date of **August 3, 2005**, authorizing **fifteen (15)** units.

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	**NYS-191**	**2002**	X, X-1 to X-8	LTFRB Franchise Verification Printouts Case No. 2000-00485	Original & Attested to by Quibic in M[8]
		2005	G, G-1 to G-8, 40, 40-A, 40-B, 40-C	Franchise Verification Case No. 2002-6492; granted July 1, 2003. Cancelled franchise 98-06796	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[898] 6/20/01 - Smoke-belching 9/13/02 - Smoke-belching 10/14/02 - Obstruction 11/15/02 - Disregard Traffic Signals, Out of Line 9/17/04 - Failure to Retrofit, No Rear View Mirror, Unauthorized Changes, Unauthorized Plates	FRO
2	**NYG-972**	**2003**	X, X-1 to X-8	LTFRB Franchise Verification Printout Case No. 2000-00485	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[899] 7/17/01 - Smoke-belching 11/12/01 - Obstruction 3/5/03 - Smoke-belching 5/21/03 - Smoke-belching, Illegal Display of Sign Board 11/27/03 - Smoke-belching 12/3/03 - Smoke-belching 5/10/05 Smoke-belching	FRO

[898] Vol. 11, p. 5752.
[899] Vol. 11, p. 5745.

3	**PXM-831**		J[4]	LTO Apprehension List[900] 9/29/02 - Disregard Traffic Signals, Obstruction, Unlicensed Conductor 1/15/03 - Smoke-belching	FRO
			I[8]	LTFRB Decision with Case No. 2002-6495 cancelled franchise 98-06796 since July 1, 2003 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PXM-831**	Certified & Attested to by Quibic in N8
4	**NXT-695**	**2005**	G, G-1 to G-8, 40, 40-A, 40-B, 40-C	Franchise Verification Case No. 2002-6492; granted July 1, 2003. Cancelled franchise 98-06796	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[901] 11/9/02 - Seatbelt not Worn 10/23/03 - Smoke-belching 1/15/04 - Smoke-belching 7/22/04 - Illegal Display of Sign Board, Obstruction, Trip Cutting	FRO
			O[4], O[4]-1 to O[4]-6	Pictures issued by Nida T. Quibic, Chief of the Management Information Division of the LTFRB Photos show buses with plate no. NXT-695	Certified & Attested to by Quibic in M[8]
			F[8]	LTFRB Decision with Case No. 2002-6492; granted July 1, 2003. Cancelled franchise 98-06796 Bus Rationalization Decision authorized operation of 12 units including **Isuzu NXT-695**	Certified & Attested to by Quibic in M[8]
5	**PXV-380**		None; all disqualified		
6	**PXV-410**		J[4]	LTO Apprehension List[902] 4/11/01 - Illegal Turn 3/13/03 - Smoke-belching 6/8/03 - Smoke-belching 8/28/03 - Smoke-belching	FRO
7	**PYA-435**	**2001**	S-1 to S-8	LTFRB Franchise Verification Printout Case No. 98-06792; granted	Original & Attested to by Quibic in M[8]

[900] Vol. 11, p. 5757.
[901] Vol. 11, p. 5744.
[902] Vol. 11, p. 5762.

				August 31, 2000, expiry on July 9, 2005	
			J[4]	LTO Apprehension List[903] 2/23/01 - Disregard Traffic Signals 10/7/04 - Smoke-belching	FRO
8	**PYA-195**		None; all disqualified		
9	**PXR-168**	**2004**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454; granted July 4, 2003. Cancelled franchise 2000-00484	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[904] 12/9/01 - No Head/Tail Lights 7/23/02 - Obstruction 8/24/02 - No Head/Tail Lights 4/11/04 - No EWD, Out of Line	FRO
			E[8], 50-AA	LTFRB Decision with Case No. 2002-6454; granted July 4, 2003. Cancelled franchise 2000-00484 Bus Rationalization Decision authorized operation of 12 units including **Isuzu PXR-168**	Certified & Attested to by Quibic in M[8]
10	**PWS-975**		J[4]	LTO Apprehension List[905] 6/25/02 - Obstruction 7/17/02 - Invalid License, Obstruction 9/24/02 - Smoke-belching 12/17/02 - Obstruction 2/4/03 - Smoke-belching 10/7/04 - Smoke-belching	FRO
11	**PXY-807**	**2004**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454; granted July 4, 2003. Cancelled franchise 2000-00484	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[906] 11/16/04 - Smoke-belching	FRO
12	**PXG-621**	**2005**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454, Granted: July 4, 2003, Expiry: July 4, 2008, cancelled franchises 2000-00484	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[907]	FRO

[903] Vol. 11, p. 5747
[904] Vol. 11, p. 5758.
[905] Vol. 11, p. 5746.
[906] Vol. 11, p. 5747.
[907] Vol. 11, p. 5757.

				8/5/04 - Arrogance, Obstruction 10/7/04 - Smoke-belching	
13	**PXY-797**		None		Dropped & Substituted
14	**NXR-698**	**2004**	DD, DD-1 to DD-8, 47, 47-A, 47-B, 47-C	Franchise Verification Case No. 2002-6501; granted July 1, 2003. Cancelled franchise 98-06796	Original
			LL, LL-1	LTFRB Substitution of Units signed by Clarita Dela Fuente for PCLC and Approved by Atty. Glenn N. Zaragoza under Case No. 2000-00485 Date: Dec 2, 2002 Fuso PXR-927 to Nissan NXR-698	Certified & Attested to by Quibic in M[8]
			L[8], 57-AA	LTFRB Decisions with Case No. 2002-6501; granted July 1, 2003. Cancelled franchise 2000-00485 Bus Rationalization Decision authorized operation of 7 units, including **Nissan NXR-698**	Certified & Attested to by Quibic in M8
15	**PXM-305**	**2005**	M, M-1 to M-8, 46, 46-A, 46-B, 46-C	Franchise Verification Case No. 2002-6500; granted July 7, 2003. Cancelled franchise 98-06792	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[908] 11/17/03 - Smoke-belching 10/15/04 - Dilapidated MV, Failure to Retrofit, No EWD, No Plate Lights 3/3/06 - Dilapidated MV	FRO
			K[8]	LTFRB Decisions with Case No. 2002-6500; granted July 7, 2003. Cancelled franchise 2000-00485 Bus Rationalization Decision authorized operation of 5 units, including **Fuso NYM-184**	Certified & Attested to by Quibic in M[8]

11. FRANCHISE 2000-00486

The only evidence pointing to the existence of this franchise is Exhibits VV and VV-1, certified and attested, which is the Second Notice of Hearing

[908] Vol. 11, p. 5757.

dated February 21, 2003 for an Application for Modification of Route with Consolidation of Cases Per Bus Rationalization Project for Metro Manila of the DOTC with Extension of Validity.

The said exhibit states that "Applicant is a grantee of Certificates of Public Convenience to operate PUB Air-Conditioned Service on the following routes: x x x **NCR-2000-00486** x x x " with an authorized route of Ayala-Malabon via Edsa consisting of 29 units with a validity until May 29, 2005.

12. FRANCHISE 2002-6495

This franchise was proven by an LTFRB Decision with Case No. 2002-6495 on an Application for Modification of Route with Consolidation of Cases Per Bus Rationalization Project of the DOTC with Extension of Validity in the Original, Exhibit I[8]. The Decision cancelled franchises 98-06796, 2000-00485, 2000-00486 since **July 1, 2003**, and authorized the operation of **fourteen (14)** units up to **July 1, 2008**.

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	PXS-258	**2004**	L, L-1 to L-8, 45, 45-A, 45-C	Franchise Verification Case No. 2002-6495	Original & Attested to by Quibic in N[8]
			J[4]	LTO Apprehension List[909] 3/8/01 - Disregard Traffic Signals 4/11/01 - Smoke-belching 9/2/01- Smoke-belching 11/16/01 - Illegal Turn 3/21/05 - Disregard Traffic Signals	FRO
2	PXS-688	**2004**	L, L-1 to L-8, 45, 45-A, 45-C	Franchise Verification Case No. 2002-6495	Original & Attested to by Quibic in N[8]
			J[4]	LTO Apprehension List[910] 1/7/02 - Disregard Traffic Signals 2/18/03 - Smoke-belching 8/25/03 - Smoke-belching	FRO
3	PXS-398	**2004**	L, L-1 to L-8, 45, 45-A, 45-C	Franchise Verification Case No. 2002-6495	Original & Attested to by Quibic in N[8]
			J[4]	LTO Apprehension List[911] 8/7/01 - Smoke-belching 9/16/01 - Smoke-belching	FRO

[909] Vol. 11, p. 5759.
[910] Vol. 11, p. 5761.
[911] Vol. 11, p. 5759.

				2/18/03 - No Fare Matrix, Obstruction, Trip Cutting 7/14/03 - Smoke-belching 2/10/05 - Smoke-belching	
4	PXS-578	**2004**	L, L-1 to L-8, 45, 45-A, 45-C	Franchise Verification Case No. 2002-6495	Original & Attested to by Quibic in N[8]
			J[4]	LTO Apprehension List[912] 10/31/00 - Disregard Traffic Signals, Obstruction 5/12/02 - Smoke-belching 6/27/02 - Smoke-belching 8/10/02 - Disregard Traffic Signals, Obstruction 9/4/04 - CR/OR Not Carried, Defective Wipers, Failure to Retrofit, Illegal Install Aircon, Invalid Registration, No Head/Tail Lights, **Out of Line**, Unauthorized Plates, Smoke-belching	FRO
5	PXS-388	**2004**	L, L-1 to L-8, 45, 45-A, 45-C	Franchise Verification Case No. 2002-6495	Original & Attested to by Quibic in N[8]
			J[4]	LTO Apprehension List[913] 5/27/02 - Reckless Driving 9/19/05 - Failure to Retrofit	FRO
6	PXS-617	**2004**	L, L-1 to L-8, 45, 45-A, 45-C	Franchise Verification Case No. 2002-6495	Original & Attested to by Quibic in N[8]
			TTT, TTT-1	Official Receipt with MVRR No. 90776463 dated July 14, 2000 for PXS-617 Validity: September 18, 2000	Certified but by LTFRB, Attested to by Quibic in M[8]
			UUU, UUU-1	Certificate of Registration with CR No. 53010944 dated July 29, 1999 for PXS-617	Certified but by LTFRB, Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[914] 3/23/01 - Disregard Traffic Signals 8/22/02 - Smoke-belching 8/30/04 - Obstruction	FRO
7	PXT-187		RRR, RRR-1	Official Receipt with MVRR No. 54288450 dated August 2, 2000 for PXT-187	Certified by LTFRB and Attested to by Quibic in M[8]

[912] Vol. 11, pp. 5759-5760.
[913] Vol. 11, p. 5759.
[914] Vol. 11, p. 5760.

			SSS, SSS-1	Certificate of Registration with CR No. 50234141 dated March 5, 1999 for PXT-187	Certified but by LTFRB, Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[915] 12/6/00 - Obstruction 9/3/02 - Obstruction 8/16/05 - Smoke-belching	FRO
8	PXT-238		J[4]	LTO Apprehension List[916] 6/3/01 - Smoke-belching 11/22/01 - Disregarding Officer, No EWD 2/14/02 - Smoke-belching 3/3/03 - Smoke-belching 8/18/03 - Smoke-belching	FRO
			G[8], 52-AA	LTFRB Decision with Case No. 2002-6493 cancelled franchise 98-06791 since July 1, 2003 Bus Rationalization Decision authorized operation of 14 units including **Isuzu PXS-647**	Certified & Attested to by Quibic in M[8]
9	PWW-778	**2004**	L, L-1 to L-8, 45, 45-A, 45-C	Franchise Verification Case No. 2002-6496	Original & Attested to by Quibic in N[8]
			WWW, WWW-1	Certificate of Registration with CR No. 50221203 dated January 8, 1999 for PWW-778 under Original Case No. 97-08840, later on 98-06796	
			XXX, XXX-1	Substitution of Units for Case No. NCR 98-06796 signed by Clarita Dela Fuente; Validity: September 18, 2000; Replaced Isuzu PWW-778	
			J[4]	LTO Apprehension List[917] 10/13/01 - No head/tail lights 7/11/02 - Disregard Traffic Signal 7/11/02 - Invalid License 9/5/02 - Smoke-Belching 3/25/04 - Smoke-Belching 7/10/04 - **Out of Line** 7/10/04 - **Out of Line**	
10	PWR-459	**2004**	L, L-1 to L-8, 45, 45-A, 45-C	Franchise Verification Case No. 2002-6496	Original & Attested to by Quibic in N[8]

[915] Vol. 11, p. 5761.
[916] *Id.*
[917] Vol. 11, p. 5755.

			XXX, XXX-1	Substitution of Units for Case No. NCR 98-06796 signed by Clarita Dela Fuente; Validity: September 18, 2000; Replaced: Isuzu PWR-459	Certified & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[918] 11/8/00 - Disregard Traffic Signals 5/19/01 - Smoke-belching 10/15/02 - Obstruction 9/17/03 - Smoke-belching 11/8/04 - Smoke-belching	FRO
11	PWE-504	**2005**	L, L-1 to L-8, 45, 45-A, 45-C	Franchise Verification Case No. 2002-6496	Original & Attested to by Quibic in N[8]
			J[4]	LTO Apprehension List[919] 5/7/01 - Disregard Traffic Signals 9/23/02 - Failure to Retrofit, No Plate Lights 9/29/02 - Disregard Traffic Signals, Invalid License, Obstruction 1/27/03 - Smoke-belching 7/20/04 - No EWD, Out of Line	FRO
12	PXS-568	**2004**	L, L-1 to L-8, 45, 45-A, 45-C	Franchise Verification Case No. 2002-6496	Original & Attested to by Quibic in N[8]
13	PXM-831		J[4]	LTO Apprehension List[920] 9/29/02 - Disregard Traffic Signals, Obstruction, Unlicensed Conductor 1/15/03 - Smoke-belching	FRO
14	PWZ-800	**2004**	L, L-1 to L-8, 45, 45-A, 45-C	Franchise Verification Case No. 2002-6496	Original & Attested to by Quibic in N[8]
			J[4]	LTO Apprehension List[921] 1/23/01 - CR/OR Not Carried, No Head/Tail Lights, 4/3/01 - Smoke-belching 8/7/01 - Smoke-belching 9/6/01 - Smoke-belching 11/19/01 - No Head/Tail Lights, No Plate Lights 1/22/02 - Smoke-belching 9/9/03 - Smoke-belching	FRO

[918] Vol. 11, p. 5754.
[919] Vol. 11, p. 5753.
[920] Vol. 11, p. 5757.
[921] Vol. 11, p. 5756.

				10/30/03 - Smoke-belching 1/15/04 - Smoke-belching 2/24/04 - Smoke-belching	

13. FRANCHISE 2002-6454

This franchise was proven by an LTFRB Decision with Case No. 2002-6454 on an Application for Modification of Route with Consolidation of Cases Per Bus Rationalization Project of the DOTC with Extension of Validity, certified and attested, Exhibits E[8], 50-AA. The Decision cancelled franchises 2000-00484, 2000-00485, 2000-0486 since **July 4, 2003**, and authorized the operation of **twelve (12)** units up to **July 4, 2008**.

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	PWW-496	**2005**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[922] 11/16/01 - Illegal Turn, Use of Slippers 4/20/02 - Smoke-belching 6/18/02 - Driving with Open Door, Obstruction, Out of Line 9/24/02 - Smoke-belching 12/8/02 - Smoke-belching 10/16/03 - Smoke-belching 10/26/03 - Smoke-belching	FRO
2	NYR-444	**2005**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[923] 6/11/01 - Seatbelt Not Worn 8/4/02 - Obstruction 2/6/03 - Smoke-belching 6/20/03 - Smoke-belching 6/6/05- Seatbelt Not Worn	FRO
3	PXR-168	**2004**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[924] 12/9/01 - No Head/Tail Lights 7/23/02 - Obstruction 8/24/02 - No Head/Tail Lights	FRO

[922] Vol. 11, p. 5746.
[923] Vol. 11, p. 5751.
[924] Vol. 11, p. 5758.

				4/11/04 - No EWD, Out of Line 2/21/06 - Smoke-belching	
4	PWC-849	**2004**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List:[925] 4/10/01 - Smoke-belching 9/2/01 - Smoke-belching 8/19/02 - Smoke-belching 2/22/03 - Invalid License, Obstruction, Spurious Documents, Use of Slippers 11/9/03 - Smoke-belching 7/31/04 - Disregard Traffic Signals 8/20/04 - Unauthorized Plates	FRO
5	PXX-300	**2004**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[926] 4/23/01 - Smoke-belching 4/27/01 - Smoke-belching 5/8/01 - Smoke-belching 6/6/01 - Smoke-belching 6/25/01 - Smoke-belching 12/12/01 - Smoke-belching 5/11/02 - Colorum Operation, Disregard Traffic Signals, Obstruction 1/24/03 - Smoke-belching 2/9/03 - Smoke-belching 1/28/04 - Obstruction	FRO
6	PXX-200	**2004**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[927] 5/3/01 - Smoke-belching 1/19/02 - Obstruction 3/10/03 - Smoke-belching 3/30/05 - Smoke-belching	FRO
7	NYE-502	**2005**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[928] 6/23/02 - Obstruction, Use of Slippers	FRO

[925] Vol. 11, p. 5752
[926] Vol. 11, pp. 5747, 5762.
[927] Vol. 11, p. 5762.
[928] Vol. 11, p. 5744.

			U, U-1 to U-8	LTFRB Franchise Verification Printouts for Case No. 2000-00484	Original & Attested to by Quibic in M8
8	TVY-586	**2004**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[929] 7/23/02 - Disregard Traffic Signals, No Head/Tail Lights 9/20/02 - Obstruction 2/21/03 - Smoke-belching 4/3/03 - Smoke-belching 2/12/04 - No Rear View Mirror 7/6/04 - CR/OR Not Carried, Driving without License, Failure to Retrofit, Invalid Registration, No Sticker	FRO
9	TVY-339	**2004**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[930] 11/19/01 - Obstruction 11/24/01 - Obstruction 11/4/03 - Smoke-belching 11/10/04 - Smoke-belching 2/16/05 - Smoke-belching	FRO
10	TVX-433	**2005**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454	Original & Attested to by Quibic in M8
11	PWZ-467	**2004**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[931] 4/29/01 - Smoke-belching 6/14/01 - Smoke-belching 1/11/02 - Smoke-belching 1/14/02 - Smoke-belching 5/16/02 - Smoke-belching	FRO
12	TVY-329	**2004**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[932] 6/5/02 - Smoke-belching	FRO

14. FRANCHISE 2002-6498

[929] Vol. 11, pp. 5763-5764.
[930] Vol. 11, p. 5763.
[931] Vol. 11, p. 5748.
[932] Vol. 11, p. 5763.

