

### Title: Milagros P. Morada vs. Saudi Arabian Airlines

### Facts:

The case revolves around Milagros P. Morada, a Flight Attendant for Saudi Arabian Airlines (SAUDIA) who encountered a series of troubling events that began in Jakarta, Indonesia, and continued in Saudi Arabia. Morada was hired by SAUDIA on January 21, 1988. The series of events leading to the legal battles started on April 27, 1990, when Morada was in Jakarta for a lay-over. She, along with fellow crew members, went to a disco dance, leading to an attempted rape by one of the crew members, Thamer Al-Gazzawi. The incident was followed by several interrogations by SAUDIA officials and an eventual transfer to Manila.

In January 1992, Morada was invited to Jeddah, Saudi Arabia, under the pretext of clarifying the Jakarta incident. Upon arrival, she was escorted to a police station, where her passport was confiscated until she agreed to drop the case against her assailants. This visit was followed by another in June 1993, leading to her arrest and trial, where she was wrongfully convicted for adultery and other charges, leading to a sentence of five months imprisonment and 286 lashes.

Morada sought help from SAUDIA, but to no avail. The Prince of Makkah eventually dismissed her case, and she was allowed to leave Saudi Arabia. Upon her return to Manila, she found out she was terminated from her job.

Morada filed a complaint for damages against SAUDIA in the Regional Trial Court (RTC) of Quezon City, which was contested by SAUDIA on grounds including jurisdictional issues. The case moved through various legal challenges, including SAUDIA's petition for certiorari with the Court of Appeals (CA) to annul decisions unfavorable to them and eventually to the Supreme Court of the Philippines.

### Issues:

1. Whether the Regional Trial Court (RTC) of Quezon City has jurisdiction to hear and try the Civil Case No. Q-93-18394.
2. Whether Philippine law applies to the case.

### Court's Decision:

The Supreme Court dismissed the petition for certiorari filed by SAUDIA. It held that the RTC of Quezon City has jurisdiction over the case and that the choice of applicable law should be Philippine law, given the significant relationship of the case to the Philippines. The Court applied the "State of the most significant relationship" rule, considering the

Philippines as having the most significant relationship to the case due to the domicile of Morada, the place where the injury occurred, and the defendant's business presence in the country. The Court also stressed that since the defendant's actions caused the dispute, it bore the burden of proving the applicability of Saudi law, which it failed to do.

### Doctrine:

The "State of the most significant relationship" rule in conflict of laws applies when a case involves a foreign element. This doctrine determines the jurisdiction and choice of law by evaluating the contacts relevant to the issue, such as the place of injury, conduct causing the injury, domicile or business of the parties, and where the relationship between the parties is centered.

### Class Notes:

- Jurisdiction over foreign corporations is established when the company engages in business in the country and the case involves transactions related to such business.
- Philippine courts can assume jurisdiction in cases involving foreign elements if the Philippines is determined to have the most significant relationship to the dispute.
- The doctrine of "State of the most significant relationship" in conflict of laws becomes applicable in ascertaining the choice of law for cases involving international elements.
- A party claiming the applicability of foreign law bears the burden of proving such law.

### Historical Background:

This case underscores the challenges of jurisdiction and applicable law in cases with international elements, highlighting how Philippine courts navigate conflicts of law and protect the rights of Philippine nationals against foreign entities, reflecting the court system's adaptability in resolving complex transnational legal disputes.