

**EMMANUEL G. HERBOSA AND ROSEMARIE L. HERBOSA,
PETITIONERS, VS. COURT OF APPEALS (FIFTEENTH DIVISION), AND
PROFESSIONAL VIDEO EQUIPMENT A DIVISION OF SOLID
DISTRIBUTORS, INC., RE...**

G.R. No. 119086. January 25, 2002

Ponente: DE LEON, JR., J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-119086/>

DE LEON, JR., J.:

This is a Petition for Review on Certiorari of the decision[1] of the Court of Appeals in CA-G.R. CV Nos. 15346 and 15093 promulgated on October 20, 1994 which reversed the decision of the trial court in Civil Case No. R-82-4389[2] while affirming in toto the decision of the trial court in Civil Case No. R-83-21786,[3] respectively, and the resolution[4] promulgated on February 7, 1995 which denied the subsequent motion for reconsideration.

The facts show that on January 25, 1982 petitioner spouses sued Professional Video Equipment (PVE for brevity), a division of private respondent Solid Distributors, Inc., for breach of contract with damages[5] with the Regional Trial Court of Manila, Branch 39, docketed as Civil Case No. R-82-4389. The case stemmed from the failure of PVE to record on video the petitioners' wedding celebration allegedly due to the gross negligence of its crew as well as the lack of supervision on the part of the general manager of the PVE. Petitioners also alleged that said failure on the part of PVE to perform its obligation caused deep disappointment, anxiety and an irreparable break in the continuity of an established family tradition of recording by film or slide historical and momentous family events especially wedding celebrations and for which they were entitled to be paid actual, moral and exemplary damages including attorney's fees.

In its Answer,[6] PVE claimed that it had diligently supervised its VTR crew in the video recording of petitioners' wedding and reception and that its crew acted in good faith and with due care and proper diligence of a good father of a family.

After trial the lower court rendered a decision[7] on January 3, 1983 in favor of the petitioners, the dispositive portion of which reads:

FOR ALL THE FOREGOING CONSIDERATIONS, the Court hereby renders judgment, ordering defendant to pay the plaintiffs actual, moral and exemplary damages in the amount of P100,000.00, P10,000.00 for attorney's fees and to pay the costs of these proceedings.

For insufficiency of evidence, the counterclaim is hereby DISMISSED.

SO ORDERED.

Complications arose when the petitioners moved for execution on June 23, 1983 of the above judgment for failure of PVE to file a motion for reconsideration despite, as petitioners alleged, the mailing to its former counsel a copy of the decision by registered mail.[8]

PVE opposed the motion,[9] and on July 27, 1983 filed a petition for relief from judgment[10] under Rule 38 of the Rules of Court essentially alleging that it failed to receive notice of the said judgment sought to be executed and that said failure was due to fraud and accident when the mail matter was posted in a post office box which was not registered in the name of PVE's former counsel.

In an order[11] dated November 10, 1983, the trial court denied the petition for relief from judgment and ordered the issuance of a writ of execution.

Consequently, PVE filed a notice of appeal[12] from the order of November 10, 1983. In addition, it filed a motion for reconsideration[13] of the said order insofar as it directed the issuance of a writ of execution.

The trial court gave due course to PVE's appeal[14] but it took no action on the motion for reconsideration of the order, thus a writ of execution was issued and an auction sale of certain personal properties levied upon by the deputy sheriff of the trial court was scheduled on December 8, 1983.

On December 3, 1983 PVE filed a petition for injunction with the Court of Appeals, docketed as AC-G.R. SP No. 02155, to restrain the scheduled auction sale. Although a temporary restraining order was issued by the appellate court, the same was served one hour late, at 4:30 o'clock in the afternoon on the day of the auction sale on December 8, 1983. As a result, the personal properties which had been levied upon were sold to Atty. Santiago Gabionza, Jr. as the highest bidder.[15]

In view of the auction sale held on December 8, 1983, the trial court recalled[16] on May 10, 1984 its previous order giving due course to the appeal from its order dated November 10, 1983. The action taken by the trial court prompted PVE to file a separate petition for mandamus[17] with the Court of Appeals, docketed as AC-G.R. SP No.03470, to compel the respondent trial court to give due course to its appeal.

