

**THE INSULAR LIFE ASSURANCE COMPANY, LTD., PETITIONER, V.S.
TOYOTA BEL-AIR, INC., RESPONDENT.**

G.R. NO. 137884. March 28, 2008

Ponente: AUSTRIA-MARTINEZ, J.

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AUSTRIA-MARTINEZ, J.:

Before the Court is a Petition for Review on Certiorari under Rule 45 of the Rules of Court, assailing the Decision[1] dated September 30, 1998 of the Regional Trial Court (RTC), Branch 148, Makati City in Civil Case No. 98-2075 which nullified the Writ of Execution dated August 12, 1998 issued by the Metropolitan Trial Court (MeTC), Branch 63, Makati City in Civil

Case No. 59089, and the RTC Order[2] dated March 5, 1999 denying the Motion for Reconsideration.

The principal issue raised in the present petition pertains to the propriety of the decision of the RTC in declaring as void the writ of execution issued by the MeTC and in ordering the consignment of rentals. Being pure questions of law, direct resort to this Court is proper under Section 2(c), Rule 41 of the Rules of Court.

The factual antecedents of the case are as follows:

Toyota Bel-Air, Inc. (Toyota) entered into a Contract of Lease[3] over a 3,700-square meter lot and building owned by Insular Life Assurance Company, Ltd. (Insular Life) in Pasong Tamo Street, Makati City, for a five-year period, from April 16, 1992 to April 15, 1997. Upon expiration of the lease, Toyota remained in possession of the property. Despite repeated demands, Toyota refused to vacate the property. Thus, on January 28, 1998, Insular Life filed a Complaint[4] for unlawful detainer against Toyota in the MeTC.

On July 3, 1998, MeTC rendered a Decision,[5] the dispositive portion of which reads:

WHEREFORE, judgment is hereby rendered in favor of [Insular Life] and against [Toyota]. The Court hereby orders [Toyota]:

- and all persons claiming possession of the premises through [Toyota], to vacate the leased properties and return possession thereof to [Insular Life];
- to pay reasonable compensation at the rate of P585,640.00 a month until possession of the subject premises is surrendered to the [Insular Life].
- to pay attorney's fees in the sum of P50,000.00;
- to pay expenses of litigation in the amount of P20,000.00;
- to pay the costs of the suit.

SO ORDERED.[6] (Emphasis supplied).

On July 23, 1998, Insular Life filed a Motion for Execution[7] of the decision. Toyota, on the other hand, filed a

Notice of Appeal[8] of the decision. Subsequently, Insular Life filed a Notice of Partial Appeal[9] of the decision insofar as the issue of monthly compensation was concerned. Both parties, however, later filed separate motions to withdraw their respective appeals.[10]

On August 12, 1998, the MeTC issued an Order approving the withdrawal of notice of appeal of both parties. It also issued a Writ of Execution,[11] on the following premise:

WHEREAS, in a certain action for "EJECTMENT" of the following described premises, to wit: a parcel of Land and Building located at Pasong Tamo, Makati City under TCT No. 64737 of the Registry of Deeds of Rizal, x x x judgment was rendered on the 3[rd] day of July, 1998 that [Insular Life] and all persons claiming under him/her/them have restitution of the premises and also that he/she/they recover the sum of P585,640.00 a month from April 15, 1997 until possession of the subject premises is surrendered to plaintiff; to recover the sum of P50,000.00 as and for attorney's fees; P20,000.00 as expenses of litigation and costs of suit.[12] x x x (Emphasis supplied)

Subsequently, the Deputy Sheriff of the MeTC executed the writ by levying on Toyota's personal and real properties, and garnishing its bank accounts. He scheduled the auction of the levied properties on August 28, 1998.

On August 24, 1998, Toyota filed a Petition for Certiorari[13] with prayer for injunctive relief in the RTC. It charged the MeTC with grave abuse of discretion in issuing the Writ of Execution since the writ amended the dispositive portion of the decision it sought to execute by giving retroactive effect to the payment of reasonable compensation of P585,640.00 by the inclusion of the phrase "from April 15, 1997."

