ROBERT RHYZ CHUA, PETITIONER, VS. AMA RURAL BANK OF MANDALUYONG, INC. AND THE REGIONAL TRIAL COURT OF PASAY CITY, BRANCH 108, RESPONDENTS.

Ponente: CRUZ, R.A. J.

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CRUZ, R.A. J.:

THE CASE

This is a Petition for Review under Rule 42 of the Rules of Court, claiming that the Regional Trial Court of Pasay City, Branch 108 ("RTC"), erred in its Decision dated November 10, 2010[1] for affirming the Decision of the Metropolitan Trial Court of Pasay City, Branch 48, dated April 14, 2010[2] which ordered petitioner to pay Private Respondent AMA Rural Bank of Mandaluyong the amount of Two Hundred Fifty-One Thousand and Sixty Eight Philippine Pesos and 96/100 (P251,068.96), representing the unpaid monthly amortizations, from July 2006 to August 2007, of the car petitioner mortgaged to the bank, plus 12% legal interest per annum; Ten Thousand Philippine Pesos (P10,000.00) as attorney's fees; Ten Thousand Philippine Pesos (P10,000.00) as liquidated damages and the cost of suit.

THE ANTECEDENTS

On August 16, 2005, for value received, Robert Rhyz Chua ("Chua") and Edwin Franco ("Franco") executed and delivered to the AMA Rural Bank of Mandaluyong, Inc. ("AMA Bank"), a domestic banking corporation with principal office in Mandaluyong City, a Promissory Note[3] in the sum of Three Hundred Fifty Thousand Nine Hundred Fifty-Two Philippine Pesos (P350,952.00), payable in 24 installments with a monthly amortization of Fourteen Thousand Six Hundred Twenty-Three Philippine Pesos (P14,623.00), inclusive of 29.98% interest. In order to secure the payment of the aforementioned Promissory Note, Chua and Franco executed in favor of AMA Bank a Deed of Chattel Mortgage over a 2002 Nissan Exalta car with plate number XEL-895. The vehicle was registered with the Land Transportation Office, Manila District Office, as shown by its Certificate of Registration and Official Receipt.[4]

Chua and Franco failed to comply with the terms and conditions of the Promissory Note with Chattel Mortgage[5] by not paying the monthly amortizations for ten (10) consecutive months, from July 10, 2006 to March 10, 2007.[6]

For this reason, AMA Bank sent a demand letter to Chua dated February 23, 2007,[7] demanding payment of the mortgage loan obligation in the amount of Two Hundred Twenty One Thousand Two Hundred Sixteen Philippine Pesos and 15/100 (P221,216.15) as of February 23, 2007, exclusive of interest, charges and attorney's fees or to surrender the collateral subject of the bank's appraisal and acceptance within five (5) days from receipt of the demand letter. The basis of the bank's demand is the provision in the Promissory Note with Chattel Mortgage that failure on the part of Chua and Franco to pay any of the accrued installment when due shall make the subsequent installments and the entire balance of the obligation immediately due and demandable.

On July 5, 2007, AMA Rural Bank of Mandaluyong, Inc. filed before the Metropolitan Trial Court of Pasig ("MeTC"), raffled to Branch 48 thereof, a Complaint[8] for Recovery of Possession with Writ of Replevin and Damages against Robert Rhyz Chua and Edwin Franco and John Doe who is authorized to drive and in possession of the mortgaged car. AMA Bank prayed for the following reliefs: (a) Before trial and upon filing and approval of the bond, for the MeTC to issue a Writ of Replevin ordering the seizure of the subject motor vehicle and direct delivery to AMA Bank, and after due hearing, to confirm said seizure; or (b) in the event that manual delivery of the said motor vehicle cannot be effected, to render judgment in favor of the plaintiff and against the defendants and order them to pay jointly and severally the sum of Two Hundred Fifty One Thousand and Sixty-Eight Philippine Pesos and 96/100 (P251,068.96), inclusive of interest and late payment charges at the rate of 60% per annum from July 10, 2006 until fully paid. AMA Bank also prayed for the payment to it of attorney's fees in the amount of P55,304.04, liquidated damages in the amount of P55,304.04, bonding fee and other expenses incurred in the seizure of the vehicle in the amount of P30,000.00 and the cost of suit.

Defendant Chua filed an Answer but failed to appear during the pre-trial conference on February 26, 2010 despite notice. Defendant Franco failed to file an Answer to the Complaint. It appears that the Writ of Replevin was not served based on the Return dated August 13, 2007.[9]

In its Decision dated April 14, 2010[10], the MeTC ruled in favor of AMA Bank in this wise:

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> "WHEREFORE, judgment is hereby rendered in favor of plaintiff and against the defendant, ordering the latter to pay plaintiff as follows:

- 1. The sum of Php251,068.96 representing the unpaid monthly amortizations from July 2006 to August 2007 inclusive of interest and penalty charge, plus legal interest of 12% per annum from the finality of this decision until fully paid;

- The sum of P10,000.00 as attorney's fees;

- The sum of Php10,000.00 as liquidated damages;

- The cost of suit.