Meanwhile, on December 13, 1983, private respondent Solid Corporation, filed a complaint for damages[18] with the Regional Trial Court of Manila, Branch 54, docketed as Civil Case No. R-83-21786, against Deputy Sheriff Angel Borja and the petitioners. Solid Corporation essentially alleged in its complaint that it was the true owner of the electronic appliances valued at One Hundred Thirty Nine Thousand Eight Hundred Pesos (P139,800.00) which were levied upon and subsequently sold at public auction on December 8, 1983 for the satisfaction of the judgment in Civil Case No. R-82-4389 in favor of the petitioners; that the levy on execution and the subsequent auction sale were illegal; and that it suffered actual and compensatory damages in the sum of One Hundred Thirty Nine Thousand Eight Hundred Pesos (P139,800.00), moral damages in the sum of One Million Pesos (P1,000,000.00), exemplary damages in the sum of One Million Pesos (P1,000,000.00) and attorney's fees of Two Hundred Thousand Pesos (P200,000.00).

On January 18, 1984, petitioners filed an Answer[19] specifically denying that Solid Corporation was the owner of the personal properties levied upon and subsequently sold at public auction on December 8, 1983. They claimed that the showroom and offices located at 1000 J. Bocobo Street corner Kalaw Street, Ermita, Manila where the subject personal properties were then on display were owned and operated by respondent Solid Distributors, Inc., a sister company of Solid Corporation, Inc.; and that both corporations had interlocking directors, officers and principal stockholders.

On September 6, 1984, the Court of Appeals rendered a consolidated decision[20] in AC - G.R. SP No. 02155 and AC - G.R. SP No. 03470, the dispositive portion of which reads:

WHEREFORE, the petition for injunction and mandamus are GRANTED and (1) the sheriff's sale is nullified and the respondents Emmanuel and Rosemarie Herbosa are ordered to deliver the proceeds of the sale to the Solid Corporation, Inc. and (2) the respondent court is hereby ordered to give due course to the petitioner's

appeal in Civil Case No. 137541. Costs against the private respondents.

Petitioners appealed the above judgment of the appellate court to this Court through a petition for review on certiorari, docketed as G. R. Nos. 69008-09, but which we denied in a resolution dated December 17, 1984 for lack of merit. Forthwith, the trial court granted on June 23, 1987 the subsequent motion of herein respondent Solid Corporation for summary judgment in Civil Case No. R-83-21786. The dispositive portion of the decision[21] of the trial court reads:

WHEREFORE, summary judgment is hereby rendered in favor of the plaintiff, ordering the private defendants Emmanuel G. Herbosa and Rosemarie L. Herbosa to deliver to the plaintiff the amount of P139,800.(00) as the proceeds of the sale of plaintiff's properties and attorney's fees of P10,000.00, plus costs.

Considering that the defendant First Integrated Bonding Co., Inc. is not a party in the aforesaid Court of Appeals' cases, the judgment therein does not bind the defendant and therefore the case as against it is hereby dismissed.

SO ORDERED.

The appeal taken by the petitioner spouses to the Court of Appeals of the said Decision of the trial court in Civil Case No. R-83-21786 and the earlier appeal filed by respondent Solid Distributors, Inc. in Civil Case No. R-82-4389, respectively docketed as CA-G.R. CV Nos. 15093 and 15346, were ordered consolidated by the appellate court in its Resolution[22] dated February 23, 1988.

On October 20, 1994 the Court of Appeals rendered its consolidated Decision,[23] in CA-G.R. CV Nos. 15093 and 15346, the dispositive portion of which reads:

"WHEREFORE, the Court renders judgment:

(1) In CA-G.R. CV No. 15346, REVERSING the appealed decision, and, accordingly, DISMISSING plaintiff's complaint and defendant's counterclaim;

(2) In CA-G.R. CV No. 15093, AFFIRMING in toto the decision appealed from. The Court sentences defendants Emmanuel G. Herbosa and Rosemarie L. Herbosa to pay plaintiff Solid Corporation the amount of One Hundred Thirty Nine Thousand Eight Hundred (P139,800.00), pesos, as the proceeds of the sale of plaintiff's property, and Ten Thousand (P10,000.00), pesos, as attorney's fees, plus costs.

