

WILDVALLEY SHIPPING CO., LTD. PETITIONER, VS. COURT OF APPEALS AND PHILIPPINE PRESIDENT LINES INC., RESPONDENTS.

G.R. No. 119602. October 06, 2000

Ponente: BUENA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-119602/>

BUENA, J.:

This is a petition for review on certiorari seeking to set aside the decision of the Court of Appeals which reversed the decision of the lower court in CA-G.R. CV No. 36821, entitled "Wildvalley Shipping Co., Ltd., plaintiff-appellant, versus Philippine President Lines, Inc., defendant-appellant."

The antecedent facts of the case are as follows:

Sometime in February 1988, the Philippine Roxas, a vessel owned by Philippine President Lines, Inc., private respondent herein, arrived in Puerto Ordaz, Venezuela, to load iron ore. Upon the completion of the loading and when the vessel was ready to leave port, Mr. Ezzar del Valle Solarzano Vasquez, an official pilot of Venezuela, was designated by the harbour authorities in Puerto Ordaz to navigate the Philippine Roxas through the Orinoco River.[1] He was asked to pilot the said vessel on February 11, 1988[2] boarding it that night at 11:00 p.m.[3]

The master (captain) of the Philippine Roxas, Captain Nicandro Colon, was at the bridge together with the pilot (Vasquez), the vessel's third mate (then the officer on watch), and a helmsman when the vessel left the port[4] at 1:40 a.m. on February 12, 1988.[5] Captain Colon left the bridge when the vessel was under way.[6]

The Philippine Roxas experienced some vibrations when it entered the San Roque Channel at mile 172.[7] The vessel proceeded on its way, with the pilot assuring the watch officer that the vibration was a result of the shallowness of the channel.[8]

Between mile 158 and 157, the vessel again experienced some vibrations.[9] These occurred at 4:12 a.m.[10] It was then that the watch officer called the master to the bridge.[11]

The master (captain) checked the position of the vessel[12] and verified that it was in the centre of the channel.[13] He then went to confirm, or set down, the position of the vessel on the chart.[14] He ordered Simplicio A. Monis, Chief Officer of the President Roxas, to check all the double bottom tanks.[15]

At around 4:35 a.m., the Philippine Roxas ran aground in the Orinoco River,[16] thus obstructing the ingress and egress of vessels.

As a result of the blockage, the Malandrinon, a vessel owned by herein petitioner Wildvalley Shipping Company, Ltd., was unable to sail out of Puerto Ordaz on that day.

Subsequently, Wildvalley Shipping Company, Ltd. filed a suit with the Regional Trial Court of Manila, Branch III against Philippine President Lines, Inc. and Pioneer Insurance Company (the underwriter/insurer of Philippine Roxas) for damages in the form of unearned profits, and interest thereon amounting to US \$400,000.00 plus attorney's fees, costs, and expenses of litigation. The complaint against Pioneer Insurance Company was

dismissed in an Order dated November 7, 1988.[17]

At the pre-trial conference, the parties agreed on the following facts:

"1.

The jurisdictional facts, as specified in their respective pleadings;

"2.

That defendant PPL was the owner of the vessel Philippine Roxas at the time of the incident;

"3.

That defendant Pioneer Insurance was the insurance underwriter for defendant PPL;

"4.

That plaintiff Wildvalley Shipping Co., Inc. is the owner of the vessel Malandrion, whose passage was obstructed by the vessel Philippine Roxas at Puerto Ordaz, Venezuela, as specified in par. 4, page 2 of the complaint;

"5.

That on February 12, 1988, while the Philippine Roxas was navigating the channel at Puerto Ordaz, the said vessel grounded and as a result, obstructed navigation at the channel;

"6.

That the Orinoco River in Puerto Ordaz is a compulsory pilotage channel;

"7.

That at the time of the incident, the vessel, Philippine Roxas, was under the command of the pilot Ezzar Solarzano, assigned by the government thereat, but plaintiff claims that it is under the command of the master;

"8.

The plaintiff filed a case in Middleburg, Holland which is related to the present case;

"9.

The plaintiff caused the arrest of the Philippine Collier, a vessel owned by the defendant PPL;

"10.

The Orinoco River is 150 miles long and it takes approximately 12 hours to navigate out of the said river;

"11.

