

Title: Anna Marie L. Gumabon vs. Philippine National Bank (PNB)

Facts:

Anna Marie L. Gumabon filed a lawsuit against the Philippine National Bank (PNB) and PNB Delta branch manager Silverio Fernandez due to PNB's refusal to release her funds in a consolidated savings account and two foreign exchange time deposits. This legal battle started when in 2001, Anna Marie, with her mother and siblings, deposited two significant amounts in USD in PNB Delta Branch, receiving two Foreign Exchange Certificates of Time Deposit (FXCTD) as proof. Later, Anna Marie attempted to consolidate eight savings accounts and withdraw a substantial amount for her sister's financial need but was hindered due to missing bank records and the unavailability of the bank employee Salvoro.

This led to a series of demand letters to PNB, culminating in the filing of the complaint for recovery of sum of money and damages before the Regional Trial Court (RTC). The PNB countered by arguing that Anna Marie is not entitled to the balances claimed due to various reasons such as previous withdrawals and pre-termination of deposits, which Anna Marie contested.

The RTC favored Anna Marie, ordering PNB to pay her the disputed amounts plus damages. Dissatisfied, PNB appealed to the Court of Appeals (CA), which reversed the RTC's decision. Anna Marie then sought the Supreme Court's intervention.

Issues:

1. Whether Anna Marie is entitled to the payment of the disputed amounts in the consolidated savings account and the two FXCTDs.
2. Whether the CA erred in considering evidence excluded by the RTC.
3. Whether PNB can be held liable for damages due to its refusal to honor its obligations to Anna Marie.

Court's Decision:

The Supreme Court granted the petition, reversing the CA's decision and reinstating the RTC's ruling with modifications. The Court pointed out several issues with the CA's decision, notably the admissibility and reliance on excluded evidence. The SC established that PNB failed to prove it had discharged its obligations concerning the disputed accounts. Additionally, it held PNB liable for actual, moral, and exemplary damages, along with attorney's fees due to its negligence in handling Anna Marie's accounts.

Doctrines:

- The burden of proving payment rests upon the debtor, and failure to present admissible evidence shifts the burden back to the creditor.
- The fiduciary nature of banking requires banks to treat the accounts with meticulous care, adhering to high standards of integrity and performance.

Class Notes:

1. **Burden of Proof in Payment Obligations**: A party claiming payment has the burden to prove it, typically requiring the presentation of the original document unless exceptions apply.
2. **Fiduciary Nature of Banking**: Banks are expected to manage depositor's accounts with utmost fidelity and care, reflecting the trust the public places in banking institutions.
3. **Admissibility of Evidence**: Documents must be presented in their original form to be admissible unless justified under specific exceptions provided by the rules of court.

Historical Background:

This case highlights the evolving nature of evidentiary requirements in banking disputes in the Philippines and underscores the judiciary's role in safeguarding depositor's rights against banking malpractices. It reiterates the importance of the fiduciary relationship between banks and their customers, emphasizing the need for banks to exercise due diligence and transparency in their operations.