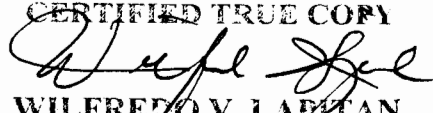




Republic of the Philippines
Supreme Court
 Manila

CERTIFIED TRUE COPY

 WILFREDO V. LAPIDAN
 Division Clerk of Court
 Third Division
 MAR 10 2016

THIRD DIVISION

ANNA TENG,

Petitioner,

G.R. No. 184332

Present:

VELASCO, JR., J.,
Chairperson,

PERALTA,
 PEREZ,
 REYES, and
 JARDELEZA, JJ.

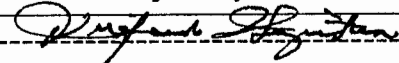
- versus -

**SECURITIES AND EXCHANGE
 COMMISSION (SEC) and TING
 PING LAY,**

Respondents.

Promulgated:

February 17, 2016



X-----X

DECISION

REYES, J.:

This petition for review on *certiorari*¹ under Rule 45 of the Rules of Court seeks the reversal of the Decision² dated April 29, 2008 and the Resolution³ dated August 28, 2008 rendered by the Court of Appeals (CA) in CA-G.R. SP No. 99836. The CA affirmed the orders of the Securities and Exchange Commission (SEC) granting the issuance of an *alias* writ of execution, compelling petitioner Anna Teng (Teng) to register and issue new certificates of stock in favor of respondent Ting Ping Lay (Ting Ping).

¹ *Rollo*, pp. 9-39.

² Penned by Associate Justice Apolinario D. Bruselas, Jr. with Associate Justices Rebecca De Guia-Salvador and Vicente S.E. Veloso concurring; id. at 41-50, 237-246.

³ Id. at 52-53; 248-249.

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The Facts

This case has its origin in G.R. No. 129777⁴ entitled *TCL Sales Corporation and Anna Teng v. Hon. Court of Appeals and Ting Ping Lay*. Herein respondent Ting Ping purchased 480 shares of TCL Sales Corporation (TCL) from Peter Chiu (Chiu) on February 2, 1979; 1,400 shares on September 22, 1985 from his brother Teng Ching Lay (Teng Ching), who was also the president and operations manager of TCL; and 1,440 shares from Ismaelita Maluto (Maluto) on September 2, 1989.⁵

Upon Teng Ching's death in 1989, his son Henry Teng (Henry) took over the management of TCL. To protect his shareholdings with TCL, Ting Ping on August 31, 1989 requested TCL's Corporate Secretary, herein petitioner Teng, to enter the transfer in the Stock and Transfer Book of TCL for the proper recording of his acquisition. He also demanded the issuance of new certificates of stock in his favor. TCL and Teng, however, refused despite repeated demands. Because of their refusal, Ting Ping filed a petition for *mandamus* with the SEC against TCL and Teng, docketed as SEC Case No. 3900.⁶

In its Decision⁷ dated July 20, 1994, the SEC granted Ting Ping's petition, ordering as follows:

WHEREFORE, in view of all the foregoing facts and circumstances, judgment is hereby rendered.

A. Ordering [TCL and Teng] to record in the Books of the Corporation the following shares:

1. 480 shares acquired by [Ting Ping] from [Chiu] per Deed of Sales [sic] dated February 20, 1979;
2. 1,400 shares acquired by [Ting Ping] from [Teng Ching] per Deed of Sale dated September 22, 1985; and
3. 1,440 shares acquired by [Ting Ping] from [Maluto] per Deed of Assignment dated Sept. 2, 1989 [sic].

B. Ordering [TCL and Teng] to issue corresponding new certificates of stocks (sic) in the name of [Ting Ping].

C. Ordering [TCL and Teng] to pay [Ting Ping] moral damages in the amount of One Hundred Thousand (P 100,000.00) Pesos and Fifty Thousand (P 50,000.00) Pesos for attorney's fees.

⁴ 402 Phil. 37 (2001).