On August 27, 1998, the RTC issued a temporary restraining order (TRO) enjoining the auction sale of Toyota's levied properties.[14]

On August 28, 1998, Insular Life filed with the MeTC a Motion to Clarify Decision Dated July 3, 1998[15] praying that the court issue an order clarifying the dispositive portion of the Decision dated July 3, 1998.

On September 14, 1998, the MeTC issued an Order,[16] clarifying paragraph 2 of the dispositive portion of the Decision dated July 3, 1998 to read as: "2. to pay reasonable compensation in the amount of P585,640.00 as of April 15, 1997 until possession of the subject premises is surrendered to plaintiff." [17]

On September 25, 1998, Toyota filed with the RTC a Motion to Consignate P1,171,280.00 in favor of Insular Life and to submit the case for decision.[18] The amount of P1,171,280.00 represented the reasonable compensation for the months of July and August 1998.

Five days later, or on September 30, 1998, the RTC rendered the herein assailed Decision,[19] holding that the MeTC acted with grave abuse of discretion in issuing the Writ of Execution dated August 12, 1998 by giving retroactive effect to the reasonable compensation judgment of P585,640.00 by inserting the date "April 15, 1997" which was not provided for in the dispositive portion of the MeTC Decision; that the clarificatory order issued by the MeTC did not cure the ambiguity in the decision since it omitted the phrase "a month" as originally stated in the Decision; that considering the Writ of Execution is void, the levy effected by the Sheriff is also void; and that consignment of rentals is proper since Toyota has been in possession of the property since July 3, 1998.

On October 13, 1998, Insular Life filed a Motion for Reconsideration[20] of the RTC Decision. On the same day, it filed with the MeTC a Second Motion to Clarify Decision Dated July 3, 1998.[21]

On October 28, 1998, the MeTC issued its second clarificatory order to correct paragraph 2 of the dispositive portion of the Decision dated July 3, 1998 to read as: "2. [t]o pay reasonable compensation at the rate of P585,640.00 a month as of April 15, 1997 until possession of the subject premises is surrendered to the

plaintiff."[22]

On March 5, 1999, the RTC issued an Order[23] denying Insular Life's motion for reconsideration.

On April 19, 1999, Insular Life then filed herein Petition for Review on Certiorari[24] with this Court anchored on the following grounds:

I

THE RTC COMMITTED A GRAVE ABUSE OF DISCRETION TANTAMOUNT TO LACK OR IN EXCESS OF ITS JURISDICTION IN VOIDING THE WRIT OF EXECUTION ISSUED BY THE MTC.

i. THE WRIT OF EXECUTION IS IN HARMONY WITH THE INTENT, SPIRIT AND TERMS OF THE MTC'S DECISION DATED JULY 3, 1998.

ii. THE WRIT OF EXECUTION IS VALID AND ENFORCEABLE.

iii. THE RTC SANCTIONED TBA'S CRAFTY CIRCUMVENTION OF THE RULES.

II

ASSUMING ARGUENDO THAT THE MTC EXCEEDED ITS JURISDICTION IN ORDERING IN THE WRIT OF EXECUTION THAT THE REASONABLE COMPENSATION BE COMPUTED FROM APRIL 15, 1997, STILL, THE RTC COMMITTED A GRAVE ABUSE OF DISCRETION TANTAMOUNT TO LACK OR IN EXCESS OF ITS JURISDICTION IN VOIDING THE ENTIRE WRIT OF EXECUTION.

III

THE RTC COMMITTED A GRAVE ABUSE OF DISCRETION TANTAMOUNT TO LACK OR IN EXCESS OF ITS JURISDICTION IN ORDERING IN THE CERTIORARI PROCEEDING A QUO THE CONSIGNATION OF RENTALS.