This franchise was proven by LTFRB Decision with Case No. 2002-6498 on an Application for Modification of Route with Consolidation of Cases Per Bus Rationalization Project of the DOTC with Extension of Validity, certified and attested, Exhibit J[8]. The Decision cancelled franchises 97-08840, 99-12623, 2000-00486, 98-06790, 99-01008,2000-00484, 98-06792, since **July 1, 2003** and authorized the operation of eleven (11) units up to **July 1, 2008**.

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	NYG-912	**2005**	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498.	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[933] 2/12/99 - Disregard Traffic Signals, Obstruction 7/31/01 - Smoke-belching 2/15/02 - Smoke-belching 7/12/02 - Driving with Open Door, Obstruction 11/20/02 - Smoke-belching 2/11/04 - Smoke-belching	FRO
2	NYG-942	**2005**	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[934] 6/21/01 - Smoke-belching 2/20/02 - Smoke-belching 3/4/02 - Smoke-belching 1/30/03 - Smoke-belching 3/18/04 - Disregard Traffic Signals 10/25/04 - No Head/Tail Lights 10/17/05 - Smoke-belching	FRO
3	NYR-838	**2004**	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[935] 9/25/00 - Obstruction 4/17/01 - Smoke-belching 11/12/01 - Obstruction 11/18/01 - No Head/Tail Lights 1/29/02 - Obstruction 3/1/02 - Smoke-belching 4/15/02 - Smoke-belching 8/31/02 - Driving with Open Door 11/14/02 - Obstruction, Use of Slippers	FRO

[933] Vol. 11, p. 5744.
[934] Vol. 11, p. 5745.
[935] Vol. 11, p. 5751.

				11/18/03 - Smoke-belching 7/14/04 - Seatbelt not Worn 12/2/04 - Disregard Traffic Signals 12/7/04 - Obstruction 6/18/05 - Reckless Driving	
4	NYK-249	**2004**	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[936] 10/24/00 - Disregard Traffic Signals, Obstruction 10/30/00 - Disregard Traffic Signals, Obstruction 7/3/01 - Obstruction 7/22/01 - Smoke-belching 10/30/01 - Smoke-belching 11/5/01 - Disregard Traffic Signals 1/7/02 - Smoke-belching 5/29/02 - Smoke-belching 7/31/02 - Illegal Turn 12/2/02 - Smoke-belching 2/3/03 - Smoke-belching 3/4/03 - Smoke-belching 6/5/03 - Smoke-belching 8/13/03 - Smoke-belching 12/2/03 - Smoke-belching 9/12/05 - CR/OR Not Carried	FRO
5	NYR-917	**2004**	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[937] 2/2/02 - No Head/Tail Lights 5/16/03 - Smoke-belching 12/15/03 - Driving with Open Door 10/18/04 - Failure to Retrofit, Illegal Installation of Aircon, No Plate Lights, No Rear View Mirror, Over/Undercharging 3/7/05 - Disregard Traffic Signals	FRO
6	NYG-922	**2005**	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[938]	FRO

[936] Vol. 11, pp. 5745, 5749.
[937] Vol. 11, p. 5751.
[938] Vol. 11, pp. 5744-5745.

				3/30/01 - Arrogance, Disregard Traffic Signals 1/16/02 - Fail Use EWD 4/4/03 - Smoke-belching 5/15/03 - Smoke-belching 7/3/03 - Smoke-belching 11/15/03 - Obstruction 1/28/04 - Smoke-belching 2/5/04 - Obstruction 4/1/04 - Smoke-belching 10/7/04 - Smoke-belching 2/16/05 - Smoke-belching	
7	NYP-707	**2004**	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498.	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[939] 1/19/05 - Smoke-belching	FRO
8	NYK-611	**2005**	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List: (Vol. 11, p. 5749) 3/8/01 - No head/tail lights 7/9/01 - Smoke-belching 7/21/01 - Smoke-belching 11/16/03 - Smoke-belching 2/11/04 - Smoke-belching 12/24/04 - Disregarding traffic signals	FRO
9	NYH-208	**2004**	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[940] 3/18/01 - No Head/Tail Lights 9/29/01 - Illegal Overtaking 11/17/01 - Disregard Traffic Signals 12/3/01 - Obstruction 5/27/02 - Smoke-belching 7/3/02 - Seatbelt not Worn 10/8/02 - Smoke-belching 2/7/03 - Smoke-belching 9/7/04 - Smoke-belching 2/26/05 - No Head/Tail Lights	FRO
10	NYF-436	**2005**	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List: [941]	FRO

[939] Vol. 11, p. 5750.
[940] Vol. 11, p. 5745.
[941] Vol. 11, p. 5744.

				5/28/01 - Disregard Traffic Signals 12/2/03 - Smoke-belching 12/11/04 - Disregard Traffic Signals 10/28/05 - Disregard Traffic Signals	
11	NYK-850		J[4]	LTO Apprehension List[942] 3/27/01 - Obstruction, Reckless Driving 7/22/01 - Smoke-belching 10/18/01 - Obstruction, Reckless Driving 10/28/01 - Smoke-belching 11/21/01 - Smoke-belching 12/28/01 - Disregard Traffic Signals 4/29/02 - Smoke-belching 6/4/02 - Reckless Driving 2/20/03 - Smoke-belching 3/21/03- Smoke-belching 9/25/04 - Smoke-belching 10/6/04 - Seatbelt not Worn 10/10/04 - Obstruction	FRO
		2004	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	Franchise Verification Case No. 2002-6498	Original & Attested to by Quibic in M8

15. FRANCHISE 2002-6492

This franchise was proven by LTFRB Decision with Case No. 2002-6492 on an Application for Modification of Route with Consolidation of Cases Per Bus Rationalization Project of the DOTC with Extension of Validity, certified and attested, Exhibit F[8]. The Decision cancelled franchises 98-06796, 2000-00484, 2000-00486 since **July 1, 2003** and authorized the operation of **twelve (12)** units up to **July 1, 2008**.

	PLATE	**YC**	**OTHER EVIDENCE**	**DESCRIPTION**	**WEIGHT**
1	PXS-687	**2004**	G, G-1 to G-8, 40, 40-A, 40-B, 40-C	Franchise Verification Case No. 2002-6492	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[943] 2/15/02 - Smoke-belching 4/23/02 - Smoke-belching 1/25/05 - Smoke-belching	FRO

[942] Vol. 11, p. 5749.
[943] Vol. 11, p. 5761.

			O^4, O^4-1 to O^4-6	Pictures issued by Nida T. Quibic, Chief of the Management Information Division of the LTFRB Photos show bus with plate no. PXS-687	Certified & Attested to by Quibic in M^8
2	TVX-713	**2005**	G, G-1 to G-8, 40, 40-A, 40-B, 40-C	Franchise Verification Case No. 2002-6492	Original & Attested to by Quibic in M^8
			J^4	LTO Apprehension List[944] 2/3/05 - Install Window Light/Tint, Failure to Retrofit	FRO
3	PXS-667	**2004**	G, G-1 to G-8, 40, 40-A, 40-B, 40-C	Franchise Verification Case No. 2002-6492	Dropped & Substituted Original & Attested to by Quibic in M^8
			J^4	LTO Apprehension List[945] 11/14/01 - Smoke-belching 11/17/01 - Smoke-belching 1/21/02 - Smoke-belching 2/11/02 - Smoke-belching 2/15/02 - Smoke-belching 3/1/02 - Smoke-belching 5/9/02 - Smoke-belching 9/18/02 - Smoke-belching 2/4/03 - Smoke-belching 2/22/03 - Smoke-belching 8/16/03 - Smoke-belching 9/20/03 - Smoke-belching 2/9/05 - Smoke-belching	FRO
4	PXS-318	**2004**	G, G-1 to G-8, 40, 40-A, 40-B, 40-C	Franchise Verification Case No. 2002-6492	Dropped & Substituted Original & Attested to by Quibic in M^8
			O^4, O^4-1 to O^4-6	Pictures issued by Nida T. Quibic, Chief of the Management Information Division of the LTFRB Photos show bus with plate no. PXS-318	Certified & Attested to by Quibic in M^8
5	PXV-876	**2004**	G, G-1 to G-8, 40, 40-A, 40-B, 40-C	Franchise Verification Case No. 2002-6492	Dropped & Substituted

[944] Vol. 11, p. 5763.
[945] Vol. 11, p. 5760.

					Original & Attested to by Quibic in M+
			J^4	LTO Apprehension List[946] 5/17/01 - Smoke-belching 9/9/02 - Smoke-belching 10/7/02 - Smoke-belching 10/25/02 - Disregard Traffic Signals, Invalid License, Obstruction 11/18/02 - Smoke-belching 12/15/02 - Smoke-belching 6/24/03 - Smoke-belching 9/12/03 - Smoke-belching	FRO
6	PWX-767	**2004**	G, G-1 to G-8, 40, 40-A, 40-B, 40-C	Franchise Verification Case No. 2002-6492	Dropped & Substituted Original & Attested to by Quibic in M^8
			J^4	LTO Apprehension List[947] 4/28/01 - Smoke-belching 8/31/01 - Smoke-belching 2/27/02 - Smoke-belching	FRO
7	NXT-695	**2005**	G, G-1 to G-8, 40, 40-A, 40-B, 40-C	Franchise Verification Case No. 2002-6492	Original & Attested to by Quibic in M^8
			J^4	LTO Apprehension List[948] 11/9/02 - Seatbelt not Worn 10/23/03 - Smoke-belching 1/15/04 - Smoke-belching 7/22/04 - Illegal Display of Sign Board, Obstruction, Trip Cutting	FRO
			O^4, O^4-1 to O^4-6	Pictures issued by Nida T. Quibic, Chief of the Management Information Division of the LTFRB Photos show bus with plate no. NXT-695	Certified & Attested to by Quibic in M^8
8	NYS-103	**2005**	G, G-1 to G-8, 40, 40-A, 40-B, 40-C	Franchise Verification Case No. 2002-6492	Original & Attested to by Quibic in M^8
			J^4	LTO Apprehension List[949] 10/27/00 - Disregard Traffic Signals, Obstruction, 4/24/01 - Smoke-belching 10/2/01 - Disregard Traffic Signals, Obstruction	FRO

[946] Vol. 11, p. 5762.
[947] Vol. 11, p. 5755.
[948] Vol. 11, p. 5744.
[949] Vol. 11, pp. 5751, 5752.

				10/12/01 - No Head/Tail Lights 10/23/01 - Disregard Traffic Signals 11/19/01 - No Head/Tail Lights 11/30/01 - Disregard Traffic Signals, Obstruction 2/19/01 - Disregard Traffic Signals 12/14/02 - Obstruction 12/4/02 - Disregard Traffic Signals 12/10/02 - Out of Line 10/18/03 - Driving with Open Door, Obstruction 9/7/04 - Smoke-belching	
			O^4, O^4-1 to O^4-6	Pictures issued by Nida T. Quibic, Chief of the Management Information Division of the LTFRB Photos show bus with plate no. NYS-103	Certified & Attested to by Quibic in M^8

16. FRANCHISE 2002-6501

This franchise was proven by an LTFRB Decision with Case No. 2002-6501 on an Application for Modification of Route with Consolidation of Cases Per Bus Rationalization Project of the DOTC with Extension of Validity, certified and attested, Exhibit L^8, 57-AA. The Decision cancelled franchises 98-06790, 2000-00485, 98-06791, 97-08840, 98-06796 since **July 1, 2003**, and authorized the operation of **seven (7)** units up to **December 15, 2007**.

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	PWX-230	**2004**	DD, DD-1 to DD-8, 47, 47-A, 47-B, 47-C	Franchise Verification Case No. 2002-6501	Original & Attested to by Quibic in M^8
			GGG, GGG-1	Official Receipt No. 6062773-3, dated March 27, 2003 for PWX-230	Certified & Attested to by Quibic in M^8
			HHH, HHH-1	Certificate of Registration with CR No. 50213564, dated November 13, 1998 for PWX-230	Certified & Attested to by Quibic in M^8
			III	Metro Manila Bus Rationalization Project Inspection Report dated March 30, 2003 for PWX-230	Certified & Attested

			J[4]	LTO Apprehension List[950] 12/23/01 - Illegal Overtaking 2/26/02 - Smoke-belching 3/7/02 - Smoke-belching 4/11/04 - No EWD 4/11/04 - Out of line 9/1/04 - No Plate Lights 9/1/04 - No Rear View Mirror	FRO
2	PWX-747	**2004**	DD, DD-1 to DD-8, 47, 47-A, 47-B, 47-C	Franchise Verification Case No. 2002-6501	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[951] 4/11/04 - No EWD, **Out of Line**, Unlicensed Conductor	FRO
3	NXR-698	**2004**	DD, DD-1 to DD-8, 47, 47-A, 47-B, 47-C	Franchise Verification Case No. 2002-6501	Original
			LL, LL-1	LTFRB Substitution of Units signed by Clarita Dela Fuente for PCLC and Approved by Atty. Glenn N. Zaragoza under Case No. 2000-00485 Date: Dec 2, 2002 Fuso PXR-927 to Nissan NXR-698	Certified & Attested to by Quibic in M[8]
4	PWP-622	**2003**	KK, KK-1	LTFRB Substitution of Units signed by Clarita Dela Fuente for PCLC and Approved by Atty. Glenn N. Zaragoza under Case No. 97-08840 Isuzu PWT-738 to Isuzu PWP-622	Certified & Attested
			J[4]	LTO Apprehension List[952] 2/11/02 - Breach of Franchise 2/11/02 - Failure to Retrofit 8/2/02 - Smoke-Belching 6/15/04 - No Body Number 6/15/04 - No Capacity Markings 6/15/04 - Use of Slippers	FRO
		2005	DD, DD-1 to DD-8, 47, 47-A, 47-B, 47-C	Franchise Verification Case No. 2002-6501	Original
		2003	N, N-1 to N-8	LTFRB Franchise Verification Printout Case No. 97-08840; granted	Original & Attested to by Quibic in M[8]

[950] Vol. 11, p. 5755.
[951] *Id.*
[952] Vol. 11, p. 5754.

				August 28, 1998, expiry on December 15, 2002	
5	PWP-900	**2003**	DD, DD-1 to DD-8, 47, 47-A, 47-B, 47-C	Franchise Verification Case No. 2002-6501	Original & Attested to by Quibic in M[8]
			KK, KK-1	LTFRB Substitution of Units signed by Clarita Dela Fuente for PCLC and Approved by Atty. Glenn N. Zaragoza; MITS UMZ-273 to Isuzu PWP-900	Certified & Attested
			J[4]	LTO Apprehension List[953] 11/18/01 - Smoke-Belching 8/22/02 - Disregard Traffic Signal 9/17/02 - Driving with Open Door	FRO
6	TWG-851	**2005**	DD, DD-1 to DD-8, 47, 47-A, 47-B, 47-C,	Franchise Verification Case No. 2002-6501. Cancelled Franchise 97-08840, among others. (YC 2004)	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[954] 1/14/03 - Smoke-belching 5/30/03 - Smoke-belching 11/12/03 - Smoke-belching 1/16/04 - Smoke-belching	FRO
7	PYE-853	**2005**	DD, DD-1 to DD-8, 47, 47-A, 47-B, 47-C	Franchise Verification Case No. 2002-6501	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[955] 9/30/00 - Disregard Traffic Signal 9/30/00 - Out of line 12/15/00 - Disregard Traffic Signal 12/15/00 - Obstruction 11/28/01 - Obstruction 9/11/02 - No head/tail lights 9/19/02 - Smoke-belching 10/18/02 - Obstruction 5/7/03 - Obstruction 5/7/03 - Out of line 6/22/04 - Smoke-belching 6/22/04 - Failiure to Retrofit 11/30/04 - Disregard Traffic Signal	FRO

17. FRANCHISE 2002-6494

[953] Vol. 11, p. 5754.
[954] *Id.*
[955] Vol. 11, p. 5747

This franchise was proven by an LTFRB Decision with Case No. 2002-6494 on an Application for Modification of Route with Consolidation of Cases Per Bus Rationalization Project of the DOTC with Extension of Validity, certified and attested, Exhibits H[8] and 53-AA. The Decision cancelled franchises 97-08840, 98-06791, 98-06792, 98-06796, 2000-00484, 2000-00486 since **July 1, 2003** and authorized the operation of **thirteen (13)** units up to **December 15, 2007.**

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	PWS-724	**2005**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494, cancelled franchise 2000-00484 since July 1, 2003	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[956] 3/3/04 - Smoke-belching 8/25/05 - Smoke-belching	FRO
2	PXD-120	**2004**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494, cancelled franchise 2000-00484 since July 1, 2003	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[957] 2/21/05 - Broken Windshield	FRO
3	NYL-544	**2005**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494, Granted: July 1, 2003, Expiry: Dec 15, 2007. Cancelled franchises 98-06792	Mega Taxi Original
			J[4]	LTO Apprehension List[958] 11/19/01 - Smoke Belching 4/10/02 - Smoke Belching 1/9/03 - Disregard Traffic Signals, Obstruction 3/31/03 - Smoke Belching 8/18/03 - Smoke Belching 9/19/03 - Smoke Belching 7/7/04 - **Breach of Franchise**, Dilapidated MV, Failure to Retrofit, Unlicensed Conductor	FRO
4	TWB-812	**2005**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494, Granted: July 1, 2003, Expiry: Dec 15, 2007. Cancelled franchises 98-06792	Mega Taxi Original
			J[4]	LTO Apprehension List[959]	FRO

[956] Vol. 11, p. 5754, 5746.
[957] Vol. 11, p. 5758.
[958] Vol. 11, p. 5750.
[959] Vol. 11, p. 5764.