⁵ Id. at 42.

⁶ Id. at 42-43.

⁷ Issued by Hearing Officer James K. Abugan; *rollo*, pp. 64-72.

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SO ORDERED.⁸

TCL and Teng appealed to the SEC *en banc*, which, in its Order⁹ dated June 11, 1996, affirmed the SEC decision with modification, in that Teng was held solely liable for the payment of moral damages and attorney's fees.

Not contented, TCL and Teng filed a petition for review with the CA, docketed as CA-G.R. SP. No. 42035. On January 31, 1997, the CA, however, dismissed the petition for having been filed out of time and for finding no cogent and justifiable grounds to disturb the findings of the SEC *en banc*.¹⁰ This prompted TCL and Teng to come to the Court *via* a petition for review on *certiorari* under Rule 45.

On January 5, 2001, the Court promulgated its Decision in G.R. No. 129777, the dispositive portion of which states:

WHEREFORE, the petition is *DENIED*, and the Decision dated January 31, 1997, as well as the Resolution dated July 3, 1997 of [the CA] are hereby *AFFIRMED*. Costs against [TCL and Teng].

SO ORDERED.¹¹

After the finality of the Court's decision, the SEC issued a writ of execution addressed to the Sheriff of the Regional Trial Court (RTC) of Manila. Teng, however, filed on February 4, 2004 a complaint for interpleader with the RTC of Manila, Branch 46, docketed as Civil Case No. 02-102776, where Teng sought to compel Henry and Ting Ping to interplead and settle the issue of ownership over the 1,400 shares, which were previously owned by Teng Ching. Thus, the deputized sheriff held in abeyance the further implementation of the writ of execution pending outcome of Civil Case No. 02-102776.¹²

On March 13, 2003, the RTC of Manila, Branch 46, rendered its Decision¹³ in Civil Case No. 02-102776, finding Henry to have a better right to the shares of stock formerly owned by Teng Ching, except as to those covered by Stock Certificate No. 011 covering 262.5 shares, among others.¹⁴

⁸ Id. at 71-72.

⁹ Id. at 73-79.

¹⁰ *Supra* note 4, at 41-44.

¹¹ Id. at 50.

¹² *Rollo*, p. 43.

¹³ Issued by Judge Artemio S. Tapon; id. at 104-113.

¹⁴ Id. at 112.

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Thereafter, an *Ex Parte Motion* for the Issuance of *Alias Writ of Execution*¹⁵ was filed by Ting Ping where he sought the partial satisfaction of SEC *en banc* Order dated June 11, 1996 ordering TCL and Teng to record the 480 shares he acquired from Chiu and the 1,440 shares he acquired from Maluto, and for Teng's payment of the damages awarded in his favor.

Acting upon the motion, the SEC issued an Order¹⁶ dated August 9, 2006 granting partial enforcement and satisfaction of the Decision dated July 20, 1994, as modified by the SEC *en banc's* Order dated June 11, 1996.¹⁷ On the same date, the SEC issued an alias writ of execution.¹⁸

Teng and TCL filed their respective motions to quash the alias writ of execution,¹⁹ which was opposed by Ting Ping,²⁰ who also expressed his willingness to surrender the original stock certificates of Chiu and Maluto to facilitate and expedite the transfer of the shares in his favor. Teng pointed out, however, that the annexes in Ting Ping's opposition did not include the subject certificates of stock, surmising that they could have been lost or destroyed.²¹ Ting Ping belied this, claiming that his counsel Atty. Simon V. Lao already communicated with TCL's counsel regarding the surrender of the said certificates of stock.²² Teng then filed a counter manifestation where she pointed out a discrepancy between the total shares of Maluto based on the annexes, which is only 1305 shares, as against the 1440 shares acquired by Ting Ping based on the SEC Order dated August 9, 2006.²³

On May 25, 2007, the SEC denied the motions to quash filed by Teng and TCL, and affirmed its Order dated August 9, 2006.²⁴