IV

THE RTC COMMITTED A GRAVE ABUSE OF DISCRETION TANTAMOUNT TO LACK OR IN EXCESS OF ITS JURISDICTION IN NOT DISMISSING THE CERTIORARI PETITION A QUO FOR TBA (PETITIONER BELOW) HAD A PLAIN, SPEEDY AND ADEQUATE REMEDY IN THE COURSE OF LAW AND DID NOT AVAIL OF THE SAME.[25]

Insular Life contends that the case falls within the recognized exceptions to the rule that only the dispositive portion of the decision controls the execution of judgment; that the pleadings, findings of fact and conclusion of law expressed in the text of the MeTC's Decision dated July 13, 1998 should be resorted to, to clarify the ambiguity in the dispositive portion of the decision; that the intent to order payment of rent as reasonable compensation from April 15, 1997, when possession became unlawful, can be inferred from the text of the decision; that the RTC should not have nullified the entire Writ of Execution since only the matter of reasonable compensation from April 15, 1997 was at issue; that consignment of rentals was improper since the office of a writ of certiorari is to correct defects in jurisdiction solely and the legal requisites for a valid consignment were not present; and that Toyota failed to resort to available remedies before availing itself of the extraordinary remedy of certiorari. On the matter of the compromise agreement, Insular Life reiterated that the agreement was a conditional compromise agreement which was voided for Toyota's failure to comply with the conditions.[26]

Toyota claims that the parties had entered into a Compromise Agreement dated May 7, 1999 whereby Toyota was

obligated to pay Insular Life P8 million under the following terms and conditions: (a) the delivery of 3 Toyota vehicles worth P1.5 million; (b) the issuance of 12 postdated corporate checks to answer for the balance of P6.5 million in 12 monthly installments; and (c) the posting of a surety bond which shall guarantee payment of installments.[27] Toyota insists that the Compromise Agreement dated May 7, 1999 should be given effect considering that the preconditions contained in the Compromise Agreement were complied with, or at the very least substantially complied with;[28] and prayed that the case should be remanded to the lower court for the purpose of approving the Compromise Agreement dated May 7, 1999.[29]

In a Resolution dated August 8, 2001, the Court remanded the case to the RTC for further proceedings to determine whether Toyota had complied with the conditions contained in the Compromise Agreement dated May 7, 1999 and thereafter elevate its findings and records thereof to the Court.[30]

In its Compliance[31] dated March 24, 2003, the RTC found that Toyota failed to comply with conditions in the Compromise Agreement dated May 7, 1999 relating to the issuance of the 12 postdated corporate checks and the posting of a surety bond; that the postdated checks were not accepted since they were drawn from Toyota's garnished Metrobank account; that the checks could have been encashed had Insular Life lifted the garnishment; that the surety bond was rejected for not having been issued by a surety company that is among Insular Life's list of acceptable surety companies; that as substitute collateral, Toyota offered a Bukidnon real property but Insular Life turned it down since the owner's duplicate of title could not be found and the property was not owned by Toyota but by three corporations; that a subsequent reconstitution of the title and the authorization by the three co-owner corporations to mortgage the Bukidnon real property and to use it to stand as security for the postdated checks failed to entice Insular Life to accept the proposal; and that Toyota acted in good faith in dealing with Insular Life when it tried to comply with the conditions in the Compromise Agreement.

By Resolution[32] dated August 27, 2003, the Court required both parties to submit supplemental memoranda, taking into account the Compliance dated March 24, 2003 of the RTC.

In its Supplemental Memorandum,[33] Insular Life maintains that Toyota failed to comply with the conditions relating to the postdated checks and the surety bond; that the garnishment of Toyota's bank accounts was a known fact; that it would have been absolutely foolhardy for Insular Life to cause the immediate lifting of the garnishment upon Toyota's mere delivery to it of the postdated checks; that the lifting of the garnishment is one of the

consequences once all the conditions of the compromise are met; that Toyota admitted in a Letter dated May 21, 1999 to Insular Life its inability to comply with the surety bond requirement; that Toyota's good faith is immaterial; that Toyota cannot claim substantial compliance since it failed to comply with the conditions of the Compromise Agreement.