				2/22/02 - Out of Line 2/18/04 - No Rear View Mirror	
5	PWP-946	**2004**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494, Granted: July 1, 2003, Expiry: Dec 15, 2007. Cancelled franchises 98-06791	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[960] 4/28/01 - Smoke-belching 7/2/01 - Smoke-belching 10/5/01 - Smoke-belching 10/18/01 - Smoke-belching 3/12/02 - Smoke-belching 6/5/02 - Smoke-belching 6/21/02 - Failure to Retrofit 6/21/02 - No Brake Lights 6/21/02 - Plate Not Visible 9/13/02 - Obstruction 9/20/02 - Smoke-belching 10/14/02 - Smoke-belching 4/29/03 - No Fare Matrix 4/29/03 - Trip Cutting 8/15/03 - Smoke-belching 9/19/03 - Smoke-belching 4/30/04 - Smoke-belching	FRO
6	PWY-368	**2004**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494, Granted: July 1, 2003, Expiry: Dec 15, 2007. Cancelled franchises 98-06791	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[961] 5/28/01 - Smoke-belching 5/29/02 - Smoke-belching 2/12/03 - Smoke-belching 4/12/03 - Smoke-belching 8/12/04 - Fail Use EWD 8/12/04 - Failure to Retrofit 8/12/04 - Use of Slippers	FRO
7	PXT-167		J[4]	LTO Apprehension List[962] 4/10/01 - Smoke-belching 4/30/01 - Smoke-belching 6/25/01 - Smoke-belching 8/5/02 - Smoke-belching	FRO
8	NYG-882	**2004**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494, Granted: July 1, 2003, Expiry: Dec 15, 2007. Cancelled franchises 98-06791	Original & Attested to by Quibic in M[8]
9	PXG-661		J[4]	LTO Apprehension List[963]	FRO

[960] Vol. 11, p. 5754.
[961] Vol. 11, p. 5748.
[962] Vol. 11, p. 5761.
[963] Vol. 11, p. 5757.

				5/21/01 - Smoke-belching 5/9/02 - Smoke-belching	
10	PWD-340	**2004**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494, cancelled franchise 2000-00484 since July 1, 2003	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[964] 4/25/01 - Smoke-belching 8/26/02 - Smoke-belching 5/15/03 - Smoke-belching 12/12/05 - Out of Line	FRO
11	PWZ-729	**2004**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494, cancelled franchise 2000-00484 since July 1, 2003	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[965] 4/24/01 - Smoke Belching 7/18/01 - Smoke Belching 7/22/01 - Smoke Belching 12/19/01 - Smoke Belching 1/14/02 - Smoke Belching 6/5/02 - Smoke Belching 9/27/02 - Smoke Belching 11/18/02 - Smoke Belching 11/21/02 - Smoke Belching 12/2/02 - Smoke Belching 1/27/03 - Smoke Belchings	FRO
12	PXN-692	**2005**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494, cancelled franchise 2000-00484 since July 1, 2003	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[966] 5/25/01 - Smoke-belching 5/6/03 - Smoke-belching 7/13/04 - Dilapidated MV, Failure to Retrofit, Invalid License 1/26/05 - Smoke-belching	FRO
13	NYG-902	**2005**	H, H-1 to H-8, 41, 41-A, 41-B, 41-C	Franchise Verification Case No. 2002-6494, Granted: July 1, 2003, Expiry: Dec 15, 2007. Cancelled franchises 98-06792	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[967] 7/30/01 - Smoke-belching 5/6/02 - Invalid License 5/6/02 - No Head/Tail Lights 7/3/02 - Fail Use EWD	FRO

[964] Vol. 11, p. 5753.
[965] Vol. 11, p. 5756.
[966] Vol. 11, p. 5758.
[967] Vol. 11, p. 5744.

18. FRANCHISE 2002-6500

This franchise was proven by an LTFRB Decision with Case No. 2002-6500 on an Application for Modification of Route with Consolidation of Cases Per Bus Rationalization Project of the DOTC with Extension of Validity, certified and attested, Exhibit K[8]. The Decision cancelled franchises 98-06796, 2000-00485, 2000-00586, 98-06792, 99-12623 since **July 7, 2003** and authorized the operation of **five (5)** units up to **July 19, 2005**.

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	NYM-184	**2002**	S-1 to S-8	Franchise Verification Printouts, Case No. 98-0679	Original
		2003	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454; granted July 4, 2003. Cancelled franchise 2000-00484	Original & Attested to by Quibic in M[8]
		2005	M, M-1 to M-8, 46, 46-A, 46-B, 46-C	Franchise Verification Case No. 2002-6500	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[968] 1/8/03 - Obstruction 1/8/03 - Out of Line 10/27/03 - No Rear View Mirror	FRO
2	PXL-212	**2003**	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	Franchise Verification Case No. 2002-6454; granted July 4, 2003. Cancelled franchise 2000-00484	Original & Attested to by Quibic in M8
		2005	M, M-1 to M-8, 46, 46-A, 46-B, 46-C	Franchise Verification Case No. 2002-6500	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[969] 9/6/02 - Disregard Traffic Signals 2/3/03 - Smoke-belching 5/23/03 - Smoke-belching 7/10/03 - Smoke-belching 11/22/03 - Smoke-belching 9/28/04 - Smoke-belching	FRO
3	PXS-677	**2004**	M, M-1 to M-8, 46, 46-A, 46-B, 46-C	Franchise Verification Case No. 2002-6500	Original & Attested to by Quibic in M[8]
4	PXV-836	**2004**	M, M-1 to M-8, 46, 46-A, 46-B, 46-C	Franchise Verification Case No. 2002-6500	Original & Attested to by Quibic in M[8]

[968] Vol. 11, p. 5750.
[969] Vol. 11, p. 5757.

			J[4]	LTO Apprehension List[970] 7/1/01 - Smoke-belching 2/28/02 - Smoke-belching 2/12/03 - Smoke-belching 9/15/04 - Smoke-belching 2/14/05 - No Franchise/CPC/PA	FRO
5	PXM-305	**2005**	M, M-1 to M-8, 46, 46-A, 46-B, 46-C	Franchise Verification Case No. 2002-6500	Original & Attested to by Quibic in M8
			J[4]	LTO Apprehension List[971] 11/17/03 - Smoke-belching 10/15/04 - Dilapidated MV, Failure to Retrofit, No EWD, No Plate Lights 3/3/06 - Dilapidated MV	FRO

19. FRANCHISE 2002-6493

This franchise was proven by an LTFRB Decision with Case No. 2002-6493 on an Application for Modification of Route with Consolidation of Cases Per Bus Rationalization Project of the DOTC with Extension of Validity in the Original, Exhibits G[8], 52-AA. The Decision cancelled franchises 2000-00486, 2000-00484, 98-06796, 98-06792, 98-06791 since **July 1, 2003**, and authorized the operation of **fourteen (14)** units up to **July 1, 2008**.

	PLATE	YC	OTHER EVIDENCE	DESCRIPTION	WEIGHT
1	PXS-148	**2004**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[972] 4/17/01 - Smoke-belching 8/15/01 - Smoke-belching 8/16/01 - Smoke-belching 2/17/03 - Smoke-belching 11/27/04 - Seatbelt not Worn 3/30/05 - Failure to Retrofit	FRO
2	PXB-570	**2004**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[973] 10/6/01 - No Head/Tail Lights 2/7/03 - Smoke-belching	FRO

[970] Vol. 11, p. 5762.
[971] Vol. 11, p. 5757.
[972] Vol. 11, p. 5759.
[973] Vol. 11, p. 5757.

3	PWZ-567	**2004**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493 Granted: July 1, 2003; Expiry: July 1, 2008 cancelled franchise 98-06792	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[974] 9/10/02 - No Head/Tail Lights	FRO
4	PWY-487	**2004**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493 Granted: July 1, 2003; Expiry: July 1, 2008 cancelled franchise 98-06792	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[975] 9/3/02 - Smoke-belching 4/22/03 - Smoke-belching 12/2/03 - Smoke-belching 10/21/05 - Seatbelt not Worn	FRO
5	PWM-454	**2005**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493.	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[976] 2/26/02 - Fail Use EWD 9/12/05 - No Head/Tail Lights	FRO
6	PWZ-517	**2004**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[977] 4/29/03 - Smoke-belching 6/22/04 - Smoke-belching	FRO
7	PXS-647		None		
8	NYX-345		None		
9	PWS-825	**2005**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493	Original & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[978] 12/12/00 - Smoke-belching 1/26/01 - No Head/Tail Lights 1/8/02 - Disregard Traffic Signals 2/15/02 - Seatbelt not Worn 2/15/02 - Unauthorized Plates 10/2/02 - Disregard Traffic Signals	FRO

[974] Vol. 11, p. 5756.
[975] Vol. 11, p. 5748.
[976] Vol. 11, p. 5753.
[977] Vol. 11, p. 5756.
[978] Vol. 11, p. 5746.

				10/2/02 - **Out of Line** 7/6/04 - Failure to Retrofit	
10	PXV-968	**2004**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493	Certified & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[979] 1/26/02 - Obstruction 5/19/03 - Smoke-belching 8/4/03 - Smoke-belching	
11	PWY-507	**2004**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493	Certified & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[980] 5/25/01 - No Head/Tail Lights 7/8/01 - Smoke-belching 7/6/04 - Disregard Traffic Signals 7/6/04 - Obstruction	FRO
12	PXS-698	**2004**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493	Certified & Attested to by Quibic in M[8]
			J[4]	LTO Apprehension List[981] 10/7/01 - Disregard Traffic Signals 12/13/01 - No Head/Tail Lights 8/14/02 - Obstruction 8/14/02 - Seatbelt not Worn 11/3/02 - Arrogance 11/3/02 - Colorum Operation 11/3/02 - Disregard Traffic Signals 11/3/02 - Invalid Registration 11/26/04 - Obstruction	FRO
13	PXV-783	**2005**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493	Certified & Attested to by Quibic in M[8]
			PPP, PPP-1	Official Receipt with MVRR No. 82504978, dated May 11, 2001	Certified by LTFRB, Attested to by Quibic in M[8]
			QQQ, QQQ-1	Certificate of Registration with CR No. 52989827, dated April 29, 1999 for PXV-783	Certified by LTFRB, Attested to by Quibic in M[8]
14	PWZ-679	**2004**	K, K-1 to K-8, 44, 44-A, 44-B, 44-C	Franchise Verification Case No. 2002-6493	Certified & Attested to by Quibic in M[8]

[979] Vol. 11, p. 5762.
[980] Vol. 11, p. 5748.
[981] Vol. 11, p. 5761.

			J[4]	LTO Apprehension List[982] 4/8/01 - No EWD 4/8/01 - Out of Line 6/3/01 - Smoke-belching 9/27/01 - Smoke-belching 8/26/02 - Smoke-belching 2/11/04 - Disregard Traffic Signals 9/6/04 - Dilapidated MV 9/6/04 - Failure to Retrofit 9/6/04 - Seatbelt not Worn 9/29/04 - Disregard Traffic Signals	FRO

While all of the evidence above unequivocally show that Accused PCLC pursued business operations by obtaining the necessary permits from the LTFRB to operate their units as public utility vehicles, there is also evidence proving actual operations thereof.

Anneli R. Lontoc, Assistant Secretary of LTO, furnished BIR NID Chief Arnel Guballa a Letter dated April 12, 2006[983] with Attached Printouts[984] with information from their LTO database on the apprehension reports/history i.e. smoke belching, traffic violations, accident history and other records, to prove that PCLC **actually operated and plied the routes designated for their buses**. RO Bernal testified[985] as follows.

ATTY. TOLENTINO

I don't need to go to all the details I have to look at the summary.

Q Mr. Witness, in that document, for no. 1 case no. 97-08840 referring to 15 units that you claimed were authorized under the name of the corporation PCLC, my question is, other than the franchise verification, were you able to secure the documents to show that these 15 units were actually operated by the PCLC?

MR. BERNAL

A Aside from the franchise verification verifying that they were authorized to run 15 units, I have other documents that will prove, aside from franchise verification I also have OR/CR of these particular units, **we have also apprehensions by the LTO** and I cannot remember what particular year, **there were apprehensions as early as 1998 that will show that**

[982] Vol. 11, p. 5756.
[983] Exhibit J[4], *docket*, Vol. 11, p. 5765.
[984] *Id.*, Vol. 11, pp. 5744-5764.
[985] TSN for Hearing on September 17, 2014, pp. 9 to 10.

> **there were indeed a violation, buses were operated, buses that have been apprehended, showing that there was indeed an operation."**

The tables above show the continual operation of PCLC's buses during the subject period, by virtue of their apprehensions. The tables below, on the other hand, show the **apprehensions of buses actually operating within their respective franchises**[986] and categorized into the years pertaining to the Criminal Cases charged against both Accused.

Crim. Case No. O-178 (1998)

	FRANCHISE	EXHIBIT	PLATE	APPREHENSIONS
1	2000-00484	T, T-1 to T-8	**PWY-597**	5/11/98 - Invalid License, Out of Line, Use of Slippers[987]

Crim. Case No. O-174 (1999)

	FRANCHISE	EXHIBIT	PLATE	APPREHENSIONS
1	97-08840	N, N-1 to N-8	**PWX-738**	10/22/99 - Obstruction[988]

Crim. Case No. O-172 (2000)

	FRANCHISE	EXHIBIT	PLATE	APPREHENSIONS
1	97-08840	N, N-1 to N-8	**PWZ-300**	10/18/00 - Obstruction[989]
2	97-08840	N, N-1 to N-8	**PYE-853**	9/30/00 - Disregard Traffic Signal, **Out of line** 12/15/00 - Disregard Traffic Signal, Obstruction[990]
3	98-06790	OO, OO-1 to OO-4	**PXU-470**	10/11/00 - No head/tail lights[991]
4	98-06792	S-1 to S-8	**PWS-825**	12/12/00 - Smoke-belching[992]
5	98-06796	O, O-1 to O-8	**PXS-578**	10/31/00 - Disregard Traffic Signals 10/31/00 - Obstruction[993]
6	98-06796	O, O-1 to O-8	**PXT-187**	12/6/00 - Obstruction[994]
7	98-06796	O, O-1 to O-8	**NYM-814**	11/8/00 - Disregard Traffic Signals, Overloading[995]

[986] Exhibit J[4]; *docket*, Vol. 11, pp. 5744-5764.
[987] *Id.*, p. 5748.
[988] *Id.*, p. 5755.
[989] *Id.*, p. 5748.
[990] *Id.*, p. 5747.
[991] *Id.*, p. 5762.
[992] *Id.*, p. 5746.
[993] *Id.*, p. 5760.
[994] *Id.*, p. 5761.
[995] *Id.*, p. 5750.

8	99-12623	PP, PP-1	**NYR-838**	9/25/00 - Obstruction[996]
9	99-12623	PP, PP-1	**NYK-249**	10/24/00 - Disregard Traffic Signals, Obstruction 10/30/00 - Disregard Traffic Signals, Obstruction[997]

Crim. Case No. O-176 (2001)

	FRANCHISE	EXHIBIT	PLATE	APPREHENSIONS
1	97-08840	N, N-1 to N-8	**PWP-900**	11/18/01 - Smoke-Belching 8/22/02 - Disregard Traffic Signal 9/17/02 - Driving with Open Door[998]
2	97-08840	N, N-1 to N-8	**PXP-629**	3/30/01 - Disregard Traffic Signal 6/3/01 - Smoke-belching[999]
3	97-08840	N, N-1 to N-8	**PXM-851**	9/3/01 - Smoke-belching 11/10/01 - No head/tail lights 11/17/01 - Obstruction[1000]
4	97-08840	N, N-1 to N-8	**PWW-778**	10/13/01 - No head/tail lights[1001]
5	97-08840	N, N-1 to N-8	**PWZ-300**	8/9/01 - Smoke-belching[1002]
6	97-08840	N, N-1 to N-8	**PXP-629**	3/30/01 - Disregard Traffic Signal 6/3/01 - Smoke-belching[1003]
7	97-08840	N, N-1 to N-8	**PYE-853**	11/28/01 - Obstruction[1004]
8	98-06790	OO, OO-1 to OO-4	**NYK-611**	3/8/01 - No head/tail lights 7/9/01 - Smoke-belching 7/21/01 - Smoke-belching[1005]
9	98-06790	OO, OO-1 to OO-4	**PWX-230**	12/23/01 - Illegal Overtaking[1006]
10	98-06790	OO, OO-1 to OO-4	**PXU-470**	5/4/01 - Disregard Traffic Signals 5/4/01 - Obstruction[1007]
11	98-06792	S-1 to S-8	**PYA-435**	2/23/01 - Disregard Traffic Signals[1008]
12	98-06792	S-1 to S-8	**PWS-825**	1/26/01 - No Head/Tail Lights[1009]
13	98-06792	S-1 to S-8	**NYL-215**	6/10/01 - Smoke-belching 6/13/01 - Smoke-belching[1010]
14	98-06792	S-1 to S-8	**NYG-902**	7/30/01 - Smoke-belching[1011]

[996] *Id.*, p. 5751.
[997] *Id.*, pp. 5745, 5749.
[998] *Id.*, p. 5754.
[999] *Id.*, p. 5758.
[1000] *Id.*
[1001] *Id.*, p. 5755.
[1002] *Id.*, p. 5748.
[1003] *Id.*, p. 5758.
[1004] *Id.*, p. 5747.
[1005] *Id.*, p. 5749.
[1006] *Id.*, p. 5755.
[1007] *Id.*, p. 5762.
[1008] *Id.*, p. 5747.
[1009] *Id.*, p. 5746.
[1010] *Id.*, p. 5750.
[1011] *Id.*, p. 5744.

15	98-06791	MM, MM-1 to MM-2	**PWY-507**	5/25/01 - No Head/Tail Lights 7/8/01 - Smoke-belching[1012]
16	98-06791	MM, MM-1 to MM-2	**PWP-946**	4/28/01 - Smoke-belching 7/2/01 - Smoke-belching 10/5/01 - Smoke-belching 10/18/01 - Smoke-belching[1013]
17	98-06791	MM, MM-1 to MM-2	**PWY-368**	5/28/01 - Smoke-belching[1014]
18	98-06791	MM, MM-1 to MM-2	**PWZ-679**	4/8/01 - No EWD 4/8/01 - Out of Line 6/3/01 - Smoke-belching 9/27/01 - Smoke-belching[1015]
19	98-06791	MM, MM-1 to MM-2	**PXT-167**	4/10/01 - Smoke-belching 4/30/01 - Smoke-belching 6/25/01 - Smoke-belching[1016]
20	98-06791	MM, MM-1 to MM-2	**PXS-698**	10/7/01 - Disregard Traffic Signals 12/13/01 - No Head/Tail Lights[1017]
21	98-06796	O, O-1 to O-8	**PXS-258**	3/8/01 - Disregard Traffic Signals 4/11/01 - Smoke-belching 9/2/01 - Smoke-belching 11/16/01 - Illegal Turn[1018]
22	98-06796	O, O-1 to O-8	**PXS-597**	5/26/01 - Smoke-belching 9/27/01 - No Head/Tail Lights[1019]
23	98-06796	O, O-1 to O-8	**PXS-398**	8/7/01 - Smoke-belching 9/16/01 - Smoke-belching[1020]
24	98-06796	O, O-1 to O-8	**PXS-617**	3/23/01 - Disregard Traffic Signals[1021]
25	98-06796	O, O-1 to O-8	**PXT-238**	6/3/01 - Smoke-belching 11/22/01 - Disregarding Officer, No EWD[1022]
26	98-06796	O, O-1 to O-8	**PXS-308**	6/6/01 - Smoke-belching[1023]
27	98-06796	O, O-1 to O-8	**PXV-613**	3/3/01 - Disregard Traffic Signals[1024]
28	98-06796	O, O-1 to O-8	**PXS-667**	11/14/01 - Smoke-belching 11/17/01 - Smoke-belching[1025]
29	98-06796	O, O-1 to O-8	**PXP-999**	4/29/01 - Smoke-belching 5/19/01 - Smoke-belching[1026]
30	98-06796	O, O-1 to O-8	**PXS-308**	6/6/01 - Smoke Belching[1027]
31	98-06796	O, O-1 to O-8	**PXG-661**	5/21/01 - Smoke-belching[1028]

[1012] *Id.*, p. 5748.
[1013] *Id.*, p. 5754.
[1014] *Id.*, p. 5748.
[1015] *Id.*, p. 5756.
[1016] *Id.*, p. 5761.
[1017] *Id.*
[1018] *Id.*, p. 5759.
[1019] *Id.*, p. 5761.
[1020] *Id.*, p. 5759.
[1021] *Id.*, p. 5760.
[1022] *Id.*, p. 5761.
[1023] *Id.*
[1024] *Id.*, p. 5762.
[1025] *Id.*, p. 5760.
[1026] *Id.*, p. 5758.
[1027] *Id.*, p. 5759.
[1028] *Id.*, p. 5757.

