

KAZUHIRO HASEGAWA AND NIPPON ENGINEERING CONSULTANTS CO., LTD., PETITIONERS, VS. MINORU KITAMURA, RESPONDENT.

G.R. No. 149177. November 23, 2007

Ponente: NACHURA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-149177/>

NACHURA, J.:

Before the Court is a petition for review on certiorari under Rule 45 of the Rules of Court assailing the April 18, 2001 Decision[1] of the Court of Appeals (CA) in CA-G.R. SP No. 60827, and the July 25, 2001 Resolution[2] denying the motion for reconsideration thereof.

On March 30, 1999, petitioner Nippon Engineering Consultants Co., Ltd. (Nippon), a Japanese consultancy firm providing technical and management support in the infrastructure projects of foreign governments,[3] entered into an Independent Contractor Agreement (ICA) with respondent Minoru Kitamura, a Japanese national permanently residing in the Philippines.[4] The agreement provides that respondent was to extend professional services to Nippon for a year starting on April 1, 1999.[5] Nippon then assigned respondent to work as the project manager of the Southern Tagalog Access Road (STAR) Project in the Philippines, following the company's consultancy contract with the Philippine Government.[6]

When the STAR Project was near completion, the Department of Public Works and Highways (DPWH) engaged the consultancy services of Nippon, on January 28, 2000, this time for the detailed engineering and construction supervision of the Bongabon-Baler Road Improvement (BBRI) Project.[7] Respondent was named as the project manager in the contract's Appendix 3.1.[8]

On February 28, 2000, petitioner Kazuhiro Hasegawa, Nippon's general manager for its International Division, informed respondent that the company had no more intention of automatically renewing his ICA. His services would be engaged by the company only up to the substantial completion of the STAR Project on March 31, 2000, just in time for the ICA's expiry.[9]

Threatened with impending unemployment, respondent, through his lawyer, requested a negotiation conference and demanded that he be assigned to the BBRI project. Nippon insisted that respondent's contract was for a fixed term that had already expired, and refused to negotiate for the renewal of the ICA.[10]

As he was not able to generate a positive response from the petitioners, respondent consequently initiated on June 1, 2000 Civil Case No. 00-0264 for specific performance and damages with the Regional Trial Court of Lipa City.[11]

For their part, petitioners, contending that the ICA had been perfected in Japan and executed by and between Japanese nationals, moved to dismiss the complaint for lack of jurisdiction. They asserted that the claim for improper pre-termination of respondent's ICA could only be heard and ventilated in the proper courts of Japan following the principles of *lex loci celebrationis* and *lex contractus*. [12]

In the meantime, on June 20, 2000, the DPWH approved Nippon's request for the replacement of Kitamura by a

certain Y. Kotake as project manager of the BBRI Project.[13]

On June 29, 2000, the RTC, invoking our ruling in *Insular Government v. Frank*[14] that matters connected with the performance of contracts are regulated by the law prevailing at the place of performance,[15] denied the motion to dismiss.[16] The trial court subsequently denied petitioners' motion for reconsideration,[17] prompting them to file with the appellate court, on August 14, 2000, their first Petition for Certiorari under Rule 65 [docketed as CA-G.R. SP No. 60205].[18] On August 23, 2000, the CA resolved to dismiss the petition on procedural grounds—for lack of statement of material dates and for insufficient verification and certification against forum shopping.[19] An Entry of Judgment was later issued by the appellate court on September 20, 2000.[20]

Aggrieved by this development, petitioners filed with the CA, on September 19, 2000, still within the reglementary period, a second Petition for Certiorari under Rule 65 already stating therein the material dates and attaching thereto the proper verification and certification. This second petition, which substantially raised the same issues as those in the first, was docketed as CA-G.R. SP No. 60827.[21]

Ruling on the merits of the second petition, the appellate court rendered the assailed April 18, 2001 Decision[22] finding no grave abuse of discretion in the trial court's denial of the motion to dismiss. The CA ruled, among others, that the principle of *lex loci celebrationis* was not applicable to the case, because nowhere in the pleadings was the validity of the written agreement put in issue. The CA thus declared that the trial court was correct in applying instead the principle of *lex loci solutionis*.[23]