Unperturbed, Teng filed a petition for *certiorari* and prohibition under Rule 65 of the Rules of Court, docketed as CA-G.R. SP No. 99836.²⁵ The SEC, through the Office of the Solicitor General (OSG), filed a Comment dated June 30, 2008,²⁶ which, subsequently, Teng moved to expunge.²⁷

¹⁵ Id. at 96-98.
¹⁶ Id. at 116-122.
¹⁷ Id. at 122.
¹⁸ Id. at 123-128.
¹⁹ Id. at 129-134; 135-141.
²⁰ Id. at 142-150.
²¹ Id. at 170-171.
²² Id. at 178-179.
²³ Id. at 189-190.
²⁴ Id. at 194-199.
²⁵ Id. at 200-218.
²⁶ Id. at 220-226.
²⁷ Id. at 227-230.

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On April 29, 2008, the CA promulgated the assailed decision dismissing the petition and denying the motion to expunge the SEC's comment.²⁸

Hence, Teng filed the present petition, raising the following grounds:

- I. THE RESPONDENT [CA] GRAVELY ERRED IN DECLARING THAT THERE WAS NO NEED TO SURRENDER THE STOCK CERTIFICATES (REPRESENTING THE SHARES CONVEYED BY [MALUTO] TO [TING PING] TO RECORD THE TRANSFER THEREOF IN THE CORPORATE BOOKS AND ISSUE NEW STOCK CERTIFICATES[;]
- II. THE RESPONDENT [CA] GRAVELY ERRED IN UPHOLDING THE POSE THAT THERE WAS NEITHER AMENDMENT NOR ALTERATION OF THE FINAL DECISION OF THE SUPREME COURT IN "TCL SALE[S] CORP., ET AL. VS. CA, ET AL.", G.R. NO. 129777, DESPITE THE CONTRARY RECORD THERETO[;]
- III. THE RESPONDENT [CA] GRAVELY ERRED IN DECLARING THAT THE [OSG] WAS ALREADY REQUIRED TO COMMENT ON [TENG'S] MOTION FOR RECONSIDERATION.²⁹

The core question before the Court is whether the surrender of the certificates of stock is a requisite before registration of the transfer may be made in the corporate books and for the issuance of new certificates in its stead. Note at this juncture that the present dispute involves the execution of the Court's decision in G.R. No. 129777 but only with regard to Chiu's and Maluto's respective shares. The subject of the orders of execution issued by the SEC pertained only to these shares and the Court's decision will revolve only on these shares.

Teng argues, among others, that the CA erred when it held that the surrender of Maluto's stock certificates is not necessary before their registration in the corporate books and before the issuance of new stock certificates. She contends that prior to registration of stocks in the corporate books, it is mandatory that the stock certificates are first surrendered because a corporation will be liable to a *bona fide* holder of the old certificate if, without demanding the said certificate, it issues a new one. She also claims that the CA's reliance on *Tan v. SEC*³⁰ is misplaced since therein subject

²⁸ Id. at 41-50; 52-53.

²⁹ Id. at 25-26.

³⁰ G.R. No. 95696, March 3, 1992, 206 SCRA 740.

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stock certificate was allegedly surrendered.³¹

On the other hand, Ting Ping contends that Section 63 of the Corporation Code does not require the surrender of the stock certificate to the corporation, nor make such surrender an indispensable condition before any transfer of shares can be registered in the books of the corporation. Ting Ping considers Section 63 as a permissive mode of transferring shares in the corporation. Citing *Rural Bank of Salinas, Inc. v. CA*,³² he claims that the only limitation imposed by Section 63 is when the corporation holds any unpaid claim against the shares intended to be transferred. Thus, for as long as the shares of stock are validly transferred, the corporate secretary has the ministerial duty to register the transfer of such shares in the books of the corporation, especially in this case because no less than this Court has affirmed the validity of the transfer of the shares in favor of Ting Ping.³³

