

PHILIPPINE NATIONAL RAILWAYS, PETITIONER, VS. COURT OF FIRST INSTANCE OF ALBAY, BRANCH I, PRESIDED BY JUDGE ROMULO P. UNTALAN, CARMEN MYRICK, SALVACION MYRICK, CELSO MILLABAS, J...

G.R. No. L-46943. June 08, 1978

Ponente: AQUINO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/a465894b1884/>

AQUINO, J.:

This certiorari and prohibition case is about the parol evidence rule.

On September 28, 1971, Carmen Myrick, Salvacion Myrick, and Celso, Josefina and Celerina, all surnamed Millabas, filed in the Court of First Instance of Albay a complaint to annul a supposed conditional donation of two parcels of land located at Comun, Camalig, Albay, with areas of "47-52" and "1-25-00" square meters, a donation which they had allegedly made in 1963 to the Philippine National Railways (PNR).

The ground for the annulment was the alleged nonfulfillment of the five conditions of the donation (Civil Case No. 4507). No deed of donation or actionable document was annexed to the complaint. (See sec. 7, Rule 8, Rules of Court.)

The PNR in its answer denied the donation for lack of sufficient knowledge thereof but it contradicted that denial by stating in its affirmative defenses that the donation was unconditionally made by the late Antonio J.A. Myrick and that the plaintiffs are guilty of laches. No deed of donation was attached to the answer to sustain the defense that the donation was pure and unconditional. (In the complaint it was alleged that Antonio was the deceased brother of plaintiffs Carmen Myrick and Salvacion Myrick but it was not alleged that he was the donor or that the plaintiffs are his legal heirs.)

At the hearing of the case on March 6 (11), 1974, while plaintiff Salvacion Myrick was testifying, she was asked to identify a deed of donation dated August 23, 1962 made by her brother, Antonio, which deed is reproduced below (Exh. B or 1):

"DEED OF DONATION

"KNOW ALL MEN BY THESE PRESENTS:

"This DEED OF DONATION made and executed by ANTONIO J.A. MYRIK, of legal age, single/married to _____, with residence at _____, hereinafter called the DONOR, in favor of the Manila Railroad Company a government-owned corporation, duly organized and existing under

and by virtue of the laws of the Philippines, with principal office at Tutuban Terminal, Azcarraga, Manila, herein represented by P. T. CASES, its General Manager, hereinafter called the DONEE.

"W I T N E S S E T H

"That the DONOR is the owner in fee simple of that certain real property with the buildings and/or improvements thereon, situated in the barrio of Taladong, Camalig, Albay, and more particularly described in Original/Transfer Certificate of Title No. Lot 3118 of the land Registry of ALBAY PROVINCE, as follows, to wit:

'A portion or 1/4 of parcel of land situated in the barrio of Taladong, Camalig, Albay, Philippines containing an area of THIRTEEN THOUSAND SIX HUNDRED THREE (13,603) square meters more or less bounded on the N, by Meliton Naz; on the E, by Pedro Moron; on the S, by Louis Myrik; and on the W, by Pedro Moros; declared under tax No. 19739 in the name of Cenon Zamora and assessed for ONE THOUSAND TWO HUNDRED THIRTY PESOS (P1,230.00). Said property was acquired by the donor by way of inheritance from his late father Louis Myrik who likewise acquired the property by way of Absolute Sale from Felix Nimo.'

"That for and in consideration of his generosity and benevolence, as well as his love for public service, the DONOR by this presents, transfers and conveys by way of DONATION, unto the said DONEE, its successors and assigns, a portion of the above-described real property free from all liens and encumbrances, tentatively described, as follows:

'A portion of SIX THOUSAND ONE HUNDRED EIGHTY-EIGHT (6,188) square meters more or less traversed and encroached by the MRRCo. Sorsogon RR Ext. Project's right-of-way at Km. 464÷4 780- ÷888.86 in the above described property bounded on the N, by Antonio Myrik; on the E, by Dominador Muyo; on the S, by Antonio J. A. Myrik and on the W, by Lot Nos. 3120-A & 3119-A; subject to the technical description that may hereinafter be made by the Survey Team of the MRRCo, and the plan thereof approved by the Director of Lands; said donated portion will be used for railway tracks or railroad purposes.'

