

### Title: Tomas Osmeña vs. Cenona Rama

### Facts:

On November 15, 1890, Cenona Rama entered into a contract with Victoriano Osmeña, receiving from him PHP200 with the agreement to repay this amount in sugar at the prevailing market price in January or February of the following year, including interest at a specified rate until full settlement. Furthermore, Rama committed to selling all harvested sugar to Osmeña and provided her property as security.

Subsequently, on October 27, 1891, Rama obtained an additional PHP70 from Osmeña, part of which was loaned to another individual under similar terms of repayment in sugar.

Upon Victoriano Osmeña's demise, the rights to these contracts were inherited and then transferred to Tomas Osmeña. On March 15, 1902, Rama acknowledged her debt to Osmeña in writing, promising repayment upon the sale of her house.

Failing to receive payment, Osmeña initiated legal action on June 26, 1906, demanding repayment. Rama's defense rested on a general denial and the claim of prescription. The lower court sided with Osmeña, dismissing Rama's argument about a conditional agreement to pay based on the sale of her house, and ordered her to pay PHP200 with interest dating back to 1890, and PHP20 with interest from 1891. Rama's appeal to the Supreme Court centered primarily on challenging the factual findings of the lower court.

### Issues:

1. Whether the proof presented during the trial sufficiently supported the lower court's findings.
2. Whether Rama's acknowledgment of her debt, which stated repayment would be contingent upon the sale of her house, constituted a valid condition.

### Court's Decision:

The Supreme Court affirmed the decision of the lower court. It found the evidence provided during the trial sufficient to support the judgment against Rama. Moreover, it determined that Rama's supposed conditional agreement to repay the debt upon the sale of her house was void, as such a condition solely depended on her will, making her acknowledgment an absolute commitment to repay the debt.

### Doctrine:

This case reaffirms the doctrine that conditions in contracts that depend exclusively on the

will of the debtor render the commitment void (Art. 1115, Civil Code). Moreover, an absolute acknowledgment of debt interrupts the statute of limitations.

**### Class Notes:**

- **\*\*Contractual obligations:\*\*** Absolute versus conditional obligations highlighted the significance of the obligation's nature in enforcing contractual agreements.
- **\*\*Doctrine of Prescription:\*\*** The interruption of the prescriptive period through acknowledgment of debt is crucial in debt recovery actions.
- **\*\*Evidence:\*\*** The importance of supporting factual claims with sufficient evidence in court proceedings.

**Key Statutes or Provisions:**

- **\*\*Article 1115 of the Civil Code:\*\*** Clarifies the validity of conditions in contracts, specifically noting conditions solely dependent on one party's will are void.

**### Historical Background:**

This case reflects the legal processes and considerations in the late 19th and early 20th century Philippines, including the use of commodities (sugar) as repayment in business transactions and the impact of inheritance on contractual obligations. It also demonstrates the evolving nature of contractual law and its applications, showcasing the intersection of personal agreements, business transactions, and legal principles during this era in Filipino jurisprudence.