

PACIFIC COMMERCIAL COMPANY, PLAINTIFF AND APPELLEE, VS. MAURICIA SOTTO, AS ADMINISTRATRIX OF THE ESTATE OF CLARO ONG, DEFENDANT AND APPELLANT.*G.R. No. 10578. March 14, 1916*

Ponente: TRENT, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-10578/>**TRENT, J.:**

During the year 1913, the plaintiff sold and delivered to the La Fortuna Bakery merchandise to the value of P3,303.75. There has been paid on this amount P1,200, leaving a balance due of P2,103.75. On June 18, 1913, Claro Ong, the owner, sold the bakery to Mamerto Laudico, the purchaser assuming all liabilities. On June 28 of the same year Laudico sold the bakery to Matias Ubaldo, the latter assuming all outstanding obligations. Claro Ong died on June 21, 1913, and the plaintiff presented its claim to the commissioners of Ong's estate for allowance. The claim was disallowed and the plaintiff appealed to the Court of First Instance where, after due trial, it obtained a judgment against the estate of Claro Ong for the amount claimed (P2,103.75), together with legal interest from the 7th day of July, 1913, and the costs of the cause. From this judgment the defendant appealed.

Counsel for the appellant urges that the trial court erred (a) in finding that the deceased's obligation to pay the P2,103.75 was not transferred to the purchasers of the bakery, Laudico and Ubaldo, with the knowledge and consent of the plaintiff; (b) in finding that the plaintiff did not by act or deed agree to release the estate of Claro Ong from the payment of that amount; (c) in not deducting from the P2,103.75 the sum of P339, the value of goods and merchandise sold and delivered by the plaintiff to Mamerto Laudico and not to the deceased Claro Ong, and (d) in finding that the defendant, Mauricia Sotto, was the qualified administratrix of the estate of Claro Ong.

The first and second alleged errors may be considered together. The plaintiff was not a party to the contract between Claro Ong and Mamerto Laudico, nor to that between the latter and Matias Ubaldo. The record fails to disclose any attempt whatever on the part of Claro Ong to be released from his obligation to pay the plaintiff the amount in question. While it is true that Matias Ubaldo paid in July, August, October, November, and December, 1913, P1,200 on the Claro Ong indebtedness, yet the plaintiff, by receiving this amount, did not agree to relieve the estate of Claro Ong from the payment of the remainder and accept Matias Ubaldo as its debtor. Upon this point Madsen, assistant treasurer of the plaintiff company, testified thus:

"Mr. Ubaldo (referring to Laudico) called upon the Pacific Commercial Company at the time he purchased the bakery, during the latter part of June, and informed us (the first knowledge) that he had purchased the La Fortuna bakery and stated that he had assumed all the debts of the La Fortuna grocery (bakery); we informed him that we would naturally look to Claro Ong for the payment of his account to the house; however if he wanted we would post to the credit of Claro Ong any payments he might wish to make. * * * As near as I remember now, the first information I had of the resale of this property (from Laudico to Ubaldo) was a meeting of the commissioners held some eight or ten months ago. We were never notified of that sale."

On cross-examination the witness stated:

"Q. And you knew that La Fortuna Bakery was transferred on the 28th of July?—A. Yes, only as I remember the transfer was made on or about June 18. (Referring to the first transfer.)

"Q. And on the 28th of June you knew that Laudico transferred the property of the bakery to Ubaldo?—A. I think the first time I learned of this transfer was at the meeting of the commissioners that they held in this building some six or eight months ago.

"Q. Did you ever accept Matias Ubaldo as a debtor of the Pacific Commercial Company in the place of Claro Ong?— A. No, sir.

"Q. Under what understanding did you accept the several payments made by Matias Ubaldo on account of the debt of Claro Ong?—A. They were accepted on condition they would be placed to the credit of Claro Ong any payments that he might see fit to make, but that we would look to Claro Ong for the payment of his account.

"Q. Did you state before the commissioners that you would still hold the estate of Claro Ong liable for the payment of the debt of the deceased ?—A. Yes; the commissioners well understood that we in no way released the estate of Claro Ong.

"Q. Although you were willing to accept any and all payments from third parties?—A. Yes; it would be immaterial to the company who made the payment on the account of Claro Ong."

This witness further testified that the P1,200 paid by Ubaldo was collected by Eulalio Bernardo, one of the company's collectors, on receipts made out in the office in the name of La Fortuna Bakery and that neither he nor the collector had any authority to accept a new debtor in lieu of Claro Ong. The collector corroborated Madsen upon these points. The only witness presented by the defendant was Matias Ubaldo, who testified that in purchasing the bakery, he assumed all outstanding obligations and so notified the plaintiff, and that the plaintiff accepted him as the new debtor. The trial court found that the plaintiff had no knowledge of the second transfer of the bakery until after it had presented its claim to the commissioners and that the P1,200 were paid with the understanding on the part of the plaintiff that the same would be applied to the account of the deceased Claro Ong. The record does not by any means justify a reversal of these findings. It is true that the transfer of the bakery from Laudico to Ubaldo was published in the local newspapers, but these publications were not called to the attention of the officers of the plaintiff company. The foregoing facts fall far short of showing that the plaintiff consented to a substitution of a new debtor in lieu of its old one. Article 1205 of the Civil Code provides that:

"Novation, consisting in the substitution of a debtor in the place of the original one, may be made without the knowledge of the latter, but not without the consent of the creditor."

There was no novation of the contract in question. Novation is never presumed. (Martinez vs. Cavives, 26 Phil. Rep., 581.)

As to the third alleged error, the facts are these: The last item of P339 in the plaintiff's account was for goods sold and delivered to the bakery on June 19, 1913, just one day after the bakery was sold by Claro Ong to Laudico, two days before Claro Ong died, and some eight days before the bakery was sold to Ubaldo. In view of the fact that Ubaldo assumed all outstanding obligations, one of which was the P339, and he having paid P1,200 on the indebtedness, no reason exists why the P339 should not be considered a part of the P1,200.

In discussing the last assignment of error, counsel for the appellant says: "We admit that the defendant is an administratrix of the estate La Fortuna, but she is only a special administratrix of that property appointed for the only purpose of keeping in trust that bakery while the probate of the will of Claro Ong was pending;" and then cites the provisions of section 661 of the Code of Civil Procedure which provides that a special administratrix

shall not be liable to an action by a creditor, or pay any debts of the deceased. Shortly after Mauricia Sotto was appointed special administratrix of the estate of the deceased Claro Ong, commissioners were appointed and these commissioners proceeded to hear and consider claims presented against that estate. The claim in question was one considered by the commission. The plaintiff's complaint, presented after the appeal had been taken, makes the estate of Claro Ong, defendant, represented by Mauricia Sotto. If any objection was ever made upon this point in the court below or before the commissioners, our attention has not been called to it in the briefs. The first time the question was raised was in the printed briefs filed in this court. The correctness of the plaintiff's claim has been fully considered by the court below after hearing and the presentation of all the testimony by both parties. The fact that Mauricia Sotto is only the special administratrix cannot prejudice in any way the interests of the estate which she represents.

For the foregoing reasons, the judgment appealed from is affirmed, it being understood, however, that the amount of the claim, together with the interest and costs, including the costs in this instance, will be paid out of the estate of the deceased Claro Ong by the regular administrator, or executor, as the case may be. So ordered.

Torres, Johnson, Moreland, and Araullo, 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.