PROTON PILIPINAS CORPORATION, AUTOMOTIVE PHILIPPINES, ASEA ONE CORPORATION AND AUTOCORP, PETITIONERS, VS. BANQUE NATIONALE DE PARIS, RESPONDENT.

G.R. NO. 151242. June 15, 2005

Ponente: CARPIO MORALES, J.

Read online (full-text search, related cases, audio case brief): https://batas.org/library/g-r-no-151242/

CARPIO MORALES, J.:

It appears that sometime in 1995, petitioner Proton Pilipinas Corporation (Proton) availed of the credit facilities of herein respondent, Banque Nationale de Paris (BNP). To guarantee the payment of its obligation, its co-petitioners Automotive Corporation Philippines (Automotive), Asea One Corporation (Asea) and Autocorp Group (Autocorp) executed a corporate guarantee[2] to the extent of US$2,000,000.00. BNP and Proton subsequently entered into three trust receipt agreements dated June 4, 1996,[3] January 14, 1997,[4] and April 24, 1997.[5]

Under the terms of the trust receipt agreements, Proton would receive imported passenger motor vehicles and hold them in trust for BNP. Proton would be free to sell the vehicles subject to the condition that it would deliver the proceeds of the sale to BNP, to be applied to its obligations to it. In case the vehicles are not sold, Proton would return them to BNP, together with all the accompanying documents of title.

Allegedly, Proton failed to deliver the proceeds of the sale and return the unsold motor vehicles.

Pursuant to the corporate guarantee, BNP demanded from Automotive, Asea and Autocorp the payment of the amount of US$1,544,984.40[6] representing Proton’s total outstanding obligations. These guarantors refused to pay, however. Hence, BNP filed on September 7, 1998 before the Makati Regional Trial Court (RTC) a complaint against petitioners praying that they be ordered to pay (1) US$1,544,984.40 plus accrued interest and other related charges thereon subsequent to August 15, 1998 until fully paid and (2) an amount equivalent to 5% of all sums due from petitioners as attorney’s fees.

The Makati RTC Clerk of Court assessed the docket fees which BNP paid at P352,116.30[7] which was computed as follows:[8]

First Cause of Action -- $ 844,674.07

Second Cause of Action -- 171,120.53

Third Cause of Action -- 529,189.80

$1,544,984.40

5% as Attorney's Fee $ 77,249.22

TOTAL $1,622,233.62

Conversion rate to peso
x 43

TOTAL P69,756,000.00(roundoff)

Computation based on Rule 141:

COURT JDF

P 69,756,000.00 P 69,606.000.00

150,000.00 x .003

69,606,000.00 208,818.00

x 002 + 450.00

139,212..00 P 209,268.00

150.00

P 139,362.00

LEGAL : P 139,362.00

+ 209,268.00

P348,630.00 x 1% = P3,486.30

P 139,362.00

+ 209,268.00

3,486.00

P 352,116.30 - Total fees paid by the plaintiff

To the complaint, the defendants-herein petitioners filed on October 12, 1998 a Motion to Dismiss[9] on the ground that BNP failed to pay the correct docket fees to thus prevent the trial court from acquiring jurisdiction over the case.[10] As additional ground, petitioners raised prematurity of the complaint, BNP not having priorly sent any demand letter.[11]

By Order[12] of August 3, 1999, Branch 148 of the Makati RTC denied petitioners' Motion to Dismiss, viz:

> Resolving the first ground relied upon by the defendant, this court believes and so hold that the docket fees were properly paid. It is the Office of the Clerk of Court of this station that computes the correct docket fees, and it is their duty to assess the docket fees correctly, which they did.
>
> Even granting arguendo that the docket fees were not properly paid, the court cannot just dismiss the case. The Court has not yet ordered (and it will not in this case) to pay the correct docket fees, thus the Motion to dismiss is premature, aside from being without any legal basis.

