

[G. R. No. L-7593. December 24, 1957]

INTESTATE ESTATE OF THE LATE FLORENCIO P. BUAN AND RIZALINA PARAS BUAN, DECEASED. BIENVENIDO P. BUAN AND A. NATIVIDAD PARAS, CO-ADMINISTRATORS AND APPELLEES VS. SYLVINA C. LAYA, ET AL., PETITIONERS AND APPELLANTS.

D E C I S I O N

LABRADOR, J.:

Appeal from a decision of the Court of First Instance of Tarlac dated January 7, 1954, setting aside the previous Order dated December 16, 1953, which had admitted a contingent claim filed by petitioners-appellants but denied a petition to set aside an amount to answer for the contingent claim.

The record discloses that on December 15, 1953, petitioners herein filed a contingent claim for more than P500,000 against the intestate estate of the deceased spouses Florencio P. Buan and Rizalina Paras Buan. The contingent claim was based on the fact that on August 3, 1952, a Philippine Rabbit Bus, owned and operated by the deceased spouses Buan, collided with a car in which Juan C. Laya, Bodolfo Escosa, Jose S. Palma, and Juan de Leon, were riding; that the collision was caused by the fact that the driver of the bus managed and drove the vehicle in a negligent manner; that as a consequence of the collision Juan C. Laya was killed and his companions suffered physical injuries. The driver of the bus was Ernesto Triguero, and he was charged with homicide and serious physical injuries through reckless imprudence and was sentenced therefor. The heirs of Juan C. Laya, petitioners herein, reserved the civil action for damages, and on October 12, 1953, they filed an independent civil action in the Court of First Instance of Manila against the administrator of the deceased spouses Buan. The petition for the admission of a contingent claim was accompanied with a copy of the complaint filed in the civil case above-mentioned (No. 20867, CFI Manila) and a sentence in the criminal case filed against Ernesto Triguero, driver of the Philippine Rabbit Bus.

When the administrators learned of the filing of the contingent claim in the Court of First Instance of Tarlac, they filed an opposition thereto on the ground that the game was not filed before the death of the spousea Florencio Buan and Rizalina Paras Buan, which took place on January 3, 1953, and that it was also not filed within the period prescribed by Rule 89, Section 4 of the Rules of Court. The Court of First Instance of Tarlac admitted the claim in an order dated December 16, 1953, but denied the prayer that a portion of the estate be set aside to respond for the amount of the contingent. Counsel for the administrators then moved to set aside the order. In an order dated November 25, 1953, Judge Agustin P. Montesa, sitting as Judge for the Court of First Instance of Manila, held that the civil action filed in Manila by the heirs of Laya, petitioners herein, Civil Case No. 20867, was premature because the sentence of conviction of the driver of the bus had not become final. The court also ordered the plaintiffs to amend their complaint within 10 days. Thereupon, the plaintiffs in said civil case (C.F.I. Manila, No. 20867) filed an amended complaint, dated December 18, 1953.

In the meantime and on January 7, 1954, the Court of First Instance of Tarlac, on a motion for reconsideration filed by the administrators dated January 2, 1954, set aside its previous order of December 16, 1953, admitting the contingent claim of petitioners. The reason for the admission of the claim, according to the court, had ceased to exist and even if plaintiffs had filed the amended complaint in the Court of First Instance of Manila, the same has not yet been acted upon by the said court. A motion to reconsider this, order of the Court of First Instance of Tarlac having been denied, petitioners have prosecuted this appeal to Us.

A consideration of the facts and the proceedings set forth above will readily show that the order of the Court of First Instance of Tariac dismissing the contingent claim is based on incorrect and erroneous conception of a contingent claim. A contingent claim ia one which, by its nature, is necessarily dependent upon an uncertain event for its existence or validity. It may or may not develop into a valid enforceable claim, and its validity and enforceability depending upon an uncertain event. (E. Gaskell & Co. vs. Tan Sit, 43 Phil. 810, 813; 2 Moran, Comments on the Rules of Court, 1957 edition, pp. 425-426.)

“A contingent claim’ against an estate within the statute providing for the settlement hereof, as one where the absolute liability depends on some future event which may never happen, and which therefore renders such liability uncertain and indeterminable. * * *! It is where the liability depends on some

future event after the debtor's death which may or may not happen, and therefore makes Words and Phrases, p. 113.)

"A 'contingent claim' against an estate is one in which liability depends on some future event which may or may not occur, so that duty to pay may never become absolute." (In *Re Flewell*, 276 N. W. 2d, 733; 9 Words and Phrases, p. 114.)

Whether or not the heirs of the deceased, Juan C. Laya, would succeed in the action brought in Manila against the administrators of the estate of the deceased spouses Florencio Buan and Rizalina P. Buan, is the uncertain event or contingency upon which the validity of the claim presented in the administration proceedings depends. While the said action has not yet been finally decided or determined to the effect that the petitioners herein, heirs of the deceased Juan C. Laya, have no right of action against the estate of the deceased spouses Florencio P. Buan and Rizalina P. Buan, the contingent claim that petitioners have filed in the Court of First Instance of Tariac in the proceedings for the administration of the deceased spouses Florencio P. Buan and Rizalina P. Buan, may not be dismissed. The order of the court dismissing the claim and declaring that the same may again be entertained if another valid complaint by the petitioners herein is filed in the Court of First Instance of Manila, is inconsistent with the nature and character of a contingent claim. A contingent claim does not follow the temporary orders of dismissal of an action upon which it is based; it awaits the final outcome thereof and only said final result can cause its termination. The rules provide that a contingent claim is to be presented in the administration proceedings in the same manner as any ordinary claim, and that when the contingency arises which converts the contingent claim into a valid claim, the court should then be informed that the claim had already matured. (Secs. 5, 9, Rule 87.) The order of the court subject of the appeal should, therefore, be set aside.

The first order of the court admitted the claim but denied the petition for the setting aside of a certain amount from the estate 'to respond therefor. The validity of the contingent claim is apparent; as the driver of the bus belonging to the deceased spouses, Florencio P. Buan and Rizalina P. Buan, was found guilty of negligence, as a result of which Juan C. Laya died, the said deceased spouses—the employers of the driver—can be made responsible, as masters of a servant, for damages for the death of the petitioner's father. A portion of the estate should, therefore, be set aside to respond for sued damages as petitioners herein may subsequently recover in the action that they have brought in the Court of First Instance of Manila. This amount should be fixed in the court below.

For the foregoing considerations, the order of the court dismissing the contingent claim filed by petitioners is hereby set aside. It is hereby ordered that the claim be allowed to continue, and it is further ordered that the court fix an amount that may be set aside to respond for the damages that the petitioners herein may ultimately recover. Costs against the respondents.

Paras, C. J., Bengzon, Padilla, Montemayor, Reyes, A., Bautista Angelo, Concepcion., Reyes, J. B. L., Endencia and Felix, JJ., concur.

Date created: October 14, 2014