Ruling of the Court

To restate the basics –

A certificate of stock is a written instrument signed by the proper officer of a corporation stating or acknowledging that the person named in the document is the owner of a designated number of shares of its stock. It is *prima facie* evidence that the holder is a shareholder of a corporation.³⁴ A certificate, however, is merely a tangible evidence of ownership of shares of stock.³⁵ It is not a stock in the corporation and merely expresses the contract between the corporation and the stockholder.³⁶ The shares of stock evidenced by said certificates, meanwhile, are regarded as property and the owner of such shares may, as a general rule, dispose of them as he sees fit, unless the corporation has been dissolved, or unless the right to do so is properly restricted, or the owner's privilege of disposing of his shares has been hampered by his own action.³⁷

Section 63 of the Corporation Code prescribes the manner by which a share of stock may be transferred. Said provision is essentially the same as Section 35 of the old Corporation Law, which, as held in *Fleisher v. Botica Nolasco Co.*,³⁸ defines the nature, character and transferability of shares of stock. *Fleisher* also stated that the provision on the transfer of shares of stocks contemplates no restriction as to whom they may be transferred or

³¹ *Rollo*, pp. 26-27.

³² G.R. No. 96674, June 26, 1992, 210 SCRA 510.

³³ *Rollo*, pp. 260-261.

³⁴ *Lao, et al. v. Lao*, 588 Phil. 844, 857 (2008).

³⁵ *Republic of the Philippines v. Estate of Hans Menzi*, 512 Phil. 425, 460 (2005).

³⁶ *Makati Sports Club, Inc. v. Cheng, et al.*, 635 Phil. 103, 114 (2010).

³⁷ *Padgett v. Babcock & Templeton, Inc. and Babcock*, 59 Phil. 232, 234 (1933), citing 14 C.J., sec. 1033, pp. 663, 664.

³⁸ 47 Phil. 583 (1925).

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sold. As owner of personal property, a shareholder is at liberty to dispose of them in favor of whomsoever he pleases, without any other limitation in this respect, than the general provisions of law.³⁹

Section 63 provides:

Sec. 63. *Certificate of stock and transfer of shares.* – The capital stock of stock corporations shall be divided into shares for which certificates signed by the president or vice president, countersigned by the secretary or assistant secretary, and sealed with the seal of the corporation shall be issued in accordance with the by-laws. **Shares of stock so issued are personal property and may be transferred by delivery of the certificate or certificates indorsed by the owner or his attorney-in-fact or other person legally authorized to make the transfer.** No transfer, however, shall be valid, except as between the parties, **until the transfer is recorded in the books of the corporation** showing the names of the parties to the transaction, the date of the transfer, the number of the certificate or certificates and the number of shares transferred.

No shares of stock against which the corporation holds any unpaid claim shall be transferable in the books of the corporation. (Emphasis and underscoring ours)

Under the provision, certain minimum requisites must be complied with for there to be a valid transfer of stocks, to wit: (a) there must be delivery of the stock certificate; (b) the certificate must be endorsed by the owner or his attorney-in-fact or other persons legally authorized to make the transfer; and (c) to be valid against third parties, the transfer must be recorded in the books of the corporation.⁴⁰

It is the delivery of the certificate, coupled with the endorsement by the owner or his duly authorized representative that is the operative act of transfer of shares from the original owner to the transferee.⁴¹ The Court even emphatically declared in *Fil-Estate Golf and Development, Inc., et al. v. Vertex Sales and Trading, Inc.*⁴² that in “a sale of shares of stock, physical delivery of a stock certificate is one of the essential requisites for the transfer of ownership of the stocks purchased.”⁴³ The delivery contemplated in Section 63, however, pertains to the **delivery of the certificate of shares by the transferor to the transferee**, that is, from the original stockholder named in the certificate to the person or entity the stockholder was transferring the shares to, whether by sale or some other valid form of absolute conveyance of ownership.⁴⁴ “[S]hares of stock may be transferred by **delivery to the transferee** of the certificate properly indorsed. Title may

³⁹ Id. at 589.

⁴⁰ *The Rural Bank of Lipa City, Inc. v. CA*, 418 Phil. 461, 472 (2001).