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

> As held in the case of National Steel Corporation vs. CA, G.R. No. 123215, February 2, 1999, the Supreme Court said:
>
> x x x
>
> Although the payment of the proper docket fees is a jurisdictional requirement, the trial court may allow the plaintiff in an action to pay the same within a reasonable time within the expiration of applicable prescription or reglementary period. If the plaintiff fails to comply with this requirement, the defendant should timely raise the issue of jurisdiction or else he would be considered in estoppel. In the latter case, the balance between appropriate docket fees and the amount actually paid by the plaintiff will be considered a lien or (sic) any award he may obtain in his favor.

As to the second ground relied upon by the defendants, in that a review of all annexes to the complaint of the plaintiff reveals that there is not a single formal demand letter for defendants to fulfill the terms and conditions of the three (3) trust agreements.

In this regard, the court cannot sustain the submission of defendant. As correctly pointed out by the plaintiff, failure to make a formal demand for the debtor to pay the plaintiff is not among the legal grounds for the dismissal of the case. Anyway, in the appreciation of the court, this is simply evidentiary.

x x x

WHEREFORE, for lack of merit, the Motion to Dismiss interposed by the defendants is hereby DENIED.[13] (Underscoring supplied)

Petitioners filed a motion for reconsideration[14] of the denial of their Motion to Dismiss, but it was denied by the trial court by Order[15] of October 3, 2000.

Petitioners thereupon brought the case on certiorari and mandamus[16] to the Court of Appeals which, by Decision[17] of July 25, 2001, denied it in this wise:

> ... Section 7(a) of Rule 141 of the Rules of Court excludes interest accruing from the principal amount being claimed in the pleading in the computation of the prescribed filing fees. The complaint was submitted for the computation of the filing fee to the Office of the Clerk of Court of the Regional Trial Court of Makati City which made an assessment that respondent paid accordingly. What the Office of the Clerk of Court did and the ruling of the respondent Judge find support in the decisions of the Supreme Court in Ng Soon vs. Alday and Tacay vs. RTC of Tagum, Davao del Norte. In the latter case, the Supreme Court explicitly ruled that "where the action is purely for recovery of money or damages, the docket fees are assessed on the basis of the aggregate amount claimed, exclusive only of interests and costs."
>
> Assuming arguendo that the correct filing fees was not made, the rule is that the court may allow a reasonable time for the payment of the prescribed fees, or the balance thereof, and upon such payment, the defect is cured and the court may properly take cognizance of the action unless in the meantime prescription has set in and consequently barred the right of action. Here respondent Judge did not make any finding, and rightly so, that the filing fee paid by private respondent was insufficient.
>
> On the issue of the correct dollar-peso rate of exchange, the Office of the Clerk of Court of the RTC of Makati pegged it at P 43.21 to US$1. In the absence of any office guide of the rate of exchange which said court functionary was duty bound to follow, the rate he applied is presumptively correct.
>
> Respondent Judge correctly ruled that the matter of demand letter is evidentiary and does not form part of the required allegations in a complaint. Section 1, Rule 8 of the 1997 Rules of Civil Procedure pertinently provides:
> "Every pleading shall contain in a methodical and logical form, a plain, concise and direct statement of the

> ultimate facts on which the party pleading relies for his claim or defense, as the case may be, omitted the statement of mere evidentiary facts."

Judging from the allegations of the complaint particularly paragraphs 6, 12, 18, and 23 where allegations of imputed demands were made upon the defendants to fulfill their respective obligations, annexing the demand letters for the purpose of putting up a sufficient cause of action is not required.

In fine, respondent Judge committed no grave abuse of discretion amounting to lack or excess of jurisdiction to warrant certiorari and mandamus.[18] (Underscoring supplied)

Their Motion for Reconsideration[19] having been denied by the Court of Appeals,[20] petitioners filed the present petition for review on certiorari[21] and pray for the following reliefs:

> WHEREFORE, in view of all the foregoing, it is most respectfully prayed of this Honorable Court to grant the instant petition by REVERSING and SETTING ASIDE the questioned Decision of July 25, 2001 and the Resolution of December 18, 2001 for being contrary to law, to Administrative Circular No. 11-94 and Circular No. 7 and instead direct the court a quo to require Private Respondent Banque to pay the correct docket fee pursuant to the correct exchange rate of the dollar to the peso on September 7, 1998 and to quantify its claims for interests on the principal obligations in the first, second and third causes of actions in its Complaint in Civil Case No. 98-2180.[22] (Underscoring supplied)

Citing Administrative Circular No. 11-94,[23] petitioners argue that BNP failed to pay the correct docket fees as the said circular provides that in the assessment thereof, interest claimed should be included. There being an underpayment of the docket fees, petitioners conclude, the trial court did not acquire jurisdiction over the case.