On the other hand, in its Supplemental Memorandum,[34] Toyota submits that it substantially complied with the terms of the Compromise Agreement since the compromised amount was reduced from P8 million to P6.5 million upon delivery of the three Toyota vehicles worth P1.5 million; that it could have complied with the requirement of the delivery of 12 postdated checks had Insular Life lifted the garnishment on Toyota's bank accounts effected by virtue of the Writ of Execution dated August 12, 1998; that since the Writ of Execution was voided by the RTC, the garnishment was also nullified; and that Insular Life's unjustified refusal to give due course to the postdated checks, by not lifting the garnishment, prevented said checks from being encashed.

It is necessary to resolve the matter involving the efficacy of the Compromise Agreement between the parties before the merits of the petition can be discussed.

Jurisprudence teaches us that when a contract is subject to a suspensive condition, its birth or effectivity can take place only if and when the event which constitutes the condition happens or is fulfilled,[35] and if the suspensive condition does not take place, the parties would stand as if the conditional obligation has never existed.[36]

In this case, the Compromise Agreement clearly stipulates that it shall become valid and binding only upon the occurrence of all the conditions in the agreement, to wit:

2. This Agreement when signed by the parties shall take effect and shall become valid and binding only upon the occurrence of all of the following based on a certification or acknowledgment certified and issued by INSULAR LIFE

2.1 transfer of ownership and delivery of the aforementioned three (3) motor vehicles in favor of INSULAR LIFE in accordance with the provisions of Section 1.1. hereof;

2.2. TBA's execution, issuance and delivery of twelve (12) post-dated TBA corporate checks signed by ROBERT L. YUPANGCO in favor of INSULAR LIFE in accordance with the provisions of this Agreement;

2.3. the issuance of the Surety Company and delivery of the Bond in the amount of PESOS: SIX MILLION FIVE HUNDRED THOUSAND (P6,500,000.00) to and in favor of INSULAR LIFE under this Agreement.[37] x x x (Emphasis supplied)

Thus, the issuance of 12 postdated checks and the posting of a surety bond are positive suspensive conditions of the Compromise Agreement, the non-compliance with which was not a breach, casual or serious, but a situation that prevented the obligation under the Compromise Agreement from acquiring obligatory force. For its non-fulfillment, there was no contract or agreement to speak of, Toyota having failed to comply or perform the suspensive conditions which enforce a juridical relation.[38] Since Toyota was unable to comply with the last two conditions of the agreement, which were suspensive conditions, Insular Life cannot be compelled to comply with its obligation to end the present litigation. No right in favor of Toyota arose and no obligation on the part of Insular Life was created.[39]

Toyota faults Insular Life for its failure to comply with the requirements of the Compromise Agreement because Insular Life refused to accept checks from Toyota's garnished account. However, Insular Life should not be blamed for this. It would be imprudent and foolhardy on Insular Life's part to lift the garnishment on Toyota's bank accounts. The garnishment was one of the effects of the issuance of the Writ of Execution, and while the RTC nullified the Writ of Execution, its decision on the matter is not yet final as it is, in fact, subject of the present petition.

Besides, even if Insular Life accepted the postdated checks, Toyota still failed to comply with the requirement of posting of a surety bond from Insular Life's list of acceptable sureties which would guarantee the payment of installments. Even the substitute collateral proposed by Toyota was not accepted by Insular Life. Since the conditions of the Compromise Agreement were not met or fulfilled by Toyota, the parties stand as if no agreement to end the litigation was reached.

And now on the merits of the petition.