That no security for the plaintiff's claim was given until after the Philippine Collier was arrested; and

"12.

That a letter of guarantee, dated 12-May-88 was issued by the Steamship Mutual Underwriters Ltd."[18]

The trial court rendered its decision on October 16, 1991 in favor of the petitioner, Wildvalley Shipping Co., Ltd. The dispositive portion thereof reads as follows:

"WHEREFORE, judgment is rendered for the plaintiff, ordering defendant Philippine President Lines, Inc. to

pay to the plaintiff the sum of U.S. \$259,243.43, as actual and compensatory damages, and U.S. \$162,031.53, as expenses incurred abroad for its foreign lawyers, plus additional sum of U.S. \$22,000.00, as and for attorney's fees of plaintiff's local lawyer, and to pay the cost of this suit.

"Defendant's counterclaim is dismissed for lack of merit.

"SO ORDERED." [19]

Both parties appealed: the petitioner appealing the non-award of interest with the private respondent questioning the decision on the merits of the case.

After the requisite pleadings had been filed, the Court of Appeals came out with its questioned decision dated June 14, 1994, [20] the dispositive portion of which reads as follows:

"WHEREFORE, finding defendant-appellant's appeal to be meritorious, judgment is hereby rendered reversing the Decision of the lower court. Plaintiff-appellant's Complaint is dismissed and it is ordered to pay defendant-appellant the amount of Three Hundred Twenty-three Thousand, Forty-two Pesos and Fifty-three Centavos (P323,042.53) as and for attorney's fees plus cost of suit. Plaintiff-appellant's appeal is DISMISSED.

"SO ORDERED." [21]

Petitioner filed a motion for reconsideration [22] but the same was denied for lack of merit in the resolution dated March 29, 1995. [23]

Hence, this petition.

The petitioner assigns the following errors to the court a quo:

- RESPONDENT COURT OF APPEALS SERIOUSLY ERRED IN FINDING THAT UNDER PHILIPPINE LAW NO FAULT OR NEGLIGENCE CAN BE ATTRIBUTED TO THE MASTER NOR THE OWNER OF THE "PHILIPPINE ROXAS" FOR THE GROUNDING OF SAID VESSEL RESULTING IN THE BLOCKAGE OF THE RIO ORINOCO;
- RESPONDENT COURT OF APPEALS SERIOUSLY ERRED IN REVERSING THE FINDINGS OF FACTS OF THE TRIAL COURT CONTRARY TO EVIDENCE;
- RESPONDENT COURT OF APPEALS SERIOUSLY ERRED IN FINDING THAT THE "PHILIPPINE ROXAS" IS SEAWORTHY;
- RESPONDENT COURT OF APPEALS SERIOUSLY ERRED IN DISREGARDING VENEZUELAN LAW DESPITE THE FACT THAT THE SAME HAS BEEN SUBSTANTIALLY PROVED IN THE TRIAL COURT WITHOUT ANY OBJECTION FROM PRIVATE RESPONDENT, AND WHOSE OBJECTION WAS INTERPOSED BELATEDLY ON APPEAL;
- RESPONDENT COURT OF APPEALS SERIOUSLY ERRED IN AWARDING ATTORNEY'S FEES AND COSTS TO PRIVATE RESPONDENT WITHOUT ANY FAIR OR REASONABLE BASIS WHATSOEVER;
- RESPONDENT COURT OF APPEALS SERIOUSLY ERRED IN NOT FINDING THAT PETITIONER'S CAUSE IS MERITORIOUS HENCE, PETITIONER SHOULD BE ENTITLED TO ATTORNEY'S FEES, COSTS AND INTEREST.

The petition is without merit.

The primary issue to be determined is whether or not Venezuelan law is applicable to the case at bar.