Petitioners' motion for reconsideration was subsequently denied by the CA in the assailed July 25, 2001 Resolution.[24]

Remaining steadfast in their stance despite the series of denials, petitioners instituted the instant Petition for Review on Certiorari[25] imputing the following errors to the appellate court:

- THE HONORABLE COURT OF APPEALS GRAVELY ERRED IN FINDING THAT THE TRIAL COURT VALIDLY EXERCISED JURISDICTION OVER THE INSTANT CONTROVERSY, DESPITE THE FACT THAT THE CONTRACT SUBJECT MATTER OF THE PROCEEDINGS A QUO WAS ENTERED INTO BY AND BETWEEN TWO JAPANESE NATIONALS, WRITTEN WHOLLY IN THE JAPANESE LANGUAGE AND EXECUTED IN TOKYO, JAPAN.
- THE HONORABLE COURT OF APPEALS GRAVELY ERRED IN OVERLOOKING THE NEED TO REVIEW OUR ADHERENCE TO THE PRINCIPLE OF *LEX LOCI SOLUTIONIS* IN THE LIGHT OF RECENT DEVELOPMENT[S] IN PRIVATE INTERNATIONAL LAWS.[26]

The pivotal question that this Court is called upon to resolve is whether the subject matter jurisdiction of Philippine courts in civil cases for specific performance and damages involving contracts executed outside the country by foreign nationals may be assailed on the principles of *lex loci celebrationis*, *lex contractus*, the “state of the most significant relationship rule,” or *forum non conveniens*.

However, before ruling on this issue, we must first dispose of the procedural matters raised by the respondent.

Kitamura contends that the finality of the appellate court's decision in CA-G.R. SP No. 60205 has already barred the filing of the second petition docketed as CA-G.R. SP No. 60827 (fundamentally raising the same issues as those in the first one) and the instant petition for review thereof.

We do not agree. When the CA dismissed CA-G.R. SP No. 60205 on account of the petition's defective certification of non-forum shopping, it was a dismissal without prejudice.[27] The same holds true in the CA's dismissal of the said case due to defects in the formal requirement of verification[28] and in the other requirement

in Rule 46 of the Rules of Court on the statement of the material dates.[29] The dismissal being without prejudice, petitioners can re-file the petition, or file a second petition attaching thereto the appropriate verification and certification—as they, in fact did—and stating therein the material dates, within the prescribed period[30] in Section 4, Rule 65 of the said Rules.[31]

The dismissal of a case without prejudice signifies the absence of a decision on the merits and leaves the parties free to litigate the matter in a subsequent action as though the dismissed action had not been commenced. In other words, the termination of a case not on the merits does not bar another action involving the same parties, on the same subject matter and theory.[32]

Necessarily, because the said dismissal is without prejudice and has no *res judicata* effect, and even if petitioners still indicated in the verification and certification of the second certiorari petition that the first had already been dismissed on procedural grounds,[33] petitioners are no longer required by the Rules to indicate in their certification of non-forum shopping in the instant petition for review of the second certiorari petition, the status of the aforesaid first petition before the CA. In any case, an omission in the certificate of non-forum shopping about any event that will not constitute *res judicata* and *litis pendentia*, as in the present case, is not a fatal defect. It will not warrant the dismissal and nullification of the entire proceedings, considering that the evils sought to be prevented by the said certificate are no longer present.[34]

The Court also finds no merit in respondent's contention that petitioner Hasegawa is only authorized to verify and certify, on behalf of Nippon, the certiorari petition filed with the CA and not the instant petition. True, the Authorization[35] dated September 4, 2000, which is attached to the second certiorari petition and which is also attached to the instant petition for review, is limited in scope—its wordings indicate that Hasegawa is given the authority to sign for and act on behalf of the company only in the petition filed with the appellate court, and that authority cannot extend to the instant petition for review.[36] In a plethora of cases, however, this Court has liberally applied the Rules or even suspended its application whenever a satisfactory explanation and a subsequent fulfillment of the requirements have been made.[37] Given that petitioners herein sufficiently explained their misgivings on this point and appended to their Reply[38] an updated Authorization[39] for Hasegawa to act on behalf of the company in the instant petition, the Court finds the same as sufficient compliance with the Rules.