The Court finds the petition impressed with merit for the following reasons:

First, the RTC erred in giving due course to Toyota's petition for certiorari. The filing of the petition for certiorari was premature and unwarranted. The cardinal rule is that before a petition for certiorari can be brought against an order of the lower court, all remedies available in that court must first be exhausted. Thus, for the special civil action for certiorari to prosper, there must be "no appeal nor any plain, speedy and adequate remedy in the ordinary course of law." [40] The court must be given sufficient opportunity to correct the error it may have

committed. The reason for this rule is that issues, which courts of first instance are bound to decide, should not be taken summarily from them and submitted to an appellate court, without first giving the lower courts an opportunity to dispose of the same with due deliberation.[41]

While there are exceptions to the rule, such as where the order complained of is void for being violative of due process; or there are special circumstances which warrant immediate and more direct action; or the lower court has taken an unreasonably long time to resolve the motions before it and a further delay would prejudice the party concerned; or the motion will raise the same point which has already been squarely stated before the court; or the proceeding in which the order occurred is a patent nullity, as the court acted without jurisdiction, Toyota failed to show that any of the exceptions apply. Toyota may not arrogate to itself the determination of whether recourse to an available remedy is necessary or not.[42] In the instant case, it appears that Toyota had adequate remedies under the law. It could have filed with the MeTC a motion to quash the writ of execution or a motion to clarify the dispositive portion of the decision. There is no showing that either motion would not be a prompt and adequate remedy, or that there was such urgent necessity for relief that only recourse to certiorari was proper.

Second, while the general rule is that the portion of a decision that becomes the subject of execution is that ordained or decreed in the dispositive part thereof, there are recognized exceptions to this rule: (a).where there is ambiguity or uncertainty, the body of the opinion may be referred to for purposes of construing the judgment, because the dispositive part of a decision must find support from the decision's ratio decidendi;[43] and (b).where extensive and explicit discussion and settlement of the issue is found in the body of the decision.[44]

Considering the circumstances of the instant case, the Court finds that the exception to the general rule applies to the instant case. The RTC should have referred to the body of the decision for purposes of construing the reasonable compensation judgment, because the dispositive part of a decision must find support from the decision's ratio decidendi. Findings of the court are to be considered in the interpretation of the dispositive portion of the judgment.[45]

Indeed, to grasp and delve into the true intent and meaning of a decision, no specific portion thereof should be resorted to - the decision must be considered in its entirety.[46] The Court may resort to the pleadings of the parties, its findings of fact and conclusions of law as expressed in the body of the decision to clarify any ambiguities caused by any inadvertent omission or mistake in the dispositive portion thereof.[47]

In *Reinsurance Company of the Orient, Inc. v. Court of Appeals*,[48] the Court held:

In *Republic Surety and Insurance Company, Inc. v. Intermediate Appellate Court*, the Court applying the above doctrine said:

x x x We clarify, in other words, what we did affirm. What is involved here is not what is ordinarily regarded as a clerical error in the dispositive part of the decision of the Court of First Instance, which type of error is perhaps best typified by an error in arithmetical computation. At the same time, what is involved here is not a correction of an erroneous judgment or dispositive portion of a judgment. What we believe is involved here is in the nature of an inadvertent omission on the part of the Court of First Instance (which should have been noticed by private respondent's counsel who had prepared the complaint), of what might be described as a logical follow-through of something set forth both in the body of the decision and in the dispositive portion thereof: the inevitable follow-through, or translation into, operational or behavioral terms, of the annulment of the Deed of Sale with Assumption of Mortgage, from which petitioners' title or claim of title embodied in TCT 133153 flow.[49] (Emphasis supplied)

In the present case, the omission of the award of payment of rental from April 15, 1997 was obviously through mere inadvertence. The pleadings, findings of fact and conclusions of law of the MeTC bear out that upon the

termination of the lease on April 15, 1997, Toyota's possession of the property became unlawful; thus, from that date, payment of rents must be reckoned. The importance of April 15, 1997 as termination date of the lease was emphasized by the MeTC in the body of its Decision, thus:

The claim of [Toyota] that notice to vacate was made on them only on December 9, 1997 is belied by Exhibits C, D, E and F which are attached to the affidavit of Januario Flores, the Asst. Vice-President of [Insular Life]. These exhibits are letters written by Asst. Vice-President Flores to Mr. Isidro Laforteza Vice-President of [Toyota] dated March 1, 1994, March 4, 1996, March 3, 1997 and April 14, 1997, respectively. These letters show that as early as 1994, [Insular Life] had already informed [Toyota] of its intention to take back possession of the leased premises by not renewing the lease contract upon its expiration on April 15, 1997. Hence the continued possession of [Toyota] after the expiration of the lease contract did not bear the acquiescence of [Insular Life]. In fact, [Toyota] was informed by [Insular Life] to vacate the leased premises on or before April 30, 1997 (Exh. "F" to the affidavit of Mr. Flores).

The existence of Exh. "F" negates that an implied lease was established between [Insular Life] and [Toyota]. It is now apparent that [Toyota] is unlawfully withholding possession of the leased premises.

x x x x

[Toyota], having enjoyed the use and possession of the leased property over the objection of [Insular Life] x x x [Insular Life] is entitled to reasonable compensation of Five Hundred Eighty Five Thousand Six Hundred Forty Pesos (P585,640.00) a month until possession thereof is returned to [Insular Life] which amount is double the amount of the last monthly rental paid by [Toyota] to [Insular Life].[50] x x x (Emphasis supplied).

Third, the RTC erred in granting Toyota's motion for consignation. It was precipitate and unauthorized. It is basic that certiorari under Rule 65 is a remedy narrow in scope and inflexible in character. It is not a general utility tool in the legal workshop.[51] It offers only a limited form of review. Its principal function is to keep an inferior tribunal within its jurisdiction.[52] It can be invoked only for an error of jurisdiction, that is, one in which the act complained of was issued by the court, officer or a quasi-judicial body without or in excess of jurisdiction, or with grave abuse of discretion which was tantamount to lack or excess of jurisdiction;[53] it is not to be used for any other purpose,[54] such as to cure errors in proceedings or to correct erroneous conclusions of law or fact.[55]

The only issue involved in the RTC was whether the writ of execution issued by the MeTC was issued in excess of jurisdiction.

The determination of the propriety of consignation as ordered by the RTC is a factual matter which by the weight of judicial precedents cannot be inquired into by the RTC in a petition for certiorari. The sole office of the writ of certiorari is the correction of errors of jurisdiction including the commission of grave abuse of discretion amounting to lack or excess of jurisdiction.

Nevertheless, in the interest of prompt disposition of the present case, the Court opts to resolve the question whether consignation is proper under the undisputed circumstances.

Consignation is the act of depositing the thing due with the court or judicial authorities whenever the creditor cannot accept or refuses to accept payment and it generally requires a prior tender of payment.[56] In order that consignation may be effective, the debtor must show that: (1) there was a debt due; (2) the consignation of the obligation was made because the creditor to whom tender of payment had been made refused to accept it or was absent or incapacitated, or because several persons claimed to be entitled to receive the amount due, or because the title to the obligation was lost; (3) previous notice of the consignation was given to the person interested in the performance of the obligation; (4) the amount due was placed at the disposal of the court; and (5) after the consignation had been made, the person interested was notified thereof.[57] Failure in any of these requirements

is enough ground to render a consignment ineffective.

In the present case, Toyota failed to allege (2) and (3) above, much less prove that any of the requirements was present. The mere fact that Toyota had been in possession of the property since July 3, 1998, when the MeTC Decision was promulgated, is not a sufficient justification to grant the motion to consign the rents due.

Finally, the Court cannot help but call the RTC's attention to the prejudice it has wittingly or unwittingly caused Insular Life by voiding the entire writ of execution when what was assailed was simply the inclusion of the phrase "from April 15, 1997" in the reasonable compensation judgment of the MeTC. The order for Toyota to vacate the lease properties and return possession thereof to Insular Life, and pay attorney's fees and litigation expenses was not assailed and should have been enforced.