⁴¹ Id.; *Bitong v. CA*, 354 Phil. 516, 541 (1998).

⁴² 710 Phil. 831 (2013).

⁴³ Id. at 835-836, citing *Raquel-Santos, et al. v. CA, et al.*, 609 Phil. 630, 657 (2009).

⁴⁴ See *Montserrat v. Ceron*, 58 Phil. 469 (1933).

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be vested in the transferee by the delivery of the duly indorsed certificate of stock.”⁴⁵

It is thus clear that Teng’s position – that Ting Ping must first surrender Chiu’s and Maluto’s respective certificates of stock before the transfer to Ting Ping may be registered in the books of the corporation – does not have legal basis. The delivery or surrender adverted to by Teng, *i.e.*, from Ting Ping to TCL, is not a requisite before the conveyance may be recorded in its books. To compel Ting Ping to deliver to the corporation the certificates as a condition for the registration of the transfer would amount to a restriction on the right of Ting Ping to have the stocks transferred to his name, which is not sanctioned by law. The only limitation imposed by Section 63 is when the corporation holds any unpaid claim against the shares intended to be transferred.

In *Rural Bank of Salinas*,⁴⁶ the Court ruled that the right of a transferee/assignee to have stocks transferred to his name is an inherent right flowing from his ownership of the stocks.⁴⁷ In said case, the private respondent presented to the bank the deeds of assignment for registration, transfer of the shares assigned in the bank’s books, cancellation of the stock certificates, and issuance of new stock certificates, which the bank refused. In ruling favorably for the private respondent, the Court stressed that **a corporation, either by its board, its by-laws, or the act of its officers, cannot create restrictions in stock transfers.** In transferring stock, the secretary of a corporation acts in purely ministerial capacity, and does not try to decide the question of ownership.⁴⁸ If a corporation refuses to make such transfer without good cause, it may, in fact, even be compelled to do so by *mandamus*.⁴⁹ With more reason in this case where the Court, in G.R. No. 129777, already upheld Ting Ping’s definite and uncontested titles to the subject shares, *viz*:

Respondent Ting Ping Lay was able to establish *prima facie* ownership over the shares of stocks in question, through deeds of transfer of shares of stock of TCL Corporation. Petitioners could not repudiate these documents. **Hence, the transfer of shares to him must be recorded on the corporation’s stock and transfer book.**⁵⁰ (Emphasis and underscoring ours)

⁴⁵ *Razon v. Intermediate Appellate Court*, G.R. No. 74306, March 16, 1992, 207 SCRA 234, 240, citing *Embassy Farms, Inc. v. CA*, 266 Phil. 549, 557 (1990). See also *Lao, et al. v. Lao*, supra note 34.

⁴⁶ Supra note 32.

⁴⁷ Id. at 516.

⁴⁸ Id., citing Fletcher, Sec. 5528, p. 434.

⁴⁹ Id., citing Fletcher, 5518, 12 Fletcher 394.

⁵⁰ Supra note 4, at 47.

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In the same vein, Teng cannot refuse registration of the transfer on the pretext that the photocopies of Maluto's certificates of stock submitted by Ting Ping covered only 1,305 shares and not 1,440. As earlier stated, the respective duties of the corporation and its secretary to transfer stock are purely ministerial.⁵¹ Aside from this, Teng's argument on this point was adequately explained by both the SEC and CA in this wise:

In explaining the alleged discrepancy, the public respondent, in its 25 May 2007 order, cited the order of the Commission En Banc, thus:

“An examination of this decision, however, reveals, no categorical pronouncements of fraud. The refusal to credit in [Ting Ping's] favor five hundred eighty-five (585) shares in excess of what [Maluto] owned and the two hundred forty (240) shares that [Ting Ping] bought from the corporation, is a mere product of the failure of the corporation to register with the [SEC] the increase in the subscribed capital stock by 4000 shares last 1981. Surely, [Ting Ping] cannot be faulted for this.”⁵²