However, the Court cannot extend the same liberal treatment to the defect in the verification and certification. As respondent pointed out, and to which we agree, Hasegawa is truly not authorized to act on behalf of Nippon in this case. The aforesaid September 4, 2000 Authorization and even the subsequent August 17, 2001 Authorization were issued only by Nippon's president and chief executive officer, not by the company's board of directors. In not a few cases, we have ruled that corporate powers are exercised by the board of directors; thus, no person, not even its officers, can bind the corporation, in the absence of authority from the board.[40] Considering that Hasegawa verified and certified the petition only on his behalf and not on behalf of the other petitioner, the petition has to be denied pursuant to *Loquias v. Office of the Ombudsman*. [41] Substantial compliance will not suffice in a matter that demands strict observance of the Rules.[42] While technical rules of procedure are designed not to frustrate the ends of justice, nonetheless, they are intended to effect the proper and orderly disposition of cases and effectively prevent the clogging of court dockets.[43]

Further, the Court has observed that petitioners incorrectly filed a Rule 65 petition to question the trial court's denial of their motion to dismiss. It is a well-established rule that an order denying a motion to dismiss is interlocutory, and cannot be the subject of the extraordinary petition for certiorari or mandamus. The appropriate recourse is to file an answer and to interpose as defenses the objections raised in the motion, to proceed to trial, and, in case of an adverse decision, to elevate the entire case by appeal in due course.[44] While there are recognized exceptions to this rule,[45] petitioners' case does not fall among them.

This brings us to the discussion of the substantive issue of the case.

Asserting that the RTC of Lipa City is an inconvenient forum, petitioners question its jurisdiction to hear and resolve the civil case for specific performance and damages filed by the respondent. The ICA subject of the litigation was entered into and perfected in Tokyo, Japan, by Japanese nationals, and written wholly in the Japanese language. Thus, petitioners posit that local courts have no substantial relationship to the parties[46] following the [state of the] most significant relationship rule in Private International Law.[47]

The Court notes that petitioners adopted an additional but different theory when they elevated the case to the appellate court. In the Motion to Dismiss[48] filed with the trial court, petitioners never contended that the RTC is an inconvenient forum. They merely argued that the applicable law which will determine the validity or invalidity of respondent's claim is that of Japan, following the principles of *lex loci celebrationis* and *lex contractus*. [49] While not abandoning this stance in their petition before the appellate court, petitioners on certiorari significantly invoked the defense of *forum non conveniens*. [50] On petition for review before this Court, petitioners dropped their other arguments, maintained the *forum non conveniens* defense, and introduced their new argument that the applicable principle is the [state of the] most significant relationship rule. [51]

Be that as it may, this Court is not inclined to deny this petition merely on the basis of the change in theory, as explained in *Philippine Ports Authority v. City of Iloilo*. [52] We only pointed out petitioners' inconstancy in their arguments to emphasize their incorrect assertion of conflict of laws principles.

To elucidate, in the judicial resolution of conflicts problems, three consecutive phases are involved: jurisdiction, choice of law, and recognition and enforcement of judgments. Corresponding to these phases are the following questions: (1) Where can or should litigation be initiated? (2) Which law will the court apply? and (3) Where can the resulting judgment be enforced? [53]

Analytically, jurisdiction and choice of law are two distinct concepts. [54] Jurisdiction considers whether it is fair to cause a defendant to travel to this state; choice of law asks the further question whether the application of a substantive law which will determine the merits of the case is fair to both parties. The power to exercise jurisdiction does not automatically give a state constitutional authority to apply forum law. While jurisdiction and the choice of the *lex fori* will often coincide, the “minimum contacts” for one do not always provide the necessary “significant contacts” for the other. [55] The question of whether the law of a state can be applied to a transaction is different from the question of whether the courts of that state have jurisdiction to enter a judgment. [56]

In this case, only the first phase is at issue—jurisdiction. Jurisdiction, however, has various aspects. For a court to validly exercise its power to adjudicate a controversy, it must have jurisdiction over the plaintiff or the petitioner, over the defendant or the respondent, over the subject matter, over the issues of the case and, in cases involving property, over the *res* or the thing which is the subject of the litigation. [57] In assailing the trial court's jurisdiction herein, petitioners are actually referring to subject matter jurisdiction.