32	98-06796	O, O-1 to O-8	**TVF-240**	10/2/01 - Smoke-belching 11/17/01 - No Plate Lights[1029]
33	98-06796	O, O-1 to O-8	**PWW-778**	10/13/01 - No Head/Tail Lights[1030]
34	98-06796	O, O-1 to O-8	**PWE-504**	5/7/01 - Disregard Traffic Signals[1031]
35	98-06796	O, O-1 to O-8	**CVL-812**	11/6/01 - No Plate Lights[1032]
36	98-06796	O, O-1 to O-8	**PXB-420**	10/19/01 - Smoke-belching 11/13/01 - Smoke-belching[1033]
37	98-02725	R, R-1 to R-8, 111-HH, 111-HH-1 to 111-HH-20	**PVA-782**	7/10/01 - Smoke-belching[1034]
38	99-12623	PP, PP-1	**NYR-838**	4/17/01 - Smoke-belching 11/12/01 - Obstruction 11/18/01 - No Head/Tail Lights[1035]
39	99-12623	PP, PP-1	**NYK-249**	7/3/01 - Obstruction 7/22/01 - Smoke-belching 10/30/01 - Smoke-belching 11/5/01 - Disregard Traffic Signals[1036]
40	99-01008	M[8], 111-FF, 111-FF-1 to 111-FF-7	**NYK-850**	3/27/01 - Obstruction, Reckless Driving 7/22/01 - Smoke-belching 10/18/01 - Obstruction, Reckless Driving 10/28/01 - Smoke-belching 11/21/01 - Smoke-belching 12/28/01 - Disregard Traffic Signals[1037]
41	2000-00484	T, T-1 to T-8	**PWD-350**	4/7/01 - Smoke-belching 6/9/01 - Disregard Traffic Signals[1038]
42	2000-00484	T, T-1 to T-8	**PWZ-467**	4/29/01 - Smoke-belching 6/14/01 - Smoke-belching[1039]
43	2000-00484	T, T-1 to T-8	**PXN-692**	5/25/01 - Smoke-belching[1040]
44	2000-00484	T, T-1 to T-8	**PWX-757**	6/27/01 - Smoke-belching[1041]
45	2000-00484	T, T-1 to T-8	**PWD-340**	4/25/01 - Smoke-belching[1042]
46	2000-00484	T, T-1 to T-8	**PWU-298**	5/7/01 - Smoke-belching 5/28/01 - Smoke-belching[1043]
47	2000-00485	X, X-1 to X-8	**NYS-191**	6/20/01 - Smoke-belching[1044]
48	2000-00485	X, X-1 to X-8	**NYG-972**	7/17/01 - Smoke-belching

[1029] *Id.*, p. 5763.
[1030] *Id.*, p. 5746.
[1031] *Id.*, p. 5753.
[1032] *Id.*, p. 5744.
[1033] *Id.*, p. 5757.
[1034] *Id.*, p. 5752.
[1035] *Id.*, p. 5751.
[1036] *Id.*, pp. 5745, 5749.
[1037] *Id.*, p. 5749.
[1038] *Id.*, p. 5753.
[1039] *Id.*, p. 5748.
[1040] *Id.*, p. 5758.
[1041] *Id.*, p. 5755.
[1042] *Id.*, p. 5753.
[1043] *Id.*, p. 5746.
[1044] *Id.*, p. 5752.

				11/12/01 - Obstruction[1045]
49	2000-00485	X, X-1 to X-8	**PXV-410**	4/11/01 - Illegal Turn[1046]
50	2000-00485	X, X-1 to X-8	**PXV-410**	2/23/01 - Disregard Traffic Signals[1047]
51	2000-00485	X, X-1 to X-8	**PXR-168**	12/9/01 - No Head/Tail Lights[1048]

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	FRANCHISE	EXHIBIT	PLATE	LTO APPREHENSIONS
1	97-08840	N, N-1 to N-8	**PWP-622**	2/11/02 - Breach of Franchise 2/11/02 - Failure to Retrofit 8/2/02 - Smoke-Belching[1049]
2	97-08840	N, N-1 to N-8	**PXP-629**	1/31/02 - No head/tail lights 7/18/02 - No head/tail lights[1050]
3	97-08840	N, N-1 to N-8	**PXM-851**	5/12/02 - Obstruction 8/23/02 - No head/tail lights[1051]
4	97-08840	N, N-1 to N-8	**PWW-778**	7/11/02 - Disregard Traffic Signal, Invalid License 9/5/02 - Smoke-Belching[1052]
5	97-08840	N, N-1 to N-8	**PWZ-300**	7/23/02 - Driving with Open Door 7/23/02 - Obstruction 10/22/02 - Smoke-belching[1053]
6	97-08840	N, N-1 to N-8	**PXP-629**	1/31/02 - No head/tail lights 7/18/02 - No head/tail lights[1054]
7	97-08840	N, N-1 to N-8	**PYE-853**	9/11/02 - No head/tail lights 9/19/02 - Smoke-belching 10/18/02 - Obstruction[1055]
8	98-06790	OO, OO-1 to OO-4	**PWX-230**	2/26/02 - Smoke-belching 3/7/02 - Smoke-belching[1056]
9	98-06792	S-1 to S-8	**PWS-825**	1/8/02 - Disregard Traffic Signals 2/15/02 - Seatbelt not Worn 2/15/02 - Unauthorized Plates 10/2/02 - Disregard Traffic Signals 10/2/02 - Out of Line[1057]
10	98-06792	S-1 to S-8	**NYL-215**	2/7/02 - Illegal Overtaking 5/9/02 - Obstruction 5/14/02 - Smoke-belching[1058]
11	98-06792	S-1 to S-8	**NYG-902**	5/6/02 - Invalid License 5/6/02 - No Head/Tail Lights

[1045] *Id.*, p. 5745.
[1046] *Id.*, p. 5762.
[1047] *Id.*, p. 5747.
[1048] *Id.*, p. 5758.
[1049] *Id.*, p. 5754.
[1050] *Id.*, p. 5758.
[1051] *Id.*
[1052] *Id.*, p. 5755.
[1053] *Id.*, p. 5748.
[1054] *Id.*, p. 5758.
[1055] *Id.*, p. 5747.
[1056] *Id.*, p. 5755.
[1057] *Id.*, p. 5746.
[1058] *Id.*, p. 5750.

				7/3/02 - Fail Use EWD[1059]
12	98-06791	MM, MM-1 to MM-2	**PXV-968**	1/26/02 - Obstruction[1060]
13	98-06791	MM, MM-1 to MM-2	**PWP-946**	3/12/02 - Smoke-belching 6/5/02 - Smoke-belching 6/21/02 - Failure to Retrofit 6/21/02 - No Brake Lights 6/21/02 - Plate Not Visible 9/13/02 - Obstruction 9/20/02 - Smoke-belching 10/14/02 - Smoke-belching[1061]
14	98-06791	MM, MM-1 to MM-2	**PWY-368**	5/29/02 - Smoke-belching[1062]
15	98-06791	MM, MM-1 to MM-2	**PWZ-679**	8/26/02 - Smoke-belching[1063]
16	98-06791	MM, MM-1 to MM-2	**PXT-167**	8/5/02 - Smoke-belching[1064]
17	98-06791	MM, MM-1 to MM-2	**PXS-698**	8/14/02 - Obstruction 8/14/02 - Seatbelt not Worn 11/3/02 - Arrogance 11/3/02 - Colorum Operation 11/3/02 - Disregard Traffic Signals 11/3/02 - Invalid Registration[1065]
18	98-06796	O, O-1 to O-8	**PXS-687**	2/15/02 - Smoke-belching 4/23/02 - Smoke-belching[1066]
19	98-06796	O, O-1 to O-8	**PXS-688**	1/7/02 - Disregard Traffic Signals[1067]
20	98-06796	O, O-1 to O-8	**PXS-597**	5/22/02 - Invalid License 5/22/02 - Seatbelt not Worn 5/22/02 - Use of Slippers 9/11/02 - Obstruction[1068]
21	98-06796	O, O-1 to O-8	**PXS-578**	5/12/02 - Smoke-belching 6/27/02 - Smoke-belching 8/10/02 - Disregard Traffic Signals 8/10/02 - Obstruction[1069]
22	98-06796	O, O-1 to O-8	**PXS-388**	5/27/02 - Reckless Driving[1070]
23	98-06796	O, O-1 to O-8	**PXS-617**	8/22/02 - Smoke-belching[1071]
24	98-06796	O, O-1 to O-8	**PXT-187**	9/3/02 - Obstruction[1072]
25	98-06796	O, O-1 to O-8	**PXT-238**	2/14/02 - Smoke-belching[1073]

[1059] *Id.*, p. 5744.
[1060] *Id.*, p. 5762.
[1061] *Id.*, p. 5754.
[1062] *Id.*, p. 5748.
[1063] *Id.*, p. 5756.
[1064] *Id.*, p. 5761.
[1065] *Id.*
[1066] *Id.*
[1067] *Id.*
[1068] *Id.*
[1069] *Id.*, p. 5760.
[1070] *Id.*, p. 5759.
[1071] *Id.*, p. 5760.
[1072] *Id.*, p. 5761.
[1073] *Id.*

26	98-06796	O, O-1 to O-8	**PXS-607**	10/5/02 - Invalid License, Obstruction, Out of Line[1074]
27	98-06796	O, O-1 to O-8	**PXS-667**	1/21/02 - Smoke-belching 2/11/02 - Smoke-belching 2/15/02 - Smoke-belching 3/1/02 - Smoke-belching 5/9/02 - Smoke-belching 9/18/02 - Smoke-belching[1075]
28	98-06796	O, O-1 to O-8	**PXP-999**	7/23/02 - Disregard Traffic Signals, Driving with Open Door 10/17/02 - Disregard Traffic Signals[1076]
29	98-06796	O, O-1 to O-8	**PXS-568**	2/15/02 - **Out of Line**, Seatbelt not Worn[1077]
30	98-06796	O, O-1 to O-8	**PXG-661**	5/9/02 - Smoke-belching[1078]
31	98-06796	O, O-1 to O-8	**TVF-240**	2/3/02 - Obstruction[1079]
32	98-06796	O, O-1 to O-8	**TVF-370**	5/22/02 - Smoke-belching[1080]
33	98-06796	O, O-1 to O-8	**PYA-105**	10/18/02 - Seatbelt not Worn 9/20/02 - Smoke-belching[1081]
34	98-06796	O, O-1 to O-8	**PWW-778**	7/11/02 - Disregard Traffic Signals, Invalid License 9/5/02 - Smoke-belching[1082]
35	98-06796	O, O-1 to O-8	**PWE-504**	9/23/02 - Failure to Retrofit, No Plate Lights 9/29/02 - Disregard Traffic Signals, Invalid License, Obstruction[1083]
36	98-06796	O, O-1 to O-8	**CVL-812**	5/6/02 - Smoke-belching 6/17/02 - Install Window Light/Tint, No Head/Tail Lights, No Rear View Mirror 8/12/02 - No Head/Tail Lights 9/4/02 - Smoke-belching 12/10/02 - Out of Line[1084]
37	98-06796	O, O-1 to O-8	**PXB-420**	10/4/02 - CR/OR Not Carried, Invalid Registration, **No Franchise/CPC/PA, Out of Line**, Unauthorized Plates[1085]
38	98-06796	O, O-1 to O-8	**NYM-814**	2/19/02 - Smoke-belching[1086]
39	98-02725	R, R-1 to R-8, 111-HH, 111-	**NYB-337**	1/26/02 - No Plate Lights[1087]

[1074] *Id.*, p. 5760.
[1075] *Id.*
[1076] *Id.*, p. 5758.
[1077] *Id.*, p. 5759.
[1078] *Id.*, p. 5757.
[1079] *Id.*, p. 5763.
[1080] *Id.*
[1081] *Id.*, p. 5747.
[1082] *Id.*, p. 5746.
[1083] *Id.*, p. 5753.
[1084] *Id.*, p. 5744.
[1085] *Id.*, p. 5757.
[1086] *Id.*, p. 5750.
[1087] *Id.*, p. 5744.

		HH-1 to 111-HH-20		
40	99-12623	PP, PP-1	**NYR-838**	1/29/02 - Obstruction 3/1/02 - Smoke-belching 4/15/02 - Smoke-belching 8/31/02 - Driving with Open Door 11/14/02 - Obstruction, Use of Slippers[1088]
41	99-12623	PP, PP-1	**NYK-249**	1/7/02 - Smoke-belching 5/29/02- Smoke-belching 7/31/02 - Illegal Turn 12/2/02 - Smoke-belching[1089]
42	99-01008	M[8], 111-FF, 111-FF-1 to 111-FF-7	**NYK-850**	4/29/02 - Smoke-belching 6/4/02 - Reckless Driving[1090]
43	2000-00484	T, T-1 to T-8	**PWZ-467**	1/11/02 - Smoke-belching 1/14/02 - Smoke-belching 5/16/02 - Smoke-belching[1091]
44	2000-00484	T, T-1 to T-8	**PWM-454**	2/26/02 - Fail Use EWD[1092]
45	2000-00484	T, T-1 to T-8	**PWY-597**	6/5/02 - Smoke-belching 8/21/02 - Smoke-belching[1093]
46	2000-00484	T, T-1 to T-8	**PWD-340**	8/26/02 - Smoke-belching[1094]
47	2000-00484	T, T-1 to T-8	**PWU-298**	4/21/02 - No Head/Tail Lights 6/5/02 - Obstruction 10/12/02 - Smoke-belching 11/21/02 - Smoke-belching[1095]
48	2000-00485	X, X-1 to X-8	**NYS-191**	9/13/02 - Smoke-belching 10/14/02 - Obstruction 11/15/02 - Disregard Traffic Signals, Out of Line[1096]
49	2000-00485	X, X-1 to X-8	**PXM-831**	9/29/02 - Disregard Traffic Signals, Obstruction, Unlicensed Conductor[1097]
50	2000-00485	X, X-1 to X-8	**NXT-695**	11/9/02 - Seatbelt not Worn[1098]
51	2000-00485	X, X-1 to X-8	**PXR-168**	7/23/02 - Obstruction 8/24/02 - No Head/Tail Lights[1099]
52	2000-00485	X, X-1 to X-8	**PWS-975**	6/25/02 - Obstruction 7/17/02 - Invalid License, Obstruction 9/24/02 - Smoke-belching 12/17/02 - Obstruction[1100]

[1088] *Id.*, p. 5751.
[1089] *Id.*, pp. 5745-5749.
[1090] *Id.*, p. 5749.
[1091] *Id.*, p. 5748.
[1092] *Id.*, p. 5753.
[1093] *Id.*, p. 5748.
[1094] *Id.*, p. 5753.
[1095] *Id.*, p. 5746.
[1096] *Id.*, p. 5752.
[1097] *Id.*, p. 5757.
[1098] *Id.*, p. 5744.
[1099] *Id.*, p. 5758.
[1100] *Id.*, p. 5746.

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	FRANCHISE	EXHIBIT	PLATE	APPREHENSIONS
1	98-06790	OO, OO-1 to OO-4	**NYK-611**	11/16/03 - Smoke-belching[1101]
2	98-06792	S-1 to S-8	**NYM-184**	1/8/03 - Obstruction 1/8/03 - **Out of Line**[1102]
3	2002-6500	K[8], M, M-1 to M-8, 46, 46-A, 46-B, 46-C	**NYM-184**	10/27/03 - No Rearview Mirror[1103]
4	2002-6500	K[8], M, M-1 to M-8, 46, 46-A, 46-B, 46-C	**NYG-902**	10/27/03 - No Rearview Mirror[1104]
5	98-06791	MM, MM-1 to MM-2	**PXV-968**	5/19/03 - Smoke-belching[1105]
6	2002-6493	G[8], 52-AA	**PXV-968**	8/4/03 - Smoke-belching[1106]
7	98-06791	MM, MM-1 to MM-2	**PWP-946**	4/29/03 - No Fare Matrix 4/29/03 - Trip Cutting[1107]
8	2002-6494	H[8], 53-AA	**PWP-946**	8/15/03 - Smoke-belching 9/19/03 - Smoke-belching[1108]
9	98-06791	MM, MM-1 to MM-2	**PWY-368**	2/12/03 - Smoke-belching 4/12/03 - Smoke-belching[1109]
10	98-06796	O, O-1 to O-8	**PXS-688**	2/18/03 - Smoke-belching[1110]
11	2002-6495	I[8]	**PXS-688**	8/25/03 - Smoke-belching[1111]
12	98-06796	O, O-1 to O-8	**PXS-398**	2/18/03 - No Fare Matrix 2/18/03 - Obstruction 2/18/03 - Trip Cutting[1112]
13	2002-6495	I[8]	**PXS-398**	7/14/03 - Smoke-belching[1113]
14	98-06796	O, O-1 to O-8	**PXT-238**	3/3/03 - Smoke-belching[1114]
15	2002-6495	I[8]	**PXT-238**	8/18/03 - Smoke-belching[1115]
16	98-06796	O, O-1 to O-8	**PXS-667**	2/4/03 - Smoke-belching 2/22/03 - Smoke-belching[1116]
17	2002-6492	F[8], G, G-1 to G-8, 40, 40-A, 40-B, 40-C	**PXS-667**	8/16/03 - Smoke-belching

[1101] *Id.*, p. 5749.
[1102] *Id.*, p. 5750.
[1103] *Id.*
[1104] *Id.*
[1105] *Id.*, p. 5762.
[1106] *Id.*
[1107] *Id.*, p. 5754.
[1108] *Id.*
[1109] *Id.*, p. 5748.
[1110] *Id.*, p. 5761.
[1111] *Id.*
[1112] *Id.*, p. 5759.
[1113] *Id.*
[1114] *Id.*, p. 5761.
[1115] *Id.*
[1116] *Id.*, p. 5760.

