SPOUSES VICTORIANO CHUNG AND DEBBIE CHUNG, PETITIONERS, VS. ULANDAY CONSTRUCTION, INC., RESPONDENT.

G.R. No. 156038. October 11, 2010

Ponente: BRION, J.

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BRION, J.:

We resolve the petition for review on certiorari[1] filed by petitioners Spouses Victoriano Chung and Debbie Chung (petitioners) to challenge the decision[2] and resolution[3] of the Court of Appeals (CA) in CA-G.R. CV No. 61583.[4]

FACTUAL BACKGROUND

The facts of the case, gathered from the records, are briefly summarized below.

In February 1985, the petitioners contracted with respondent Ulanday Construction, Inc. (respondent) to construct, within a 150-day period,[5] the concrete structural shell of the former's two-storey residential house in Urdaneta Village, Makati City at the contract price of P3,291,142.00.[6]

The Contract[7] provided that: (a) the respondent shall supply all the necessary materials, labor, and equipment indispensable for the completion of the project, except for work to be done by other contractors;[8] (b) the petitioners shall pay a P987,342.60[9] downpayment, with the balance to be paid in progress payments based on actual work completed;[10] (c) the Construction Manager or Architect shall check the respondent's request for progress payment and endorse it to the petitioners for payment within 3 days from receipt;[11] (d) the petitioners shall pay the respondents within 7 days from receipt of the Construction Manager's or Architect's certificate; (e) the respondent cannot change or alter the plans, specifications, and works without the petitioners' prior written approval;[12] (f) a penalty equal to 0.01% of the contract amount shall be imposed for each day of delay in completion, but the respondent shall be granted proportionate time extension for delays caused by the petitioners;[13] (g) the respondent shall correct, at its expense, defects appearing during the 12-month warranty period after the petitioners' issuance of final acceptance of work.[14]

Subsequently, the parties agreed to exclude from the contract the roofing and flushing work, for P321,338.00,[15] reducing the contract price to P2,969,804.00. On March 17, 1995, the petitioners paid the P987,342.60 downpayment,[16] with the balance of P1,982,461.40 to be paid based on the progress billings. While the building permit was issued on April 10, 1995,[17] actual construction started on March 7, 1995.[18]

As the actual construction went on, the respondent submitted 12 progress billings.[19] While the petitioners settled the first 7 progress billings, amounting to P1,270,641.59,[20] payment was made beyond the seven (7)-day period provided in the contract. The petitioner subsequently granted the respondent a P100,000.00 cash advance,[21] leaving the unpaid progress billings at P445,922.13.[22]

During the construction, the respondent also effected 19 change orders

without the petitioners' prior written approval, amounting to P912,885.91.[23] The petitioners, however, paid P42,298.61 for Change Order No. 1[24] and partially paid P130,000.00 for Change Order Nos. 16 and 17.[25] Petitioner Debbie Chung acknowledged in writing that the balance for Change Order Nos. 16 and 17 would be paid upon completion of the contract.[26] The outstanding balance on the change orders totaled P740,587.30.

On July 4, 1995, the respondent notified the petitioners that the delay in the payment of progress billings delays the accomplishment of the contract work.[27] The respondent made similar follow-up letters between July 1995 to February 1996.[28] On March 28, 1996, the respondent demanded full payment for progress billings and change orders.[29] On April 8, 1996, the respondent demanded payment of P1,310,670.56 as outstanding balance on progress billings and change orders.[30]

In a letter dated April 16, 1996, the petitioners denied liability, asserting that the respondent violated the contract provisions by, among others, failing to finish the contract within the 150-day stipulated period, failing to comply with the provisions on change orders, and overstating its billings.[31]

On May 8, 1996, the respondent filed a complaint with the Regional Trial Court (RTC), Branch 145, Makati City, for collection of the unpaid balance of the contract and the unpaid change orders, plus damages and attorney's fees.[32]

In their answer with counterclaim,[33] the petitioners complained of the respondent's delayed and defective work. They demanded payment of liquidated damages for delay in the completion, the construction errors, loss or non-usage of specified construction materials, unconstructed and non-completed works, plus damages and attorney's fees.