Jurisdiction over the subject matter in a judicial proceeding is conferred by the sovereign authority which establishes and organizes the court. It is given only by law and in the manner prescribed by law. [58] It is further determined by the allegations of the complaint irrespective of whether the plaintiff is entitled to all or some of the claims asserted therein. [59] To succeed in its motion for the dismissal of an action for lack of jurisdiction over the subject matter of the claim, [60] the movant must show that the court or tribunal cannot act on the matter submitted to it because no law grants it the power to adjudicate the claims. [61]

In the instant case, petitioners, in their motion to dismiss, do not claim that the trial court is not properly vested by law with jurisdiction to hear the subject controversy for, indeed, Civil Case No. 00-0264 for specific performance

and damages is one not capable of pecuniary estimation and is properly cognizable by the RTC of Lipa City.[62] What they rather raise as grounds to question subject matter jurisdiction are the principles of *lex loci celebrationis* and *lex contractus*, and the “state of the most significant relationship rule.”

The Court finds the invocation of these grounds unsound.

Lex loci celebrationis relates to the “law of the place of the ceremony”[63] or the law of the place where a contract is made.[64] The doctrine of *lex contractus* or *lex loci contractus* means the “law of the place where a contract is executed or to be performed.”[65] It controls the nature, construction, and validity of the contract[66] and it may pertain to the law voluntarily agreed upon by the parties or the law intended by them either expressly or implicitly.[67] Under the “state of the most significant relationship rule,” to ascertain what state law to apply to a dispute, the court should determine which state has the most substantial connection to the occurrence and the parties. In a case involving a contract, the court should consider where the contract was made, was negotiated, was to be performed, and the domicile, place of business, or place of incorporation of the parties.[68] This rule takes into account several contacts and evaluates them according to their relative importance with respect to the particular issue to be resolved.[69]

Since these three principles in conflict of laws make reference to the law applicable to a dispute, they are rules proper for the second phase, the choice of law.[70] They determine which state's law is to be applied in resolving the substantive issues of a conflicts problem.[71] Necessarily, as the only issue in this case is that of jurisdiction, choice-of-law rules are not only inapplicable but also not yet called for.

Further, petitioners' premature invocation of choice-of-law rules is exposed by the fact that they have not yet pointed out any conflict between the laws of Japan and ours. Before determining which law should apply, first there should exist a conflict of laws situation requiring the application of the conflict of laws rules.[72] Also, when the law of a foreign country is invoked to provide the proper rules for the solution of a case, the existence of such law must be pleaded and proved.[73]

It should be noted that when a conflicts case, one involving a foreign element, is brought before a court or administrative agency, there are three alternatives open to the latter in disposing of it: (1) dismiss the case, either because of lack of jurisdiction or refusal to assume jurisdiction over the case; (2) assume jurisdiction over the case and apply the internal law of the forum; or (3) assume jurisdiction over the case and take into account or apply the law of some other State or States.[74] The court's power to hear cases and controversies is derived from the Constitution and the laws. While it may choose to recognize laws of foreign nations, the court is not limited by foreign sovereign law short of treaties or other formal agreements, even in matters regarding rights provided by foreign sovereigns.[75]

Neither can the other ground raised, *forum non conveniens*, [76] be used to deprive the trial court of its jurisdiction herein. First, it is not a proper basis for a motion to dismiss because Section 1, Rule 16 of the Rules of Court does not include it as a ground.[77] Second, whether a suit should be entertained or dismissed on the basis of the said doctrine depends largely upon the facts of the particular case and is addressed to the sound discretion of the trial court.[78] In this case, the RTC decided to assume jurisdiction. Third, the propriety of dismissing a case based on this principle requires a factual determination; hence, this conflicts principle is more properly considered a matter of defense.[79]

Accordingly, since the RTC is vested by law with the power to entertain and hear the civil case filed by respondent and the grounds raised by petitioners to assail that jurisdiction are inappropriate, the trial and appellate courts correctly denied the petitioners' motion to dismiss.

WHEREFORE, premises considered, the petition for review on certiorari is DENIED.

SO ORDERED.