Nevertheless, to be valid against third parties and the corporation, the transfer must be recorded or registered in the books of corporation. There are several reasons why registration of the transfer is necessary: one, to enable the transferee to exercise all the rights of a stockholder;⁵³ two, to inform the corporation of any change in share ownership so that it can ascertain the persons entitled to the rights and subject to the liabilities of a stockholder;⁵⁴ and three, to avoid fictitious or fraudulent transfers,⁵⁵ among others. Thus, in *Chua Guan v. Samahang Magsasaka, Inc.*,⁵⁶ the Court stated that the only safe way to accomplish the hypothecation of share of stock is for the transferee [a creditor, in this case] to insist on the assignment and delivery of the certificate and to obtain the transfer of the legal title to him on the books of the corporation by the cancellation of the certificate and the issuance of a new one to him.⁵⁷ In this case, given the Court's decision in G.R. No. 129777, registration of the transfer of Chiu's and Maluto's shares in Ting Ping's favor is a mere formality in confirming the latter's status as a stockholder of TCL.⁵⁸

⁵¹ *Lee v. Hon. Presiding Judge Trocino, et al.*, 607 Phil. 690, 699 (2009), citing *Rural Bank of Salinas, Inc. v. CA*, supra note 32, at 516.

⁵² *Rollo*, p. 48.

⁵³ *Republic of the Philippines v. Sandiganbayan*, 450 Phil. 98, 129 (2003), citing *Batangas Laguna Tayabas Bus Company, Inc., v. Bitanga*, 415 Phil. 43, 57 (2001). See also *De Erquiaga v. CA*, 258 Phil. 626, 637 (1989).

⁵⁴ *Republic of the Philippines v. Sandiganbayan*, id. at 129-130.

⁵⁵ *Escaño v. Filipinas Mining Corp., et al.*, 74 Phil. 711, 716 (1944).

⁵⁶ 62 Phil. 472 (1935).

⁵⁷ Id. at 481.

⁵⁸ See *Reyes v. Hon. RTC of Makati, Br. 142, et al.*, 583 Phil. 591 (2008).

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Upon registration of the transfer in the books of the corporation, the transferee may now then exercise all the rights of a stockholder, which include the right to have stocks transferred to his name.⁵⁹ In *Ponce v. Alsons Cement Corporation*,⁶⁰ the Court stated that “[f]rom the corporation’s point of view, the transfer is not effective until it is recorded. Unless and until such recording is made[,] the demand for the issuance of stock certificates to the alleged transferee has no legal basis. x x x [T]he stock and transfer book is the basis for ascertaining the persons entitled to the rights and subject to the liabilities of a stockholder. Where a transferee is not yet recognized as a stockholder, the corporation is under no specific legal duty to issue stock certificates in the transferee’s name.”⁶¹

The manner of issuance of certificates of stock is generally regulated by the corporation’s by-laws. Section 47 of the Corporation Code states: “a private corporation may provide in its by-laws for x x x the manner of issuing stock certificates.” Section 63, meanwhile, provides that “[t]he capital stock of stock corporations shall be divided into shares for which certificates signed by the president or vice president, countersigned by the secretary or assistant secretary, and sealed with the seal of the corporation shall be issued in accordance with the by-laws.” In *Bitong v. CA*,⁶² the Court outlined the procedure for the issuance of new certificates of stock in the name of a transferee:

First, the certificates must be signed by the president or vice-president, countersigned by the secretary or assistant secretary, and sealed with the seal of the corporation. x x x *Second*, delivery of the certificate is an essential element of its issuance. x x x *Third*, the par value, as to par value shares, or the full subscription as to no par value shares, must first be fully paid. ***Fourth, the original certificate must be surrendered where the person requesting the issuance of a certificate is a transferee from a stockholder.***⁶³ (Emphasis ours and citations omitted)

The surrender of the original certificate of stock is necessary before the issuance of a new one so that the old certificate may be cancelled. A corporation is not bound and cannot be required to issue a new certificate unless the original certificate is produced and surrendered.⁶⁴ Surrender and cancellation of the old certificates serve to protect not only the corporation but the legitimate shareholder and the public as well, as it ensures that there is only one document covering a particular share of stock.