The factual milieu of the present case demonstrates eloquently that Toyota misused all known technicalities and remedies to prolong the proceedings in a simple ejectment case. The equitable remedy provided by the summary nature of ejectment proceedings has been frustrated by Toyota to the great prejudice of Insular Life and the time of this Court.

Ironically, the precipitate action of the RTC in giving due course to Toyota's petition for certiorari prolonged the litigation and unnecessarily delayed the case, in the process causing the very evil it apparently sought to avoid. Instead of unclogging dockets, it has actually increased the work load of the justice system as a whole. Such action does not inspire public confidence in the administration of justice.

WHEREFORE, the petition is hereby GRANTED. The Decision dated September 30, 1998 and Order dated March 5, 1999 of the Regional Trial Court, Branch 148, Makati City are REVERSED and SET ASIDE. The Writ of Execution dated August 12, 1998 as clarified in the Order dated October 28, 1998 of the Metropolitan Trial Court, Branch 63, Makati, is declared VALID.

Double costs against petitioner.

SO ORDERED.

Tinga, Chico-Nazario, Nachura and Reyes., JJ., concur.

* In lieu of Justice Consuelo Ynares-Santiago, per Special Order No. 497, dated March 14, 2008.

[1] Penned by Judge Oscar B. Pimentel, rollo, p. 215.

[2] Rollo, p. 267.

[3]Id. at 51.

[4]Id. at 46.

[5]Id. at 104.

[6]Id. at 108.

[7]Id. at 109.

[8]Id. at 111.

[9]Id. at 114.

[10]Id. at 115, 119.

[11]Id. at 123.

[12]Id.

[13]Id. at 124.

[14]Id. at 153.

[15]Id. at 177.

[16]Id. at 205.

[17]Id. at 209.

[18]Id. at 210.

[19]Id. at 215.

[20]Id. at 229.

[21]Id. at 221.

[22]Id. at 228.

[23]Id. at 267.

[24]Id. at 7.

[25]Id. at 17-18.

[26]Memorandum of Petitioner, rollo, p. 351.

[27]Manifestation and Motion, id. at 276-277.

[28]Explanation with Supplemental Memorandum, id. at 412.

[29]Manifestation and Motion, id. at 398.

[30]Id. at 446.

[31]Id. at 472.

[32]Id. at 487.

[33]Id. at 523.

[34]Id. at 495.

[35]Insular Life Assurance Co., Ltd. v. Young, 424 Phil. 675, 694 (2002); Heirs of Spouses Sandejas v. Lina, 403 Phil. 926, 940 (2001); Mortel v. Kassco, Inc., 401 Phil. 580, 587 (2000); Cheng v. Genato, 360 Phil. 891, 904-905 (1998).

[36]Insular Life Assurance Co., Ltd. v. Young, *supra* note 35; Mortel v. Kassco, Inc., *supra* note 35; Cheng v. Genato, *supra* note 35.

[37]Rollo, p. 427.

[38]See Sacobia Hills Development Corporation v. Ty, G.R. No. 165889, September 20, 2005, 470 SCRA 395, 403-404; Rayos v. Court of Appeals, G.R. No. 135528, July 14, 2004, 434 SCRA 365, 379; Lacanilao v. Court of

Appeals, 330 Phil. 1074, 1080 (1996).

[39]Insular Life Assurance Company, Ltd. v. Young, *supra* note 35; Agcaoili v. Government Service Insurance System, G.R. No. L-30056, August 30, 1988, 165 SCRA 1, 7; Boysaw v. Interphil Promotions, Inc. G.R. No. L-22590, March 20, 1987, 148 SCRA 635, 643; Rodriguez v. Belgica, 111 Phil. 200, 204 (1961).

[40]Rules of Court, Rule 65, Sec. 1.

[41]Cochingyan, Jr. v. Judge Cloribel, 167 Phil. 106, 133 (1977).

[42]See Flores v. Sangguniang Panlalawigan of Pampanga, G.R. No. 159022, February 23, 2005, 452 SCRA 278, 282; Metro Transit Organization, Inc. v. Court of Appeals, 440 Phil. 743, 752 (2002).