Additionally, petitioners point out that the clerk of court, in converting BNP's claims from US dollars to Philippine pesos, applied the wrong exchange rate of US $1 = P43.00, the exchange rate on September 7, 1998 when the complaint was filed having been pegged at US $1 = P43.21. Thus, by petitioners' computation, BNP's claim as of August 15, 1998 was actually P70,096,714.72,[24] not P69,756,045.66.

Furthermore, petitioners submit that pursuant to Supreme Court Circular No. 7,[25] the complaint should have been dismissed for failure to specify the amount of interest in the prayer.

Circular No. 7 reads:

> TO:
>
> JUDGES AND CLERKS OF COURT OF THE COURT OF TAX APPEALS, REGIONAL TRIAL COURTS, METROPOLITAN TRIAL COURTS IN CITIES, MUNICIPAL TRIAL COURTS, MUNICIPAL CIRCUIT TRIAL COURTS, SHARI'A DISTRICT COURTS;AND THE INTEGRATED BAR OF THE PHILIPPINES
>
> SUBJECT:
>
> ALL COMPLAINTS MUST SPECIFY AMOUNT OF DAMAGES SOUGHT NOT ONLY IN THE BODY OF THE PLEADING, BUT ALSO IN THE PRAYER IN ORDER TO BE ACCEPTED AND ADMITTED FOR FILING. THE AMOUNT OF DAMAGES SO SPECIFIED IN THE COMPLAINT SHALL BE THE BASIS FOR ASSESSING THE AMOUNT OF THE FILING FEES.
>
> In Manchester Development Corporation vs. Court of Appeals, No. L-75919, May 7, 1987, 149 SCRA 562, this Court condemned the practice of counsel who in filing the original complaint omitted from the prayer any specification of the amount of damages although the amount of over P78 million is alleged in the body of the complaint. This Court observed that "(T)his is clearly intended for no other purpose than to evade the payment of the correct filing fees if not to mislead the docket clerk, in the assessment of the filing fee. This fraudulent practice was compounded when, even as this Court had taken cognizance of the anomaly and ordered an

> investigation, petitioner through another counsel filed an amended complaint, deleting all mention of the amount of damages being asked for in the body of the complaint. xxx"
>
> For the guidance of all concerned, the WARNING given by the court in the afore-cited case is reproduced hereunder:
> "The Court serves warning that it will take drastic action upon a repetition of this unethical practice.
>
> To put a stop to this irregularity, henceforth all complaints, petitions, answers and other similar pleadings should specify the amount of damages being prayed for not only in the body of the pleading but also in the prayer, and said damages shall be considered in the assessment of the filing fees in any case. Any pleading that fails to comply with this requirement shall not be accepted nor admitted, or shall otherwise be expunged from the record.
>
> The Court acquires jurisdiction over any case only upon the payment of the prescribed docket fee. An amendment of the complaint or similar pleading will not thereby vest jurisdiction in the Court, much less the payment of the docket fee based on the amount sought in the amended pleading. The ruling in the Magaspi case (115 SCRA 193) in so far as it is inconsistent with this pronouncement is overturned and reversed."
>
> Strict compliance with this Circular is hereby enjoined.

Let this be circularized to all the courts hereinabove named and to the President and Board of Governors of the Integrated Bar of the Philippines, which is hereby directed to disseminate this Circular to all its members.

March 24, 1988.

