



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

UNION BANK OF THE PHILIPPINES, G.R. No. E-02776

Petitioner, Present:

- versus -

CAGUIOA, J., Chairperson,
INTING,
GAERLAN,
DIMAAMPAO, and
SINGH, *JJ.

BERNARDINA ARROYO
TANTOCO and ALICIA RITA
M. ARROYO,

Respondents.

Promulgated:

JUL 07 2026
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DECISION

INTING, J.:

Before the Court is a Petition for Review on *Certiorari*¹ (Petition) filed by Union Bank of the Philippines (petitioner) assailing the Decision² dated December 26, 2024, and the Resolution³ dated August 28, 2025, of the Court of Appeals (CA) in CA-G.R. SP No. 167525. The CA dismissed the Petition for *Certiorari* filed by petitioner and affirmed the Orders dated August 20, 2020,⁴ and October 19, 2020,⁵ of Branch 98, Regional Trial Court (RTC) of Quezon City.

* On official business.

¹ *E-rollo*, pp. 124–140.

² *Id.* at 69–90. Penned by Associate Justice Emily L. San Gaspar-Gito and concurred in by Associate Justices Ramon A. Cruz and Tita Marilyn B. Payoyo-Villordon of the Fifth Division, Court of Appeals, Manila.

³ *Id.* at 91–96. Penned by Associate Justice Emily L. San Gaspar-Gito and concurred in by Associate Justices Ramon A. Cruz and Tita Marilyn B. Payoyo-Villordon of the Fifth Division, Court of Appeals, Manila.

⁴ *Id.* at 149–151. Penned by Presiding Judge Marilou D. Runes-Tamang, MNSA.

⁵ *Id.* at 175–180.

The Antecedents

The case arose from the intestate settlement of the estate of Ignacio T. Arroyo (Ignacio) pending before the RTC, docketed as SPC Case No. R-QZN-15-01411.⁶

The respondents, Bernardina Arroyo Tantoco and Alicia Rita M. Arroyo (Aleli; collectively, respondents), are the duly appointed joint administrators of Ignacio's estate. Ignacio maintained several bank accounts with petitioner prior to his death on January 26, 2012.⁷

During the course of the intestate proceedings, respondents moved to compel petitioner to produce all statements of accounts (SOAs) pertaining to Ignacio's bank accounts, which the RTC granted. Upon review of the SOAs submitted by petitioner, Aleli allegedly discovered numerous anomalous transactions that occurred after Ignacio's death. Consequently, she filed an Omnibus Motion to Produce and Explain, seeking to compel the bank to produce additional documents—including email exchanges between its officers/employees and a certain Atty. Fe—and to explain the withdrawals made without the knowledge or consent of the heirs.⁸

Petitioner opposed the motion, arguing that the request lacked specificity, that the requested communications were covered by attorney-client privilege, and that some documents were no longer available due to record-retention limits under banking regulations. Citing the Manual of Regulation for Banks issued by the Bangko Sentral ng Pilipinas, petitioner argued that banks are required to keep records for five years only.⁹

The Ruling of the RTC

Although the RTC initially denied Aleli's motion in the Order dated February 20, 2020, due to lack of particularity, it later required petitioner to (1) further explain the questioned withdrawals from Ignacio's accounts after his death, and (2) produce specific email exchanges with Atty. Fe relating to transactions made on October 1, 2012, in the Order dated August 20, 2020. The *fallo* reads:

WHEREFORE, UnionBank is hereby ordered to:

⁶ *Id.* at 70.

⁷ *Id.*

⁸ *Id.* at 70–71.

⁹ *Id.* at 71.

(1) Explain within fifteen (15) days from receipt hereof the withdrawals from Account Numbers 10-241-001409-3 (246-245), 00-158-0000014-1, 00-073-002295-0, 00-073-002289-4, 00-073-002319-9, 00-073-002304-7, and 13-073-000699-4 after the death of Ignacio T. Arroyo; and

(2) Produce within the same period the e-mail exchanges between UnionBank and Atty. Fe as regards the order of withdrawals given by the latter on 01 October 2012 in relation to Account Numbers 00-073-002295-0, 00-073-002289-4, 00-073-002319-9, and 00-073-002304-7.

The process server of this Court is directed to personally serve copy of this Order UnionBank.

SO ORDERED.¹⁰

Petitioner sought reconsideration¹¹ of the foregoing Order but was denied by the RTC in the Order dated October 19, 2020, for lack of merit.

Aggrieved, petitioner filed a Petition for *Certiorari*¹² with the CA.