"That the DONOR does hereby state, for the purpose of giving full effect to this donation that he/she has reserved for himself/herself in full ownership sufficient property to support him/her in a manner appropriate to his/her needs.

"That the DONEE does hereby accept this donation of the above-described real property, and does hereby express their gratitude for the kindness and liberality of the DONOR, and the acceptance thereof is to be executed in a

separate instrument in the City of Manila, Philippines.

"IN WITNESS WHEREOF, THE DONOR have hereunto set his/her hand this 23rd day of August, 1962, at Municipality of Camalig, Albay, Philippines.

"(Sgd.) ANTONIO J. A. MYRIK
"DONOR

"WITNESSES

"1. (Sgd.) SALVACION E. A. MYRIK

"2. (Sgd.) LIBORIO MARMOL

(NOTARIAL ACKNOWLEDGMENT IS OMITTED)

"DEED OF ACCEPTANCE OF THE AFORECIDED DONATION:

"The undersigned duly appointed General Manager of the MRRCO. hereby these presents accept and receive the abovementioned donation.

"MANILA RAILROAD COMPANY

By:

"(Sgd.) P. T. CASES
General Manager

"WITNESSES

"1. (Sgd.) ILLEGIBLE

"2. (Sgd.) ILLEGIBLE"

(NOTARIAL ACKNOWLEDGMENT IS OMITTED)

It may be noted that the alleged donation was made in 1962 to the Manila Railroad Company; that it was made by Antonio J. A. Myrik (Myrick) and not by the plaintiffs, now the private respondents; that the land donated is located at Barrio Taladong (not Comun), Camalig and that the area of the land donated is 6,188 square meters.

After Salvacion Myrick had identified the deed of donation quoted above, her counsel propounded the following questions:

"Q. You said that you knew of the execution of this Deed of Donation which is marked Exhibit 1 for the defendant and also marked as Exhibit B for the plaintiffs during the pre-trial, and which I am also adopting now that the same be marked Exhibit B for the trial on the merits.

"Having known of the execution of this Deed of Donation, will you tell this Honorable Court why as a brother (sic) and co-heir of your late brother Antonio, why you did not sign in this Deed of Donation?

"A. (of Salvacion Myrick) Because the Philippine National Railways should first comply with the promise in the donation.

"Q. Will you tell this Court the promise of the PNR with respect to the execution of this Deed of Donation, Exhibit B?

"ATTY. ABELLERA (counsel of the PNR): I firmly object to the question. Counsel is trying to elicit oral evidence which is violative of the parol evidence rule. The Deed of Donation is very clear. It has no condition whatsoever. If the condition now is placed on the record that will alter the condition of the donation."

In view of that objection, the hearing was suspended. The trial court ordered the parties to submit memoranda on the issue of whether or not that question should be allowed under the parol evidence rule. That issue remained pending until the lower court, through respondent Judge, resolved it in the order of July 7, 1977, now being assailed herein.

The lower court held that the question should be allowed or the objection should be overruled because to allow the witness to answer the question would not be a transgression of the parol evidence rule.

We hold that, under the pleadings and considering the defense of lack of cause of action interposed by the PNR, the lower court committed a grave abuse of discretion in not sustaining petitioner's objection based on the parol evidence rule. That rule is found in Rule 130 of the Rules of Court which provides:

"SEC. 7. Evidence of written agreements. - When the terms of an agreement have been reduced to writing, it is to be considered as containing all such terms, and, therefore, there can be, between the parties and their successors in interest, no evidence of the terms of the agreement other than the contents of the writing, except in the following cases:

"(a) Where a mistake or imperfection of the writing, or its failure to express the true intent and agreement of the parties, or the validity of the agreement is put in issue by the pleadings;

"(b) When there is an intrinsic ambiguity in the writing.

"The term 'agreement' includes wills."

Section 7 requires that in order that parol or extrinsic evidence may be admitted to vary the terms of the writing, the mistake or imperfection thereof or its failure to express the true intent and agreement of the parties should be put in issue by the pleadings. In the instant case, the plaintiffs did not expressly plead that the deed of donation was incomplete or that its execution was vitiated by mistake or that it did not reflect the intention of the donor and the donee.