(Sgd). CLAUDIO TEEHANKEE
Chief Justice

(Emphasis and underscoring supplied)

On the other hand, respondent maintains that it had paid the filing fee which was assessed by the clerk of court, and that there was no violation of Supreme Court Circular No. 7 because the amount of damages was clearly specified in the prayer, to wit:

> - On the FIRST CAUSE OF ACTION –
>
> (c) Defendant PROTON be ordered to pay the sum of (i) US DOLLARS EIGHT HUNDRED FORTY FOUR THOUSAND SIX HUNDRED SEVENTY FOUR AND SEVEN CENTS (US$ 844,674.07), plus accrued interests and other related charges thereon subsequent to August 15, 1998, until fully paid; and (ii) an amount equivalent to 5% of all sums due from said Defendant, as and for attorney's fees;
>
> - On the SECOND CAUSE OF ACTION –
>
> (d) Defendant PROTON be ordered to pay the sum of (i) US DOLLARS ONE HUNDRED TWENTY AND FIFTY THREE CENTS (US$171,120.53), plus accrued interests and other related charges thereon subsequent to August 15, 1998 until fully paid; and (ii) an amount equivalent to 5% of all sums due from said Defendant, as and for attorney's fees;
>
> - On the THIRD CAUSE OF ACTION –
>
> (e) Defendant PROTON be ordered to pay the sum of (i) US DOLLARS FIVE HUNDRED TWENTY NINE THOUSAND ONE HUNDRED EIGHTY NINE AND EIGHTY CENTS (US$529,189.80), plus accrued interests and other related charges thereon subsequent to August 15, 1998 until fully paid; and (ii) an amount equivalent to 5% or all sums due from said Defendant, as and for attorney's fees;
>
> - On ALL THE CAUSES OF ACTION –

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

> Defendants AUTOMOTIVE CORPORATION PHILIPPINES, ASEA ONE CORPORATION and AUTOCORP GROUP to be ordered to pay Plaintiff BNP the aggregate sum of (i) US DOLLARS ONE MILLION FIVE HUNDRED FORTY FOUR THOUSAND NINE HUNDRED EIGHTY FOUR AND FORTY CENTS (US$1,544,984.40) (First through Third Causes of Action), plus accrued interest and other related charges thereon subsequent to August 15, 1998 until fully paid; and (ii) an amount equivalent to 5% of all sums due from said Defendants, as and for attorney's fees.[26]

Moreover, respondent posits that the amount of US$1,544,984.40 represents not only the principal but also interest and other related charges which had accrued as of August 15, 1998. Respondent goes even further by suggesting that in light of Tacay v. Regional Trial Court of Tagum, Davao del Norte[27] where the Supreme Court held,

> Where the action is purely for the recovery of money or damages, the docket fees are assessed on the basis of the aggregate amount claimed, exclusive only of interests and costs.[28] (Emphasis and underscoring supplied),

it made an overpayment.

When Tacay was decided in 1989, the pertinent rule applicable was Section 5 (a) of Rule 141 which provided for the following:

> SEC. 5. Clerks of Regional Trial Courts. – (a) For filing an action or proceeding, or a permissive counter-claim or cross-claim not arising out of the same transaction subject of the complaint, a third-party complaint and a complaint in intervention and for all services in the same, if the sum claimed, exclusive of interest, of the value of the property in litigation, or the value of the estate, is:
>
> 1. Less than P 5,000.00..... P 32.00
>
> 2. P 5,000.00 or more but less than P 10,000.00 ..... 48.00
>
> 3. P 10,000.00 or more but less than P 20,000.00 ..... 64.00
>
> 4. P 20,000.00 or more but less than P 40,000.00 ..... 80.00
>
> 5. P 40,000.00 or more but less than P 60,000.00 ..... 120.00
>
> 6. P 60,000.00 or more but less than P 80,000.00 ..... 160.00
>
> 7. P 80,000.00 or more but less than P 150,000.00 ..... 200.00
>
> 8. And for each P 1,000.00 in excess of P 150,000.00 .. 4.00
>
> 9. When the value of the case cannot be estimated ... 400.00
>
> 10. When the case does not concern property (naturalization, adoption, legal separation, etc.) 64.00
>
> If the case concerns real estate, the assessed value thereof shall be considered in computing the fees.
>
> In case the value of the property or estate or the sum claim is less or more in accordance with the appraisal of the court, the difference of fees shall be refunded or paid as the case may be.