The Ruling of the CA

In the assailed Decision dated December 26, 2024, the CA denied the Petition for *Certiorari* filed by petitioner and affirmed the RTC's orders, holding that the RTC did not commit grave abuse of discretion in requiring clarification and production of specific documents necessary for the proper determination of the estate's assets. The dispositive portion reads:

ACCORDINGLY, the Petition is DENIED. The Orders dated August 20, 2020 and October 19, 2020 of the public respondent Hon. Marilou D. Runes-Tamang, MNSA, Presiding Judge of Branch 98, Regional Trial Court, Quezon City in SPC Case No. R-QZN-15-01411 are AFFIRMED with MODIFICATION:

Petitioner UNION BANK OF THE PHILIPPINES is hereby ordered to:

1. Explain within fifteen (15) days from receipt hereof the withdrawals from Account Numbers 10-241-001409-3 (241-245), 00-158-0000014-1, 00-073-002295-0, 00-073-002289-4, 00-073-002319-9, 00-073-002304-7, and 13-073-000699-4 after the death of Ignacio T. Arroyo; and

¹⁰ *Id.* at 150–151.

¹¹ *Id.* at 152–158.

¹² *Id.* at 181–196.



2. Produce within the same period the e-mail exchanges between petitioner Union Bank of the Philippines and Atty. Fe as regards the order of withdrawals given by the latter on October 1, 2012 in relation to Account Numbers 00-073-002295-0, 00-073-002289-4, 00-073-002319-9, and 00-073-002304-7.

SO ORDERED.¹³

The CA ruled that probate courts have the authority to require explanations and evidence necessary to determine the composition of the estate. The CA stressed that the RTC's actions were consistent with its duty to ensure a complete inventory and did not amount to a final adjudication of ownership.¹⁴ It also held that petitioner failed to substantiate its claims of attorney-client privilege and impossibility, noting that the bank had sufficient time within the record-retention period to preserve or retrieve the requested emails.¹⁵

Petitioner filed a Motion for Reconsideration,¹⁶ which the CA denied in the Resolution dated August 28, 2025, for lack of merit.

Hence, the present Petition.

Petitioner's Arguments

Petitioner maintains that the trial court's issuance of the re-explanation order was unnecessary and improper because it went beyond the court's limited function of inventory determination and effectively inquired into the truthfulness and legality of the bank's explanations—matters appropriate only in an adversarial civil proceeding. In this case, petitioner contends that it had already sufficiently explained the withdrawals from Ignacio's accounts—namely, that they were used to settle existing obligations, withdrawn pursuant to a survivorship agreement, or authorized by the administrators for estate tax payments. Considering that the trial court itself acknowledged these explanations, it contends that it already had an adequate basis to decide whether to include or exclude the funds in the estate inventory.¹⁷

By entertaining the administrators' challenges and allegations that the explanations were false or insufficient, the court allowed the proceedings to become adversarial, contrary to the nature of estate settlement as a special proceeding without definite opposing parties. Petitioner emphasizes that the

¹³ *Id.* at 89–90.

¹⁴ *Id.* at 78.

¹⁵ *Id.* at 71.

¹⁶ *Id.* at 42.

¹⁷ *Id.* at 133–134.

administrators' true objective was not merely to obtain clarification but to compel petitioner to return the withdrawn funds, which should instead be pursued in a separate civil action.¹⁸

Additionally, the petitioner argues that it was improperly treated as if it were a defendant, when in fact it was merely ordered to produce account records. The RTC's actions effectively forced the bank to defend the validity of its actions within the estate proceeding, thereby blurring the distinction between special proceedings and ordinary civil cases and prejudicing the bank.¹⁹ Finally, petitioner contends that the RTC erred in requiring the production of certain email correspondences that were already irretrievable, noting that such emails were internal in nature, not part of official depositor records, and were no longer available beyond the regulatory retention period. Compelling their production, therefore, violates the principle that the law does not require the impossible.²⁰

The Issue

Whether the CA erred in not finding grave abuse of discretion on the part of the RTC when it required further explanation of the questioned withdrawals and compelled petitioner to produce the email exchanges between its officers and Atty. Fe in relation to Ignacios' bank accounts with respondent.

The Ruling of the Court

The Petition is bereft of merit.

The Court agrees with the CA that the assailed Orders of the RTC neither altered the nature of the proceedings nor issued beyond its jurisdiction as a probate court. The Court finds that the directives requiring petitioner to further explain the withdrawals in question and to produce the specified email exchanges between its officers and Atty. Fe are well within the RTC's authority in the settlement of the estate of Ignacio.

Although the jurisdiction of a probate court is limited, it is settled that for the purpose of determining whether a certain property should or should not be included in the inventory of the estate properties, the probate court may

¹⁸ *Id.* at 133–135.

