

****Title**:** Radiowealth Finance Company, Inc. vs. Alfonso O. Pineda Jr. and Josephine C. Pineda, G.R. No. N/A, 837 Phil. 419 (2016)

****Facts**:** On October 23, 2014, Radiowealth Finance Company, Inc. (RFC) extended a loan of PHP 557,808.00 to Alfonso O. Pineda Jr. and Josephine C. Pineda. This loan was evidenced by a Promissory Note, payable in 24 equal monthly installments of PHP 23,242.00, and secured by a Chattel Mortgage on a vehicle owned by the respondents. The Promissory Note stipulated that any action to enforce payment should be brought in the National Capital Judicial Region or in any place where RFC has a branch, at its sole option. Due to the respondents' default, RFC demanded the remaining balance, which was PHP 510,132.00 as of June 8, 2015, but the demand went unfulfilled. Consequently, RFC filed a suit for the sum of money with an application for a Writ of Replevin in the Regional Trial Court (RTC) of San Mateo, Rizal, asserting that it had a branch in the area.

Procedurally, the RTC issued a Writ of Replevin on March 28, 2016, but recalled it on July 21, 2016, and dismissed RFC's complaint, citing lack of jurisdiction because RFC's principal place of business is in Mandaluyong City, Metro Manila, and respondents lived in Porac, Pampanga. RFC's motion for reconsideration was denied on September 1, 2016, prompting the company to file a petition for review on certiorari before the Supreme Court.

****Issues**:**

1. Whether the RTC correctly dismissed RFC's complaint on the ground of lack of jurisdiction.
2. Whether the venue stipulated in the Promissory Note was exclusive and correctly laid.

****Court's Decision**:** The Supreme Court found the petition meritorious and reversed the RTC's dismissal. On the issue of jurisdiction, the Supreme Court distinguished between jurisdiction and venue:

1. ****Jurisdiction**:** Jurisdiction refers to a court's power to decide a case based on the class it belongs to and is determined by the enabling statute. In the present case, the RTC had jurisdiction over the dispute, as outlined by Section 19 (8) of BP 129, as amended by RA 7691, covering amounts exceeding PHP 100,000.00.
2. ****Venue**:** Venue, meanwhile, pertains to the geographical location where a case should be heard and is generally a procedural issue subject to rules and stipulations agreed upon by parties. The court noted that even if venue was improperly laid, it should not *motu proprio* dismiss the case; rather, such objections should be raised by the concerned party through a motion to dismiss or an answer.

The stipulation in the Promissory Note—that any action should be exclusively brought in the National Capital Judicial Region or where RFC had a branch—was confirmed by the Court as a restrictive venue stipulation. As RFC claimed it had a branch in San Mateo, Rizal, the complaint was filed in an appropriate venue.

The Supreme Court ordered that the RTC reinstate and proceed with the complaint.

****Doctrine****: Jurisdiction is a substantive law issue determined by the nature of the case and relevant laws, while venue is a procedural law issue concerning the place of trial. Stipulations on venue must be clear regarding exclusivity to be considered restrictive. Courts should not dismiss a case for improper venue unless raised by the defending party at the earliest opportunity.

****Class Notes****:

- ****Jurisdiction****: The legal authority of a court to adjudicate a case. Determined by constitutional or statutory law; it cannot be waived and may be challenged at any stage of the proceedings.
- ****Venue****: The proper or most convenient geographic location for trial of a case. Venue can be waived if not timely objected by the defendant and improper venue does not deprive the court of jurisdiction.
- ****Promissory Notes****: Contracts in loan agreements that can stipulate exclusive venues for litigation.
- ****Exclusive vs. Permissive Stipulations****: Exclusive venue restricts actions to a specified location; permissive allows actions in multiple possible locations.

Key statutes:

- ****Section 19 (8) of BP 129****: Confers jurisdiction on RTC in civil cases where the demand exceeds PHP 100,000.00.
- ****Section 5 of RA 7691****: Adjusts jurisdictional amounts for RTC over time.
- ****Rule 4 of Rules of Court****: Governs venue of actions.

****Historical Background****: Understanding this case involves recognizing the differences between jurisdiction and venue in procedural and substantive law, reflecting the broader legal framework governing the judiciary in the Philippines, particularly the latitude afforded to parties in determining their forum for disputes via contractual stipulations. This legal interpretation helps streamline judicial procedures and ensures fairness and predictability for litigants, contributing to a well-organized judicial system.