It is well-settled that foreign laws do not prove themselves in our jurisdiction and our courts are not authorized to take judicial notice of them. Like any other fact, they must be alleged and proved.[24]

A distinction is to be made as to the manner of proving a written and an unwritten law. The former falls under Section 24, Rule 132 of the Rules of Court, as amended, the entire provision of which is quoted hereunder. Where the foreign law sought to be proved is "unwritten," the oral testimony of expert witnesses is admissible, as are printed and published books of reports of decisions of the courts of the country concerned if proved to be commonly admitted in such courts.[25]

Section 24 of Rule 132 of the Rules of Court, as amended, provides:

"Sec. 24. Proof of official record. -- The record of public documents referred to in paragraph (a) of Section 19, when admissible for any purpose, may be evidenced by an official publication thereof or by a copy attested by the officer having the legal custody of the record, or by his deputy, and accompanied, if the record is not kept in the Philippines, with a certificate that such officer has the custody. If the office in which the record is kept is in a foreign country, the certificate may be made by a secretary of the embassy or legation, consul general, consul, vice consul, or consular agent or by any officer in the foreign service of the Philippines stationed in the foreign country in which the record is kept, and authenticated by the seal of his office." (Underscoring supplied)

The court has interpreted Section 25 (now Section 24) to include competent evidence like the testimony of a witness to prove the existence of a written foreign law.[26]

In the noted case of *Willamette Iron & Steel Works vs. Muzzal*,[27] it was held that:

"... Mr. Arthur W. Bolton, an attorney-at-law of San Francisco, California, since the year 1918 under oath, quoted verbatim section 322 of the California Civil Code and stated that said section was in force at the time the obligations of defendant to the plaintiff were incurred, i.e. on November 5, 1928 and December 22, 1928. This evidence sufficiently established the fact that the section in question was the law of the State of California on the above dates. A reading of sections 300 and 301 of our Code of Civil Procedure will convince one that these sections do not exclude the presentation of other competent evidence to prove the existence of a foreign law.

"'The foreign law is a matter of fact ... You ask the witness what the law is; he may, from his recollection, or on producing and referring to books, say what it is.' (Lord Campbell concurring in an opinion of Lord Chief Justice Denman in a well-known English case where a witness was called upon to prove the Roman laws of marriage and was permitted to testify, though he referred to a book containing the decrees of the Council of Trent as controlling, Jones on Evidence, Second Edition, Volume 4, pages 3148-3152.) x x x."

We do not dispute the competency of Capt. Oscar Leon Monzon, the Assistant Harbor Master and Chief of Pilots at Puerto Ordaz, Venezuela,[28] to testify on the existence of the Reglamento General de la Ley de Pilotaje (pilotage law of Venezuela)[29] and the Reglamento Para la Zona de Pilotaje N[o]1 del Orinoco (rules governing the navigation of the Orinoco River). Captain Monzon has held the aforementioned posts for eight years.[30] As such he is in charge of designating the pilots for maneuvering and navigating the Orinoco River. He is also in charge of the documents that come into the office of the harbour masters.[31]

Nevertheless, we take note that these written laws were not proven in the manner provided by Section 24 of Rule 132 of the Rules of Court.

The Reglamento General de la Ley de Pilotaje was published in the Gaceta Oficial[32] of the Republic of Venezuela. A photocopy of the Gaceta Oficial was presented in evidence as an official publication of the Republic of Venezuela.

The Reglamento Para la Zona de Pilotaje N[o]1 del Orinoco is published in a book issued by the Ministerio de Comunicaciones of Venezuela.[33] Only a photocopy of the said rules was likewise presented as evidence.

Both of these documents are considered in Philippine jurisprudence to be public documents for they are the written official acts, or records of the official acts of the sovereign authority, official bodies and tribunals, and public officers of Venezuela.[34]

For a copy of a foreign public document to be admissible, the following requisites are mandatory: (1) It must be attested by the officer having legal custody of the records or by his deputy; and (2) It must be accompanied by a certificate by a secretary of the embassy or legation, consul general, consul, vice consular or consular agent or foreign service officer, and with the seal of his office.[35] The latter requirement is not a mere technicality but is intended to justify the giving of full faith and credit to the genuineness of a document in a foreign country.[36]

It is not enough that the Gaceta Oficial, or a book published by the Ministerio de Comunicaciones of Venezuela, was presented as evidence with Captain Monzon attesting it. It is also required by Section 24 of Rule 132 of the Rules of Court that a certificate that Captain Monzon, who attested the documents, is the officer who had legal custody of those records made by a secretary of the embassy or legation, consul general, consul, vice consul or consular agent or by any officer in the foreign service of the Philippines stationed in Venezuela, and authenticated by the seal of his office accompanying the copy of the public document. No such certificate could be found in the records of the case.

