

### Title:

**\*\*Restituta Leonardo vs. Court of Appeals and Teodoro Sebastian et al.: A Philippine Supreme Court Decision on Viciated Consent in Extrajudicial Settlement\*\***

### Facts:

Restituta Leonardo, the only legitimate child of the late spouses Tomasina Paul and Balbino Leonardo, contested the validity of an extrajudicial settlement concerning the estate of Tomasina Paul and Jose Sebastian. Tomasina had illegitimate children with Jose Sebastian after separating from Balbino Leonardo. The dispute arose from an extrajudicial partition signed by Restituta, under circumstances she claimed involved deceit and without a full understanding of the document, as it was in English and not explained to her in a language she understood. The case journeyed through the legal system, culminating in a petition for review under Rule 45 of the Rules of Court, seeking to overturn the Court of Appeals decision which affirmed the RTC's dismissal for lack of cause of action. Restituta's main contention revolved around the illegitimacy of the extrajudicial settlement based on her viciated consent and the improper characterization of Tomasina and Jose's assets as conjugal.

### Issues:

1. Whether the consent given by Restituta Leonardo to the extrajudicial settlement of estate was voluntarily and validly given.
2. Whether the action filed by petitioner should have been for annulment rather than declaration of nullity due to alleged vitiated consent.

### Court's Decision:

The Supreme Court reversed the Court of Appeals decision, holding that Restituta's consent was not voluntarily given, thereby annulling the extrajudicial settlement. The Court delineated the essence of consent in a contract and highlighted that for consent to be valid, it must be intelligently, freely, and spontaneously given. The Court found that Restituta, due to her educational background and the document being in English, did not fully understand the agreement she signed. It was established that the document was not sufficiently explained to her in a language she understood, failing the requirements for valid consent. Consequently, the extrajudicial partition was annulled for being premised on vitiated consent.

### Doctrine:

The case reiterates the doctrine under Art. 1332 of the Civil Code, which protects parties

disadvantaged by illiteracy, ignorance, or language barrier, in contractual agreements. It mandates that when one party is unable to understand the language used in a contract, and fraud or mistake is alleged, it is incumbent upon the enforcing party to prove that the contract terms were fully explained to the disadvantaged party.

**### Class Notes:**

- **\*\*Consent in Contracts\*\***: Must be intelligent, free, and spontaneous. Intelligence in consent is vitiated by error; freedom by violence, intimidation or undue influence; and spontaneity by fraud.
- **\*\*Art. 1332 of the Civil Code\*\***: Protects parties unable to understand the language of a contract, requiring the terms be fully explained to them.
- **\*\*Vitiated Consent\*\***: Contracts founded on consent that is vitiated by mistake, violence, intimidation, undue influence, or fraud are voidable.
- **\*\*Burden of Proof\*\***: In cases where vitiated consent is claimed due to a language barrier or lack of understanding, the burden shifts to the party enforcing the contract to prove it was explained fully to the other party.
- **\*\*Voidable Contracts\*\***: Contracts where consent is vitiated can be annulled. An action for annulment based on vitiated consent is distinct from an action for the declaration of nullity of a contract.

**### Historical Background:**

This case underscores the evolving understanding and application of contractual consent within Philippine jurisprudence, particularly concerning individuals with limited education or who are otherwise disadvantaged. It highlights the judiciary's role in protecting the rights of these individuals against deceit and manipulation in legal and contractual processes.