> SO ORDERED."[11]

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Defendant Chua appealed the said case before the Regional Trial Court of Pasay City, raffled to Branch 108 ("RTC") and docketed as Civil Case No. 797-07-CPM-R00-00, which affirmed en toto the MeTC Decision in its Decision dated November 10, 2010, ratiocinating that the plaintiff-appellee was able to show and prove that the defendants-appellants' violations of their contract opened plaintiff-appellee to liability. As to jurisdiction, the RTC held that defendants-appellants are estopped from questioning the jurisdiction of the Court after it had voluntarily filed pleadings and appeared in several hearings. As to the certification of non-forum shopping, the RTC also found sufficient compliance under Sec. 4, Rule 7 of the Rules of Court.

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Dissatisfied, Chua filed a Petition for Review[12] of the November 10, 2010 RTC Decision, raising the following as posers:

THE ISSUES BEFORE US

I

WHETHER THE COMPLAINT SHOULD HAVE BEEN DISMISSED FOR LACK OF JURISDICTION OVER THE SUBJECT MATTER OF THE CASE;

II

WHETHER THE COMPLAINT SHOULD HAVE BEEN DISMISSED FOR THE FAILURE OF THE RESPONDENT TO COMPLY WITH SEC. 5, RULE 7 OF THE RULES OF COURT ON NON-FORUM SHOPPING.

Robert Rhyz Chua, as Our petitioner, alleges that the RTC erred when it held that he had impliedly recognized the jurisdiction of the MeTC by the series of pleadings that he filed before it. He also postulates that the secretary's certificate issued to Erick Joseph Lingan was not sufficient authorization for him to sign the Certificate of Non-Forum Shopping in behalf of AMA Bank.

AMA Rural Bank of Mandaluyong, Inc., as the private respondent, failed to file a Comment to the Petition notwithstanding notice to do so.[13]

OUR RULING

We AFFIRM the RTC Decision in the main and DISMISS this Petition for Review for lack of merit.

The two focal issues in this case are whether the MeTC had jurisdiction over the subject matter of the case, and on procedural grounds, whether the rule on certification of non-forum shopping under Sec. 5, Rule 7 of the Rules of Court was complied with.

As to jurisdiction over the subject matter of the case, We hold that the MeTC did acquire jurisdiction over it because the amount of the demand or the obligation due to private respondent falls under the MeTC's jurisdiction. Sec. 33 of Batas Pambansa Blg. 129 (Judiciary Reorganization Act of 1980) is apropos, to wit:

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> "Sec. 33. Jurisdiction of Metropolitan Trial Courts, Municipal Trial Courts and Municipal Circuit Trial Courts in Cities. – Metropolitan Trial Courts, Municipal Trial Courts and Municipal Circuit Trial Courts shall exercise:
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> (1) Exclusive original jurisdiction over civil actions and probate proceedings, testate and intestate, including the grant of provisional remedies in proper cases, where the value of the personal property, estate, or amount of the demand does not exceed One hundred thousand pesos (P100,000.00) or, in Metro Manila where such personal property, estate or amount of the demand does not exceed Two hundred thousand pesos (P200,000.00), exclusive of interest, damages of whatever kind, attorney's fees, litigation expenses and costs, the amount of which must be specifically alleged: Provided, That interest, damages of whatever kind, attorney's fees, litigation expenses,and costs shall be included in the determination of the filing fees: Provided further, That where there are several claims or causes of action between the same or different parties embodied in the same complaint, the amount of the demand shall be the totality of the claims in all the causes of action, irrespective of whether the causes of action arose out of the same or different transactions;" (Emphasis

supplied.)

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Sec. 5 of Republic Act 7691[14] increased the jurisdiction of the MeTC in Metro Manila to the amount of the property or the demand not to exceed four hundred thousand pesos (P400,000.00). The provision is quoted, as follows:

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> "Sec. 5. After five (5) years from the effectivity of this Act, the jurisdictional amounts mentioned in Sec. 19 (3), (4), and (8); and Sec. 33(1) of Batas Pambansa Blg. 129 as amended by this Act, shall be adjusted to Two hundred thousand pesos (P200,000.00). Five (5) years thereafter, such jurisdictional amounts shall be adjusted further to Three hundred thousand pesos (P300,000.00): Provided, however, That in the case of Metro Manila, the abovementioned jurisdictional amounts shall be adjusted after five (5) years from the effectivity of this Act to Four hundred thousand pesos (P400,000.00)." (Emphasis supplied.)

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Here, the amount of the demand was Two Hundred Fifty One Thousand and Sixty-Eight Philippine Pesos and 96/100 (P251,068.96). It is thus clear as day that since the principal amount demanded from the petitioner did not exceed Four Hundred Thousand Pesos (P400,000.00), the MeTC has jurisdiction over the subject matter of the case. The fair market value of the motor vehicle which according to paragraph 9 of the Complaint does not exceed Four Hundred Seventy-Three Thousand Pesos (P473,000.00) finds no application here. At best, petitioner is using this amount just so he could find a reason to oppose the jurisdiction of the MeTC and nothing more.

