

Title: Spouses Benjamin C. Mamaril and Sonia P. Mamaril vs. The Boy Scout of the Philippines, et al.

Facts:

The petitioners, Spouses Mamaril, have been jeepney operators since 1971, parking their vehicles at the Boy Scout of the Philippines' (BSP) compound in Manila for a monthly fee. On May 26, 1995, they discovered that one of their jeepneys was missing. The security guards, Peña and Gaddi of AIB Security Agency (hired by BSP for security services), admitted a person they claimed to recognize took the vehicle. The lost vehicle was never recovered.

The Spouses Mamaril filed a complaint for damages against BSP, AIB, Peña, and Gaddi before the RTC of Manila, alleging negligence. Their demands included the value of the vehicle and accessories, loss of income, damages, attorney's fees, and costs of suit. BSP countered, claiming its parking ticket excluded liability for lost vehicles, and that the Guard Service Contract pertained only to its property and personnel. AIB claimed due diligence in its operations, while Peña and Gaddi argued there was no cause for action against them.

The RTC ruled in favor of the Spouses Mamaril, finding the defendants jointly and severally liable for various damages. Subsequently, the RTC modified its decision to reduce the cost of the stolen vehicle award. BSP appealed the RTC decision to the CA.

The CA modified the RTC decision, absolving BSP of liability and removing other monetary awards for lack of evidence. The Spouses Mamaril filed for reconsideration with the CA, which was denied, prompting the present petition for review on certiorari to the Supreme Court.

Issues:

1. Whether the Court of Appeals erred in absolving BSP from liability.
2. Whether the Guard Service Contract established any obligation or liability on BSP in favor of third persons, such as the petitioners.
3. Whether the agreement between BSP and petitioners is a lease contract, thereby not obligating BSP to protect or take care of vehicles.
4. Whether petitioners are entitled to damages and attorney's fees.

Court's Decision:

The Supreme Court denied the petition and affirmed the CA's decision. The Court held that the proximate cause of the loss was the negligence of the security guards, Peña and Gaddi. BSP was not found negligent and thus not liable for the vehicle loss. Since Peña and Gaddi were employed by AIB, their employer, not BSP, was responsible for their negligence. Moreover, there was no principal-agent relationship between BSP and the security guards that could impose liability on BSP. The Court also confirmed the agreement between BSP and the Spouses Mamaril as a lease and not a bailment, with BSP not obliged as an insurer for vehicle safety.

Doctrine:

This case established that security guards' negligence is attributable to their employer, not the client, where the guards are supplied by a security agency. It also emphasized that liability for negligence under Article 2176 of the Civil Code requires a proximate cause of the resulting damage. Additionally, it was reiterated that contracts take effect only among parties, their assigns, and heirs, as per Article 1311, and that a third party cannot invoke benefits from a contract unless stipulations explicitly favor them.

Class Notes:

- Negligence requires the establishment of a proximate cause.
- Vicarious liability under Article 2180 applies only for acts within the ambit of one's assigned tasks and requires an employer-employee relationship.
- Principle of relativity of contracts under Article 1311 restricts contractual effects to the parties unless a stipulation pour autrui exists.
- A lease contract under Article 1643 involves the provision of use or enjoyment of a property for a price certain and for a period, and lessor obligations under Article 1654 and Article 1664 pertain to the suitable condition, repair, and peaceful enjoyment for the leased property, but do not extend to acting as an insurer against third-party acts.

Historical Background:

The decision in this case comes against the backdrop of a developing body of law in the Philippines examining the nature of parking lot operations, security agency liability, and contractual obligations. There is a continued emphasis on the principles of negligence, proximate cause, and the relativity of contracts as well as the recognition of the rightful interplay between obligations arising from quasi-delict and pre-existing contractual relations. The courts have consistently interpreted these obligations to clarify the

relationship between parking lot operators, security providers, and their clients, and ensure proper assignment of responsibility for loss or damage.