

PHILIPPINE NATIONAL BANK, PLAINTIFF AND APPELLEE VS. CONCEPCION MINING COMPANY, INC., ET AL., DEFENDANT AND APPELLANTS.

G. R. No, L-16968. July 31, 1962

Ponente: LABRADOR, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/c9b2bd8010a6/>

LABRADOR, J.:

Appeal from a judgment or decision of the Court of First Instance of Manila, Hon. Gustavo Victoriano, presiding, sentencing defendants Concepcion Mining Company and Jose Sarte to pay jointly and severally to the plaintiff the amount of P7,197.26 with interest up to September 29, 1959, plus a daily interest of P1.3698 thereafter up to the time the amount is fully paid, plus 10% of the Amount as attorney's fees, and costs of this suit.

The present action was instituted by the plaintiff to recover from the defendants the face of a promissory note the pertinent part of which reads as follows:

"Manila, March 12, 1954

"NINETY DAYS after date, for value received, I promise to pay to the order of the Philippine National Bank *

* *.

"In case it is necessary to collect this note by or through an attorney-at-law, the makers and indorsers shall pay ten per cent (10%) of the amount due on the note as attorney's fees, which in no case shall be less than P100.00 exclusive of all costs: and fees allowed by law as stipulated in the contract of real estate mortgage. Demand and Dishonor Waived, Holder may accept partial payment reserving his right of recourse against each and all endorsers,

(Purpose—mining industry)

CONCEPCION MINING COMPANY, INC.,

By:

(Sgd.) VICENTE LEGARDA

President

(Sgd.) VICENTE LEGARDA

(Sgd.) JOSE S. SARTE

"Please issue check to—

Mr. Jose S. Sarte"

Upon the filing of the complaint the defendants presented their answer in which they allege that the co-maker of the promissory note Don Vicente L. Legarda, died on February 24, 1946 and his estate is in the process of judicial determination in Special Proceedings No. 29060 of the Court of First Instance of Manila. On the basis of this allegation it is prayed, as a special defense, that the estate of said deceased Vicente L. Legarda be included as party-defendant. The court in its decision ruled that the inclusion of said defendant is unnecessary and immaterial, in accordance with the provisions of Article 1216 of the new Civil Code and section 17 (g) of the Negotiable Instruments Law.

A motion to reconsider this decision was denied and thereupon defendants presented a petition for relief, asking that the effects of the judgment be suspended for the reason that the deceased Vicente L. Legarda should have been included as a party-defendant and his liability should be determined in pursuance of the provisions of the promissory note. This motion for relief was also denied, hence defendant appealed to this Court.

Section "17 (g) of the Negotiable Instruments Law provides as follows:

* * * * *

"SEC. 17. Construction where instrument is ambiguous.—Where the language of the instrument is ambiguous or there are omission therein, the following rules of construction apply:

* * * * *

"(g) Where an instrument containing the words 'I promise to pay' is signed by two or more persons, they are deemed to be jointly and severally liable thereon." And Article 1216 of the Civil Code of the Philippines also provides as follows:

"ART. 1216. The creditor may proceed against any one of the solidary debtors or some of them simultaneously. The demand made against one of them shall not be an obstacle to those which may subsequently be directed against the others, so long as the debt has not been fully collected."

In view of the above quoted provisions, and as the promissory note was executed jointly and severally by the same parties, namely, Concepcion Mining Company, Inc. and Vicente L. Legarda and Jose S. Sarte, the payee of the promissory note had the right to hold any one or any two of the signers of the promissory note responsible for the payment of the amount of the note. This judgment of the lower court should be affirmed.

Our attention has been attracted to the discrepancies in the printed record on appeal. We note, first, that the names

of the defendants, who are evidently the Concepcion Mining Co., Inc. and Jose S. Sarte, do not appear in the printed record on appeal. The title of the complaint set forth in the record on appeal does not contain the name of Jose Sarte, when it should, as two defendants are named in the complaint and the only defense of the defendants is the non-inclusion of the deceased Vicente L. Legarda as a defendant in the action. We also note that the copy of the promissory note which is set forth in the record on appeal does not contain, the name of the third maker Jose S. Sarte. Fortunately, the brief of appellee on page 4 sets forth said name of Jose S. Sarte as one of the co-makers of the promissory note. Evidently, there is an attempt to mislead the court into believing that Jose S. Sarte is not one of the co-makers. The attorney for the defendants is Atty. Jose S. Sarte himself and he should be held primarily responsible for the correctness of the record on appeal. We, therefore, order the said Atty. Jose S. Sarte to explain why in his record on appeal his own name as one of the defendants does not appear and neither does his name appear as one of the co-signers of the promissory note in question. So ordered.

Bengzon, C. J., Padilla, Bautista, Angelo, Concepcion, Barrera, Paredes, Dizon, Regala, and Makalintal, JJ., concur.

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.