				9/20/03 - Smoke-belching[1117]
18	98-06796	O, O-1 to O-8	**PXP-999**	1/22/03 - Smoke-belching 2/6/03 - Smoke-belching 3/5/03 - Smoke-belching 11/8/03 - Disregard Traffic Signals 11/17/03 - Driving with Open Door[1118]
19	98-06796	O, O-1 to O-8	**PYA-105**	8/18/03 - Smoke-belching[1119]
20	98-06796	O, O-1 to O-8	**PWE-504**	1/27/03 - Smoke-belching[1120]
21	98-02725	R, R-1 to R-8, 111-HH, 111-HH-1 to 111-HH-20	**PVA-782**	9/19/03 - Smoke-belching[1121]
22	2002-6498	J[8], I, I-1 to I-8, 42, 42-A, 42-B, 42-C	**NYR-838**	11/18/03 - Smoke-belching[1122]
23	99-12623	PP, PP-1	**NYK-249**	2/3/03 - Smoke-belching 3/4/03 - Smoke-belching 6/5/03 - Smoke-belching[1123]
24	2002-6498	J[8], I, I-1 to I-8, 42, 42-A, 42-B, 42-C	**NYK-249**	8/13/03 - Smoke-belching 12/2/03 - Smoke-belching[1124]
25	99-01008	M[8], 111-FF, 111-FF-1 to 111-FF-7	**NYK-850**	2/20/03 - Smoke-belching 3/21/03- Smoke-belching[1125]
26	2000-00484	T, T-1 to T-8	**PXN-692**	5/6/03 - Smoke-belching[1126]
27	2000-00484	T, T-1 to T-8	**PWZ-517**	4/29/03 - Smoke-belching[1127]
28	2000-00484	T, T-1 to T-8	**PWD-340**	5/15/03 - Smoke-belching[1128]
29	2000-00484	T, T-1 to T-8	**PWU-298**	5/12/03 - Smoke-belching 11/24/03 - Smoke-belching[1129]
30	2000-00485	X, X-1 to X-8	**NYG-972**	3/5/03 - Smoke-belching 5/21/03 - Smoke-belching, Illegal Display of Sign Board 11/27/03 - Smoke-belching 12/3/03 - Smoke-belching[1130]
31	2000-00485	X, X-1 to X-8	**PXM-831**	1/15/03 - Smoke-belching[1131]
32	2002-6492	F[8], G, G-1 to G-8, 40, 40-A, 40-B, 40-C	**NXT-695**	10/23/03 - Smoke-belching[1132]

[1117] *Id.*
[1118] *Id.*, p. 5758.
[1119] *Id.*, p. 5747.
[1120] *Id.*, p. 5753.
[1121] *Id.*, p. 5752.
[1122] *Id.*, p. 5751.
[1123] *Id.*, pp. 5745, 5749.
[1124] *Id.*
[1125] *Id.*, p. 5749.
[1126] *Id.*, p. 5758.
[1127] *Id.*, p. 5756.
[1128] *Id.*, p. 5753.
[1129] *Id.*, p. 5746.
[1130] *Id.*, p. 5745.
[1131] *Id.*, p. 5757.
[1132] *Id.*, p. 5744.

33	2000-00485	X, X-1 to X-8	**PXV-410**	3/13/03 - Smoke-belching 6/8/03 - Smoke-belching 8/28/03 - Smoke-belching[1133]
34	2000-00485	X, X-1 to X-8	**PWS-975**	2/4/03 - Smoke-belching[1134]
35	2002-6500	K[8], M, M-1 to M-8, 46, 46-A, 46-B, 46-C	**PXM-305**	11/17/03 - Smoke-belching[1135]
36	2002-6495	I[8], L, L-1 to L-8, 45, 45-A, 45-C	**PWR-459**	9/17/03 - Smoke-belching[1136]
37	2002-6495	I[8], L, L-1 to L-8, 45, 45-A, 45-C	**PWZ-800**	9/9/03 - Smoke-belching 10/30/03 - Smoke-belching[1137]
38	2002-6454	E[8], 50-AA	**PWW-496**	10/16/03 - Smoke-belching 10/26/03 - Smoke-belching[1138]
39	2002-6454	E[8], 50-AA	**PWC-849**	11/9/03 - Smoke-belching[1139]
40	2002-6454	E[8], 50-AA	**TVY-339**	11/4/03 - Smoke-belching[1140]
41	2002-6498	J[8], I, I-1 to I-8, 42, 42-A, 42-B, 42-C	**NYR-917**	12/15/03 - Driving with Open Door[1141]
42	2002-6498	J[8], I, I-1 to I-8, 42, 42-A, 42-B, 42-C	**NYG-922**	7/3/03 - Smoke-belching 11/15/03 - Obstruction[1142]
43	2002-6498	J[8], I, I-1 to I-8, 42, 42-A, 42-B, 42-C	**NYF-436**	12/2/03 - Smoke-belching[1143]
44	2002-6492	F[8], G, G-1 to G-8, 40, 40-A, 40-B, 40-C	**PXV-876**	9/12/03 - Smoke-belching[1144]
45	2002-6492	F8, G, G-1 to G-8, 40, 40-A, 40-B, 40-C	**NYS-103**	10/18/03 - Driving with Open Door, Obstruction[1145]
46	2002-6501	DD, DD-1 to DD-8, L8, 57-AA 47, 47-A, 47-B, 47-C	**TWG-851**	11/12/03 - Smoke-belching[1146]
47	2002-6500	K8, M, M-1 to M-8, 46, 46-A, 46-B, 46-C	**PXL-212**	7/10/03 - Smoke-belching 11/22/03 - Smoke-belching[1147]

[1133] *Id.*, p. 5762.
[1134] *Id.*, p. 5746.
[1135] *Id.*, p. 5757.
[1136] *Id.*, p. 5754.
[1137] *Id.*, p. 5756.
[1138] *Id.*, p. 5746.
[1139] *Id.*, p. 5752.
[1140] *Id.*, p. 5763.
[1141] *Id.*, p. 5751.
[1142] *Id.*, pp. 5744-5745.
[1143] *Id.*, p. 5744.
[1144] *Id.*, p. 5762.
[1145] *Id.*, pp. 5751-5752.
[1146] *Id.*, p. 5754.
[1147] *Id.*, p. 5757.

48	2002-6494	H8, 53-11, H, H-1 to H-8, 41, 41-A, 41-B, 41-C	**NYL-544**	8/18/03 - Smoke Belching 9/19/03 - Smoke Belching[1148]
49	2002-6494	H8, 53-11, H, H-1 to H-8, 41, 41-A, 41-B, 41-C	**PWZ-729**	1/27/03 - Smoke Belchings[1149]

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	FRANCHISE	EXHIBITS	PLATE	APPREHENSIONS
1	2002-6501	DD, DD-1 to DD-8, L8, 57-AA, 47, 47-A, 47-B, 47-C	**PWP-622**	6/15/04 - No Body Number 6/15/04 - No Capacity Markings 6/15/04 - Use of Slippers[1150]
2	2002-6498	I, I-1 to I-8, 42, 42-A, 42-B, 42-C	**PWP-389**	8/2/04 - Arrogance, Fail Paint Route, Install Window Light/Tint, LTFRB MC-2002-03, No Body Number, No EWD, Seatbelt not worn, Unauthorized plates[1151]
3	2002-6495	I[8]	**PWW-778**	3/25/04 - Smoke-Belching 7/10/04 - **Out of Line** 7/10/04 - **Out of Line**[1152]
4	2002-6501	DD, DD-1 to DD-8, L8, 57-AA 47, 47-A, 47-B, 47-C	**PYE-853**	6/22/04 - Smoke-belching 6/22/04 - Failiure to Retrofit 11/30/04 - Disregard Traffic Signal[1153]
5	2002-6498	J[8], I, I-1 to I-8, 42, 42-A, 42-B, 42-C	**NYK-611**	2/11/04 - Smoke-belching 12/24/04 - Disregarding traffic signals[1154]
6	2002-6501	DD, DD-1 to DD-8, L8, 57-AA, 47, 47-A, 47-B, 47-C	**PXU-470**	4/17/04 - No red flag/lights[1155]
7	2002-6501	DD, DD-1 to DD-8, L8, 57-AA, 47, 47-A, 47-B, 47-C	**PYA-435**	10/7/04 - Smoke-belching[1156]
8	2002-6501	L[8], 57-AA, DD, DD-1 to DD-8, L8, 57-AA, 47,	**PWX-230**	4/11/04 - No EWD 4/11/04 - **Out of line** 9/1/04 - No Plate Lights

[1148] *Id.*, p. 5750.
[1149] *Id.*, p. 5756.
[1150] *Id.*, p. 5754.
[1151] *Id.*, pp. 5753-5754.
[1152] *Id.*, p. 5755.
[1153] *Id.*, p. 5747.
[1154] *Id.*, p. 5749.
[1155] *Id.*, p. 5762.
[1156] *Id.*, p. 5747.

		47-A, 47-B, 47-C		9/1/04 - No Rearview Mirror[1157]
9	2002-6500	K8, M, M-1 to M-8, 46, 46-A, 46-B, 46-C	**PWS-825**	7/6/04 - Failure to Retrofit[1158]
10	98-06792	S-1 to S-8	**NYL-215**	7/27/04 - Smoke-belching 9/27/04 - Dilapidated MV 9/27/04 - No Brake Lights 9/27/04 - Plate Not Visible 11/30/04 - Smoke-belching 12/16/04 - Plate Not Visible 12/16/04 - Seatbelt not Worn[1159]
11	2002-6493	G[8], 52-AA	**PWY-507**	7/6/04 - Disregard Traffic Signals 7/6/04 - Obstruction[1160]
12	2002-6494	H[8], 53-AA	**PWP-946**	4/30/04 - Smoke-belching[1161]
13	2002-6494	H[8], 53-AA	**PWY-368**	8/12/04 - Fail Use EWD 8/12/04 - Failure to Retrofit 8/12/04 - Use of Slippers[1162]
14	2002-6493	G[8], K, K-1 to K-8, 52-AA, 44, 44-A, 44-B, 44-C	**PWZ-679**	2/11/04 - Disregard Traffic Signals 9/6/04 - Dilapidated MV 9/6/04 - Failure to Retrofit 9/6/04 - Seatbelt not Worn 9/29/04 - Disregard Traffic Signals[1163]
15	2002-6493	G[8], K, K-1 to K-8, 52-AA, 44, 44-A, 44-B, 44-C	**PXS-698**	11/26/04 - Obstruction[1164]
16	2002-6495	I[8]	**PXS-578**	9/4/04 - CR/OR Not Carried 9/4/04 - Defective Wipers 9/4/04 - Failure to Retrofit 9/4/04 - Illegal Install Aircon Invalid Registration, No Head/Tail Lights, **Out of Line**, Unauthorized Plates, Smoke-belching
17	2002-6495	I[8]	**PXS-617**	8/30/04 - Obstruction[1165]
18	98-06796	O, O-1 to O-8	**PXP-999**	5/13/04 - Disregard Traffic Signals 11/12/04 - Disregard Traffic Signals[1166]
19	98-06796	O, O-1 to O-8	**TVF-240**	1/8/04 - CR/OR not Carried, **Out of Line**, Seatbelt not Worn 9/7/04 - Smoke-belching[1167]

[1157] *Id.*, p. 5755.
[1158] *Id.*, p. 5746.
[1159] *Id.*, p. 5750.
[1160] *Id.*, p. 5748
[1161] *Id.*, p. 5754
[1162] *Id.*, p. 5748
[1163] *Id.*, p. 5756
[1164] *Id.*, p. 5761
[1165] *Id.*, p. 5760.
[1166] *Id.*, p. 5758.
[1167] *Id.*, p. 5763.

20	2002-6501	DD, DD-1 to DD-8, L8, 57-AA, 47, 47-A, 47-B, 47-C	**TVF-370**	4/6/04 - Illegal Display of Sign Board, **Out of Line**[1168]
21	2002-6495	I[8]	**PWW-778**	3/25/04 - Smoke-belching 7/10/04 - **Out of Line**[1169]
22	98-06796	O, O-1 to O-8	**PWE-504**	7/20/04 - No EWD, **Out of Line**[1170]
23	98-06796	O, O-1 to O-8	**PXB-420**	11/16/04 - Smoke-belching 11/27/04 - Smoke-belching[1171]
24	2002-6498	J[8], I, I-1 to I-8, 42, 42-A, 42-B, 42-C	**NYR-838**	7/14/04 - Seatbelt not Worn 12/2/04 - Disregard Traffic Signals 12/7/04 - Obstruction[1172]
25	2002-6498	J[8], I, I-1 to I-8, 42, 42-A, 42-B, 42-C	**NYP-763**	11/3/04 - Seatbelt not Worn[1173]
26	2002-6498	J[8], I, I-1 to I-8, 42, 42-A, 42-B, 42-C	**NYK-850**	9/25/04 - Smoke-belching 10/6/04 - Seatbelt not Worn 10/10/04 - Obstruction[1174]
27	2002-6494	H[8], 53-AA	**PXN-692**	7/13/04 - Dilapidated MV, Failure to Retrofit, Invalid License[1175]
28	2002-6493	G[8], K, K-1 to K-8, 52-AA, 44, 44-A, 44-B, 44-C	**PWX-757**	6/11/04 - Disregard Traffic Signals 9/7/04 - Failure to Retrofit, Smoke-belching[1176]
29	2002-6493	G[8], K, K-1 to K-8, 52-AA, 44, 44-A, 44-B, 44-C	**PWZ-517**	6/22/04 - Smoke-belching[1177]
30	2002-6454	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	**PWY-597**	9/14/04 - Failure to Retrofit, Spurious Documents[1178]
31	2002-6494	H[8], 53-AA	**PWS-724**	3/3/04 - Smoke-belching[1179]
32	2002-6492	F[8], G, G-1 to G-8, 40, 40-A, 40-B, 40-C	**NYS-191**	9/17/04 - Failure to Retrofit, No Rearview Mirror, Unauthorized Changes, Unauthorized Plates[1180]
33	2002-6492	F[8], G, G-1 to G-8, 40, 40-A, 40-B, 40-C	**NXT-695**	1/15/04 - Smoke-belching 7/22/04 - Illegal Display of Sign Board, Obstruction, Trip Cutting[1181]
34	2000-00485	X, X-1 to X-8	**PXV-410**	10/7/04 - Smoke-belching[1182]

[1168] *Id.*
[1169] *Id.*, p. 5746.
[1170] *Id.*, p. 5753.
[1171] *Id.*, p. 5757.
[1172] *Id.*, p. 5751.
[1173] *Id.*
[1174] *Id.*, p. 5749.
[1175] *Id.*, p. 5758.
[1176] *Id.*, p. 5755.
[1177] *Id.*, p. 5756.
[1178] *Id.*, p. 5748.
[1179] *Id.*, pp. 5754, 5746.
[1180] *Id.*, p. 5752.
[1181] *Id.*, p. 5744.
[1182] *Id.*, p. 5747.

35	2002-6454	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	**PXR-168**	4/11/04 - No EWD, **Out of Line**[1183]
36	2002-6454	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	**PXY-807**	11/16/04 - Smoke-belching[1184]
37	2002-6454	J, J-1 to J-8, 43, 43-A, 43-B, 43-C	**PXG-621**	8/5/04 - Arrogance, Obstruction 10/7/04 - Smoke-belching[1185]
38	2002-6500	K[8], M, M-1 to M-8, 46, 46-A, 46-B, 46-C	**PXM-305**	10/15/04 - Dilapidated MV, Failure to Retrofit, No EWD, No Plate Lights[1186]
39	2002-6495	I[8], L, L-1 to L-8, 45, 45-A, 45-C	**PWR-459**	11/8/04 - Smoke-belching[1187]
40	2002-6495	I[8], L, L-1 to L-8, 45, 45-A, 45-C	**PWZ-800**	1/15/04 - Smoke-belching 2/24/04 - Smoke-belching[1188]
41	2002-6454	E[8], 50-AA	**PWC-849**	7/31/04 - Disregard Traffic Signals 8/20/04 - Unauthorized Plates[1189]
42	2002-6454	E[8], 50-AA	**PXX-300**	1/28/04 - Obstruction[1190]
43	2002-6454	E[8], 50-AA	**TVY-586**	2/12/04 - No Rearview Mirror 7/6/04 - CR/OR Not Carried, Driving without License, Failure to Retrofit, Invalid Registration, No Sticker[1191]
44	2002-6454	E[8], 50-AA	**TVY-339**	11/10/04 - Smoke-belching[1192]
45	2002-6498	J[8], I, I-1 to I-8, 42, 42-A, 42-B, 42-C	**NYG-912**	2/11/04 - Smoke-belching[1193]
46	2002-6498	J[8], I, I-1 to I-8, 42, 42-A, 42-B, 42-C	**NYG-942**	3/18/04 - Disregard Traffic Signals 10/25/04 - No Head/Tail Lights[1194]
47	2002-6498	J[8], I, I-1 to I-8, 42, 42-A, 42-B, 42-C	**NYR-917**	10/18/04 - Failure to Retrofit, Illegal Installation of Aircon, No Plate Lights, No Rearview Mirror, Over/Undercharging[1195]
48	2002-6498	J[8], I, I-1 to I-8, 42, 42-A, 42-B, 42-C	**NYG-922**	1/28/04 - Smoke-belching 2/5/04 - Obstruction 4/1/04 - Smoke-belching 10/7/04 - Smoke-belching[1196]

[1183] *Id.*, p. 5758.
[1184] *Id.*, p. 5747.
[1185] *Id.*, p. 5757.
[1186] *Id.*
[1187] *Id.*, p. 5754.
[1188] *Id.*, p. 5756.
[1189] *Id.*, p. 5752.
[1190] *Id.*, p. 5762.
[1191] *Id.*, p. 5764.
[1192] *Id.*, p. 5763.
[1193] *Id.*, p. 5744.
[1194] *Id.*, p. 5745.
[1195] *Id.*, p. 5751.
[1196] *Id.*, p. 5745.