Ynares-Santiago, (Chairperson), Austria-Martinez, Chico-Nazario, and Reyes, JJ., concur.

[1] Penned by Associate Justice Bienvenido L. Reyes, with the late Associate Justice Eubulo G. Verzola and Associate Justice Marina L. Buzon, concurring; rollo, pp. 37-44.

[2] Id. at 46-47.

[3] CA rollo (CA-G.R. SP No. 60827), p. 84.

[4] Id. at 116-120.

[5] Id. at 32-36.

[6] Id. at 85.

[7] Id. at 121-148.

[8] Id. at 166-171.

[9] Id. at 38.

[10] Id. at 39-41.

[11] Id. at 109.

[12] Id. at 53-57.

[13] Id. at 42-43.

[14] 13 Phil. 236 (1909).

[15] *Insular Government v. Frank*, id. at 240.

[16] CA rollo (CA-G.R. SP No. 60827), pp. 25-26.

[17] Id. at 27-28.

[18] CA rollo (CA-G.R. SP No. 60205), pp. 2-42.

[19] Id. at 44. The August 23, 2000 Resolution penned by Associate Justice Delilah Vidallon-Magtolis (retired), with the concurrence of Associate Justices Eloy R. Bello, Jr. (retired) and Elvi John S. Asuncion (dismissed) pertinently provides as follows:

“A cursory reading of the petition indicates no statement as to the date when the petitioners filed their motion for reconsideration and when they received the order of denial thereof, as required in Section 3, paragraph 2, Rule 46 of the 1997 Rules of Civil Procedure as amended by Circular No. 39-98 dated August 18, 1998 of the Supreme Court. Moreover, the verification and certification of non-forum shopping was executed by petitioner Kazuhiro Hasegawa for both petitioners without any indication that the latter had authorized him to file the same.

“WHEREFORE, the [petition] is DENIED due course and DISMISSED outright.

“SO ORDERED.”

[20] Id. at 45.

[21] CA rollo (CA-G.R. SP No. 60827), pp. 2-24.

[22] Supra note 1.

[23] Id. at 222.

[24] Supra note 2.

[25] Rollo, pp. 3-35.

[26] Id. at 15.

[27] See *Spouses Melo v. Court of Appeals*, 376 Phil. 204, 213-214 (1999), in which the Supreme Court ruled that compliance with the certification against forum shopping is separate from, and independent of, the avoidance of forum shopping itself. Thus, there is a difference in the treatment—in terms of imposable sanctions—between failure to comply with the certification requirement and violation of the prohibition against forum shopping. The former is merely a cause for the dismissal, without prejudice, of the complaint or initiatory pleading, while the latter is a ground for summary dismissal thereof and constitutes direct contempt. See also *Philippine Radiant Products, Inc. v. Metropolitan Bank & Trust Company, Inc.*, G.R. No. 163569, December 9, 2005, 477 SCRA 299, 314, in which the Court ruled that the dismissal due to failure to append to the petition the board resolution authorizing a corporate officer to file the same for and in behalf of the corporation is without prejudice. So is the dismissal of the petition for failure of the petitioner to append thereto the requisite copies of the assailed order/s.

[28] See *Torres v. Specialized Packaging Development Corporation*, G.R. No. 149634, July 6, 2004, 433 SCRA 455, 463-464, in which the Court made the pronouncement that the requirement of verification is simply a condition affecting the form of pleadings, and noncompliance therewith does not necessarily render it fatally defective.

[29] Section 3, Rule 46 of the Rules of Court pertinently states that “x x x [i]n actions filed under Rule 65, the petition shall further indicate the material dates showing when notice of the judgment or final order or resolution subject thereof was received, when a motion for new trial or reconsideration, if any, was filed and when notice of the denial thereof was received. x x x”

[30] *Estrera v. Court of Appeals*, G.R. Nos. 154235-36, August 16, 2006, 499 SCRA 86, 95; and *Spouses Melo v. Court of Appeals*, supra note 27, at 214.