¹⁹ *Id.* at 136–137.

²⁰ *Id.* at 138.



pass upon the title and ownership thereto albeit provisionally.²¹ What is more, the bank accounts in question are admittedly in the name of Ignacio. Given this, there is no basis to conclude that the RTC's orders amount to a final adjudication of ownership considering that ownership of the accounts in question was undisputed. Rather, the RTC's actions constitute preliminary measures necessary to determine whether the accounts should be included in the inventory—an exercise squarely within the probate court's jurisdiction. Corollary to this is the probate court's authority to ascertain the true and correct balances of these accounts as of the decedent's death; hence, any deductions or withdrawals made therefrom after Ignacio's death are necessarily relevant.

In the exercise of its jurisdiction, the RTC has the authority to clarify bank transactions affecting estate property posted by petitioner after the death of Ignacio, especially where the explanations on record appear insufficient or raise legitimate questions. This authority is expressly recognized under Rule 87 of the Rules of Court. Section 6²² thereof allows the probate court, upon complaint of any interested party, to cite a person suspected of having concealed, embezzled, or conveyed away property of the deceased, or of possessing documents tending to show the decedent's rights or interests, and to examine such person under oath. Complementarily, Section 7²³ empowers the probate court, upon complaint of the administrator, to cite any person entrusted with property of the estate and require said custodian *to render a full accounting under oath of such property and his dealings therewith*. These provisions clearly support the RTC's directives requiring petitioner to explain the withdrawals and produce supporting records.

Petitioner's stance that its earlier explanations should be accepted as conclusive, without need of further substantiation, is untenable. Its speculation that respondents ultimately intend to compel the return of the

²¹ *Estipona v. Estate of Anacleto Aquino and Lorna Fe Espinosa*, 911 Phil. 245, 262 (2021) [Per J. Caguioa, First Division].

²² SECTION 6. *Proceedings when property concealed, embezzled, or fraudulently conveyed.* — If an executor or administrator, heir, legatee, creditor or other individual interested in the estate of the deceased, complains to the court having jurisdiction of the estate that a person is suspected of having concealed, embezzled, or conveyed away any of the money, goods, or chattels of the deceased, or that such person has in his possession or has knowledge of any deed, conveyance, bond, contract, or other writing which contains evidence of or tends or discloses the right, title, interest, or claim of the deceased, the court may cite such suspected person to appear before it any may examine him on oath on the matter of such complaint; and if the person so cited refuses to appear, or to answer on such examination or such interrogatories as are put to him, the court may punish him for contempt, and may commit him to prison until he submits to the order of the court. The interrogatories put any such person, and his answers thereto, shall be in writing and shall be filed in the clerk's office.

²³ SECTION 7. *Person entrusted with estate compelled to render account.* — The court, on complaint of an executor or administrator, may cite a person entrusted by an executor or administrator with any part of the estate of the deceased to appear before it, and may require such person to render a full account, on oath, of the money, goods, chattels, bonds, account, or other papers belonging to such estate as came to his possession in trust for such executor or administrator, and of his proceedings thereon; and if the person so cited refuses to appear to render such account, the court may punish him for contempt as having disobeyed a lawful order of the court.



subject funds is not a valid ground to withhold relevant details. As petitioner itself admits, any determination of liability may be threshed out in a separate civil action.

Even assuming *arguendo* that respondents' ultimate objective was to compel petitioner to reverse the withdrawals and charges made against Ignacio's bank accounts, such objective is not improper. On the contrary, it is entirely consistent with their power as administrators of the estate under Section 2,²⁴ Rule 87 of the Rules of Court to bring actions for the recovery or protection of the property or rights of the deceased. Their efforts to obtain clarification and supporting documentation on the questioned transactions must therefore be viewed as a legitimate exercise of their duty to ensure that all estate assets are properly accounted for and safeguarded for the benefit of Ignacio's heirs and creditors.

Moreover, the issue of whether Ignacio's joint account allegedly covered by a survivorship agreement forms part of his estate is a matter properly addressed by the RTC and not one that petitioner may conclusively determine on its own. While jurisprudence, particularly *Vitug v. Court of Appeals*,²⁵ recognizes survivorship agreements as generally valid aleatory contracts, it likewise cautions that survivorship agreements may be impugned if their operation or effect may nonetheless be violative of law, such as if it is shown to be a mere cloak to conceal an inofficious donation, to defraud creditors, or to defeat the legitime of compulsory heirs.²⁶ Thus, petitioner's bare assertion of the existence of such agreement cannot suffice. Hence, the Court finds no grave abuse of discretion on the part of the RTC when it required further explanation and supporting evidence from petitioner.