When the complaint in this case was filed in 1998, however, as correctly pointed out by petitioners, Rule 141 had been amended by Administrative Circular No. 11-94[29] which provides:

> BY RESOLUTION OF THE COURT, DATED JUNE 28, 1994, PURSUANT TO SECTION 5 (5) OF ARTICLE VIII OF THE CONSTITUTION, RULE 141, SECTION 7 (a) AND (d), and SECTION 8 (a) and (b) OF THE RULES OF COURT ARE HEREBY AMENDED TO READ AS FOLLOWS:

Study hands-free: podcast-style lessons with read-along highlighting - batas.org

> RULE 141
>
> LEGAL FEES
>
> x x x
>
> Sec. 7. Clerks of Regional Trial Courts
>
> (a) For filing an action or a permissive counterclaim or money claim against an estate not based on judgment, or for filing with leave of court a third-party, fourth-party, etc. complaint, or a complaint in intervention, and for all clerical services in the same, if the total sum claimed, inclusive of interest, damages of whatever kind, attorney's fees, litigation expenses, and costs, or the stated value of the property in litigation, is:
>
> 1. Not more than P 100,000.00 ..... P 400.00
>
> 2. P 100,000.00, or more but not more than P 150,000.00 ...
> 600.00
>
> 3. For each P 1,000.00 in excess of P 150,000.00 .....
> 5.00
>
> x x x
>
> Sec. 8. Clerks of Metropolitan and Municipal Trial Courts
>
> (a) For each civil action or proceeding, where the value of the subject matter involved, or the amount of the demand, inclusive of interest, damages or whatever kind, attorney's fees, litigation expenses, and costs, is:
>
> 1. Not more than P 20,000.00 .....
> P120.00
>
> 2. More than P 20,000.00 but not more than P 100,000.00 ....
> 400.00
>
> 3. More than P 100,000.00 but not more than P 200,000.00 ...
> 850.00
>
> (Emphasis and underscoring supplied)

The clerk of court should thus have assessed the filing fee by taking into consideration "the total sum claimed, inclusive of interest, damages of whatever kind, attorney's fees, litigation expenses, and costs, or the stated value of the property in litigation." Respondent's and the Court of Appeals' reliance then on Tacay was not in order.

Neither was, for the same reason, the Court of Appeals' reliance on the 1989 case of Ng Soon v. Alday,[30] where this Court held:

> ...The failure to state the rate of interest demanded was not fatal not only because it is the Courts which ultimately fix the same, but also because Rule 141, Section 5(a) of the Rules of Court, itemizing the filing fees, speaks of "the sum claimed, exclusive of interest." This clearly implies that the specification of the interest rate is not that indispensable.
>
> Factually, therefore, not everything was left to "guesswork" as respondent Judge has opined. The sums claimed were ascertainable, sufficient enough to allow a computation pursuant to Rule 141, section 5(a).
>
> Furthermore, contrary to the position taken by respondent Judge, the amounts claimed need not be initially stated with mathematical precision. The same Rule 141, section 5(a) (3rd paragraph), allows an appraisal "more or less."[31] Thus:

Turn this case into an audio lecture - facts, issues, ruling and doctrine - at batas.org

> "In case the value of the property or estate or the sum claimed is less or more in accordance with the appraisal of the court, the difference of fee shall be refunded or paid as the case may be."
>
> In other words, a final determination is still to be made by the Court, and the fees ultimately found to be payable will either be additionally paid by the party concerned or refunded to him, as the case may be. The above provision clearly allows an initial payment of the filing fees corresponding to the estimated amount of the claim subject to adjustment as to what later may be proved.
>
> ". . . there is merit in petitioner's claim that the third paragraph of Rule 141, Section 5(a) clearly contemplates a situation where an amount is alleged or claimed in the complaint but is less or more than what is later proved. If what is proved is less than what was claimed, then a refund will be made; if more, additional fees will be exacted. Otherwise stated, what is subject to adjustment is the difference in the fee and not the whole amount" (Pilipinas Shell Petroleum Corp., et als., vs. Court of Appeals, et als., G.R. No. 76119, April 10, 1989).[32] (Emphasis and underscoring supplied)