49	2002-6498	J[8], I, I-1 to I-8, 42, 42-A, 42-B, 42-C	**NYH-208**	9/7/04 - Smoke-belching[1197]
50	2002-6498	J[8], I, I-1 to I-8, 42, 42-A, 42-B, 42-C	**NYF-436**	12/11/04 - Disregard Traffic Signals[1198]
51	2002-6492	F[8], G, G-1 to G-8, 40, 40-A, 40-B, 40-C	**NYS-103**	9/7/04 - Smoke-belching[1199]
52	2002-6501	L[8], 57-AA, DD, DD-1 to DD-8, L8, 57-AA, 47, 47-A, 47-B, 47-C	**PWX-747**	4/11/04 - No EWD, **Out of Line**, Unlicensed Conductor[1200]
53	2002-6501	DD, DD-1 to DD-8, L8, 57-AA, 47, 47-A, 47-B, 47-C	**TWG-851**	1/16/04 - Smoke-belching[1201]
54	2002-6500	K[8], M, M-1 to M-8, 46, 46-A, 46-B, 46-C	**PXL-212**	9/28/04 - Smoke-belching[1202]
55	2002-6500	K[8], M, M-1 to M-8, 46, 46-A, 46-B, 46-C	**PXV-836**	9/15/04 - Smoke-belching[1203]
56	2002-6493	G[8], K, K-1 to K-8, 52-AA, 44, 44-A, 44-B, 44-C	**PXS-148**	11/27/04 - Seatbelt not Worn[1204]
57	2002-6494	H8, 53-11, H, H-1 to H-8, 41, 41-A, 41-B, 41-C	**NYL-544**	7/7/04 - Breach of Franchise, Dilapidated MV, Failure to Retrofit, Unlicensed Conductor[1205]
58		H8, 53-11, H, H-1 to H-8, 41, 41-A, 41-B, 41-C	**TWB-812**	2/18/04 - No Rear View Mirror[1206]

RO Bernal also testified[1207] on the importance of the LTO summary of apprehensions as follows.

JUSTICE VICTORINO

So what is the materiality of the summary of apprehension?

[1197] *Id.*
[1198] *Id.*, p. 5744.
[1199] *Id.*, p. 5752.
[1200] *Id.*, p. 5755.
[1201] *Id.*, p. 5754.
[1202] *Id.*, p. 5757.
[1203] *Id.*, p. 5762.
[1204] *Id.*, p. 5759.
[1205] *Id.*, p. 5750.
[1206] *Id.*, p. 5764.
[1207] TSN for Hearing on March 26, 2014, pages 30 to 33.

SR. STATE PROSECUTOR WAGA

Your Honors, because her contention was that they were not operating. Now based on the reports of apprehension ...Interrupted

JUSTICE VICTORINO

With that, that will show that they were indeed operating on that particular time because there were apprehensions made.

SR. STATE PROSECUTOR WAGA

Yes, your Honors. Because there were apprehensions made by LTO on the buses of PCLC, your Honors. It enumerated the different ...Interrupted

JUSTICE VICTORINO

Okay. Do you have a summary of that?

JUSTICE LIBAN

The apprehensions and violations ...Interrupted

SR. STATE PROSECUTOR WAGA

Traffic violations, your Honors.

MR. BERNAL

Your Honors, only the copy of apprehensions.

JUSTICE LIBAN

You only have copy of the apprehensions, not violations?

MR. BERNAL

No. I don't have the copy of the summary, your Honors. I only have the copy of the actual document, the actual apprehensions.

SR. STATE PROSECUTOR WAGA

The listings.

MR. BERNAL

The listings.

JUSTICE VICTORINO

This listing was previously marked?

SR. STATE PROSECUTOR WAGA

Yes.

MR. BERNAL
Yes, your Honors, as J^4.

SR. STATE PROSECUTOR WAGA
Your Honors, these documents including the letter of the LTO to Mr. Arnel Guballa and the attached listings of the violations made by, of the buses of Philippine Corinthian, your Honors (long pause)

JUSTICE VICTORINO
Proceed, Atty. Waga.

SR. STATE PROSECUTOR WAGA
Your Honors, this document was earlier marked as Exhibit J, the letter of Assistant Secretary Anneli Lontoc to Mr. Arnel Guballa relative to the request of Mr. Guballa was marked as J^4, your Honors, and the sub-markings, your Honors.

Q Now, Mr. Witness, based on these documents, what did you observe if you could just make some statements to the Honorable Court relative to these violations that were committed by the PCLC buses?

MR. BERNAL
A **Based on the apprehensions, you can see that, I was able to observe that there was an apprehension as early as 1998. The apprehension itself is very specific as to the plate number, the description or the nature of the violation, the ticket number, the date and time of the apprehension.**

SR. STATE PROSECUTOR WAGA
Okay.

MR. BERNAL
It can be also noticed that there were various apprehensions as early as 1998 up to 2006. Can you show the 1998 apprehensions?

JUSTICE LIBAN
Anyway, that consists of how many ...Interrupted

SR. STATE PROSECUTOR WAGA
It consists of ...Interrupted

MR. BERNAL
21 pages.

The Court likewise notes that some units have been operating, based on the table of apprehensions, despite the lack of "YC" in their Franchise Verifications. Indubitably from the foregoing, Accused PCLC indeed conducted business operations from 1998 to 2004.

This brings us to the second element of the crimes charged.

Second Element: PCLC Failed to File Returns and Pay Taxes

It is apparent from the evidence that Accused PCLC failed to declare its income quarterly and to make or file its annual income tax return for TYs 1998 to 2004. The Prosecution presented several Certifications obtained and testified to by RO Bernal to verify this, to wit:

a. Certification dated June 27, 2005[1208] executed by Benilda M. Nicosia, Chief, Data Processing Section of BIR-**Binondo**, Manila, stating that PCLC had no physical records of tax returns on file for 1998, 1999, 2000 and 2003;

b. Certification dated August 30, 2005[1209] executed by Revenue District Officer Lorna S. Tobias of RDO No. 30-**Binondo**, Manila, stating that PCLC had no record of returns on file from 1997 to 2004 and that the said taxpayer is registered in RDO No. 42, San Juan;

c. Certification dated June 27, 2005[1210] executed by Revenue District Officer Raul Vicente L. Recto of RDO No. 43, **Pasig** City, that PCLC did not file any returns from 1999 to 2004 and that said taxpayer is registered at RDO No. 42, San Juan; and

d. Certification dated September 20, 2005[1211] executed by Evelyn I. Sarmiento, Chief of Document Processing Section of RDO No. 28-**Novaliches**, stating that PCLC is not a registered taxpayer in their district and had not filed any income tax returns from 1997 to 2004.

[1208] Exhibit F^4 showing Certification dated June 27, 2005 by Benilda M. Nicosia.
[1209] Exhibit D^4.
[1210] Exhibit X^7.
[1211] Exhibit Y^7.

Apparent from the foregoing is that Accused PCLC is registered as a taxpayer at RDO No. 42, San Juan. This as much has been admitted by Accused Dela Fuente when she testified that "the Certifications of the different RDOs show PCLC is an active registrant of RDO 42 San Juan with TIN No. 235-887-722 in 2005, thus, it follows, it has no records in their file in any of their District Revenue Offices x x x".[1212]

An inquiry specific to Accused PCLC's registration and transaction status in RDO No. 42, San Juan, yielded the following:

a) Letter dated June 30, 2005[1213] executed by Assistant Revenue District Officer Evangeline S. Abanilla of RDO No. 42, San Juan, stating that PCLC had **no records on file in their office from 1999 to 2004**;

b) Certification dated September 22, 2005[1214] executed by Revenue District Officer Ernesto D. De Vota stating that per verification made in the BIR ITS Registration Database, PCLC with TIN No. 235-885-722-000 is registered in RDO No. 42, San Juan and that PCLC had **no returns on file in his office from 1998 to 2004**; and

c) Certification dated September 20, 2005[1215] executed by Alberto A. Pio De Roda, BIR Asst. Commissioner of ISOS stating that PCLC of Rm. 1029 V.V. Soliven Complex Edsa, San Juan, MM with TIN No. 235-885-722 was registered at RDO 42, San Juan in January of 2005 and that there are no records of **Income Tax Returns from 1997 to 2004** filed in **any** District Office.

As RO Bernal testified,[1216] the last certification above pertains to an inquiry with the Central Data Base Information Systems or ISOS of the BIR.

STATE PROS. WAGA
Q Mr. Witness, you made mentioned of an ISOS, could you please explain to the Honorable Court what does that ISOS mean?

MR. BERNAL
A That is information, ISOS is the office wherein our central data base is located, information that you can secure from it, are the profile of a taxpayer, the registered address, the

[1212] Vol. 15, pp. 7430-7482, Amended/Supplemental Judicial Affidavit of Clarita De Guzman a.k.a. Clarita Dela Fuente, p. 7437; Exhibit X^7.
[1213] Exhibits E, E-1, E-2.
[1214] Exhibit V^7.
[1215] Exhibits G^4, G^4-1, and G^4-2.
[1216] TSN for Hearing on August 7, 2013, pages 13 to 14.

> records of payments, and the returns filed and other records related to the transactions made by the taxpayer with the Bureau of Internal Revenue.

Prosecution witness Rogelio G. Ancheta, Chief, Document Processing Section, RDO 42, San Juan, likewise issued two certifications pertaining to Accused PCLC:

a) Certification dated June 30, 2005[1217] stating that PCLC had **no Income Tax Returns on file from 1999 to 2004**; and

b) Certification dated April 13, 2005[1218] stating that PCLC with TIN 235-885-722 had **no records on file** of Taxpayer Ledger, Monthly and Year-end Withholding Tax Returns, Alphabetical List-Compensation and **Expanded, Percentage Tax Returns/Monthly and Quarterly VAT Returns and Income Tax Returns with audited Financial Statement for taxable years 2001 to 2004.**

During the hearing on October 18, 2017, Mr. Ancheta testified[1219], thus:

ATTY. CRUZ

> Mr. Witness, I am showing to you a certification issued for whatever legal purpose it may serve on April 13, 2005.

Q Will you please go over this document and tell the Honorable Court what certification is this all about?

MR. ANCHETA

A The certification about the Philippine Corinthian Liner Corporation has no records on file for Income Tax Return for 1999 to 2004, your Honors.

x x x x x x x x x

JUSTICE VICTORINO

> What is stated in that certification?

MR. ANCHETA

> This is to certify that as per records available in this office, Philippine Corinthian Liner Corporation of Room 1029 VV Soliven Complex, EDSA, Greenhills, San Juan, Metro Manila, with taxpayer identification number 235885722 has

[1217] Exhibits F, F-1, F-2, T[7], T[7]-1.
[1218] Exhibit U[7].
[1219] TSN for Hearing on October 18, 2017, pages 15 to 17.

> no records on file of taxpayer's monthly and year-end withholding tax returns, alphabetical list of compensation and expanded, percentage tax returns, monthly and quarterly VAT returns and income tax returns with audited financial statements for taxable year 2001 to 2004. This certification is issued for whatever legal purpose it may serve. Issued this 13th day of April 2005, your Honors.

The record is likewise replete with admissions by Accused Dela Fuente that PCLC was only registered with the BIR in 2005, in violation of Sec. 236(A)(2) of the NIRC. This was evident in her responses during the hearing on June 19, 2019[1220] while she was being interpolated by the Court.

ATTY. MARBIBI
No re-direct, your Honors.

JUSTICE LIBAN
What company was registered in 1996?

MS. DE GUZMAN/DE LA FUENTE
1995 po 'yon na-register.

JUSTICE LIBAN
What company?

MS. DE GUZMAN/DE LA FUENTE
1996, opo, tama po.

JUSTICE LIBAN
What company is that?

MS. DE GUZMAN/DE LA FUENTE
Iyong Philippine Corinthian Liner Inc.

JUSTICE LIBAN
And then it was registered again in 2005?

MS. DE GUZMAN/DE LA FUENTE
Hindi po. **Na-register po sa SEC pero hindi po na-register sa BIR.**

JUSTICE LIBAN
So PCLC was registered in the SEC in 1995.

MS. DE GUZMAN/DE LA FUENTE

[1220] Vol. 15, pp. 7879-7921; TSN, Minutes of the Hearing dated June 19, 2019, pp. 30-31.

1996 po.

JUSTICE LIBAN
1996. And then **it was registered with the BIR in 2005**?

MS. DE GUZMAN/DE LA FUENTE
Opo. *(Emphasis supplied)*

At this juncture, it must be emphasized that there are three modes of committing a crime under Sec. 255 of the NIRC, as amended. Of the three, only two are relevant to the discussion in these consolidated cases. Failure to file a return has been discussed and established above.

As for the other relevant mode, failure to pay the tax, it is the theory of the Defense that Accused PCLC has not had any operations since its incorporation in 1996 and, therefore, did not have any cause to file returns, much less pay the taxes due.

In the hearing of November 14, 2018, Accused Dela Fuente testified, as follows:

ATTY. MARBIBI
Q The Prosecution charges you of non-filing of Income Tax Return for taxable year 1998 and non-payment of alleged Income Tax due in the amount of Php4,523,904.00 which is a subject matter in Criminal Case No. O-178 having been allegedly not filed and paid on or about April 15, 1999. Tell us if you are the responsible officer required to file?

MS. DE GUZMAN
A *Hinde po ako tsaka wala pong ifa-file, wala pong operation.*[1221]

x x x x x x x x x

ATTY. MARBIBI
Q The same thing in Criminal Case No. O-174 wherein it refers to failure to file Income Tax Return of PCLC for taxable year 1999 required to be filed on or before April 15, 2000 in the amount of Twenty-Four Million Three Hundred Six Thousand Four Hundred Eighty Pesos (Php24,306,480.00), said obligation is allegedly your obligation, what can you say to this?

MS. DE GUZMAN

[1221] Vol. 13, pp. 6720-6783, TSN, Minutes of the Hearing dated November 14, 2018, p. 16.

A *Hinde po wala po kaming operation kaya hinde po totoo 'yon.*[1222]

x x x x x x x x x

ATTY. MARBIBI
Q Would you give the same answer to the five (5) other Criminal Cases, Criminal Case No. O-172 for alleged taxable period of 2000 payable on or before April 15, 2001 in the amount of Php48,812,544.00?

MS. DE GUZMAN
A *Wala rin po kaming natanggap, wala po.*

ATTY. MARBIBI
Q Are you going to give the same answer as what you gave?

MS. DE GUZMAN
A Yes, same answer *po hindi po ako ang assigned para magbayad or makatanggap niyan, wala rin po kaming natanggap.*[1223]

x x x x x x x x x

ATTY. MARBIBI
Q What about for taxable year 2001 wherein the alleged Income Tax due was payable on or before April 15, 2002 amounting to Php36,130,406.40. Would you give the same answers if ask *(sic)* the same questions?

MS. DE GUZMAN
A Yes, *po.*

JUSTICE UY
This is for what Criminal Case?

ATTY. MARBIBI
Criminal Case No. O-176, your Honor.

JUSTICE UY
All right.

[1222] *Id.*, p. 17.
[1223] *Id.*, pp. 18-19.

ATTY. MARBIBI
Q What about for Criminal Case No. O-175 for alleged non-filing of Income Tax Return for taxable year 2003 and alleged Income Tax due for said taxable year payable on or about April 15, 2003 amounting to Php40,919,040.00, would you give the same answers if ask *(sic)* the same questions to the Criminal Cases I mentioned earlier?

MS. DE GUZMAN
A Yes, *po,* the same answer *po.*

ATTY. MARBIBI
Q What about for Criminal Case No. O-173 for alleged Income Tax Return that are due for alleged filing for taxable year 2003 and the Income Tax due allegedly payable on or before April 15, 2004 amounting to Php6,306,000.00, would you give the same answers if ask *(sic)* the same questions?

MS. DE GUZMAN
A Yes, *po.*

ATTY. MARBIBI
Q And the last Criminal Case No. O-177 involving alleged Income Tax Return that should have been filed by PCLC for taxable year 2004 for alleged Income Tax due payable on or about April 15, 2005 in the amount of Php5,068,800.00, would you give the same answers if ask *(sic)* the same questions?

MS. DE GUZMAN
A *Opo.*

ATTY. MARBIBI
Q All of these cases talks about willful, unlawful, felonious, failing to make and refused to file, did you receive any demand or notice from the complainant, BIR, to pay all these amounts prior to the filing of this case?

MS. DE GUZMAN
A *Wala po.*[1224]

[1224] *Id.*, pp. 19-21.

The aforequoted excerpts of testimony are judicial admissions that Accused PCLC failed to pay the tax on the date they were due, as stated in the Informations. While the testimony is supportive of the Defense's theory of non-operation, the evidence has debunked this, as discussed earlier. Moreover, the numerous Certifications proving that PCLC has not filed any returns, whether they be Quarterly Income Tax Returns or its Annual Income Tax Returns for the subject periods, necessarily point to non-payment of the tax as mandated by Secs. 75 and 76 of the NIRC which violations Accused is also charged with.

The obligation to make and file returns under Secs. 75 and 76 of the NIRC is in relation to Sec. 77 which provides for the time of filing and payment of Quarterly Corporate Income Tax, to wit:

> **SEC. 77.** *Place and Time of Filing and Payment of Quarterly Corporate Income Tax.* -
>
> x x x x x x x x x
>
> (B) *Time of Filing the Income Tax Return.* - The corporate quarterly declaration shall be filed within sixty (60) days following the close of each of the first three (3) quarters of the taxable year. The final adjustment return shall be filed on or before the fifteenth (15th) day of April, or on or before the fifteenth (15th) day of the fourth (4th) month following the close of the fiscal year, as the case may be.
>
> (C) *Time of Payment of the Income Tax.* - The **income tax due** on the corporate quarterly returns and the final adjustment income tax returns computed **in accordance with Sections 75 and 76 shall be paid at the time the declaration or return is filed** in a manner prescribed by the Commissioner. *(Emphasis ours)*

Contrary to the supposition of the Defense, for purposes of determining the existence of this particular element of a crime under Sec. 255, a demand is not required. This is in line with the doctrine that an assessment is unnecessary for criminal prosecution.

Section 222(a) of the NIRC of 1997, as amended, provides that "[i]n the case of a false or fraudulent return with intent to evade tax or **of failure to file a return**, the tax may be assessed, or **a proceeding in court for the collection of such tax may be filed without assessment,** at any time within ten (10) years after the discovery of the falsity, fraud or omission".

In *Ungab vs. Cusi, Jr., et al.*[1225], the Supreme Court held that "[w]hile there can be no civil action to enforce collection before the assessment procedures provided in the Code have been followed, there is no requirement for the precise computation and assessment of the tax before there can be a criminal prosecution under the Code".

