Title: Pantranco Employees Association (PEA-PTGWO) and Pantranco Retrenched Employees Association (PANREA) v. National Labor Relations Commission (NLRC), Pantranco North Express, Inc. (PNEI), Philippine National Bank (PNB), Philippine National Bank-Management and Development Corporation (PNB-MADECOR), and Mega Prime Realty and Holdings Corporation (Mega Prime) / Philippine National Bank v. Pantranco Employees Association, Inc. (PEA-PTGWO), Pantranco Retrenched Employees Association (PANREA), Pantranco Association of Concerned Employees (PACE), et al., Philippine National Bank-Management Development Corporation (PNB-MADECOR), and Mega Prime Realty Holdings, Inc.

Facts:
The Gonzales family, who owned PNEI and Macris Realty Corporation, faced financial difficulties and their management was taken over by creditors in 1975, eventually leading to the transfer of ownership to National Investment Development Corporation (NIDC), which was a PNB subsidiary. Macris was renamed to Naredeco and merged into PNB-Madecor later on.

In 1985, NIDC sold PNEI to NETI, and in 1986, PNEI was sequestered by the PCGG, which was lifted in 1988 to allow a sale through APT. PNEI applied for suspension of payments in 1992, suggesting privatization and retrenchment. Eventually, PNEI ceased operations and employees initiated labor claims resulting in favorable decisions.

On July 5, 2002, to satisfy P722,727,150.22 owed to PNEI employees, an alias writ of execution was issued. Sheriffs levied four real estate properties (Pantranco properties) registered under PNB-Madecor. However, motions to quash the writ were filed by PNB-Madecor, Mega Prime, and PNB.

The Labor Arbiter ruled the Pantranco properties owned by PNB-Madecor, whose assets could not answer for PNEI liabilities but recognized a valid P7,884,000.00 promissory note owed by PNB-Madecor to PNEI. PNB's third-party claim was denied due to its inchoate interest in the properties.

Upon NLRC review, the decision was affirmed, maintaining separate corporate personalities and upholding the validity of the levy only to the extent of PNB-Madecor's debt to PNEI. Subsequent motions for reconsideration were denied.

Issues before the Supreme Court:
1. Whether the liabilities of PNEI can be attached to the properties of PNB, PNB-Madecor,

and Mega Prime.
2. Whether the individuals associated with the corporations can be held jointly and severally liable for the unpaid labor claims against PNEI.
3. Whether PNB has a substantial interest in the Pantranco properties to challenge the execution sale.

Court's Decision:
1. The Court ruled that the subject property is not owned by PNEI, hence cannot be levied upon to satisfy PNEI's debt. The Pantranco properties were owned by Macris, the predecessor of PNB-Madecor, never by PNEI, thus creditors of PNEI cannot pursue against them.
2. The Court declined the request to disregard the separate corporate personalities. PNB acquiring PNEI does not warrant the merger of their personalities for the purpose of liability. Furthermore, there was no justification to pierce the corporate veil as conditions for such action were not met. PNB, PNB-Madecor, and Mega Prime are separate entities.
3. PNB's interest in challenging the execution sale was considered inchoate and not sufficient to confer the necessary standing. The proper party to question the validity of the execution sale was PNB-Madecor or its successor-in-interest, not PNB.

Doctrine:
Corporate entities are treated as separate legal entities. The doctrine of "piercing the corporate veil" applies only under justifying circumstances, such as to prevent evasion of an existing obligation, to preclude fraud or to defend a crime, or in alter ego cases, where the corporation is a mere extension of another entity's conduct. Ownership alone does not justify disregarding separate corporate personalities.

Class Notes:
– Separate Corporate Personality: Corporations are recognized by law as having personalities separate from their shareholders.
– Piercing the Corporate Veil: Used to disregard corporate legal entity to hold individuals or other corporations liable under specific conditions of fraud, alter ego, or evasion of obligations.
– Legal Standing: Parties must have a substantial interest in the case to have standing to sue.
– Inchoate Interest: Future, contingent interests that are not ripe or vested, and do not confer standing.
– Liability of Corporate Officers: Generally, corporate officers are not personally liable for

corporate debts unless specific conditions, such as bad faith or personal action that leads to the obligation, are met.

Historical Background:
The events leading to the cessation of business and labor claims of PNEI comprise part of the broader history involving the aftermath of Marcos' martial law era in the Philippines. The sequestration and subsequent turnover of PNEI align with the political and economic reorganization efforts post-EDSA revolution, reflecting the intentions of the new government to address corrupt practices and restore economic stability. The labor struggles and court battles signify post-Martial Law efforts to seek restitution for wronged employees and the complexity of corporate law in such remediation.