

Title: Rex Sorongon vs. People of the Philippines

****Facts:****

Rex Sorongon was charged with Estafa under the Philippine Revised Penal Code for allegedly failing to return a cement mixer borrowed from Nelly Vander Bom in July 2004. Sorongon pleaded not guilty, leading to a full trial. The prosecution presented witnesses including Nelly, employees, and acquaintances, all corroborating that Sorongon borrowed the mixer and failed to return it even after demands were made. The defense contended Sorongon had not borrowed the mixer, highlighting an amicable settlement over unpaid accounts with Nelly in a barangay proceeding, which they argued settled any obligations regarding the mixer.

The Regional Trial Court (RTC) convicted Sorongon, rejecting his defenses and emphasizing the physical evidence and testimonies provided. Sorongon appealed this decision to the Court of Appeals (CA), which affirmed the RTC's decision, focusing on the contract of commodatum between Nelly and Sorongon and the failure to return the borrowed item despite demands.

****Issues:****

The Supreme Court was tasked to determine whether the CA and RTC erred in convicting Sorongon of Estafa under Article 315, paragraph 1(b) of the RPC.

****Court's Decision:****

The Supreme Court found merit in Sorongon's petition, highlighting an oversight by the lower courts regarding the amicable settlement between the parties before the Information against Sorongon was filed. This settlement, the Court opined, effectively novated the original agreement into a new contract, preventing the incipient criminal liability. The Court outlined that for novation to prevent criminal liability in Estafa cases, it must occur before the filing of the Information in court, as was the case here. By waiving ownership of the cement mixer to Sorongon, Nelly had relinquished any claims over it, rendering the allegations of misappropriation moot. Thus, the Court reversed and set aside the decisions of the RTC and CA, acquitting Sorongon.

****Doctrine:****

In Estafa cases under Article 315, paragraph 1(b), involving underlying contractual relationships that can be altered or novated, the criminal liability may be preemptively negated if the novation occurs before the filing of Information in court. For novation to be

effective in changing the criminal outcome, the new agreement must expressly or implicitly indicate the intention to extinguish the original obligation - primarily through incompatibility between the old and new obligations.

****Class Notes:****

- Estafa under Article 315, paragraph 1(b): involves misappropriation or conversion of property received, to the prejudice of another.
- Novation: a change in the terms of an agreement or obligations that requires an explicit or implicit indication that the parties intended to extinguish the original agreement.
- Role of Novation in Criminal Cases: Before the filing of Information, novation may prevent the rise of criminal liability by effectively changing the nature of the original agreement that triggered the criminal case. This is predicated on the principle of relativity of contracts, emphasizing that contracts only bind the parties who entered into them unless stipulated otherwise.

****Historical Background:****

The Sorongon case underscores the Philippine legal system's balance between the principle of holding individuals accountable for crimes against the state and recognizing contractual freedoms that may alter the contours of the obligations. It illustrates the importance of novation as a concept not just in civil law but also in how it interfaces with criminal law, particularly in cases where underlying civil agreements form the basis of criminal charges.