With respect to proof of written laws, parol proof is objectionable, for the written law itself is the best evidence. According to the weight of authority, when a foreign statute is involved, the best evidence rule requires that it be proved by a duly authenticated copy of the statute.[37]

At this juncture, we have to point out that the Venezuelan law was not pleaded before the lower court.

A foreign law is considered to be pleaded if there is an allegation in the pleading about the existence of the foreign law, its import and legal consequence on the event or transaction in issue.[38]

A review of the Complaint[39] revealed that it was never alleged or invoked despite the fact that the grounding of the M/V Philippine Roxas occurred within the territorial jurisdiction of Venezuela.

We reiterate that under the rules of private international law, a foreign law must be properly pleaded and proved as a fact. In the absence of pleading and proof, the laws of a foreign country, or state, will be presumed to be the same as our own local or domestic law and this is known as processual presumption.[40]

Having cleared this point, we now proceed to a thorough study of the errors assigned by the petitioner.

Petitioner alleges that there was negligence on the part of the private respondent that would warrant the award of damages.

There being no contractual obligation, the private respondent is obliged to give only the diligence required of a good father of a family in accordance with the provisions of Article 1173 of the New Civil Code, thus:

"Art. 1173. The fault or negligence of the obligor consists in the omission of that diligence which is required by the nature of the obligation and corresponds with the circumstances of the persons, of the time and of the place. When negligence shows bad faith, the provisions of articles 1171 and 2201, paragraph 2, shall apply.

"If the law or contract does not state the diligence which is to be observed in the performance, that which is expected of a good father of a family shall be required."

The diligence of a good father of a family requires only that diligence which an ordinary prudent man would

exercise with regard to his own property. This we have found private respondent to have exercised when the vessel sailed only after the "main engine, machineries, and other auxiliaries" were checked and found to be in good running condition;[41] when the master left a competent officer, the officer on watch on the bridge with a pilot who is experienced in navigating the Orinoco River; when the master ordered the inspection of the vessel's double bottom tanks when the vibrations occurred anew.[42]

The Philippine rules on pilotage, embodied in Philippine Ports Authority Administrative Order No. 03-85, otherwise known as the Rules and Regulations Governing Pilotage Services, the Conduct of Pilots and Pilotage Fees in Philippine Ports enunciate the duties and responsibilities of a master of a vessel and its pilot, among other things.

The pertinent provisions of the said administrative order governing these persons are quoted hereunder:

"Sec. 11. Control of Vessels and Liability for Damage. -- On compulsory pilotage grounds, the Harbor Pilot providing the service to a vessel shall be responsible for the damage caused to a vessel or to life and property at ports due to his negligence or fault. He can be absolved from liability if the accident is caused by force majeure or natural calamities provided he has exercised prudence and extra diligence to prevent or minimize the damage.

"The Master shall retain overall command of the vessel even on pilotage grounds whereby he can countermand or overrule the order or command of the Harbor Pilot on board. In such event, any damage caused to a vessel or to life and property at ports by reason of the fault or negligence of the Master shall be the responsibility and liability of the registered owner of the vessel concerned without prejudice to recourse against said Master.

"Such liability of the owner or Master of the vessel or its pilots shall be determined by competent authority in appropriate proceedings in the light of the facts and circumstances of each particular case.

"x x x

"Sec. 32. Duties and Responsibilities of the Pilots or Pilots' Association. -- The duties and responsibilities of the Harbor Pilot shall be as follows:

"x x x

"f) A pilot shall be held responsible for the direction of a vessel from the time he assumes his work as a pilot thereof until he leaves it anchored or berthed safely; Provided, however, that his responsibility shall cease at the moment the Master neglects or refuses to carry out his order."

The Code of Commerce likewise provides for the obligations expected of a captain of a vessel, to wit:

"Art. 612. The following obligations shall be inherent in the office of captain:

"x x x

"7. To be on deck on reaching land and to take command on entering and leaving ports, canals, roadsteads, and rivers, unless there is a pilot on board discharging his duties. x x x."

The law is very explicit. The master remains the overall commander of the vessel even when there is a pilot on board. He remains in control of the ship as he can still perform the duties conferred upon him by law[43] despite the presence of a pilot who is temporarily in charge of the vessel. It is not required of him to be on the bridge while the vessel is being navigated by a pilot.