This was later reiterated in the case of *Commissioner of Internal Revenue vs. Pascor Realty and Development Corporation, et al.*[1226] where the Supreme Court held that an assessment is not necessary before filing a criminal complaint, to wit:

> Private respondents maintain that the filing of a criminal complaint must be preceded by an assessment. This is incorrect, because **Section 222 of the NIRC specifically states that** in cases where a false or fraudulent return is submitted or **in cases of failure to file a return such as this case, proceedings in court may be commenced without an assessment.** Furthermore, Section 205 of the same Code clearly mandates that the civil and criminal aspects of the case may be pursued simultaneously. In *Ungab v. Cusi,* petitioner therein sought the dismissal of the criminal Complaints for being premature, since his protest to the CTA had not yet been resolved. The Court held that such protests could not stop or suspend the criminal action which was independent of the resolution of the protest in the CTA. This was because the commissioner of internal revenue had, in such tax evasion cases, discretion on whether to issue an assessment or to file a criminal case against the taxpayer or to do both.
>
> Private respondents insist that Section 222 should be read in relation to Section 255 of the NLRC, which penalizes failure to file a return. They add that a tax assessment should precede a criminal indictment. We disagree. To reiterate, said Section 222 states that an assessment is not necessary before a criminal charge can be filed. This is the general rule. Private respondents failed to show that they are entitled to an exception. Moreover, the criminal charge need only be supported by a *prima facie* showing of failure to file a required return. This fact need not be proven by an assessment. *(Emphasis supplied)*

With the foregoing, the second element of the second mode of committing a crime under Sec. 255 – failure to pay the tax – has been established.

[1225] G.R. No. L-41919-24, May 30, 1980.
[1226] G.R. No. 128315, June 29, 1999.

Third Element: Evident Willfulness in Failing to File a Return and Pay the Tax

The third element requires that the failure to make or file the return or to pay the tax was willful. The term *"willful"* in tax crime statutes means a voluntary, intentional violation of a known legal duty and bad faith or bad purpose need not be shown.[1227] According to Black's Law Dictionary[1228], the term *"willful"* is defined as:

> "An act or omission is *'willfully'* done, if done voluntarily and intentionally and with the specific intent to do something the law forbids, or with the specific intent to fail to do something the law requires to be done; that is to say, with bad purpose to either to disobey or to disregard the law. x x x.
>
> A willful act may be described as one done intentionally, knowingly, and purposely, without justifiable excuse, as distinguished from an act done carelessly, thoughtlessly, heedlessly, or inadvertently. A willful act differs essentially from a negligent act. The one is positive and the other negative.
>
> Act is 'willful' within meaning of section (sic) of Internal Revenue Code imposing penalty for willful failure to pay federal income and social security taxes withheld from employees if it is voluntary, conscious and intentional; no bad motive or intent to defraud the United States need be shown, and a 'reasonable cause' or 'justifiable excuse' element has no part in definition. Harrington v. U.S., C.A.R.I., 504 F.2d 1306, 1315."

As to how willfulness is proven, the CTA in *People v. Bienvenido S. Dimson*[1229], explained:

> "x x x 'willfulness' is a state of mind that may be inferred from the circumstances of the case, and proof of willfulness may be, and usually is, shown by circumstantial evidence alone, x x x. (Citations omitted and underscoring supplied)

[1227] Mertens (Law of Federal Income Taxation) Chapter 47.05, p. 28, Vol. 13 cited in People of the Philippines vs. Estelita Delos Angeles, CTA Crim. Case No. 0-027, November25, 2009.
[1228] 6th Edition, St. Paul Minn. West Publishing Co., 1990, p. 1599.
[1229] CTA Crim. Case Nos. O-071 and O-085, July 2, 2014.

The Defense alleges that Accused PCLC did not commit the crimes charged by presenting documents showing that it allegedly registered its business in 1997 under TIN 925-995-622-000 and that it filed the requisite tax returns for taxable years 1997 up to 2003.[1230] However, there is counter-evidence showing that the returns filed by Accused PCLC are spurious documents and that, in fact, Accused PCLC did not register in 1997, did not pay the required annual registration fee, and did not file any tax returns or pay for the tax for the subject period be it in Binondo or San Juan. The Prosecution was able to present evidence that the ITRs allegedly filed by Accused PCLC for the years 1999 to 2003 were only created in RDO-Binondo's database on March 10, 2006, as certified by the Revenue Data Center, Southern Luzon.[1231]

It was also revealed that the TIN 925-995-622-000 used by Accused PCLC in the ITRs allegedly filed was only created also on March 10, 2006 and was modified/cancelled on March 22, 2006.

A Letter dated April 7, 2006[1232] with Annexes signed by Melissa G. Bernal, OIC Head, Revenue Data Center-Southern Luzon with Attachments was also received stating that the 1702 returns of PCLC with **TIN 925-995-622** were created by D30ACANA (ALESTER CANALES) on **March 10, 2006** modified by D32MBUEN (MANUEL BUENAFE) on **March 22, 2006**, and the TIN was modified by D30IPAUL (ISABEL PAULINO) on **March 10, 2006**.

RO Bernal testified[1233] on the matter, as follows:

MR. BERNAL
> Your Honors, after reading the Rejoinder Reply, finding out that the, it seems to have that PCLC has changed their defense. They said that ...Interrupted

JUSTICE LIBAN
> So what did you do?

MR. BERNAL
> We then confirmed as to the existence of the ITR, the Income Tax Return, they supplied an ITR and said that ...Interrupted

x x x x x x x x x

JUSTICE LIBAN

[1230] Exhibit V^8, Annexes D to K.
[1231] Exhibits A^8 to A^8-2 showing Letter dated April 7, 2006 by Melissa G. Bernal.
[1232] Exhibits A^8 to A^8-2 showing Letter dated April 7, 2006 by Melissa G. Bernal.
[1233] TSN for Hearing on July 09, 2014, pages 40 to 43, 45 to 48.

So in other words, you've made further investigation with regard to the attached income, annual income reports that they said they filed?

MR. BERNAL

Yes, your Honors.

x x x x x x x x x

JUSTICE LIBAN

What happened? What did you find out? That's what you are going to ask?

SENIOR STATE PROSECUTOR WAGA

Yes, your Honors. Yes, your Honors.

MR. BERNAL

After knowing that there was, they presented a return, we tried to validate whether those returns were actually filed since we have a previous certification that there was no returns whatsoever filed then after that we found out that the returns were fictitious, your Honors.

x x x x x x x x x

SENIOR STATE PROSECUTOR WAGA

Q Before going to that, Mr. Witness, how many ITRs were attached to the Rejoinder-Affidavit and for what particular taxable years, Mr. Witness?

MR. BERNAL

A They filed a return in 98, 99, 2000, 2001 and 2003. Five (5) ITRs. 97. Six (6) ITRs.

x x x x x x x x x

JUSTICE LIBAN

What are your proof *daw* that these are spurious?

MR. BERNAL

We sent, accessed the records to the Revenue Data Center of Southern Luzon. We sent, we also verified the existence of the returns with the ISOS, the Central Database Office of

BIR and we also verified from the concerned Revenue District Office particularly Binondo.

x x x x x x x x x

JUSTICE LIBAN

So there were certifications issued by each of the offices you mentioned?

MR. BERNAL

Yes, your Honors.

JUSTICE LIBAN

And to summarize, what are the reply?

MR. BERNAL

The reply of Southern Luzon pertaining to the returns presented by PCLC, they found out that all of the returns were just created in March 2006, March 01, 2006 in contrast with their allegation that they filed it in 1998, 1999, 2000. All of the returns were just created in the database only in 2006, your Honors.

x x x x x x x x x

JUSTICE LIBAN

Why do you say that it was spurious?

MR. BERNAL

We secured a certification from the person stamping that it was not her stamp and it was not her signature, your Honors.

SENIOR STATE PROSECUTOR WAGA

You mentioned of the person who issued that certification that it was not her signature, Mr. Witness.

Q Is that Benilda Nicosia, Mr. Witness, of RDO 30, Binondo, Manila?

MR. BERNAL

A Yes, pertaining to the signature and the stamp pad appearing on the returns, it was Ms. Benilda Nicosia.

As previously mentioned, a Certification[1234] dated June 27, 2005 was executed by Benilda M. Nicosia, Chief, Data Processing Section of BIR-Binondo, Manila, that PCLC had no physical records of tax returns on file for 1998, 1999, 2000 and 2003. More importantly, the said Certification states the following:

> The database records of Annual Income Tax Returns with the following Document Locator Numbers stated below are not in accordance and is inconsistent with our records of DLN issued and assigned to actual returns filed and processed with this district's office.

Taxable Year	DLN
1998	9904015618
1999	0004035421
2000	0104037546
2003	0404017546

In other words, entries in the database of the BIR were **only created to show alleged compliance** when, in truth and in fact, they never complied with their tax obligation because they only registered with the BIR on January 27, 2005 and **no physical returns were actually filed** by the Accused PCLC for the previous years. More than that, the returns they presented to give the impression that they were filed were, in truth, **spurious**.

It is said that "knowledge of a taxpayer's obligation to file the required return and the voluntary failure to comply therewith in the manner required by law will suffice[1235]" in proving willfulness. In attempting to cover up the failure to comply with its tax obligations, the mindset of willfulness, as opposed to mere inadvertence, is established.

Moreover, it has been a postulate of the Defense that PCLC did not have business operations, thereby imputing that it was not liable to make a return nor pay taxes thereon. Instead, it imputes that the liability should be ultimately shouldered by the smaller bus operators who actually operated and used the franchises granted under PCLC's name.

In their Counter-Affidavit[1236] filed with the DOJ, PCLC alleged:

[1234] Exhibit F^4 showing Certification dated June 27, 2005 by Benilda M. Nicosia.
[1235] People of the Philippines vs. Gloria Kintanar, CTA CRIM Case Nos. 0-033 & 0- 034, August 26, 2009.
[1236] Exhibit U^8, paragraph 3 of Counter-Affidavit.

> "5.2 That since we had franchises without buses and without business operation, when **we lent our franchises to small bus operators** who have one (1) or few buses without franchises, title or certificates of registration of their buses were placed under the name of King of Kings although we were not the owners of the buses and we were not operating business, **that likewise happened after PCLC was incorporated**, and after all the franchises acquired were placed under the name of PCLC, the reason thereof is alleged herein under;
>
> x x x x x x x x x
>
> 14. That since then or since 1997, we were not part of the management of PCLC or shareholders of **PCLC whose franchises were continue *(sic)* to be used by small bus operators** xxx
>
> x x x x x x x x x
>
> 21. That in the meantime that the transport cooperative has not yet acquired legal existence because of the subsequent memoranda issued by the LTFRB, **and while the franchises and buses under the name of PCLC but operated by small bus operators** xxx xxx xxx"

This is what is commonly known as *"colorum"* or the *"kabit system"*.

In *Lim vs. Court of Appeals,*[1237] the Supreme Court defined the *"kabit system"* as an arrangement whereby a person who has been granted a certificate of public convenience allows other persons who own motor vehicles to operate them under his license, sometimes for a fee or percentage of the earnings.[1238]

Accused's Counter-Affidavit[1239] filed under oath with the DOJ, shows that Accused PCLC was indeed receiving money/income from the bus operators. In paragraph 10 thereof, citing the Memorandum of Agreement dated December 29, 1997 executed between Accused PCLC (represented by Rolando) as the FIRST PARTY and Accused Dela Fuente as the SECOND PARTY states:

> "xxx xxx xxx

[1237] G.R. No. 125817, January 16, 2002.
[1238] *Id.* citing *Baliwag Transit Inc. v. Court of Appeals*, G.R. No. 57493, 7 January 1987, 147 SCRA 82; *Teja Marketing v. IAC*, G.R. No. 65510, 9 March 1987, 148 SCRA 347; *Lita Enterprises, Inc. v. Second Civil Cases Division, IAC*, G.R. No. 64693, 27 April 1984, 129 SCRA 79.
[1239] Exhibit U[8].

> 4. That in order to protect, secure the interest and right of SECOND PARTY [Accused Dela Fuente] to these franchises acquired by FIRST PARTY [PCLC], SECOND PARTY [Accused Dela Fuente] shall act as authorized representative of FIRST PARTY [PCLC] **in dealing with LTFRB and the public and as such is entitled to know and take into custody, spend, disburse the sum of money that the bus operators shall give to FIRST PARTY** as refund/replenishment of the expenses spent for the registration of the bus with LTO, LTFRB's supervision fees, **attachment, garnishment, apprehension, claims and complaints** filed against FIRST PARTY [PCLC] as a consequence, result of, **arising from the use by these bus owners/bus operators of FIRST PARTY's [PCLC's] franchises"**

In *Lita Enterprises, Inc. vs. LAC*[1240], the Supreme Court further discussed the *"kabit system"*, thus:

> Abuse of this privilege by the grantees thereof cannot be countenanced. The *"kabit system"* has been identified as one of the root causes of the prevalence of graft and corruption in the government transportation offices. In the words of Chief Justice Makalintal,[1241] "this is a pernicious system that cannot be too severely condemned. It constitutes an imposition upon the good faith of the government."
>
> Although not outrightly penalized as a criminal offense, the *"kabit system"* is invariably **recognized as being contrary to public policy and, therefore, void and inexistent under Article 1409 of the Civil Code**, It is a fundamental principle that **the court will not aid either party to enforce an illegal contract, but will leave them both where it finds them.**

As the *"kabit system"* is a void contract due to being contrary to public policy, Accused PCLC cannot pass the buck to the smaller bus operators that it permitted to use its franchises under the pernicious arrangement. Hence, **the duty to make and file the required tax returns and pay the tax thereon still resides with Accused PCLC**. As ruled in the case of *First Malayan Leasing vs. Court of Appeals*[1242]:

[1240] G.R. No. L-646993, April 27, 1984.
[1241] Dizon v. Octavio, 51 O.G. 4059
[1242] G. R. No. 91378, June 9, 1992.

> "This Court has consistently ruled that regardless of who the actual owner of a motor vehicle might be, **the registered owner is the operator of the same with respect to the public and third persons,** and as such, **directly and primarily responsible for the consequences of its operation.** x x x" *(Emphasis supplied)*

As far as the public and government agencies are concerned, Accused PCLC, in whose name the franchises and CPCs were granted, is the only entity authorized to operate under its name and is directly and primarily responsible for the consequences of its operations, tax liabilities included.

In several landmark cases[1243], the Supreme Court has declared that under-declaration or failure to declare true and actual income for several consecutive years is an indication of fraudulent intent to cheat the Government of its taxes. What more if there has been no declaration at all? All of the foregoing point to no other conclusion than Accused PCLC **willfully** failed to make and file the required returns and pay taxes thereon with the intent to deprive the Government of taxes it is due.

Civil Liability Arising from Crime as Opposed to Civil Liability Arising from Obligation

As regards the civil liability of Accused PCLC, Rule 9, Section 11 of A.M. No. 05-11-07-CTA,[1244] otherwise known as the Revised Rules of the Court of Tax Appeals (RRCTA), states that:

> SEC. 11. *Inclusion of civil action in criminal action.* - In cases within the jurisdiction of the Court, the criminal action and the corresponding civil action for the recovery of civil liability for taxes and penalties shall be deemed jointly instituted in the same proceeding. The filing of the criminal action shall necessarily carry with it the filing of the civil action. No right to reserve the filing of such civil action separately from the criminal action shall be allowed or recognized.

In *Macario Lim Gaw, Jr. v. CIR*[1245], the Supreme Court had occasion to discuss what encompasses the civil action that is jointly instituted with a criminal action, thus:

[1243] *Republic v. Gonzales*, G.R. No. L-17962, April 30, 1965; *Eugenio Perez v. CTA and Collector of Internal Revenue*, G.R. No. L-10507, May 30, 1958; and *Avelino v. Collector of Internal Revenue*, G.R. No. L-17715, July 31, 1963.
[1244] REVISED RULES OF THE COURT OF TAX APPEALS.
[1245] G.R. No. 222837, July 23, 2018.

"Rule 111, Section 1(a)[1246] of the Rules of Court provides that what is deemed instituted with the criminal action is only the action to recover civil liability arising from the crime.[1247] **Civil liability arising from a different source of obligation, such as when the obligation is created by law, such civil liability is not deemed instituted with the criminal action.**

It is well-settled that the taxpayer's obligation to pay the tax is an obligation that is created by law and does not arise from the offense of tax evasion, as such, the same is not deemed instituted in the criminal case.[1248]

In the case of *Republic of the Philippines v. Patanao,*[1249] We held that:

> **Civil liability to pay taxes arises from the fact, for instance, that one has engaged himself in business, and not because of any criminal act committed by him.** The criminal liability arises upon failure of the debtor to satisfy his civil obligation. The incongruity of the factual premises and foundation principles of the two cases is one of the reasons for not imposing civil indemnity on the criminal infractor of the income tax law. x x x **Considering that the Government cannot seek satisfaction of the taxpayer's civil liability in a criminal proceeding under the tax law or, otherwise stated, since the said civil liability is not deemed included in the criminal action, acquittal of the taxpayer in the criminal proceeding does not necessarily entail exoneration from his liability to pay the taxes.** It is error to hold, as the lower court has held that the judgment in the criminal cases Nos. 2089 and 2090 bars the action in the present case. The acquittal in the said criminal cases cannot operate to discharge defendant appellee from the duty of paying the taxes which the law requires to be paid, **since that duty is**

[1246] Sec. 1. *Institution of criminal and civil actions.* - (a) When a criminal action is instituted, the civil action for the recovery of civil liability arising from the offense charged shall be deemed instituted with the criminal action unless the offended party waives the civil action, reserves the right to institute it separately or institutes the civil action prior to the criminal action. (Emphasis ours)
[1247] *Casupanan v. Laroya,* 436 Phil. 582, 595 (2002).
[1248] Proton Pilipinas Corp. v. Republic of the Phils., 535 Phil. 521, 533 (2006).
[1249] 127 Phil. 105 (1967).

