

## LUZ MENDOZA SISON ET AL., PLAINTIFF-APPELLANTS, VS. CIRIACO V. MIRASOL, DEFENDANT-APPELLEE.

*G.R. No. L-4711. October 31, 1952*

Ponente: BENGZON, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/ec158ca5f379/>

---

### BENGZON, J.:

On January 28, 1948, the plaintiff Luz Mendoza Sison, with her husband as nominal party, sued Ciriaco V. Mirasol alleging; that the defendant on October 7, 1944 "received from the plaintiff a loan in Japanese War Notes, the equivalent of which in genuine Philippine currency, as agreed between the parties at the time was P12,500"; and that to secure repayment of the loan the defendant executed a deed of assignment, the pertinent parts of which read:

"FOR VALUE RECEIVED, I, CIRIACO V. MIRASOL, x x x do hereby transfer, assign, and set over absolutely in the amount of TWELVE THOUSAND FIVE HUNDRED PESOS (P12,500.00), Philippine Currency, unto Mrs. Luz Mendoza Sison, my right, title and interests in and whatever salary, bonus, pension, or benefit, I may derive or settle as a former officer of the Usaffe. x x x

And I, CIRIACO V. MIRASUL, further agree that in. case this deed of assignment is not availed of by Mrs. Luz Mendoza Sison for any reason whatsoever, and said Mrs. Sison is not paid and satisfied of the aforesaid sum of TWELVE THOUSAND FIVE HUNDRED PESOS I hereby promise to pay her the said sum within fifteen (15) days after notice from her to this effect. And in case of judicial action, I promise to pay her an additional ten (10%) per cent of the amount due as attorney's fees."

The complaint further alleged that in complete disregard of the assignment Mirasol collected in 1947 his salary, bank-pay and or allowances as officer of the USAFFE and prevented plaintiff from collecting under the above assignment, and that in spite of repeated demands said defendant failed and refused to settle his monetary obligation.

In his amended answer the defendant asserted he had paid the plaintiff the total amount of P1,600 in Philippine currency which was sufficient to compensate for the Japanese money he had received in 1944. He also interposed a counterclaim for damages caused by the plaintiff in maliciously filing a criminal complaint against him for estafa in connection with the same transaction. As special defense he invoked the Moratorium Law, Executive Order No. 32 as amended, and Republic Act No. 342.

Thereafter defendant moved for summary judgment calling attention to his defense of moratorium. Over plaintiff's objection, the Hon. Tiburcio Tancinco Judge, dismissed the case, saying that "with respect to debts and other monetary obligations contracted during the Japanese regime, the Moratorium Law is in full force and effect."

The plaintiffs appealed. They contended that the moratorium law did not apply because (1) defendant's obligation to pay arose only after he had collected his back-pay (in 1947) and (2) having rehabilitated himself with the collection of more than P20,000 from the Army as back-pay, defendant is beyond the protection of the spirit of the statute suspending enforcement of debts. Both propositions may not be sustained. As to the first, observe that

the complaint is founded on the loan received in 1944. The suit is to enforce a debt contracted in 1944. The duty to pay may have become demandable only in 1947; but the monetary obligation was assumed in 1944. Hence having clearly stated in *Uy v. Kalaw* G.R. No. L-1830 (Dec. 1949) that Republic Act No. 342 has not lifted the moratorium as to debts contracted during the Japanese regime, we have to approve the trial judge's ruling.

As to the second, the application of the Moratorium Law does not depend upon the financial condition of the debtor, but upon the date the obligation was incurred.

The appellants seem to maintain that inasmuch as defendant failed to deny the existence of fee obligation to pay, judgment should have been rendered against him forthwith. It must be noted however that defendant's answer maintained that the debt had been totally discharged. Anyway, when the debtor invokes the moratorium, and the Court applies it, both merely say; even if there is a debt, this litigation may not proceed to judgment. The existence or non-existence of the debt becomes immaterial.

The appealed decision will be affirmed with costs against appellants.

Paras, Pablo, Padilla, Montemayor, Jugo, Bautista Angelo, and Labrador, 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.