

**FELISA BASA VDA. DE CONCEPCION, DR. SOFRONIO CONCEPCION,
LOURDES CONCEPCION, AND DR. JULIAN CONCEPCION, PLAINTIFFS
AND APPELLANTS, VS. JOSE R. SANTOS, DEFENDANT AND APPELLEE.**

G. R. No. L-3885. July 09, 1951

Ponente: TUASON, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/47bd974a334f/>

TUASON, J.:

This appeal is from an order of the Court of First Instance of Rizal dismissing the complaint on the ground that a previous action between the same parties and based on the same subject matter had been compromised and dismissed.

The plaintiffs brought that action under date of October 30, 1941, in the Court of First Instance of Rizal, praying that the defendant be ordered "(a) to respect and recognize the rights acquired by the plaintiffs over the portion of the land in question; (b) to accept the installments due the defendant by the plaintiffs, who are ready and willing at any time to tender him said installments; (c) to execute in favor of the plaintiffs the corresponding certificate of sale of said portion of the land in question upon full payment of the balance of the purchase price thereof." It was alleged that the plaintiffs were the widow and children of Hermenegildo Concepcion, deceased; that one Juan Fuentes had sold to Hermenegildo Concepcion 5,000 square meters of a parcel of about 15,000 square meters known as lot No. 955 of the Mandaluyon subdivision plan for P1,600.20 payable on installments at the rate of P20.50 a month; that Hermenegildo Concepcion in his lifetime and his son after his death had paid Fuentes P969.12 of the sale price, leaving a balance of P631.08, when, on June 15, 1941, Fuentes conveyed all his rights and interests in and to lot No. 955 for the sum of P1,070 to defendant Jose R. Santos, "subject to the express condition that the defendant herein (Santos) shall respect and recognize the contract of sale by installments which (Santos) had (made) with the deceased Hermenegildo Concepcion;" that after the assignment Santos, for no cause and without legal justification, refused to recognize the plaintiffs' rights or to accept the remaining installments offered by the plaintiffs.

Through the good offices of mutual friends, on January 24, 1943, the parties executed a written "agreement of compromise" whereby they stipulated that the plaintiffs would take a portion of 1,762 square meters instead of 5,000 of lot No. 955 in consideration of the amount they had already paid, and the defendant would condone the amount of P631.08 remaining unpaid; that the plaintiffs would either undertake the segregation survey or have the defendant do it, the expenses in either case to be defrayed by the plaintiffs; that upon completion of the resurvey, the defendant would execute a proper deed of absolute sale in favor of the plaintiffs' and cause the issuance to them of a certificate of title, the charges for which should be borne by the plaintiffs; that the taxes which Santos might have paid on the plaintiffs' 1,762 square meters prior to the issuance of a certificate of title would be reimbursed by the plaintiffs; and that the plaintiffs would file a motion for the dismissal of civil case No. 8273.

For and in consideration of these covenants, the plaintiffs "remised, released and forever discharged the defendant of and from any and all claims and demands whatsoever which said First Party (plaintiffs) ever had, now has, or

hereafter can, shall or may have against said Second Party (defendant), growing out of or arising from the facts, circumstances, and things set out in the complaint against the said Second Party." And the compromise having been consummated, case No. 8273 was dismissed on motion of the plaintiffs, although neither a copy of the motion to dismiss nor a copy of the order of dismissal is to be found in the record.

On July 6, 1949, the present action was instituted by the same plaintiffs substantially reiterating the allegations in case No. 8273 which had been dismissed, except that they now also prayed for a proportionate share of the rent which the defendant was said to have received from the United States Army for the occupancy and use of lot No. 955, and alleged that, notwithstanding the clear terms of the compromise, and in spite of repeated demands by the plaintiffs for their compliance and of the fact that the plaintiffs had fulfilled their part of the agreement, employing labor and attention and incurring expenses amounting to P400, the defendant illegally and unjustly had turned deaf ears to their pleas.

In his motion to dismiss, the defendant advanced two reasons which, at bottom, amounted to the same thing:

"1. That the claims or demands set forth in the plaintiff's pleadings have been released; 2. that the complaint does not state facts sufficient to constitute a cause of action/"

OPINION

The dismissal of case No. 8273 did not constitute *res adjudicata* in the legal sense of the term. The doctrine of *res adjudicata* is predicated on a prior valid judgment, and the order of dismissal made no reference to the compromise agreement, much less any adjudication on the basis of it.

But the agreement did release "the claim or demand set forth in the plaintiffs' pleading," and that release was a good ground for the defendant's motion to dismiss the second suit. (Sec. 1 [g], Rule 8.) By express terms, it has been seen, the plaintiffs "remised, released and forever discharged" the defendant "of and from any and all claims and demands whatsoever * * * growing out of or arising from the facts, circumstances, and things set out in the complaint." Language could not have been more comprehensive or more expressive of the parties' intention to enter into a new contract to take the place of the old one, than the words placed under quotation.

The old agreement was merged in the new, with the result that action on the former or any feature of it which had been put in issue by the pleadings was barred. Noncompliance with the compromise restored neither the covenant which it had superseded nor the plaintiffs' cause of action under the original sale contract. But it was only to this extent that the compromise was *res adjudicata* and article 1817 of the Spanish Civil Code could be properly applied. Were the operation of the dismissal not thus limited, the alternative would be either execution of the order, which would not be feasible, since the court did not and was not asked to render judgment in accordance with the conditions of the stipulation, or complete extinguishment of plaintiffs' remedy, which the defendant would not pretend to assert. The plaintiffs still have a recourse to law and it is to enforce the compromise by a new appropriate action.

One question that suggests itself is whether the complaint may not have been intended to secure or be construed to mean a demand for a rescission of the compromise agreement. It is obvious that this was far from the plaintiffs' object. Except for the brief and passing reference to the alleged nonfulfillment by the defendant of his obligation under that agreement, the complaint was absolutely silent in the premises. It did not specify what the plaintiffs had done and what the defendant had failed or refused to do in furtherance of the agreement; and what is more significant, it contained no prayer for relief along this line.

But should the court have allowed the plaintiffs to amend the complaint if they wished? Based as the complaint was on a contract that had been extinguished, its' defects were not susceptible of being cured by amendment,

unless a new cause of action be introduced in substitution for the demand that had been released, a step which is not sanctioned by the rules of pleading and practice.[1] By the nature of the case, then, it appears certain that on the basis of the contract of sale between Fuentes and the plaintiffs' predecessor in interest, "the plaintiffs would not be entitled for relief under any state of facts which could be proved in support of the claim asserted."

The appealed order is affirmed with, costs, not on the ground of res adjudicata, but because the subject of the complaint has been released and can not be litigated anew.

Paras, C. J., Pablo, Bengzon, Padilla, Montemayor, Reyes, Jugo and Bautista Angelo, JJ., concur.

[1] "The court has no authority to allow such amendments as to parties, or as to the cause of action, as make new, or substantially a new action, unless by the consent of the parties. Indeed, this would not be to amend, in any proper sense, but to substitute a new action by order, for and in place of the pending one, which the Court can not do." (Surigao Mining Exploration Co., Inc. vs. C. Harris, etc., 68 Phil., 113, 120.)

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.