In both cases, we make no special pronouncement as to costs in this instance.

SO ORDERED."

The Court of Appeals denied the motion for reconsideration filed by the petitioner spouses on November 14, 1994 for having been allegedly filed out of time.[24]

Dissatisfied, petitioner spouses filed the instant petition[25] raising the following assignment of errors:

I

THE COURT OF APPEALS ERRED IN HOLDING THAT THE PETITIONERS' MOTION FOR RECONSIDERATION DATED NOVEMBER 11, 1994 WAS FILED OUT OF TIME WHEN IT RELIED ON THE CASE OF IMPERIAL VICTORY SHIPPING AGENCY vs. NLRC (200 SCRA 178) WHICH IS CLEARLY INAPPLICABLE IN THE CASE AT BAR.

II

THE COURT OF APPEALS ERRED WHEN, IN CA-G.R. CV NO. 15346, IT REVERSED THE FINDING OF THE TRIAL COURT THAT PRIVATE RESPONDENT "PVE" IS GUILTY OF GROSS NEGLIGENCE

IN THE PERFORMANCE OF ITS OBLIGATION BY SOLELY RELYING ON THE TRIAL COURT'S STATEMENT THAT PRIVATE RESPONDENT "PVE" FAILED TO PRESENT AN IOTA OF PROOF THAT IT EXERCISED EXTRAORDINARY CARE IN THE PROPER MAINTENANCE OF ITS EQUIPMENT USED IN THE COVERAGE.

III

THE COURT OF APPEALS ERRED WHEN, IN CA-G.R. CV NO. 15346, IT TOTALLY SET ASIDE THE TRIAL COURT'S AWARD OF ACTUAL, MORAL, AND EXEMPLARY DAMAGES IN THE AMOUNT OF P100,000.00 AS WELL AS ATTORNEY'S FEES IN THE AMOUNT OF P10,000.00 PLUS COSTS OF SUIT, IN FAVOR OF THE SPOUSES HERBOSA FOR HAVING ALLEGEDLY NO BASIS BOTH IN FACT AND IN LAW.

IV

THE COURT OF APPEALS ALSO ERRED WHEN, WITHOUT ANY LAWFUL BASIS, IT ERRONEOUSLY AFFIRMED, IN CA-G.R. CV NO. 15093, THE DECISION OF THE TRIAL COURT WHICH RENDERED SUMMARY JUDGMENT IN THE ENTIRE CASE NOTWITHSTANDING THE APPARENT EXISTENCE OF A GENUINE ISSUE OF FACT CONCERNING THE OWNERSHIP OF PERSONAL PROPERTY LEVIED UPON WHICH ISSUE CLEARLY REMAINS UNAFFECTED BY THE DECISION OF THE COURT OF APPEALS IN CA-G.R. SP NOS. 02155 AND 03470.

Petitioners contend that their motion for reconsideration was filed within the reglementary period inasmuch as the ruling in the case of *Imperial Victory Shipping Agency v. NLRC*[26] cited in the questioned resolution of the appellate court dated February 7, 1995 was superseded by the decision of the Supreme Court in the case of *Ramon Aquino v. NLRC*.[27]

They also contend that the ruling of the Court of Appeals in CA-G.R. CV No. 15346 to the effect that the degree of diligence required under the contract was that of diligence of a good father of a family, and not extraordinary diligence as opined by the trial court, does not negate the finding of the lower court that breach of contract due to gross negligence on the part of PVE was duly proven by the petitioners. Due to the presence of gross negligence on the part of PVE (a division of respondent Solid Distributors, Inc.), petitioners are entitled to an award of actual, moral and exemplary damages including attorney's fees and costs.

Additionally, petitioners contend that the summary judgment rendered by the trial court in Civil Case No. R-83-21786 was improper since the question of ownership of the levied personal properties to satisfy the judgment in Civil Case No. R-82-4389 remains unaffected by the decision of the Court of Appeals in AC-G.R. SP Nos. 02155 and 03470 which merely declared that the execution of the said judgment was void for being premature.

