

Title: **De Leon v. Roqson Industrial Sales, Inc., G.R. No. 239963 (2022)**

Facts:

1. **Issuance of Check and Initial Transactions**:

- On August 25, 2006, petitioner Benjamin T. De Leon, Jr. issued RCBC Check No. 0201234 worth P436,800.00 to respondent Roqson Industrial Sales, Inc. The check was for oil product deliveries to RB Freight International, Inc., where De Leon served as managing director.

- The check was dishonored due to a “closed account.”

2. **Respondent’s Attempts for Reimbursement**:

- Respondent sent a demand letter on September 15, 2006, to RB Freight and De Leon. RB Freight’s administrative manager, Ms. Mean Ramos, proposed a payment scheme in response.

- Subsequent letters included a counter-proposal from respondent and RB Freight’s rejection letter, requesting a “debt moratorium.”

3. **Legal Proceedings**:

- Due to unresolved payment, respondent filed a criminal case for violation of Batas Pambansa Blg. 22 (B.P. 22) against De Leon.

- The Quezon City METC, in its May 28, 2013, Decision, acquitted De Leon due to reasonable doubt but held him civilly liable for the check amount plus interest, lawyer’s fees, and court costs.

- The judgment was appealed, and the RTC affirmed the METC’s decision but modified the interest rate based on judicial demand from October 3, 2007.

- De Leon further contested this in the CA, which also affirmed the RTC’s decision but adjusted interest rates in line with the Nacar ruling.

- De Leon’s motion for reconsideration was denied, prompting a petition for review to the Supreme Court.

Issues:

1. **Can De Leon be held civilly liable despite acquittal on B.P. 22 charges?**

2. **Is De Leon personally liable for a corporate debt?**

3. **What is the applicable legal interest rate on the civil liability?**

Court’s Decision:

1. **Civil Liability Despite Acquittal**:

- The Supreme Court affirmed the acquittal did not necessarily extinguish civil liability. Acquittal occurred due to lack of proof beyond reasonable doubt regarding notice of dishonor.
- The civil liability is based on factors outside criminal guilt, such as contractual obligations and roles within the transaction.

2. **Personal Liability for Corporate Debt**:

- The court ruled De Leon liable as an accommodation party under Section 29 of the Negotiable Instruments Law (NIL), having issued his personal check to pay RB Freight's corporate debt.
- Despite acting in a corporate capacity, personal issuance signifies accommodation liability.

3. **Applicable Legal Interest Rates**:

- As affirmed by *Nacar v. Gallery Frames*, the interest rate would be 12% per annum from October 3, 2007, until June 30, 2013, and 6% per annum thereafter until full payment.

Doctrine:

1. **Accommodation Party Liability**:

- Under Section 29 of the NIL, an accommodation party who issues a check without value for the purpose of lending their name is liable to a holder in due course, even when the party accommodated defaults.

Class Notes:

- **Key Elements of a Crime (B.P. 22 Violation)**: Issuance of a check, knowledge of insufficient funds, and failure to settle the debt after notice of dishonor.
- **Negotiable Instruments Law, Section 29**: Defines and establishes liability of accommodation parties.
- **Interest Rate in Loans or Forbearance**: As per *Nacar v. Gallery Frames*: 12% per annum (before July 1, 2013) and 6% per annum (after July 1, 2013).

Historical Background:

- Batas Pambansa Blg. 22 was enacted to deter the issuance of bounced checks, reflecting the legislature's intent to protect the banking and commercial sectors.
- The case highlights coping mechanisms for businesses and legal challenges involved in enforcing monetary claims, illustrating legal intricacies in commercial fraud handling in the Philippines.