However, Section 8 of PPA Administrative Order No. 03-85, provides:

"Sec. 8. Compulsory Pilotage Service - For entering a harbor and anchoring thereat, or passing through rivers

or straits within a pilotage district, as well as docking and undocking at any pier/wharf, or shifting from one berth or another, every vessel engaged in coastwise and foreign trade shall be under compulsory pilotage.

"xxx."

The Orinoco River being a compulsory pilotage channel necessitated the engaging of a pilot who was presumed to be knowledgeable of every shoal, bank, deep and shallow ends of the river. In his deposition, pilot Ezzar Solarzano Vasquez testified that he is an official pilot in the Harbour at Port Ordaz, Venezuela,[44] and that he had been a pilot for twelve (12) years.[45] He also had experience in navigating the waters of the Orinoco River.[46]

The law does provide that the master can countermand or overrule the order or command of the harbor pilot on board. The master of the Philippine Roxas deemed it best not to order him (the pilot) to stop the vessel,[47] mayhap, because the latter had assured him that they were navigating normally before the grounding of the vessel.[48] Moreover, the pilot had admitted that on account of his experience he was very familiar with the configuration of the river as well as the course headings, and that he does not even refer to river charts when navigating the Orinoco River.[49]

Based on these declarations, it comes as no surprise to us that the master chose not to regain control of the ship. Admitting his limited knowledge of the Orinoco River, Captain Colon relied on the knowledge and experience of pilot Vasquez to guide the vessel safely.

"Licensed pilots, enjoying the emoluments of compulsory pilotage, are in a different class from ordinary employees, for they assume to have a skill and a knowledge of navigation in the particular waters over which their licenses extend superior to that of the master; pilots are bound to use due diligence and reasonable care and skill. A pilot's ordinary skill is in proportion to the pilot's responsibilities, and implies a knowledge and observance of the usual rules of navigation, acquaintance with the waters piloted in their ordinary condition, and nautical skill in avoiding all known obstructions. The character of the skill and knowledge required of a pilot in charge of a vessel on the rivers of a country is very different from that which enables a navigator to carry a vessel safely in the ocean. On the ocean, a knowledge of the rules of navigation, with charts that disclose the places of hidden rocks, dangerous shores, or other dangers of the way, are the main elements of a pilot's knowledge and skill. But the pilot of a river vessel, like the harbor pilot, is selected for the individual's personal knowledge of the topography through which the vessel is steered." [50]

We find that the grounding of the vessel is attributable to the pilot. When the vibrations were first felt the watch officer asked him what was going on, and pilot Vasquez replied that "(they) were in the middle of the channel and that the vibration was as (sic) a result of the shallowness of the channel." [51]

Pilot Ezzar Solarzano Vasquez was assigned to pilot the vessel Philippine Roxas as well as other vessels on the Orinoco River due to his knowledge of the same. In his experience as a pilot, he should have been aware of the portions which are shallow and which are not. His failure to determine the depth of the said river and his decision to plod on his set course, in all probability, caused damage to the vessel. Thus, we hold him as negligent and liable for its grounding.

In the case of *Homer Ramsdell Transportation Company vs. La Compagnie Generale Transatlantique*, 182 U.S. 406, it was held that:

"x x x The master of a ship, and the owner also, is liable for any injury done by the negligence of the crew employed in the ship. The same doctrine will apply to the case of a pilot employed by the master or owner, by whose negligence any injury happens to a third person or his property: as, for example, by a collision with another ship, occasioned by his negligence. And it will make no difference in the case that the pilot, if any is

employed, is required to be a licensed pilot; provided the master is at liberty to take a pilot, or not, at his pleasure, for in such a case the master acts voluntarily, although he is necessarily required to select from a particular class. On the other hand, if it is compulsive upon the master to take a pilot, and, a fortiori, if he is bound to do so under penalty, then, and in such case, neither he nor the owner will be liable for injuries occasioned by the negligence of the pilot; for in such a case the pilot cannot be deemed properly the servant of the master or the owner, but is forced upon them, and the maxim *Qui facit per alium facit per se* does not apply." (Underscoring supplied)

Anent the river passage plan, we find that, while there was none,[52] the voyage has been sufficiently planned and monitored as shown by the following actions undertaken by the pilot, Ezzar Solarzano Vasquez, to wit: contacting the radio marina via VHF for information regarding the channel, river traffic,[53] soundings of the river, depth of the river, bulletin on the buoys.[54] The officer on watch also monitored the voyage.[55]

We, therefore, do not find the absence of a river passage plan to be the cause for the grounding of the vessel.