It is also worth noting that petitioner unilaterally offset Ignacio's alleged liabilities against his deposits. Such action effectively circumvents the rules governing claims against the estate. As a creditor, petitioner is required to file its claims before the probate court²⁷ and cannot simply "skip the line"

²⁴ SECTION 2. *Executor or administrator may bring or defend actions which survive.* — For the recovery or protection of the property or rights of the deceased, an executor or administrator may bring or defend, in the right of deceased, actions for causes which survive.

²⁵ 262 Phil. 830 (1990) [Per J. Sarmiento, Second Division].

²⁶ *Id.* at 837.

²⁷ See RULES OF COURT, rule 86, sec. 5:

SECTION 5. *Claims which must be filed under the notice. If not filed, barred; exceptions.* — All claims for money against the decedent, arising from contract, express or implied, whether the same be due, not due, or contingent, all claims for funeral expenses and expense for the last sickness of the decedent, and judgment for money against the decedent, must be filed within the time limited in the notice; otherwise they are barred forever, except that they may be set forth as counterclaims in any action that the executor or administrator may bring against the claimants. Where an executor or administrator commences an action, or prosecutes an action already commenced by the deceased in his lifetime, the debtor may set forth by answer the claims he has against the decedent, instead of presenting them independently to the court as herein provided, and mutual claims may be set off against each other in such action; and if final judgment is rendered in favor of the defendant, the amount so determined shall be considered the true

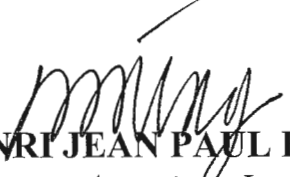
so to speak by appropriating estate assets to satisfy its claims. Regardless of any default clause triggered by the depositor's death, such stipulation does not dispense with compliance with the Rules of Court. Neither does it justify petitioner's refusal to comply with the directives of the RTC on the ground that doing so would convert the proceeding into an adversarial one. It is well within the jurisdiction of the probate court to determine whether such offsetting is proper.

Finally, petitioner's claim of impossibility in producing the requested email correspondences is unpersuasive. Its bare allegation that more than five years have elapsed, thereby rendering production impossible, is insufficient to defeat the RTC's directives. As correctly observed by the courts *a quo*, petitioner failed to show that it exerted diligent efforts to recover the allegedly deleted or irretrievable email correspondences. This contention is further weakened by petitioner's own ability to produce other documents from the same period, including the Authorization in favor of Atty. Fe for the withdrawal of funds to pay the estate tax liabilities to the Bureau of Internal Revenue. This demonstrates that records from the same period remain accessible. Notably, the amounts allegedly withdrawn pursuant to such authorization appear inconsistent with the amounts indicated therein, thereby justifying the RTC's directive for further clarification and production of supporting evidence.

In fine, the Petition failed to show any reversible error on the part of the CA which would warrant the exercise of the Court's discretionary appellate jurisdiction.

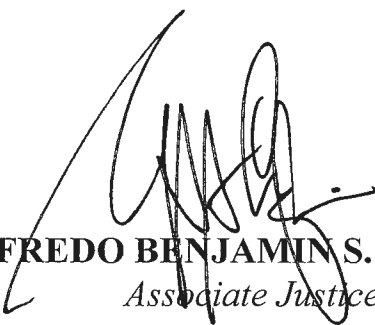
ACCORDINGLY, the Petition for Review on *Certiorari* is hereby **DENIED**. The Decision dated December 26, 2024, and the Resolution dated August 28, 2025, of the Court of Appeals in CA-G.R. SP No. 167525 are **AFFIRMED**.

SO ORDERED.


HENRI JEAN PAUL B. INTING
Associate Justice

balance against the estate, as though the claim had been presented directly before the court in the administration proceedings. Claims not yet due, or contingent, may be approved at their present value.

WE CONCUR:



ALFREDO BENJAMIN S. CAGUIOA
Associate Justice



SAMUEL H. GAERLAN
Associate Justice

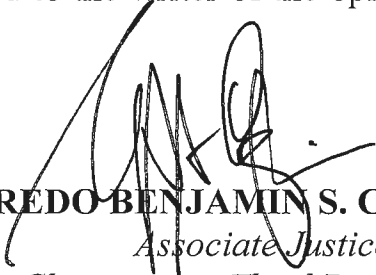


JAPAR B. DIMAAMPAO
Associate Justice

(On official business)
MARIA FILOMENA D. SINGH
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.



ALFREDO BENJAMIN S. CAGUIOA
Associate Justice
Chairperson, Third Division

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.



MARVIC M.V.F. LEONEN
Acting Chief Justice
Per Special Order No. 3308
dated July 3, 2026