The plaintiffs in paragraph four of their complaint merely alleged that the donation was subject to five conditions. Then, they prayed that the donation should be annulled or rescinded for noncompliance with those conditions.

At the trial, they tried to prove those conditions by parol evidence. Obviously, they could not introduce parol evidence to vary the terms of the agreement because they did not plead any of the exceptions mentioned in the parol evidence rule. Their case is covered by the general rule that the contents of the writing constitute the sole repository of the terms of the agreement between the parties.

Thus, it was held that where there is no allegation in the complaint that there was any mistake or imperfection in the written agreement or that it failed to express the true intent of the parties, parol evidence is inadmissible to vary the terms of the agreement (*Villanueva vs. Yulo*, 106 Phil. 1170).

On the other hand, if the defendant set up the affirmative defense that the contract mentioned in the complaint does not express the true agreement of the parties, then parol evidence is admissible to prove the true agreement of the parties (*Enriquez vs. Ramos*, 116 Phil. 525, 531; *Philippine Sugar E.D. Co. vs. Philippines*, 62 L. Ed. 1177, 247 U. S. 385; *Heirs of De la Rama vs. Talisay-Silay Milling Co.*, 54 Phil. 580, 588; *Land Settlement and Dev. Corp. vs. Garcia Plantation Co., Inc.*, 117 Phil. 761., 765).

The plaintiffs or their predecessor, the donor, Antonio J. A. Myrick, could have asked for the reformation of the deed of donation. Instead of doing so, they asked for its annulment or rescission on the theory that there was noncompliance with the supposed resolutive conditions of the donation (See art. 764, Civil Code; *Parks vs. Province of Tarlac*, 49 Phil. 142).

But whether the action is for revocation or reformation, it was necessary for the plaintiffs, in order to prove that the donation was conditional, to plead that the deed of donation did not express the true intent of the parties. Not having done so, their parol evidence on the alleged conditions is inadmissible upon seasonable objection interposed during the trial by the donee's counsel. (*Yu Tek & Co. vs. Gonzalez*, 29 Phil. 384; *Soriano vs. Cia. General de Tabacos de Filipinas*, L-17392, December 17, 1966, 18 SCRA 999, 1015.)

Other considerations may be adduced to fortify the holding that the plaintiffs cannot prove the conditional character of the donation.

It should be observed that the action for annulment was brought by the alleged collateral relatives of the deceased donor. Their capacity to bring the action has not been specifically pleaded (See sec. 4, Rule 8, Rules of Court; *Concepcion vs. Sta. Ana*, 87 Phil. 787).

The anomalous or odd situation in this case is that the plaintiffs belatedly filed an action to annul (not reform) a donation made by their collateral relative. Evidently, they had no copy of the deed of donation because they did not attach a copy thereof to their complaint. They were not cognizant of the terms thereof. They did not know the exact date of the donation and the description, location, and area of the lands donated. They pretended that five conditions were engrafted on the deed of donation which on its face does not state any condition at all. How they came to know of those conditions, when they were not the donors, was not pleaded in their complaint.

The private respondents contend that the rulings of a trial judge on the admission of evidence are reviewable on

appeal and cannot be assailed by means of certiorari (Philippine Air Lines, Inc. vs. Teodoro, 97 Phil. 461).

That is the general rule. Where, as in this case, petitioner's contention is clearly tenable and the lower court, in overruling the objection to the evidence, committed a patent mistake amounting to a grave abuse of discretion, the error may be corrected by means of certiorari (De Laureano vs. Adil, L-43345, July 29, 1976, 72 SCRA 148, 161).

As to private respondents' contention in their memorandum in the lower court that Antonio J. A. Myrick was not the absolute owner of the donated property (See page 41 of Rollo), that ultimate fact should likewise have been alleged in their complaint.

WHEREFORE, the trial court's order of July 7, 1977 is reversed and set aside. Costs against the private respondents.

SO ORDERED.

Fernando, (Chairman), Barredo, Antonio, and Santos, JJ., concur.

Concepcion, Jr., J., did not take part.

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.