On the other hand, both private respondents Solid Distributors, Inc. and Solid Corporation invoke the ruling in the case of *Azores v. SEC*[28] which affirmed our ruling in the cases of *Bank of America, NT and SA v. Gerochi, Jr., et al.*,[29] and *Imperial Victory Shipping Agency v. NLRC*[30] such that if the last day to appeal fell on a Saturday, the act was still due on that day. While private respondents concede that rules of procedure are intended to promote substantial justice, they emphasized that the perfection of appeal in the manner and within the period permitted by law is not only mandatory but jurisdictional.

Private respondents also invoke the well-settled rule that only questions of law may be entertained on appeal. By questioning in the instant petition public respondent appellate court's appreciation of the evidence on the issue of diligence, petitioners, in effect, raised questions of fact which cannot be done by the Supreme Court, on appeal, as it is not a trier of facts. After having determined by the Court of Appeals that no cause of action exists against

private respondent PVE, there appears to be no basis for an award of damages contrary to the contention of the petitioners in the third assignment of error.

Lastly, private respondents maintain that summary judgment was properly rendered in Civil Case No. R-83-21786 in view of the Decision of the Court of Appeals in AC-G.R. SP Nos. 02155 and 03470 promulgated on September 6, 1984 which was affirmed by the Supreme Court in a resolution dated December 17, 1984. The said decision, which is the law of the case, mandates that the petitioners were to deliver the proceeds of the sheriff's auction sale to herein private respondent Solid Corporation.

Hence, the issues are:

- Whether or not the motion for reconsideration filed by the petitioners on November 14, 1994 was filed beyond the reglementary period.
- Whether or not the petitioners are entitled to award of damages arising from breach of contract of service in Civil Case No. R-82-4389.
- Whether or not the trial court correctly rendered summary judgment in Civil Case No. R-83-21786 in favor of respondent Solid Corporation.

In denying petitioners' motion for reconsideration filed on November 14, 1994, the Court of Appeals ruled that the petitioners had only until November 12, 1994, which was a Saturday, within which to file a motion for reconsideration of its Decision dated October 20, 1994 in CA-G.R. CV Nos. 15346 and 15093 inasmuch as they had been furnished notice of its said decision on October 28, 1994. The appellate court cited the case of Imperial Victory Shipping where it was held that "if the last day to appeal fell on a Saturday, the act was still due on that day and not on the next succeeding business day".

It should be noted, however, that even in the cases^[31] invoked by the private respondents, we have already made pronouncements therein that, as early as January 23, 1993, this Court had issued an order directing court offices closed on Saturdays so that when the last day for filing of a pleading should fall on a Saturday, the same should be done on the following Monday, provided the latter is not a holiday. Significantly, the motion for reconsideration which was filed by the petitioners on November 14, 1994 came after the issuance of our said order. Consequently, respondent appellate court should not have denied outright petitioners' motion for reconsideration since the last day for the filing thereof fell on November 12, 1994, which was a Saturday, when the Receiving and Docket Section and the Cashier Section of the Court of Appeals were closed.

Likewise, respondent PVE or respondent Solid Distributors, Inc. may not validly thwart the petitioners' instant petition for review of the decision of the Court of Appeals in CA-G.R. CV No. 15346 by arguing that the principal issue as to the existence of negligence involves a question of fact which cannot be raised on appeal. The general rule that only questions of law may be raised on appeal in a petition for review under Rule 45 of the Rules of Court admits of certain exceptions, namely: a) when the conclusion is a finding grounded entirely on speculations, surmises, or conjectures; b) when the inference made is manifestly mistaken, absurd, or impossible; c) where there is a grave abuse of discretion; d) when the judgment is based on a misapprehension of facts; e) when the findings of fact are conflicting; f) when the Court of Appeals, in making its findings, went beyond the issues of the case and the same are contrary to the admissions of both appellant and appellee; g) when the findings of the Court of Appeals are contrary to those of the trial court; h) when the findings of fact are conclusions without citation of specific evidence on which they are based; I) when the finding of fact of the Court of Appeals is premised on the supposed absence of evidence but is contradicted by the evidence on record; and j) when the Court of Appeals manifestly overlooked certain relevant facts not disputed by the parties and which, if properly considered, would justify a different conclusion.^[32] Notably, the Court of Appeals and the trial court arrived at

conflicting findings of fact in Civil Case No. R-82-4389 which is an action for breach of contract and damages and the appeal therefrom, thus necessitating further review of the evidence by this Court.