[31] The Rules of Court pertinently provides in Section 4, Rule 65 that “[t]he petition may be filed not later than sixty (60) days from notice of the judgment, order or resolution. In case a motion for reconsideration or new trial is timely filed, whether such motion is required or not, the sixty (60) day period shall be counted from notice of the denial of said motion. x x x”

[32] *Delgado v. Court of Appeals*, G.R. No. 137881, December 21, 2004, 447 SCRA 402, 415.

[33] CA rollo (CA-G.R. SP No. 60827), p. 21.

[34] *Fuentebella v. Castro*, G.R. No. 150865, June 30, 2006, 494 SCRA 183, 193-194; see *Roxas v. Court of Appeals*, 415 Phil. 430 (2001).

[35] Rollo, p. 33; CA rollo (CA-G.R. SP No. 60827), p. 23. The Authorization dated September 4, 2000

pertinently reads:

“I, KEN TAKAGI, President and Chief Executive Officer of NIPPON ENGINEERING CONSULTANTS CO., LTD., a corporation duly organized and existing in accordance with the corporation laws of Japan, with principal address at 3-23-1 Komagome, Toshima-ku Tokyo, Japan, hereby authorize its International Division General Manager, Mr. Kazuhiro Hasegawa, to sign and act for and in behalf of Nippon Engineering Consultants Co., Ltd., for purposes of filing a Petition for Certiorari before the proper tribunal in the case entitled: “Kazuhiro Hasegawa and Nippon Engineering Consultants Co., Ltd. vs. Minoru Kitamura and Hon. Avelino C. Demetria of the Regional Trial Court, Fourth Judicial Region-Branch 85, Lipa City,” and to do such other things, acts and deals which may be necessary and proper for the attainment of the said objectives” [Underscoring ours].

[36] Cf. *Orbeta v. Sendiong*, G.R. No. 155236, July 8, 2005, 463 SCRA 180, 199-200, in which the Court ruled that the agent's signing therein of the verification and certification is already covered by the provisions of the general power of attorney issued by the principal.

[37] *Barcenas v. Tomas*, G.R. No. 150321, March 31, 2005, 454 SCRA 593, 604.

[38] Dated October 11, 2001; rollo, pp. 192-203.

[39] Dated August 17, 2001, *id.* at 202.

[40] *San Pablo Manufacturing Corporation v. Commissioner of Internal Revenue*, G.R. No. 147749, June 22, 2006, 492 SCRA 192, 197; *LDP Marketing, Inc. v. Monter*, G.R. No. 159653, January 25, 2006, 480 SCRA 137, 142; *Expertravel & Tours, Inc. v. Court of Appeals*, G.R. No. 152392, May 26, 2005, 459 SCRA 147, 160.

[41] 392 Phil. 596, 603-604 (2000).

[42] *Loquias v. Office of the Ombudsman*, *id.* at 604.

[43] *Santos v. Court of Appeals*, 413 Phil. 41, 54 (2001).

[44] *Yutingco v. Court of Appeals*, 435 Phil. 83, 92 (2002).

[45] *Bank of America NT & SA v. Court of Appeals*, 448 Phil. 181, 193 (2003). As stated herein, under certain situations resort to certiorari is considered appropriate when: (1) the trial court issued the order without or in excess of jurisdiction; (2) there is patent grave abuse of discretion by the trial court; or (3) appeal would not prove to be a speedy and adequate remedy as when an appeal would not promptly relieve a defendant from the injurious effects of the patently mistaken order maintaining the plaintiff's baseless action and compelling the defendants needlessly to go through a protracted trial and clogging the court dockets with another futile case.

[46] Rollo, p. 228.

[47] *Id.* at 234-245.

[48] Dated June 5, 2000; CA rollo (CA-G.R. SP No. 60827), pp. 53-57.

[49] *Id.* at 55.

[50] *Id.* at 14.

[51] Rollo, pp. 19-28.

[52] 453 Phil. 927, 934 (2003).

[53] *Scoles, Hay, Borchers, Symeonides, Conflict of Laws*, 3rd [ed]. (2000), p. 3.

