

ANGELINA ARANETA VDA. DE LIBOON, IN HER OWN BEHALF AND AS MOTHER AND GUARDIAN AD LITEM OF JUAN LIBOON, JR. AND VICTORIA LIBOON, MINORS, PLAINTIFFS AND APPELLANTS, VS. LUZON STEV...

G.R. No. L-14893. May 31, 1961

Ponente: PADILLA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/6c41fe77c193/>

PADILLA, J.:

After obtaining leave of court to prosecute their action as paupers under the provisions of section 22, Rule 3, of the Rules of Court on 23 May 1958 Angelina Araneta Vda. de Liboon, in her own behalf and as mother and guardian ad litem[1] of her minor children Juan, Jr. and Victoria, both surnamed Liboon, brought an action in the Court of First Instance of Manila for collection of the sum of P10,500, P1,500 as attorney's fees and costs of the suit, and for other just and equitable relief. In support of their complaint, they averred that they are the wife and children, respectively, of the late Juan Liboon y Mallorca, who had been employed as stevedore-foreman by the Visayan Stevedoring Transportation Company, Inc., a branch or subsidiary of the Luzon Stevedoring Company, Inc.; that the plaintiff-wife had been designated as beneficiary of the retirement pension or benefit due her spouse; that the minors plaintiffs are his legitimate children and, consequently, his legal heirs; that effective 16 October 1952 the said employee was retired and separated from the service of the defendant by reason of old age; that on 31 (21) October 1953 the defendant granted retirement benefits to the retired employee as follows: "one month pay (P350.00) for each of his 21 years of service, or a total of P7,350.00, which is to be paid to him at the rate of P175.00 per month for a period of forty-two (42) months that is, from Nov. 1, 1953 to April 30, 1957" (Annex A); that in the same document (Annex A), the employee signed the following statement:

The above condition have been explained to me and are acceptable to me. I understand, moreover, that the above amount of P175.00 per month shall be paid to me only up to April 30, 1957; and in the event of my death at any time before April 30, 1957, the said monthly payments shall stop. Thereafter, neither my estate nor the beneficiary designated in my questionnaire shall have any further claim against the Visayan Stevedore Trans. Co., Inc;

that pursuant to the foregoing retirement benefit, the retired employee received a total sum of P2,100 until 31 August 1954 (Annex B); that on 2 September 1954 the said employee died in Iloilo City; that after his death his beneficiary received the sum of P2,100 (Annex B); that thereafter the defendant refused to pay her and/or his minor children any pension benefit due them as beneficiary and/or heirs; that there was a mistake in the computation of the amount of retirement benefit to which the, deceased employee was entitled, i.e., instead of P7,350 it should be P14,700; that deducting from the correct total amount of P14,700 the sum of P4,200 paid to the retired employee while still living and to the plaintiffs after his death, the balance of P10,500 was still due to them; that the defendant refused and still refuses to pay them the said amount despite demand to do so; and that in view of the defendant's refusal to satisfy their claim, they had to engage the services of counsel for which they will pay or have to pay the sum of P1,500 (civil No. 36341).

On 10 June 1958 the defendant filed a motion to dismiss on the ground that the plaintiffs' complaint states no cause of action and that their claim or demand set forth in the complaint had been released. According to it, as alleged by the plaintiffs themselves, the deceased employee was entitled only to one month pay of P350 for each of his 21 years of service, or a total of P7,350, payable to him at the rate of P175 per month for a period of 41 months from 1 November 1953 to 30 April 1957, provided that should he die before 30 April 1957, the said monthly payments would be discontinued and neither his estate nor his beneficiary designated would be entitled to any further claim against the defendant. In view of his death on 2 September 1954, that is, before 30 April 1957, the plaintiffs were not entitled to receive any benefit from the defendant.

On 22 July 1958 the plaintiff filed an objection to the defendant's motion to dismiss, claiming that the condition imposed by the latter upon the employee that should he die before 30 April 1957, "the said monthly payments shall stop," was "not only onerous and inequitable but contrary to law, morals, good customs and public policy and consequently, requires a judicial pronouncement," invoking the provisions of article 1347 of the Civil Code.

On 5 September 1958 the Court entered an order dismissing the plaintiffs' complaint upon the ground invoked by the defendant. On 24 September 1958 the plaintiffs filed a motion for reconsideration; and on 18 October 1958 the defendant, an objection thereto. On 16 October 1958 the Court denied the plaintiff's motion for reconsideration. The plaintiffs have appealed.

Before going into the merits of the case, a procedural defect—that the appellant-mother who is suing in behalf of her minor children and had asked that she be appointed as their guardian ad litem has not been appointed as such—is noted. Section 5, Rule 3, of the Rules of Court, provides that "A minor * * * may sue or be sued through his guardian, or if he has none, through a guardian ad litem appointed by court." Article 317, Civil Code, provides that "The Courts may appoint a guardian ad litem when the best interest of the child so requires." Pursuant to article 316, Civil Code, it is the duty of the father or mother of the minors "to represent them in all actions which may redound to their benefit." It is alleged that the appellant-mother is suing for their benefit. Her capacity to sue in their behalf has not been questioned and the Court has impliedly allowed her to sue in behalf of the minors. Such being the case, the lack of a formal appointment of the minors' mother as guardian ad litem may be overlooked.

It is indubitable that the appellants' husband and father was entitled to a monthly pension of P175 for a period of 42 months from 1 November 1953 to 30 April 1957 but should he die before 30 April 1957, the pension would stop and neither his estate nor his beneficiary would be entitled to any further benefit from the appellee (Annex A). He having died on 2 September 1954, before 30 April 1957, the appellants are not entitled to any benefit from the appellee. Hence their complaint states no cause of action.

There was no mistake in the computation of the amount to which the deceased employee was entitled.

The condition of the pension benefit granted by the appellee to the appellants' husband and father is not contrary to law, morals, good customs, public order or public policy. The pension benefit was granted to him personally out of the appellee's generosity in reward for his long and faithful service. Moreover, it is not alleged and it does not appear on record that the deceased employee had personally contributed to a pension fund which would justify the appellants' claim that they are entitled to continue receiving the pension benefit of her husband and their father.

The appellants' claim that the fact that the appellee had paid to them more than what it had bound itself to give in accordance with the terms of the documents Annexes A and B is a proof that the appellee was of the belief that it was under obligation to continue paying to them the monthly pension due their deceased husband and father, is untenable. The appellee should not be penalized for its generosity and benevolence. Moreover, it cannot be

compelled to go beyond its undertaking or obligation.

The order appealed from is affirmed, without pronouncement as to costs.

Bengzon, C.J., Bautista Angelo, Labrador, Concepcion, Reyes, J.B.L., Paredes, Dizon, De Leon, and Natividad, JJ., concur.

[1] Articles 316 and 317, Civil Code.

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.