It appears from the evidence adduced that the petitioner spouses contracted the services of PVE (a division of respondent Solid Distributors, Inc.) for the betamax coverage of their then forthcoming wedding celebration scheduled in the morning of October 11, 1980. Pursuant to the contract[33] PVE undertook to record on betamax format the wedding celebration of the petitioners starting with the pre-departure activities of the bride at her residence, followed by the wedding ceremony and the reception which had an approximate playback time of sixty (60) to ninety (90) minutes. Petitioners paid PVE the amount of One Thousand Four Hundred Twenty-Three Pesos (P1,423.00) as downpayment while the balance of One Thousand Five Hundred Thirty- Two Pesos (P1,532.00) was to be paid upon receipt of the finished video tape.

Accordingly, on October 11, 1980 at around 6:30 o'clock in the morning[34] the PVE crew composed of the cameraman, Vedastro Sulit, VTR (video tape recorder) operator, Michael Rodriguez, and the driver and lightman, Felix Baguio, arrived at the residence of the bride at 1694 M. H. Del Pilar Street, Ermita, Manila. They recorded the pre-departure activities of the bride before leaving for the Malate Church along Mabini Street, Malate, Manila where the wedding ceremonies were held at 9:00 o'clock in the morning. Thereafter, the crew proceeded to the Manila Hotel in Intramuros, Manila, where the wedding reception followed at 10:30 o'clock in the morning.

On October 13, 1980, however, Ben Zarate, studio manager of PVE, informed the petitioners that the videotape coverage of their wedding celebration was damaged due to mechanical defect in their equipment. On October 19, 1980 PVE general manager, Eric Sycip, confirmed the damage and proposed to do a video tape production of their wedding celebration through photographs or a video coverage of any event of similar significance.[35] In addition, Eric Sycip sent a check[36] representing the amount of the downpayment which the petitioners did not accept. Deeply aggrieved, the petitioners rejected both of the proposed alternatives since, according to them, a video tape production through photographs was not going to compensate for the betamax or film coverage of their actual wedding celebration and that there could be no event of similar significance insofar as petitioners are concerned.

PVE, a division of respondent Solid Distributors, Inc., disclaimed any liability for the damaged videotape by invoking force majeure or fortuitous event and asserted that a defective transistor caused the breakdown in its video tape recorder. However, said respondent failed to substantiate its bare allegation by presenting in evidence the alleged defective transistor before the trial court. Instead, it presented another component[37] of the same kind. Having invoked fortuitous event, it was incumbent upon said respondent to adduce sufficient and convincing proof to establish its defense.

At any rate, in order that fortuitous event may exempt PVE or respondent Solid Distributors, Inc. from liability, it is necessary that it be free from negligence.[38] The record shows, however, that the alleged malfunctioning of the video tape recorder occurred at the beginning of the video coverage at the residence of the bride. The PVE crew miserably failed to detect the defect in the video tape recorder and that they discovered the same rather too late after the wedding reception at the Manila Hotel.

There appeared to be no valid reason why the alleged defect in the video tape recorder had gone undetected. There was more than sufficient time for the PVE crew to check the video tape recorder for the reason that they arrived at the bride's residence at 6:30 o'clock in the morning while they departed for the wedding ceremonies at the Malate Church at 9:00 o'clock in the morning. Besides, PVE was admittedly furnished earlier by the petitioners with a copy of the script[39] of the scenes to be recorded so that it could prepare and organize its contracted task. PVE studio manager Ben Zarate even testified that ordinarily, the standard playback test to monitor the

functioning of the video tape recorder was required at every opportunity. In the instant case, a playback test on three (3) occasions, preferably at the beginning, middle and towards the end portions of the video coverage would have been sufficient.[40]