[43]Ong Ching Kian Chung v. China National Cereals Oil and Foodstuffs Import and Export Corp., 388 Phil. 1064, 1077 (2000); Mutual Security Insurance Corp. v. Court of Appeals, G.R. No. L-47018, September 11, 1987, 153 SCRA 678, 684; Pastor, Jr. v. Court of Appeals, 207 Phil. 758, 767 (1983); Heirs of Presto v. Galang, 168 Phil. 689, 692 (1977).

[44]Ong Ching Kian Chung v. China National Cereals Oil and Foodstuffs Import and Export Corp., *supra* note 43; Auyong Hian (Hong Whua Hang) v. Court of Tax Appeals, 158 Phil. 123, 135 (1974); Millare v. Millare, 106 Phil. 293, 298-299 (1959).

[45]Ong Ching Kian Chung v. China National Cereals Oil and Foodstuffs Import and Export Corp., *supra* note 43; Aguirre v. Aguirre, 157 Phil. 449, 455 (1974).

[46]Telefunken Semiconductors Employees Union v. Court of Appeals, 401 Phil. 776, 800 (2000); Valderrama v. National Labor Relations Commission, 326 Phil. 477, 484 (1996).

[47]Heirs of Ferry Bayot v. Baterbonia, G.R. No. 142345, August 13, 2004, 436 SCRA 471, 475; Reinsurance Company of the Orient, Inc. v. Court of Appeals, G.R. No. 61250, June 3, 1991, 198 SCRA 19, 29.

[48]*Supra* note 47.

[49]*Id.*, citing Republic Surety and Insurance Company, Inc. v. Intermediate Appellate Court, G.R. Nos. L-71131-32, July 27, 1987, 152 SCRA 309, 315.

[50]MeTC Decision, rollo, pp. 106-107.

[51]Land Bank of the Philippines. v. Court of Appeals, 456 Phil. 755, 784 (2003); San Miguel Foods, Inc.-Cebu B-Meg Feed Plant v. Laguesma, 331 Phil. 356, 376 (1996).

[52]Estares v. Court of Appeals, G.R. No. 144755, June 8, 2005, 459 SCRA 604, 621; Almuete v. Andres, 421 Phil. 522, 531 (2001).

[53]Toyota Motor Philippines. Corp. Workers' Association. v. Court of Appeals, 458 Phil. 661, 680-681 (2003); Land Bank of the Philippines v. Court of Appeals, *supra* note 51

[54]Commissioner of Internal Revenue v. Court of Appeals, 327 Phil. 1, 41 (1996); Garcia, Jr. v. Ranada, Jr., G.R. No. L-60935, September 27, 1988, 166 SCRA 9, 16.

[55]Commissioner of Internal Revenue v. Court of Appeals, *supra* note 54; Gold City Integrated Port Services, Inc. v. Intermediate Appellate Court, G.R. Nos. 71771-73, March 31, 1989, 171 SCRA 579, 584.

[56]Banco Filipino Savings and Mortgage Bank v. Diaz, G.R. No. 153134, June 27, 2006, 493 SCRA 248, 262-263; Pabugais v. Sahijwani, 467 Phil. 1111, 1118 (2004); Legaspi v. Court of Appeals, 226 Phil. 24, 29

(1986); *Limkako v. Teodoro*, 74 Phil. 313 (1943).

[57]Civil Code, Articles 1256-1258; *B.E. San Diego, Inc. v. Alzul*, G.R. No. 169501, June 8, 2007, 524 SCRA 402, 429-430; *Banco Filipino Savings and Mortgage Bank v. Diaz*, *supra* note 56, at 263; *Pabugais v. Sahijwani*, *supra* note 56; *Soco v. Militante*, 208 Phil. 151, 160 (1983); *Ponce de Leon v. Santiago Syjuco, Inc.*, 90 Phil. 311, 317-318 (1951).

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