The doctrine of *res ipsa loquitur* does not apply to the case at bar because the circumstances surrounding the injury do not clearly indicate negligence on the part of the private respondent. For the said doctrine to apply, the following conditions must be met: (1) the accident was of such character as to warrant an inference that it would not have happened except for defendant's negligence; (2) the accident must have been caused by an agency or instrumentality within the exclusive management or control of the person charged with the negligence complained of; and (3) the accident must not have been due to any voluntary action or contribution on the part of the person injured.[56]

As has already been held above, there was a temporary shift of control over the ship from the master of the vessel to the pilot on a compulsory pilotage channel. Thus, two of the requisites necessary for the doctrine to apply, i.e., negligence and control, to render the respondent liable, are absent.

As to the claim that the ship was unseaworthy, we hold that it is not.

The Lloyd's Register of Shipping confirmed the vessel's seaworthiness in a Confirmation of Class issued on February 16, 1988 by finding that "the above named ship (Philippine Roxas) maintained the class "+100A1 Strengthened for Ore Cargoes, Nos. 2 and 8 Holds may be empty (CC) and +LMC" from 31/12/87 up until the time of casualty on or about 12/2/88." [57] The same would not have been issued had not the vessel been built according to the standards set by Lloyd's.

Samuel Lim, a marine surveyor, at Lloyd's Register of Shipping testified thus:

"Q

Now, in your opinion, as a surveyor, did top side tank have any bearing at all to the seaworthiness of the vessel?

"A

Well, judging on this particular vessel, and also basing on the class record of the vessel, wherein recommendations were made on the top side tank, and it was given sufficient time to be repaired, it means that the vessel is fit to travel even with those defects on the ship.

"COURT

What do you mean by that? You explain. The vessel is fit to travel even with defects? Is that what you mean? Explain.

"WITNESS

"A

Yes, your Honor. Because the class society which register (sic) is the third party looking into the condition of the vessel and as far as their record states, the vessel was class or maintained, and she is fit to travel during that voyage."

"x x x

"ATTY. MISA

Before we proceed to other matter, will you kindly tell us what is (sic) the 'class +100A1 Strengthened for Ore Cargoes', mean?

"WITNESS

"A

Plus 100A1 means that the vessel was built according to Lloyd's rules and she is capable of carrying ore bulk cargoes, but she is particularly capable of carrying Ore Cargoes with No. 2 and No. 8 holds empty.

"x x x

"COURT

The vessel is classed, meaning?

"A

Meaning she is fit to travel, your Honor, or seaworthy."[58]

It is not required that the vessel must be perfect. To be seaworthy, a ship must be reasonably fit to perform the services, and to encounter the ordinary perils of the voyage, contemplated by the parties to the policy.[59]

As further evidence that the vessel was seaworthy, we quote the deposition of pilot Vasquez:

"Q

Was there any instance when your orders or directions were not complied with because of the inability of the vessel to do so?

"A

No.

"Q.

Was the vessel able to respond to all your commands and orders?

"A.

The vessel was navigating normally."[60]

Eduardo P. Mata, Second Engineer of the Philippine Roxas submitted an accident report wherein he stated that on February 11, 1988, he checked and prepared the main engine, machineries and all other auxiliaries and found them all to be in good running condition and ready for maneuvering. That same day the main engine, bridge and engine telegraph and steering gear motor were also tested.[61] Engineer Mata also prepared the fuel for consumption for maneuvering and checked the engine generators.[62]

Finally, we find the award of attorney's fee justified.

Article 2208 of the New Civil Code provides that:

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

"x x x

"(11) In any other case where the court deems it just and equitable that attorney's fees and expenses of litigation should be recovered.

"x x x"

Due to the unfounded filing of this case, the private respondent was unjustifiably forced to litigate, thus the award of attorney's fees was proper.

WHEREFORE, IN VIEW OF THE FOREGOING, the petition is DENIED and the decision of the Court of Appeals in CA G.R. CV No. 36821 is AFFIRMED.

SO ORDERED.

Bellosillo, (Chairman), Mendoza, Quisumbing, and De leon, Jr., JJ., concur.