Based on the investigation allegedly conducted by its officers, PVE or respondent Solid Distributors, Inc. claimed that its crew, whom it never presented to testify during the trial of the case, allegedly conducted a playback test at the residence of the bride and that the next playback test was conducted after the wedding reception at the Manila Hotel where the defect in the video tape recorder was allegedly discovered for the first time.[41] A review of the records however, raised doubts as to whether the crew actually conducted a playback test at the residence of the bride. A very minimal portion, lasting only for two and one half (2 ½) minutes, of the pre-departure activities at the residence of the bride had been recorded while the rest of the video tape was damaged. This strongly suggests that any alleged defect in the video tape recorder could have easily been detected by the PVE crew at the residence of the bride had a sufficient playback test been conducted therein prior to their departure for the wedding ceremonies at the Malate Church. The pertinent portion of the stenographic notes of the trial is reproduced, thus:

Interpreter:

We are about to witness the video coverage of the Herbosa Wedding on the television set. (V)iew on (sic) the M. H. del Pilar and what is in focus is a residence No. 1694. What is shown is the facade of the De Leon residence, the residence of the bride, Rosemarie de Leon; next in focus is apparently a bedroom of the bride. What is shown on screen now is that she was being made up by her artist and hairdresser in preparation for the forthcoming wedding. She is wearing an electric blue dressing gown.

Court:

It would seem that at this juncture, the picture is clear as shown on the television.

Interpreter:

Then, the other members of the entourage is also in focus. They are shown to be made-up by the artist. At this juncture, it is still visible that the screen is clear, then suddenly, there is complete darkness, and snatches on the screen which has a span of about...

Atty. Agcaoili:

May we stipulate that the good tape your Honor, lasted for only two and a half minutes?

Atty. Mendoza:

Agreed, your Honor.

Atty. Agcaoili:

And that from this point, the cassette is blurred and you cannot see any visible figure on the cassette tape. May we note the ringing sound apparently a telephone ringing which will indicate that the audio pick-up is being taken or at least, the audio was working. After four minutes of complete blurred, there appears to be snatches of the bride's face and again, it has faded into complete non-appearance of the subject being taken.

Court:

In other words, no pictures registered after the few snatches of the bride.[42]

The misfortune that befell the then newly-wed couple, petitioners herein, could have been avoided by a timely exercise of minimum prudence by the crew of PVE who are all employees of respondent Solid Distributors, Inc.

to check any possible mechanical defect in the video tape recorder. The defect could have been detected earlier and remedial measures could have been made to ensure full video tape coverage of the petitioners' wedding celebration. But PVE or respondent Solid Distributors, Inc. did not. We take judicial notice of the short distance between the office of PVE or respondent Solid Distributors, Inc. at 1000 J. Bocobo corner Kalaw Streets, Ermita, Manila, on one hand, and the locations of the required video tape coverage at the residence of the bride at M. H. Del Pilar Street, Ermita, Manila, the Malate Church and the Manila Hotel. The failure to record on videotape the wedding celebration of the petitioners constitutes malicious breach of contract as well as gross negligence on the part of respondent Solid Distributors, Inc.

PVE or respondent Solid Distributors, Inc. cannot seek refuge under Article 2180 of the New Civil Code by claiming that it exercised due care in the selection and supervision of its employees and that its employees are experienced in their respective trade. That defense, as provided in the last paragraph of Article 2180 of the New Civil Code, may be availed of only where the liability arises from culpa aquilana and not from culpa contractual such as in the case at bar.[43]

However, the award of damages to the petitioners cannot be lumped together as was done by the trial court. It is basic that the claim for actual, moral and exemplary damages as well as attorney's fees must each be independently identified and justified.[44] In this connection, Article 1170 of the New Civil Code provides that "those who in the performance of their obligations are guilty of fraud, negligence or delay, and those who in any manner contravene the tenor thereof, are liable for damages." For failure of PVE, a division of respondent Solid Distributors, Inc., to comply with its obligation under the video tape coverage contract, petitioners are entitled to actual damages at least in the amount of One Thousand Four Hundred Twenty-Three Pesos (P1,423.00) representing their downpayment in that contract.