THE RTC RULING

In a decision[34] dated December 11, 1997, the RTC found that both parties have not complied strictly with the requirements of the contract. It observed that change orders were made without the parties' prescribed written agreement, and that each party should bear their respective costs. It noted that the respondent could not demand from the petitioners the payment for change orders undertaken upon instruction of the project architect without the petitioners' written approval. Applying Article 1724 of the Civil Code, the RTC found that when the respondent performed the change orders without the petitioners' written agreement, it did so at its own risk and it could not compel the petitioners to pay.

The RTC noted that the petitioners were nonetheless liable for P130,000.00 under Change Order Nos. 16 and 17, because petitioner Debbie Chung ratified and acknowledged that such amount was still due upon completion. It also noted that the respondent should not be faulted or penalized for the delay in the completion of the contract within the 150-day period due to the petitioners' delay in the payment of the progress billings. It found, however, that the petitioners are liable for the construction defect on the roof leak traceable to the shallow concrete gutter.

Thus, the RTC ordered the respondent to repair, at its expense, the defective concrete gutter of the petitioners' house and to restore other affected structures according to the architectural plans and specifications. It likewise ordered the petitioners to pay the respondent P629,819.84 as unpaid balance on the progress billings and P130,000.00 as unpaid balance on the ratified change orders.

Both parties elevated the case to the CA by way of ordinary appeal under Rule 41 of the Rules of Court. The respondent averred that the RTC failed to consider evidence of the petitioners' bad faith in violating the contract, while the petitioners argued that the RTC should have quantified the cost of the repairs and simply ordered the respondent to reimburse the petitioners' expenses.

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THE CA RULING

The CA decided the appeal on June 28, 2002.[35] It found Article 1724 inapplicable because the provision pertains to disputes arising from the higher cost of labor and materials, while the respondent demands payment of change order billings and there was no demand for increase in the costs of labor and materials. Applying the principle of estoppel in pais, the appellate court noted that the petitioners impliedly consented or tacitly ratified the change orders by payment of several change order billings and their inaction or non-objection to the construction of the projects covered by the change orders.

Thus, the CA affirmed the RTC decision, but increased the payment on the unpaid balance of the change orders to P740,587.11. It likewise ordered the petitioners to pay 6% interest on the unpaid amounts from the day of formal demand and until the finality of the decision, and 12% interest after finality of the decision, plus P50,000.00 as exemplary damages.

Both parties filed motions for reconsideration. On November 15, 2002, the CA issued a resolution denying the petitioners' motion for reconsideration, but partially granting the respondent's motion for reconsideration by awarding it attorney's fees equal to 10% of the total award.[36]

Hence, the petitioners came to us through the present petition.

THE PETITION

The petitioners insist that the CA should have quantified the cost of the repairs on the defective gutter and simply ordered the respondent to reimburse the petitioners' expenses because repairing the defective gutter requires the demolition of the existing cement gutter, the removal of the entire roofing and the dismantling of the second floor steel trusses; they are entitled to liquidated damages for the unjust delay in the completion of the construction within the 150-day contract period; the award of P629,819.84 for progress billings is unwarranted since only P545,920.00 is supported by the respondent's evidence; the respondent's construction errors should set-off or limit the petitioners' liability, if any; the CA misinterpreted Article 1724 of the Civil Code and misapplied the principle of estoppel in pais since the contract specifically provides the petitioners' prior written approval for change orders; the respondent is not entitled to exemplary damages and attorney's fees since the respondent was at fault for the defective gutter.

THE CASE FOR THE RESPONDENT

The respondent submits that the petition is merely dilatory since it seeks to review the lower courts' factual findings and conclusions, and it raised no legal issue cognizable by this Court.[37]

THE ISSUE

The core issue is whether the CA erred in: (a) affirming the RTC decision for payment of progress billings; (b) in increasing the amount due for change orders; and, (c) in awarding exemplary damages and attorney's fees to the respondent.

OUR RULING

We find the petition meritorious.

This Court is not a trier of facts. However, when the inference drawn by the CA from the facts is manifestly

mistaken, as in the present case, we can review the evidence to allow us to arrive at the correct factual conclusions based on the record.[38]

Contract is the law between the parties

In contractual relations, the law allows the parties leeway and considers their agreement as the law between them.[39] Contract stipulations that are not contrary to law, morals, good customs, public order or public policy shall be binding[40] and should be complied with in good faith.[41] No party is permitted to change his mind or disavow and go back upon his own acts, or to proceed contrary thereto, to the prejudice of the other party.[42] In the present case, we find that both parties failed to comply strictly with their contractual stipulations on the progress billings and change orders that caused the delays in the completion of the project.