> **imposed by statute prior to and independently of any attempts by the taxpayer to evade payment. Said obligation is not a consequence of the felonious acts charged in the criminal proceeding nor is it a mere civil liability arising from crime that could be wiped out by the judicial declaration of non-existence of the criminal acts charged.** x x x.[1250](Citations omitted and emphasis ours)

Further, in a more recent case of *Proton Pilipinas Corp. v. Republic of the Phils.*,[1251] We ruled that:

> While it is true that according to the aforesaid Section 4, of Republic Act No. 8249, the institution of the criminal action automatically carries with it the institution of the civil action for the recovery of civil liability, however, in the case at bar, **the civil case for the collection of unpaid customs duties and taxes cannot be simultaneously instituted and determined in the same proceedings as the criminal cases before the Sandiganbayan**, as it cannot be made the civil aspect of the criminal cases filed before it. It should be borne in mind that the tax and the obligation to pay the same are all created by statute; so are its collection and payment governed by statute. The payment of taxes is a duty which the law requires to be paid. **Said obligation is not a consequence of the felonious acts charged in the criminal proceeding nor is it a mere civil liability arising from crime that could be wiped out by the judicial declaration of non-existence of the criminal acts charged**. Hence, the payment and collection of customs duties and taxes in itself creates civil liability on the part of the taxpayer. Such civil liability to pay taxes arises from the fact, for instance, that one has engaged himself in business, and not because of any criminal act committed by him.[1252]" *(Emphasis supplied aside from those in the original)*

Under Section 255 of the NIRC, the government can file a criminal case against any taxpayer who willfully attempts in any manner to make and file a

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[1250] *Id.* at 108-109.
[1251] 535 Phil. 521 (2006).
[1252] *Id.* at 532-533.

return and pay any tax imposed in the tax code. As earlier discussed, it is not required that a tax deficiency assessment must first be issued for a criminal prosecution for tax evasion to prosper.[1253]

In the *Lim Gaw* case, the Supreme Court clarified that while the tax evasion case is pending, the BIR is not precluded from issuing an FDDA. It is to prevent the assessment from becoming final, executory and demandable, that Section 9 of R.A. No. 9282 gives the taxpayer the remedy of filing a case with the CTA, a Petition for Review, within 30 days from receipt of the decision or the inaction of the respondent.

It appears from the record that the PAN[1254] with Annexes, Details of Discrepancies and Computation of Liabilities, FLD[1255] and FAN[1256] were all **actually received** by Accused Dela Fuente as indicated in the Protest to FLD/FAN[1257] by one of her counsels, Kapunan Garcia & Castillo, thus:

> "PCLC saw a copy of the said letter on January 21, 2012 and noticed that the contents of this letter were communicated to our client several times. Correspondingly, **our client already answered such contents several times.**"

The last sentence in boldface presumably referring to Protest to the PAN[1258] and the Protest Letter[1259] to FLD/FAN, both by Atty. Marbibi whose representation Accused Dela Fuente has not disavowed. In any case, the protests to the FAN/FLD by both counsels have both been filed timely.

In the instant case, pursuant to Section 228 of the NIRC, as amended, and Section 3.1.4 of RR No. 12-99, as amended, **both Accused are given the option to either appeal to the CTA** within 30 days after the expiration of the 180-day period counted from the date of submission of the relevant supporting documents within sixty (60) days from filing of the protest on February 17, 2012, counted from the filing of the *Kapunan Protest*, **or await the final decision of the Commissioner's duly authorized representative on the disputed assessment.**

[1253] *Macario Lim Gaw, Jr. v. CIR*, G.R. No. 222837, July 23, 2018, citing *Ungob v. Judge Cusi, Jr.*, 186 Phil. 604, 610-611 (1980).
[1254] Exhibit V^4, 111, 111-A to 111-C showing the PAN.
[1255] Exhibit B^8, B^8-1, 111-DD, 111-DD-1, 111-EE showing the FLD with attached Details of Discrepancies.
[1256] Exhibits B^8-2 to B^8-8 showing the FAN for the years 1998 to 2004.
[1257] Exhibit Q^8 showing Protest Letter dated February 17, 2002 by Kapunan Garcia and Castillo Law Offices to protest the FLD dated September 12, 2011.
[1258] Exhibit P^8, 111-KK; Marbibi Law Office letter dated June 14, 2011 addressed to Asst. Comm. James Roldan.
[1259] Exhibit X^8 showing Letter of Maribi & Associates dated January 21, 2012.

Since the record is bereft of any information on whether or not both Accused filed any supporting documents, the **180-day period** given by law for the CIR's duly authorized representative to act on the protest **ended on August 15, 2012, counted from the filing of the protest**. Accordingly, both Accused had 30 days from August 15, 2012 or **until September 14, 2012** to file its appeal with the CTA. However, since that time has long passed, **both Accused have no other recourse but to await the final decision of the CIR on the protest**. Prior to that eventuality, this Court is bereft of jurisdiction to subject the assessment to judicial review.

As the Supreme Court reminds us in *Lim Gaw*, what is deemed instituted with the criminal action is only the government's recovery of the taxes and penalties relative to the criminal case. **The remedy of the taxpayer to appeal the disputed assessment is not deemed instituted with the criminal case**. To rule otherwise would be to render nugatory the procedure in assailing the tax deficiency assessment. The tax evasion case filed by the government against the erring taxpayer has, for its purpose, the imposition of criminal liability on the latter.[1260]

Accused Dela Fuente is a Responsible Officer of PCLC

As a juridical entity, PCLC has a separate and distinct personality from its directors and corporate officers. However, PCLC can only execute its corporate powers through its board of directors and responsible officers.

Sec. 255 of the NIRC metes out a punishment of a fine of not less than Ten thousand pesos (₱10,000) and imprisonment of not less than one (1) year but not more than ten (10) years for each violation thereof.

The question before the Court is whether or not Accused Dela Fuente can be made to answer for Accused PCLC's violations. The relevant provisions of Sec. 253 of the NIRC are instrumental in the Court's determination, to wit:

> **"SEC. 253. General Provisions. –**
>
> x x x x x x x x x
>
> (b) **Any person who willfully aids or abets in the commission of a crime penalized herein or who causes the commission of any such offense by another shall be liable in the same manner as the principal.**

[1260] *Macario Lim Gaw, Jr. v. CIR*, G.R. No. 222837, July 23, 2018.

x x x x x x x x x

(d) In the case of associations, partnerships or corporations, the penalty shall be imposed on the partner, president, general manager, branch manager, treasurer, officer-in-charge, and the employees responsible for the violation.

(e) The fines to be imposed for any violation of the provisions of this Code shall not be lower than the fines imposed herein or twice the amount of taxes, interest and surcharges due from the taxpayer, whichever is higher." *(Emphasis supplied)*

Accused Dela Fuente maintains that she was not a responsible officer of Accused PCLC as she and her deceased husband, Moises, assigned their shareholdings in PCLC to Teofilo and Rolando as early as December 23, 1997,[1261] justifying their inclusion as incorporators and shareholders as being merely nominal.

Accused Dela Fuente testified, as follows:

ATTY. CRUZ
Q From the records, Ms. Witness, you executed a Deed of Assignment of shares to Teofilo De Guzman ...interrupted

MS. DE GUZMAN/DE LA FUENTE
A *Tama po.*

ATTY. CRUZ
Q And the shares of your husband to Rolando De Guzman, his brother.

MS. DE GUZMAN/DE LA FUENTE
A *Tama po 'yon.*

ATTY. CRUZ
Q Why did you do that only after one year from incorporation of PCLC?

MS. DE GUZMAN/DE LA FUENTE
A Actually *pagkatapos po ng* registration *noong 1996, nag-execute na po kami ng* Deed of Assignment *sa kanila ng walang* date but

[1261] Exhibits 7, 7-A, 7-B, 8-A, 9-B, 10, 10-A, 11, 12.

we gave it to them in good faith *kasi sila naman talaga po ang may-ari.* ***Sila po ang nag-utos sa amin na gumawa ng korporasyon kasi hindi po sila marunong.***

JUSTICE LIBAN
Because they were the real owners of the corporation?

MS. DE GUZMAN/DE LA FUENTE
Correct po.

ATTY. CRUZ
Q **Ms. Witness, and why did you allow yourself to be the incorporators of PCLC when in fact, it's Mr. Teofilo De Guzman and Rolando De Guzman who are the real owners of the PCLC?**

MS. DE GUZMAN/DE LA FUENTE
A Request *po kasi iyon sa akin ng aking* father-in-law and *ako po kasi ay naging* bus operator *po sa King of Kings noong araw* **so I am the one who** ***medyo marunong po ako ng konti dyan*** plus *hindi po ako makatanggi sa aking* father-in-law ***at siya po ay medyo hindi na masyadong mobile noon.***

ATTY. CRUZ
Q How old is Teofilo De Guzman then?

MS. DE GUZMAN/DE LA FUENTE
A **60 something** ***pero namatay po siya ng 1998 e.*** **So you can tell** ***na nagkasakit po muna siya bago siya namatay. Nanghina na po siya.***

ATTY. CRUZ
Q **Did you inform the Securities and Exchange Commission of the assignment of the shares to Teofilo De Guzman and that of your husband to Rolando De Guzman?**

MS. DE GUZMAN/DE LA FUENTE
A ***Ibinigay po namin sa kanila 'yon sa*** **father-in-law** ***ko at tsaka*** **brother-in-law ko** ***e hindi ko po alam kung na-inform nila kasi sila po ang*** **...interrupted**

JUSTICE LIBAN
So in other words, you yourself did not inform the SEC?

MS. DE GUZMAN/DE LA FUENTE
Hindi po e. *(Emphasis supplied)*

Accused Dela Fuente herself admitted that the SEC was not informed of the Deed of Assignment of Shares executed by her and Moises in favor of Teofilo and Rolando. She likewise admitted that PCLC did not hold an election of the Board of Directors and officers after its incorporation prior to the execution of the Deeds of Assignments.[1262]

Article 11 of PCLC's AOI, states that "**Clarita De La Fuente has been elected by the subscribers as Treasurer of the corporation to act as such until his/her successor is duly elected** and shall have qualified in accordance with the by-laws x x x". Since no other elections of corporate officers have been held since PCLC's incorporation, Accused Dela Fuente remains to be the Treasurer on the record.

When asked about her participation and/or involvement in PCLC's affairs, Accused Dela Fuente gave **conflicting answers**. On the one hand, she claims **no participation at all, not even as a representative**, as seen in her testimony[1263] below:

> ATTY. CRUZ
> Q **Since the BIR is claiming that you are the Treasurer, the President or the Manager of PCLC but in your Judicial Affidavit, you are denying the same** ...interrupted
>
> MS. DE GUZMAN/DE LA FUENTE
> A ***Opo.***
>
> ATTY. CRUZ
> Q So I presumed that **you are a representative of the PCLC** because ...interrupted
>
> MS. DE GUZMAN/DE LA FUENTE
> A ***Hindi po.***
>
> ATTY. CRUZ
> Q **You are not?**
>
> MS. DE GUZMAN/DE LA FUENTE
> A **I'm not.**

[1262] Vol. 15, p. 7434, Amended/Supplemental Judicial Affidavit of Clarita De Guzman a.k.a. Clarita Dela Fuente..
[1263] Vol. 15, pp. 7879-7921; TSN, Minutes of the Hearing dated June 19, 2019, pp. 25-26.

ATTY. CRUZ
Q What did you do from, as the incorporator of PCLC from 1997 to 2004?

MS. DE GUZMAN/DE LA FUENTE
A ***Wala po akong ginawa non.*** *Hindi po ako nakikialam sa kanila. Siyempre po biyenan ko lang 'yon, mahirap pong makialam sa business nila,* and **they never asked me to do anything for them.** *(Emphasis supplied)*

On the other hand, she also claims that she is **a mere representative** for PCLC in her Counter-Affidavit[1264] filed under oath with the DOJ. The Memorandum of Agreement (MOA) executed between PCLC and Accused Dela Fuente clearly authorizes her to act as "**representative of PCLC in dealing with LTFRB and the public**." The said MOA likewise gives her the power "**to know and take into custody, spend, disburse**" any payments made by the smaller bus operators operating under the *"kabit system"*, including such power to spend and disburse money in satisfaction of any "**attachment, garnishment, apprehension, claims and complaints**" filed against PCLC.

Considering that the business of PCLC is primarily transport and shuttle services as a common carrier, the existence and operations of its PUBs necessitate approvals from LTFRB and LTO. For all intents and purposes, Accused Dela Fuente was handed the managerial reins of the corporation, over and above her duties as Treasurer in collecting, receiving, and disbursing funds since both Teofilo and Rolando were either no longer mobile or were sickly or simply did not know how to comply with government regulatory requirements.

The record is likewise replete with instances wherein Accused Dela Fuente consistently represented herself as either President or General Manager of PCLC. Among these is a Contract of Lease between Apolinar Mariano and PCLC where she represented herself as President of the corporation,[1265] and a Formal Offer of Evidence for Application for Sale and Transfer of PUB Service[1266] where the Affidavit of Mailing that she accomplished includes an admission that she is the General Manager of the applicant-vendee-corporation in LFTRB Case No. NCR-98-06792. Even in the Oath (By the operator or chief officer of the utility) appended to the Annual Report for 2003-2004 submitted by PCLC to the LTFRB[1267], Accused Dela Fuente swore that she was the President of the corporation.

[1264] Exhibit U[8].
[1265] Exhibit YY.
[1266] Exhibits UU, UU-1 to UU-5.
[1267] Exhibit HH-8.

In the face of all the evidence showing Accused Dela Fuente's name – not Teofilo's, not Rolando's – on documents showing that PCLC pursued its business operations and got the necessary approvals therefor, Accused Dela Fuente's denial of her active participation and management of PCLC rings hollow.

In *Alfredo Ching v. Secretary of Justice,*[1268] the liability of corporate officers if the crime is committed by a corporation was discussed by the Supreme Court, thus:

> "If the crime is committed by a corporation or other juridical entity, **the directors, officers, employees or other officers thereof responsible for the offense shall be charged and penalized for the crime, precisely because of the nature of the crime and the penalty therefor.** A corporation cannot be arrested and imprisoned; hence, cannot be penalized for a crime punishable by imprisonment. However, a corporation may be charged and prosecuted for a crime if the imposable penalty is fine. Even if the statute prescribes both fine and imprisonment as penalty, a corporation may be prosecuted and, if found guilty, may be fined.
>
> x x x x x x x x x
>
> [I]f the State, by statute, defines a crime that may be committed by a corporation but prescribes the penalty therefor to be suffered by the officers, directors, or employees of such corporation or other persons responsible for the offense, only such individuals will suffer such penalty. **Corporate officers or employees, through whose act, default or omission the corporation commits a crime, are themselves individually guilty of the crime.**
>
> The principle applies whether or not the crime requires the consciousness of wrongdoing. **It applies to those corporate agents who themselves commit the crime and to those, who, by virtue of their managerial positions or other similar relation to the corporation, could be deemed responsible for its commission, if by virtue of their relationship to the corporation, they had the power to prevent the act.** Moreover, all parties active in promoting a crime, whether agents or not, are principals." *(Emphasis supplied)*

[1268] G.R. No. 164317, February 6, 2006.

In *Republic Gas Corporation, et. al, vs. Petron Corporation, et.al.,*[1269] the Supreme Court ruled that the corporate officers whose **act, default or omission** caused a corporation to commit a crime may themselves be individually liable for the crime. The liability of corporate officers were discussed in *Republic Gas*, thus:

> "Petitioners, being corporate officers and/or directors, **through whose act, default or omission the corporation commits a crime, may themselves be individually held answerable for the crime**. Veritably, the CA appropriately pointed out that petitioners, **being in control and supervision in the management and conduct of the affairs of the corporation, must have known or are aware** that the corporation is engaged in the act of refilling LPG cylinders bearing the marks of the respondents without authority or consent from the latter which, under the circumstances, could probably constitute the crimes of trademark infringement and unfair competition. **The existence of the corporate entity does not shield from prosecution the corporate agent who knowingly and intentionally caused the corporation to commit a crime.** Thus, petitioners cannot hide behind the cloak of the separate corporate personality of the corporation to escape criminal liability. **A corporate officer cannot protect himself behind a corporation where he is the actual, present and efficient actor."**

Given the foregoing discussion, it is without a doubt that Accused Dela Fuente was well-aware that operations were being conducted by PCLC, either through themselves or the smaller bus operators who were using the franchises granted exclusively to PCLC, especially since most, if not all, LTFRB and LTO approvals granted to PCLC were indeed facilitated by her. Considering that she herself admitted to being given the "power of the purse" to settle any and all claims against PCLC, which necessarily includes claims by the government as regards unpaid taxes, Accused Dela Fuente cannot escape the consequences of being a responsible officer, agent or employee of PCLC and must be held liable for its crimes.

In the appreciation of evidence in criminal cases, it is a basic tenet that the prosecution has the burden of proof in establishing the guilt of the accused for the offense with which he is charged. *Ei incumbit probation qui dicit non qui negat; i.e.*, "he who asserts, not he who denies, must prove." The conviction of appellant must rest not on the weakness of his defense, but on the strength of the prosecution's evidence.[1270] In this particular case, such burden has been discharged.

[1269] G.R. No. 194062, June 17, 2013.
[1270] *People of the Philippines v. Nenito B. Hu*, G.R. No. 182232, October 06, 2008 citing *People of the Philippines v. Corpuz*, G.R. No. 148198, October 01, 2003.

WHEREFORE, premises considered, the Court rules as follows:

1. Accused **CLARITA DE GUZMAN a.k.a. CLAIRE DELA FUENTE** is hereby found **GUILTY BEYOND REASONABLE DOUBT** of violating Sections 75, 76, and 255 in relation to Section 253 of the NIRC of 1997, as amended, in **CTA Criminal Case Nos. O-172, O-173, O-174, O-175, O-176, O-177, and O-178**. For each of the consolidated criminal cases, she is hereby **SENTENCED** to suffer the straight penalty of imprisonment of one (1) year and **ORDERED** to pay a fine in the amount of Fifty Thousand Pesos (₱50,000.00), with subsidiary imprisonment, in case Accused has no property with which to meet such fine, pursuant to Section 280 of the NIRC, as amended; and

2. Accused **PHILIPPINE CORINTHIAN LINER CORPORATION** is likewise found **GUILTY BEYOND REASONABLE DOUBT** of violating Section 255 in relation to Section 256 of the NIRC of 1997, as amended, in **CTA Criminal Case Nos. O-172, O-173, O-174, O-175, O-176, O-177, and O-178**. For each of the consolidated criminal cases, it **ORDERED TO PAY** a fine of One Hundred Thousand Pesos (₱100,000.00).

SO ORDERED.

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

WE CONCUR:

ERLINDA P. UY
Associate Justice

MARIA ROWENA MODESTO- SAN PEDRO
Associate Justice

ATTESTATION

I attest that the conclusions in the above decision were reached in consultation before the cases were assigned to the writer of the opinion of the Court's Division.

ERLINDA P. UY
Associate Justice
Chairperson

CERTIFICATION

Pursuant to Section 13 of Article VIII of the Constitution, and the Division Chairperson's Attestation, it is hereby certified that the conclusions in the above Decision were reached in consultation before the cases were assigned to the writer of the opinion of the Court's Division.

ROMAN G. DEL ROSARIO
Presiding Justice