In Editha Padlan v. Elenita Dinglasan, et al.,[15] the issue on jurisdiction was explained in this wise:

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> "However, in order to determine which court has jurisdiction over the action, an examination of the complaint is essential. Basic as a hornbook principle is that jurisdiction over the subject matter of a case is conferred by law and determined by the allegations in the complaint which comprise a concise statement of the ultimate facts constituting the plaintiff's cause of action. The nature of an action, as well as which court or body has jurisdiction over it, is determined based on the allegations contained in the complaint of the plaintiff, irrespective of whether or not the plaintiff is entitled to recover upon all or some of the claims asserted therein. The averments in the complaint and the character of the relief sought are the ones to be consulted. Once vested by the allegations in the complaint, jurisdiction also remains vested irrespective of whether or not the plaintiff is entitled to recover upon all or some of the claims asserted therein." (Emphasis supplied.)

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It cannot be argued that the Complaint's allegations cited an amount bigger than that which was awarded by the MeTC. The private respondent claimed in the Complaint the amount of Two Hundred Fifty One Thousand and Sixty-Eight Philippine Pesos and 96/100 (P251,068.96) which was granted by the MeTC and affirmed by the RTC. We do not find error in the RTC's affirmation of the MeTC Decision.

As to petitioner's allegation that the certification of non-forum shopping attached to the Complaint filed before the MeTC was defective because the signatory was not sufficiently authorized to do so, We affirm the RTC's ruling on the matter, viz:

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> "Meanwhile, the defendant-appellant's contention that the trial Court erred in not dismissing the complaint

> despite the failure of the appellee to comply with Section 5 Rule 7 of the Rules of Court on non-forum shopping is off tangent. The Lower Court correctly stated that "Anent the authority of Mr. Erick Joseph Lingan, the Court finds that plaintiff's secretary's certificate is a sufficient authorization for Mr. Lingan to sign the certification against forum shopping in behalf of plaintiff corporation." Plaintiff-appellee has sufficiently shown compliance under Section 5 of Rule 7 of the Rules of Court since attached to the complaint is the verification, affidavit of merit and certification of non-forum shopping. This Court has not seen any violation thereof."[16]

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In Swedish Match Philippines v. Treasurer of the City of Manila,[17] the authorized signatories to a certification against forum shopping on the part of a juridical entity were laid down as follows:

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> "In sum, we have held that the following officials or employees of the company can sign the verification and certification without need of a board resolution: (1) the Chairperson of the Board of Directors, (2) the President of a corporation, (3) the General Manager or Acting General Manager, (4) Personnel Officer, and (5) an Employment Specialist in a labor case.
>
> While the above cases do not provide a complete listing of authorized signatories to the verification and certification required by the rules, the determination of the sufficiency of the authority was done on a case to case basis. The rationale applied in the foregoing cases is to justify the authority of corporate officers or representatives of the corporation to sign the verification or certificate against forum shopping, being "in a position to verify the truthfulness and correctness of the allegations in the petition." (Emphases supplied)

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We find that the authority to sign the certification against forum shopping was given to Erick Joseph Lingan, Collection Manager of the private respondent, as evidenced by the Secretary Certificate dated December 11, 2006.[18] The said Secretary Certificate which was attached to the Complaint was sufficient compliance with Sec. 5, Rule 7 of the Rules of Court. He was among the persons specifically authorized "to cause and/or initiate the filing of the proper complaint and other pleadings, and to represent the corporation in all these cases being referred to them for appropriate actions."

Moreover, a litigation is not a game of technicalities.[19] Technical rules of procedure should be used to promote, not frustrate justice.[20]

WHEREFORE, premises considered, the appeal is DISMISSED. The Decision of the RTC dated November 10, 2010 is AFFIRMED.

SO ORDERED.

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, it is hereby certified that the conclusions in the above decision were reached in consultation before the case was assigned to the writer of the opinion of the Court.

Abdulwahid, H.S., Chairperson, and Barza, R.F., JJ., concur.

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[1] Penned by Hon. Maria Rosario B. Ragasa; Rollo, 36-37.

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[2] Penned by Hon. Catherine P. Manodon; Rollo, 33-35.

[3] Rollo, 46-47.

[4] Rollo, 48.

[5] Supra, at note 3.

[6] See Statement of Account as of March 23, 2007; Rollo, 49.

[7] Rollo, 50.

[8] Rollo, 40-51.

[9] See MeTC Decision, 1; Rollo, 33.

[10] Rollo, 33-35.

[11] Rollo, 34-35.

[12] Rollo, 13-95.

[13] See Minute Resolution dated November 22, 2013; Rollo, 122.

[14] Took effect on April 15, 1994.

[15] G.R. No. 180321, March 20, 2013.

[16] Decision, 2; Rollo, 37.

[17] G.R. No. 181277, July 3, 2013.

[18] Rollo, 51.

[19] Heirs of Agapito Olarte and Angela Olarte v. Office of the President, et al., G.R. No. 165821, June 21, 2005.

[20] Id., citing Donato v. Court of Appeals, G.R. No. 129638, December 8, 2003. 417 SCRA 216, 227.

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