Respecting the Court of Appeals' conclusion that the clerk of court did not err when he applied the exchange rate of US $1 = P43.00 "[i]n the absence of any office guide of the rate of exchange which said court functionary was duty bound to follow,[hence,] the rate he applied is presumptively correct," the same does not lie. The presumption of regularity of the clerk of court's application of the exchange rate is not conclusive.[33] It is disputable.[34] As such, the presumption may be overturned by the requisite rebutting evidence.[35] In the case at bar, petitioners have adequately proven with documentary evidence[36] that the exchange rate when the complaint was filed on September 7, 1998 was US $1 = P43.21.

In fine, the docket fees paid by respondent were insufficient.

With respect to petitioner's argument that the trial court did not acquire jurisdiction over the case in light of the insufficient docket fees, the same does not lie.

True, in Manchester Development Corporation v. Court of Appeals,[37] this Court held that the court acquires jurisdiction over any case only upon the payment of the prescribed docket fees,[38] hence, it concluded that the trial court did not acquire jurisdiction over the case.

It bears emphasis, however, that the ruling in Manchester was clarified in Sun Insurance Office, Ltd. (SIOL) v. Asuncion[39] when this Court held that in the former there was clearly an effort to defraud the government in avoiding to pay the correct docket fees, whereas in the latter the plaintiff demonstrated his willingness to abide by paying the additional fees as required.

> The principle in Manchester could very well be applied in the present case. The pattern and the intent to defraud the government of the docket fee due it is obvious not only in the filing of the original complaint but also in the filing of the second amended complaint.
>
> However, in Manchester, petitioner did not pay any additional docket fee until the case was decided by this Court on May 7, 1987. Thus, in Manchester, due to the fraud committed on the government, this Court held that the court a quo did not acquire jurisdiction over the case and that the amended complaint could not have been admitted inasmuch as the original complaint was null and void.
>
> In the present case, a more liberal interpretation of the rules is called for considering that, unlike Manchester, private respondent demonstrated his willingness to abide by the rules by paying the additional docket fees as required. The promulgation of the decision in Manchester must have had that sobering influence on private respondent who thus paid the additional docket fee as ordered by the respondent court. It triggered his change of stance by manifesting his willingness to pay such additional docket fee as may be ordered.
>
> Nevertheless, petitioners contend that the docket fee that was paid is still insufficient considering the total

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

> amount of the claim. This is a matter which the clerk of court of the lower court and/or his duly authorized docket clerk or clerk in charge should determine and, thereafter, if any amount is found due, he must require the private respondent to pay the same.
>
> Thus, the Court rules as follows:
>
> - It is not simply the filing of the complaint or appropriate initiatory pleading, but the payment of the prescribed docket fee, that vests a trial court with jurisdiction over the subject-matter or nature of the action. Where the filing of the initiatory pleading is not accompanied by payment of the docket fee, the court may allow payment of the fee within a reasonable time but in no case beyond the applicable prescriptive or reglementary period.
>
> - The same rule applies to permissive counterclaims, third-party claims and similar pleadings, which shall not be considered filed until and unless the filing fee prescribed therefor is paid. The court may also allow payment of said fee within a reasonable time but also in no case beyond its applicable prescriptive or reglementary period.
>
> - Where the trial court acquires jurisdiction over a claim by the filing of the appropriate pleading and payment of the prescribed filing fee but, subsequently, the judgment awards a claim not specified in the pleading, or if specified the same has been left for determination by the court, the additional filing fee therefor shall constitute a lien on the judgment. It shall be the responsibility of the Clerk of Court or his duly authorized deputy to enforce said lien and assess and collect the additional fee.[40] (Emphasis and underscoring supplied)

The ruling in Sun Insurance Office was echoed in the 2005 case of Heirs of Bertuldo Hinog v. Hon. Achilles Melicor:[41]