- [54] Coquia and Aguilung-Pangalangan, *Conflict of Laws*, 1995 ed., p. 64.
- [55] *Supra* note 53, at 162, citing Hay, *The Interrelation of Jurisdictional Choice of Law in U.S. Conflicts Law*, 28 *Int'l. & Comp. L.Q.* 161 (1979).
- [56] *Shaffer v. Heitner*, 433 U.S. 186, 215; 97 S.Ct. 2569, 2585 (1977), citing Justice Black's Dissenting Opinion in *Hanson v. Denckla*, 357 U.S. 235, 258; 78 S. Ct. 1228, 1242 (1958).
- [57] See Regalado, *Remedial Law Compendium*, Vol. 1, 8[th] Revised Ed., pp. 7-8.
- [58] *U.S. v. De La Santa*, 9 Phil. 22, 25-26 (1907).
- [59] *Bokingo v. Court of Appeals*, G.R. No. 161739, May 4, 2006, 489 SCRA 521, 530; *Tomas Claudio Memorial College, Inc. v. Court of Appeals*, 374 Phil. 859, 864 (1999).
- [60] See RULES OF COURT, Rule 16, Sec. 1.
- [61] See *In Re: Calloway*, 1 Phil. 11, 12 (1901).
- [62] *Bokingo v. Court of Appeals*, *supra* note 59, at 531-533; *Radio Communications of the Phils. Inc. v. Court of Appeals*, 435 Phil. 62, 68-69 (2002).
- [63] *Garcia v. Recio*, 418 Phil. 723, 729 (2001); *Board of Commissioners (CID) v. Dela Rosa*, G.R. Nos. 95122-23, May 31, 1991, 197 SCRA 853, 888.
- [64] (www.westlaw.com) (visited October 22, 2007).
- [65] (www.westlaw.com) (visited October 22, 2007).
- [66] *Id.*
- [67] *Philippine Export and Foreign Loan Guarantee Corporation v. V.P. Eusebio Construction, Inc.*, G.R. No. 140047, July 13, 2004, 434 SCRA 202, 214-215.
- [68] (www.westlaw.com) (visited October 22, 2007).
- [69] *Saudi Arabian Airlines v. Court of Appeals*, 358 Phil. 105, 127 (1998). The contacts which were taken into account in this case are the following: (a) the place where the injury occurred; (b) the place where the conduct causing the injury occurred; (c) the domicile, residence, nationality, place of incorporation and place of business of the parties; and (d) the place where the relationship, if any, between the parties is centered.
- [70] See *Auten v. Auten*, 308 N.Y. 155, 159-160 (1954).
- [71] *Supra* note 53, at 117-118; *supra* note 54, at 64-65.
- [72] *Laurel v. Garcia*, G.R. Nos. 92013 and 92047, July 25, 1990, 187 SCRA 797, 810-811.
- [73] *International Harvester Company in Russia v. Hamburg-American Line*, 42 Phil. 845, 855 (1918).
- [74] *Salonga, Private International Law*, 1995 ed., p. 44.
- [75] *Veitz, Jr. v. Unisys Corporation*, 676 F. Supp. 99, 101 (1987), citing *Randall v. Arabian Am. Oil. Co.*, 778 F. 2d 1146 (1985).
- [76] Under this rule, a court, in conflicts cases, may refuse impositions on its jurisdiction where it is not the most "convenient" or available forum and the parties are not precluded from seeking remedies elsewhere (*Bank of America NT & SA v. Court of Appeals*, *supra* note 45, at 196). The court may refuse to entertain a case for any of

the following practical reasons: (1) the belief that the matter can be better tried and decided elsewhere, either because the main aspects of the case transpired in a foreign jurisdiction or the material witnesses have their residence there; (2) the belief that the non-resident plaintiff sought the forum, a practice known as forum shopping, merely to secure procedural advantages or to convey or harass the defendant; (3) the unwillingness to extend local judicial facilities to non-residents or aliens when the docket may already be overcrowded; (4) the inadequacy of the local judicial machinery for effectuating the right sought to be maintained; and (5) the difficulty of ascertaining foreign law (*Puyat v. Zabarte*, 405 Phil. 413, 432 [2001]).

[77] *Philsec Investment Corporation v. Court of Appeals*, G.R. No. 103493, June 19, 1997, 274 SCRA 102, 113.

[78] *Bank of America NT & SA v. Court of Appeals*, *supra* note 45, at 196.

[79] *Bank of America NT & SA v. Court of Appeals*, *supra* note 45, at 197.

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.