Ordinarily, moral damages cannot be recovered in an action for breach of contract because such an action is not among those expressly mentioned in Article 2219[45] of the New Civil Code. However, moral damages are recoverable for breach of contract where the breach was wanton, reckless, malicious or in bad faith, oppressive or abusive.[46] The wanton and reckless failure and neglect to timely check and remedy the video tape recorder by the PVE crew who are all employees of respondent Solid Distributors, Inc. indicates a malicious breach of contract and gross negligence on the part of said respondent in the discharge of its contractual obligations. Consequently, the petitioners who suffered mental anguish and tortured feelings thereby, are entitled to an award of One Hundred Thousand Pesos (P100,000.00) as moral damages.

In the case of *Go v. Court of Appeals*[47] we emphasized that "(i)n our society, the importance of a wedding ceremony cannot be underestimated as it is the matrix of the family and, therefore, an occasion worth reliving in the succeeding years." Further, we reiterate the following pronouncements therein where we also awarded moral damages on account of a malicious breach of contract similar to the case at bar, to wit:

Considering the sentimental value of the tapes and the fact that the event therein recorded—a wedding which in our culture is a significant milestone to be cherished and remembered—could no longer be reenacted and was lost forever, the trial court was correct in awarding the appellees moral damages albeit in the amount of P75,000.00 xxx in compensation for the mental anguish, tortured feelings, sleepless nights and humiliation that the appellees suffered and which under the circumstances could be awarded as allowed under Articles 2271 and 2218 of the Civil Code.

The award of exemplary damages which is hereby fixed in the amount of Forty Thousand Pesos (P40,000.00) is justified, under the premises, to serve as a warning to all entities engaged in the same business to observe good faith and due diligence in the fulfillment of their contractual obligations. Additionally, the award of attorney's fees in the amount of Ten Thousand Pesos (P10,000.00) is also proper in accordance with Article 2208[48] of the

Civil Code.

Anent the third issue, we hold that the Court of Appeals, in CA-G.R. CV No. 15346, did not err in sustaining the summary judgment rendered by the trial court in Civil Case No. R-83-21786. The test for propriety of a motion for summary judgment is whether the pleadings, affidavits and exhibits in support of the motion are sufficient to overcome the opposing papers and to justify the finding that, as a matter of law, there is no defense to the action or claim which is clearly meritorious.[49]

The decision of the Court of Appeals in AC G.R. SP Nos. 02155 and 03470, for injunction and mandamus, specifically commands herein petitioners to “deliver the proceeds of the (auction) sale to Solid Corporation” due to the nullity of the sheriff’s sale on December 8, 1983 for being premature. The said decision of the Court of Appeals became final and executory after this Court, in G.R. Nos. 69008 and 69009, denied on December 17, 1984 the appeal therefrom instituted by herein petitioners.

WHEREFORE, judgment is hereby rendered as follows:

(1) In G.R. No. 119086, the appealed decision of the Court of Appeals in CA-G.R. CV No. 15346 is REVERSED. Private respondent Solid Distributors, Inc. is ordered to pay the petitioners One Thousand Four Hundred Twenty-Three Pesos (P1,423.00) as actual damages, One Hundred Thousand Pesos (P100,000.00) as moral damages, Forty Thousand Pesos (P40,000.00) as exemplary damages, and Ten Thousand Pesos (P10,000.00) by way of attorney’s fees; and

(2) In G.R. No. 119087, the appealed decision of the Court of Appeals in CA-G.R. CV No. 15093 is AFFIRMED.

No pronouncement as to costs.

SO ORDERED.

Bellosillo, (Chairman), Mendoza, Quisumbing, and Buena, JJ., concur.

[1] Penned by then Associate Justice Bernardo P. Pardo (now Associate Justice of the Supreme Court) and concurred in by Associate Justices Justo P. Torres, Jr. (retired Associate Justice of the Supreme Court) and Eubulo G. Verzola. Annex “B,” Rollo, pp. 31-37.

[2] G.R. No. 119086, Original Records, pp. 121-128.

[3] G.R. No. 119087, Original Records, pp. 165-166.

[4] Annex “A,” Rollo, pp. 27-29.

[5] G.R. No. 119086, Original Records, pp. 1-7.

[6] G.R. No. 119086, Original Records, pp. 14-21.