> Plainly, while the payment of the prescribed docket fee is a jurisdictional requirement, even its non-payment at the time of filing does not automatically cause the dismissal of the case, as long as the fee is paid within the applicable prescriptive or reglementary period, more so when the party involved demonstrates a willingness to abide by the rules prescribing such payment. Thus, when insufficient filing fees were initially paid by the plaintiffs and there was no intention to defraud the government, the Manchester rule does not apply. (Emphasis and underscoring supplied; citations omitted)

In the case at bar, respondent merely relied on the assessment made by the clerk of court which turned out to be incorrect. Under the circumstances, the clerk of court has the responsibility of reassessing what respondent must pay within the prescriptive period, failing which the complaint merits dismissal.

Parenthetically, in the complaint, respondent prayed for “accrued interest... subsequent to August 15, 1998 until fully paid.” The complaint having been filed on September 7, 1998, respondent’s claim includes the interest from August 16, 1998 until such date of filing.

Respondent did not, however, pay the filing fee corresponding to its claim for interest from August 16, 1998 until the filing of the complaint on September 7, 1998. As priorly discussed, this is required under Rule 141, as amended by Administrative Circular No. 11-94, which was the rule applicable at the time. Thus, as the complaint currently stands, respondent cannot claim the interest from August 16, 1998 until September 7, 1998, unless respondent is allowed by motion to amend its complaint within a reasonable time and specify the precise amount of interest petitioners owe from August 16, 1998 to September 7, 1998[42] and pay the corresponding docket fee therefor.

With respect to the interest accruing after the filing of the complaint, the same can only be determined after a final judgment has been handed down. Respondent cannot thus be made to pay the corresponding docket fee therefor. Pursuant, however, to Section 2, Rule 141, as amended by Administrative Circular No. 11-94, respondent should

be made to pay additional fees which shall constitute a lien in the event the trial court adjudges that it is entitled to interest accruing after the filing of the complaint.

> Sec. 2. Fees as lien. – Where the court in its final judgment awards a claim not alleged, or a relief different or more than that claimed in the pleading, the party concerned shall pay the additional fees which shall constitute a lien on the judgment in satisfaction of said lien. The clerk of court shall assess and collect the corresponding fees.

In Ayala Corporation v. Madayag,[43] in interpreting the third rule laid down in Sun Insurance regarding awards of claims not specified in the pleading, this Court held that the same refers only to damages arising after the filing of the complaint or similar pleading as to which the additional filing fee therefor shall constitute a lien on the judgment.

> ... The amount of any claim for damages, therefore, arising on or before the filing of the complaint or any pleading should be specified. While it is true that the determination of certain damages as exemplary or corrective damages is left to the sound discretion of the court, it is the duty of the parties claiming such damages to specify the amount sought on the basis of which the court may make a proper determination, and for the proper assessment of the appropriate docket fees. The exception contemplated as to claims not specified or to claims although specified are left for determination of the court is limited only to any damages that may arise after the filing of the complaint or similar pleading for then it will not be possible for the claimant to specify nor speculate as to the amount thereof.[44] (Emphasis and underscoring supplied; citation omitted)

WHEREFORE, the petition is GRANTED in part. The July 25, 2001 Decision and the December 18, 2001 Resolution of the Court Appeals are hereby MODIFIED. The Clerk of Court of the Regional Trial Court of Makati City is ordered to reassess and determine the docket fees that should be paid by respondent, BNP, in accordance with the Decision of this Court, and direct respondent to pay the same within fifteen (15) days, provided the applicable prescriptive or reglementary period has not yet expired. Thereafter, the trial court is ordered to proceed with the case with utmost dispatch.

SO ORDERED.

Panganiban, C.J., (Chairma), Sandoval-Gutierrez, Corona, and Garcia, JJ., concur.

---

[1] The petition names the Court of Appeals as a respondent. However, under Section 4, Rule 45 of the Rules of Court, the lower court need not be impleaded in petitions for review. Hence, the Court deleted it from the title.

[2] Records at 18-22.

