

****Title:** St. Aviation Services Co., Pte., Ltd. vs. Grand International Airways, Inc.**

****Facts:****

St. Aviation Services Co. (Petitioner), a Singapore-based corporation engaged in airplane manufacture and maintenance, entered into an agreement in January 1996 with Grand International Airways, Inc. (Respondent), a Philippine-based airline operator, for the maintenance and modification of an Airbus. A similar verbal agreement was made for another aircraft. Despite delivering the services, the petitioner did not receive payment from the respondent, totaling US\$303,731.67.

Subsequently, in December 1997, the petitioner filed a case in the High Court of Singapore for the said amount, interest, and costs, marked as Suit No. 2101. Following extraterritorial service of summons, which the respondent received but did not respond to, the Singapore High Court issued a default judgment against the respondent in February 1998.

In August 1998, the petitioner sought to enforce this foreign judgment in the Philippines by filing a Petition for Enforcement with the RTC in Pasay City. The respondent's motion to dismiss was based on arguments of invalid jurisdiction by the Singapore Court and deprivation of due process, which the RTC rejected. The Court of Appeals later granted the respondent's petition for certiorari, setting aside the RTC's orders and ruling that service of summons should have been personal or substituted, not extraterritorial.

****Issues:****

1. Did the Singapore High Court acquire jurisdiction over the respondent through extraterritorial service of summons in the Philippines?
2. Is the default judgment by the Singapore High Court enforceable in the Philippines?

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

The Supreme Court of the Philippines granted the petition, reversing the decision of the Court of Appeals, and directed the RTC to proceed with the enforcement of the foreign judgment. The Court clarified that the service of the writ of summons was properly executed in conformity with Philippine rules on service of summons, thereby validating the Singapore High Court's jurisdiction over the respondent. The enforcement of the foreign judgment was deemed in accordance with the accepted principles of comity, utility, and convenience among nations, as well as the Rules of Civil Procedure.

****Doctrine:****

The case reaffirms the principles underpinning the recognition and enforcement of foreign judgments in the Philippines, as stipulated in Section 48, Rule 39 of the 1997 Rules of Civil Procedure. Specifically, it underscored the conditions that a foreign judgment must meet to be enforced locally, namely, it must come from a jurisdiction that had the authority to render it, and it was achieved through proper notification (service of summons) to the party against whom it is enforced.

****Class Notes:****

- ****Foreign Judgment Enforcement:**** The enforceability of foreign judgments is conditioned upon the issuing court having jurisdiction, proper service of summons, and the judgment not being for fraud, collusion, clear mistake of law or fact, or that it violates public policy.
- ****Jurisdiction and Service of Summons:**** Jurisdiction over the respondent in an international case can be established through proper service of summons, which must conform to the procedural laws of both the forum country and the country where the summons is served.
- ****Principles of Comity, Utility, and Convenience:**** These principles underlie the international legal framework allowing for the reciprocal recognition and enforcement of judgments, emphasizing respect and practicality among nations' legal systems.

****Historical Background:****

This case highlights the operationalization of international legal principles in domestic courts, showing how local jurisdictions handle the complexities of cross-border legal disputes and enforcement of foreign judgments. It demonstrates the balance courts strive to maintain between respecting the sovereignty of foreign legal systems and protecting the rights and due process entitlements of parties within their jurisdictions.