[1] vide Exhibit "FF" (Deposition upon Oral Examination of Oscar Leon Monzon, June 14, 1990), p. 9; Exhibit "EE" (Deposition upon Oral Examination of Ezzar del Valle Solarzano Vasquez, June 13, 1990), p. 47.

[2] Exhibit "EE," p. 9.

[3] Ibid., p. 9.

[4] Ibid., p. 13.

[5] Ibid., p. 9.

[6] Ibid., p. 13.

[7] Ibid., p. 13.

[8] Ibid., p. 14.

[9] Ibid., p. 18; Exhibit "E-1."

[10] Ibid., p. 21.

[11] Ibid., p. 22.

[12] Ibid., p. 22; Exhibit "E-2."

[13] Ibid., p. 22.

[14] Ibid., p. 26.

[15] Exhibit "E-2."

[16] Exhibit "EE", p. 29; Exhibit "E-1."

[17] Original Records, p. 209.

[18] Ibid., pp. 639-640.

- [19] Ibid., p. 1029.
- [20] Annex "A"; Rollo, p 75.
- [21] Ibid., p. 85.
- [22] Annex "C"; Ibid., p. 89.
- [23] Annex "B"; Ibid., p. 86.
- [24] Zalamea vs. Court of Appeals, 228 SCRA 23 [1993] citing The Collector of Internal Revenue vs. Fisher and Fisher vs. The Collector of Internal Revenue, 110 Phil. 686 [1961]; Yao Kee vs. Sy- Gonzales, 167 SCRA 736 [1988]; vide Sy Joc Lieng vs. Sy Quia, 16 Phil. 137, Yam Ka Lim vs. Collector of Customs, 30 Phil. 46, In re Estate of Johnson, 39 Phil. 156, Fluemer vs. Hix, 54 Phil. 610.
- [25] Vicente J. Francisco, The Revised Rules of Court in the Philippines, Volume VII, Part I, 1997 ed., p. 626 citing Secs. 36 and 49, Rule 130, Rules of Court, as amended.
- [26] Yao Kee vs. Sy-Gonzales, supra, pp. 744-745.
- [27] 61 Phil. 471, 475.
- [28] Exhibit "FF", p. 9.
- [29] Ibid., p. 39.
- [30] Exhibit "FF", p. 9.
- [31] Ibid., p. 9.
- [32] Exhibit "V."
- [33] Exhibit "W."
- [34] Section 19, Rule 132 of the Rules of court, as amended.
- [35] Section 24, Rule 132 of the Rules of Court, as amended.
- [36] Valencia vs. Lopez, (CA), 65 OG 9959.
- [37] Vicente J. Francisco, The Revised Rules of Court in the Philippines, Volume VII, Part II, 1997 ed., p. 365, citing 20 Am. Jur. 371-372.
- [38] Jovito R. Salonga, Private International Law, p. 82.
- [39] Original Records, p. 1.
- [40] Yao Kee vs. Sy-Gonzales, supra; In re: Testate Estate of Suntay, 95 Phil. 500, 510-511; Miciano vs. Brimo, 50 Phil. 867; Lim and Lim vs. Collector of Customs, 36 Phil. 472.
- [41] Exhibit "E-4."
- [42] Exhibit "E-2."
- [43] Article 612 of the Code of Commerce.
- [44] Exhibit "EE", p. 8.
- [45] Ibid., p. 8.

- [46] Ibid., p. 8.
- [47] Ibid., p. 26.
- [48] Ibid., pp. 52 and 58.
- [49] Ibid., p. 33.
- [50] 70 Am Jur 2d, Shipping Sec. 290.
- [51] Exhibit "EE", p. 14.
- [52] Comment to Petition for Review on Certiorari, p. 21; Rollo, p. 283.
- [53] Exhibit "EE", pp. 10-11.
- [54] Ibid., p. 12.
- [55] vide Exhibit "E-2."
- [56] 57B Am Jur 2d, Negligence, Sec. 1848.
- [57] Exhibit "3."
- [58] T.S.N. dated March 14, 1991, pp. 26-27, 36, and 75.
- [59] Section 107, Act 2427 (The Insurance Act).
- [60] Exhibit "EE", p. 48.
- [61] Exhibit "E-4."
- [62] T.S.N. dated December 7, 1990, p. 8.

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.