

### Title: Alpha Plus International Enterprises Corp. vs. Philippine Charter Insurance Corp., et al.

### Facts:

Alpha Plus International Enterprises Corporation (Alpha Plus), engaged in the optical media business, acquired two fire insurance policies from Philippine Charter Insurance Corp. (PCIC) covering June 9, 2007, to June 9, 2008. On February 24, 2008, Alpha Plus' warehouse was destroyed by fire, leading it to file an insurance claim with PCIC. PCIC denied the claim on January 22, 2009, and after failing to reach a settlement, Alpha Plus filed a Complaint for Specific Performance, Collection of Sum of Money, and Damages against PCIC and its officers in the Regional Trial Court (RTC) of Malolos, Bulacan on January 20, 2010.

Alpha Plus filed an Amended Complaint on February 9, 2010, seeking P300 million in actual damages and additional legal interests. The RTC denied PCIC's Motions to Dismiss based on jurisdictional concerns, lack of cause of action, and prescription. However, the Court of Appeals (CA) granted PCIC's Petition for Certiorari, ruling that Alpha Plus' action had prescribed based on the filing of the Amended Complaint and ordered the dismissal of the case.

### Issues:

1. Whether the CA erred in holding that Alpha Plus' complaint had already prescribed when filed with the RTC.
2. Whether the CA incorrectly determined that the prescriptive period should be counted from the time the amended complaint was filed.

### Court's Decision:

The Supreme Court affirmed the CA's decision, denying Alpha Plus' Petition for Review on Certiorari. The Court agreed that the prescription of the insurance claim was duly established, differing only in the calculation of the prescriptive period. It emphasized that the 365-day period, as per the Insurance Code and consistent with jurisprudence, should be applied instead of the 360-day period used by the CA. The amended complaint introduced new demands not present in the original complaint, effectively superseding it and rendering the original complaint *functus officio*. The filing of the Amended Complaint was considered the commencement of the lawsuit, which was beyond the prescriptive period.

### Doctrine:

The Supreme Court reiterated the principle that the filing of an amended complaint does not retroact to the date of the filing of the original pleading; hence, the statute of limitation runs until the submission of the amendment. An amended complaint that introduces new demands supersedes the original one, and the action is deemed commenced on the date of the amended complaint's filing.

### Class Notes:

- **\*\*Prescriptive Period in Insurance Claims\*\***: Prescriptive period for filing insurance claims is one year (365 days) from the receipt of the notice of rejection based on the Insurance Code and confirmed by jurisprudence.
- **\*\*Impact of Amended Complaints\*\***: An amended complaint that introduces new issues or demands supersedes the original complaint. The action is deemed to commence on the date of filing the amended complaint.
- **\*\*Rejection in Insurance Claims\*\***: The prescriptive period starts upon "final rejection" of the insurance claim.

### Historical Background:

This case exemplifies the principles surrounding the determination of prescriptive periods in insurance claims within the Philippine legal framework. It highlights the procedural aspect of how an amended complaint is treated in relation to its original version and its effect on the calculation of the prescriptive period for filing actions in court. This case represents the Court's strict adherence to procedural rules in the context of insurance litigation and reaffirms established doctrines on the matter.