⁵⁹ *Rural Bank of Salinas, Inc. v. CA*, supra note 32, at 516.

⁶⁰ 442 Phil. 98 (2002).

⁶¹ Id. at 110-111.

⁶² 354 Phil. 516 (1998).

⁶³ Id. at 535.

⁶⁴ Lopez, R.N., THE CORPORATION CODE OF THE PHILIPPINES ANNOTATED, Volume II (1994 ed.), citing 12 Fletcher Cyc. Corp., Perm. Ed., Chapter 58, Section 5537, p. 589).

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In the case at bench, Ting Ping manifested from the start his intention to surrender the subject certificates of stock to facilitate the registration of the transfer and for the issuance of new certificates in his name. It would be sacrificing substantial justice if the Court were to grant the petition simply because Ting Ping is yet to surrender the subject certificates for cancellation instead of ordering in this case such surrender and cancellation, and the issuance of new ones in his name.⁶⁵

On the other hand, Teng, and TCL for that matter, have already deterred for so long Ting Ping's enjoyment of his rights as a stockholder. As early as 1989, Ting Ping already requested Teng to enter the transfer of the subject shares in TCL's Stock and Transfer Book; in 2001, the Court, in G.R. No. 129777, resolved Ting Ping's rights as a valid transferee and shareholder; in 2006, the SEC ordered partial execution of the judgment; and in 2008, the CA affirmed the SEC's order of execution. The Court will not allow Teng and TCL to frustrate Ting Ping's rights any longer. Also, the Court will not dwell on the other issues raised by Teng as it becomes irrelevant in light of the Court's disquisition.

WHEREFORE, the petition is **DENIED**. The Decision dated April 29, 2008 and Resolution dated August 28, 2008 of the Court of Appeals in CA-G.R. SP No. 99836 are **AFFIRMED**.


Respondent Ting Ping Lay is hereby ordered to surrender the certificates of stock covering the shares respectively transferred by Ismaelita Maluto and Peter Chiu. Petitioner Anna Teng or the incumbent corporate secretary of TCL Sales Corporation, on the other hand, is hereby ordered, under pain of contempt, to immediately cancel Ismaelita Maluto's and Peter Chiu's certificates of stock and to issue new ones in the name of Ting Ping Lay, which shall include Ismaelita Maluto's shares not covered by any existing certificate of stock but otherwise validly transferred to Ting Ping Lay.

Costs against petitioner Anna Teng.

⁶⁵ See *C.N. Hodges, et al. v. Lezama, et al.*, 122 Phil. 367, 371-372 (1965).


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SO ORDERED.

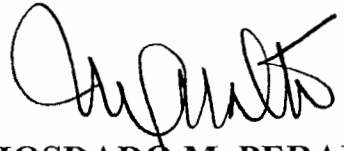


BIENVENIDO L. REYES
Associate Justice

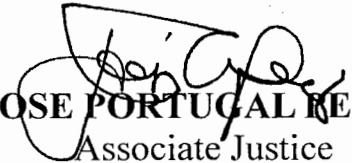
WE CONCUR:



PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson



DIOSDADO M. PERALTA
Associate Justice




JOSE PORTUGAL PEREZ
Associate Justice



FRANCIS H. JARDELEZA
Associate Justice

ATTESTATION

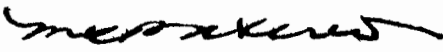
I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

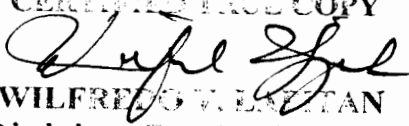


PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


MARIA LOURDES P. A. SERENO
Chief Justice

CERTIFIED TRUE COPY

WILFREDO V. LANTICAN
Division Clerk of Court
Third Division
MAR 10 2016

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