[7] See Note No. 2.

[8] G.R. No. 119086, Original Records, pp. 130-132.

[9] G.R. No. 119086, Original Records, pp. 135-137.

[10] G.R. No. 119086, Original Records, pp. 143-151.

[11] G.R. No. 119086, Original Records, pp. 178-179.

- [12] G.R. No. 119086, Original Records, p. 195.
- [13] G.R. No. 119086, Original Records, pp. 190-191.
- [14] G.R. No. 119086, Original Records, p. 206.
- [15] G.R. No. 119086, Original Records, pp. 200-203.
- [16] G.R. No. 119086, Original Records, p. 208.
- [17] G.R. No. 119086, Original Records, pp. 212-218.
- [18] G.R. No. 119087, Original Records, pp. 1-6.
- [19] G.R. No. 119087, Original Records, pp. 53-59.
- [20] G.R. No. 119086, Original Records, pp. 285-289.
- [21] See Note No. 3.
- [22] C. A. Rollo, p. 12.
- [23] See Note No. 1.
- [24] See Note No. 4.
- [25] Rollo, pp. 2-23.

[26] 200 SCRA 178, 183 (1991).

[27] 226 SCRA 76, 82 (1993).

- [28] 252 SCRA 387, 392 (1996). Per Manifestation dated May 9, 1996. Rollo, pp. 75-77.

[29] 230 SCRA 9, 15 (1994).

- [30] Supra.
- [31] Azores v. SEC, 252 SCRA 387, 392 (1996); Bank of America, NT&SA v. Gerochi, Jr., 230 SCRA 9, 15 (1994).
- [32] Martinez v. Court of Appeals, G.R. No. 123547, May 21, 2001; Floro v. Llenado, 244 SCRA 713, 720 (1995).
- [33] Exhibit "A". Also Exhibit "1" for the defendant.
- [34] T. S. N. dated June 25, 1981, pp. 14-16.
- [35] T. S. N. dated May 14, 1981, p. 18-19.
- [36] Exhibit "D-2".
- [37] Exhibit "6".
- [38] Lasam v. Smith, 45 Phil. 657, 662 (1924); Tan Chiong Sian v. Inchausti and Co., 22 Phil. 152, 166 (1912).
- [39] Exhibit "C".
- [40] TSN dated June 26, 1981, pp. 17-18.

[41] TSN dated June 26, 1981, pp. 16-18.

[42] T. S. N. dated June 5, 1981, pp. 3-5.

[43] Del Pardo v. Manila Electric Co., 52 Phil. 900, 904 (1929); De Guia v. Manila Electric Railroad and Light Co., 40 Phil. 706, 710 (1920); Manila Railroad Co., v. Compania Trasatlantica, 38 Phil. 875, 889-890 (1918).

[44] Solid Homes, Inc. v. Court of Appeals 275 SCRA 267, 280 (1997); People v. Castillo, 261 SCRA 493, 504 (1996).

[45] Article 2219 of the Civil Code provides:

Art. 2219. Moral damages may be recovered in the following and analogous cases:

- 1) A criminal offense resulting in physical injuries;
- 2) Quasi-delicts causing physical injuries;
- 3) Seduction, abduction, rape, or other lascivious acts;
- 4) Adultery or concubinage;
- 5) Illegal or arbitrary detention or arrest;
- 6) Illegal search;
- 7) Libel, slander or any other form of defamation;
- 8) Malicious prosecution;
- 9) Acts mentioned in Article 309;
- 10) Acts and actions referred to in articles 21, 26, 27, 28, 29, 30, 32, 34 and 35.

[46] TOLENTINO, COMMENTARIES AND JURISPRUDENCE ON THE CIVIL CODE OF THE PHILIPPINES, Vol. V, 1995, p. 656.

[47] 339 Phil. 136, 138-139 (1997).

[48] Article 2208 of the Civil Code provides:

Art. 2208. In the absence of stipulation, attorney's fees and expenses of litigation, other than judicial costs, cannot be recovered, except:

- 1) When exemplary damages are awarded;

x x x

[49] Sugay v. Court of Appeals, 198 SCRA 349, 352 (1991).

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.