[3] Id. at 12-13.

[4] Id. at 14-15.

[5] Id. at 16-17.

[6] According to respondent BNP, Proton failed to remit (1) the amount of US$ 844,674.07 under the trust receipt agreement dated June 4, 1996, (2) the amount of US$171,120.53 under the trust receipt agreement dated January 14, 1997, and (3) the amount of US$529,189.80 under the trust agreement dated April 24, 1997. These amounts are inclusive of interest and other related charges accruing thereon as of August 15, 1998. However, the complaint does not provide a breakdown as to which amounts comprise the respective principal and interest of each of the three trust receipt agreements.

[7] Records at 24.

[8] Id. at 89.

[9] Id. at 124-126.

[10] Id. at 124-125.

[11] Id. at 125-126.

[12] Id. at 145-146.

[13] Ibid.

[14] Id. at 147-152.

[15] Id. at 170-174.

[16] Court of Appeals (CA) Rollo at 2-148.

[17] Id. at 186-189.

[18] Id. at 188-189.

[19] Id. at 196-201.

[20] Id. at 212.

[21] Rollo at 13-245.

[22] Id. at 27.

[23] Effective August 1, 1994.

[24] This figure was arrived at by multiplying 43.21 with 1,622,233.62.

[25] Dated March 24, 1988.

[26] Records at 9-10.

[27] 180 SCRA 433 (1989).

[28] Id. at 443.

[29] It should be noted however that Rule 141 has been further amended by A.M. No. 00-2-01-SC which took effect on March 1, 2000. Thus, Sections 7 and 8 now read:

Sec. 7. Clerks of Regional Trial Courts. –

(a) For filing an action or a permissive counter-claim or money claim against an estate not based on judgment, or for filing with leave of court a third-party, fourth-party, etc. complaint, or a complaint in intervention, and for all clerical services in the same, if the total sum claimed, exclusive of interest, or the stated value of the property in litigation, is:

1. Less than P 100,000.00..... 500.00

2. P 100,000.00, or more but less than P 150,000.00
800.00

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

3. P 150,000.00 or more but less than P 200,000.00
1,000.00

4. P 200,000.00 or more but less than P 250,000.00
1,500.00

5. P 250,000.00 or more but less than P 300,000.00
1,750.00

6. P 300,000.00 or more but less than P 350,000.00
2,000.00

7. P 350,000.00 or more but less than P 400,000.00
2,250.00

8. For each P 1,000.00 in excess of P 400,000.00 ... 10.00

x x x

Sec. 8. Clerks of Courts of the First Level. –

(a) For each civil action or proceeding, whether the value of the subject matter involved, or the amount of the demand, inclusive of interest, damages of whatever kind, attorney's fees, litigation expenses, and costs is:

1. Not more than P 20,000.00 ..... P 150.00

2. More than P 20,000.00 but not more than P100,000.00

500.00

3. More than P 100,000.00 but not more than P200,000.00 .....
1,250.00

4. More than P 200,000.00 but not more than P300,000.00 ...
1,750.00

5. More than P 300,000.00 but not more than P400,000.00 ...
2,500.00

[30] 178 SCRA 221 (1989).

[31] The third paragraph of Section 5(a), Rule 141 was not retained in the subsequent amendment to Rule 141.

[32] Id. at 226-227.

[33] Rules of Court, Rule 131, sec. 2.

[34] Rules of Court, Rule 131, sec. 3, par. (m).

[35] Rules of Court, Rule 131, sec. 3.

[36] Records at 87.

[37] 149 SCRA 562 (1987).

[38] Id. at 569.

[39] 170 SCRA 274 (1989).

[40] Id. at 284-285.

[41] G.R. No. 140954, April 12, 2005.

[42] The clerk of court of the Regional Trial Court will not be able to determine the interest due for the period from August 16, 1998 to September 7, 1998 because the complaint does not provide a breakdown of the principal and interest owed by petitioners as it merely lumps them into the amount of US$1,544,984.40.

[43] 181 SCRA 687 (1990).

[44] Id. at 690-691.

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.