Amount awarded for unpaid progress
billings is unsupported by evidence

There is no dispute that the petitioners failed to pay progress billings nos. 8 to 12. However, we find no basis to hold the petitioners liable for P629,819.84, the balance of the total contract price, without deducting the discount of P18,000.00 granted by the respondent. The petitioners likewise cannot be held liable for the balance of the total contract price because that amount is clearly unsupported by the evidence; only P545,922.13[43] is actually supported by progress billings nos. 8 to 12. Deducting the respondent's P100,000.00 cash advance,[44] the unpaid progress billings amount to only P445,922.13.

Article 1724 of the Civil Code applies

The CA erred in ruling that Article 1724 of the Civil Code does not apply because the provision pertains to disputes arising from the higher cost of labor and materials and there was no demand for increase in the costs of labor and materials.

Article 1724[45] governs the recovery of additional costs in contracts for

a stipulated price (such as fixed lump-sum contracts), and the increase in price for additional work due to change in plans and specifications. Such added cost can only be allowed upon the: (a) written authority from the developer or project owner ordering or allowing the written changes in work, and (b) written agreement of parties with regard to the increase in price or cost due to the change in work or design modification. Compliance with these two requisites is a condition precedent for the recovery. The absence of one or the other condition bars the recovery of additional costs. Neither the authority for the changes made nor the additional price to be paid therefor may be proved by any other evidence.[46]

In the present case, Article I, paragraph 6, of the Contract incorporates this provision:

> The CONTRACTOR shall make no change or alteration in the plans, and specifications as well as in the works subject hereof without the prior written approval of the OWNER. A mere act of tolerance shall not constitute approval.[47]

Significantly, the respondent did not secure the required written approval of the petitioners before making the changes in the plans, specifications and works. Thus, for undertaking change orders without the stipulated written approval of the petitioners, the respondent cannot claim the additional costs it incurred, save for the change orders the petitioners accepted and paid for as discussed below.

CA misapplied the principle of estoppel in pais

The petitioners' payment of Change Order Nos. 1, 16, and 17 and their non-objection to the other change orders

effected by the respondent cannot give rise to estoppel in pais that would render the petitioners liable for the payment of all change orders.

Estoppel in pais, or equitable estoppel, arises when one, by his acts, representations or admissions or by his silence when he ought to speak out, intentionally or through culpable negligence, induces another to believe certain facts to exist and the other rightfully relies and acts on such beliefs so that he will be prejudiced if the former is permitted to deny the existence of such facts.[48] The real office of the equitable norm of estoppel is limited to supplying deficiency in the law, but it should not supplant positive law.[49]

In this case, the requirement for the petitioners' written consent to any change or alteration in the specifications, plans and works is explicit in Article 1724 of the Civil Code and is deemed written in the contract between the parties.[50] The contract also expressly provides that a mere act of tolerance does not constitute approval. Thus, the petitioners did not, by accepting and paying for Change Order Nos. 1, 16, and 17, do away with the contractual term on change orders nor with the application of Article 1724. The payments for Change Order Nos. 1, 16, and 17 are, at best, acts of tolerance on the petitioners' part that could not modify the contract.

Consistent with this ruling, the petitioners are still liable for the P130,000.00 balance on Change Order Nos. 16 and 17 that, to date, remain
unpaid.[51]

Accordingly, the petitioners' outstanding liabilities amount to P445,922.13 for the unpaid progress billings and P130,000.00 for the ratified change orders, or a total of P575,922.13.

Award of exemplary damages and attorney's fees is unwarranted.

We cannot allow the award for exemplary damages and attorney's fees. It is a requisite in the grant of exemplary damages that the act of the offender must be accompanied by bad faith or done in a wanton, fraudulent, or malevolent manner.[52] On the other hand, attorney's fees may be awarded only when a party is compelled to litigate or to incur expenses to protect his interest by reason of an unjustified act of the other party, as when the defendant acted in gross and evident bad faith in refusing the plaintiff's plainly valid, just and demandable claim.[53] We do not see the presence of these circumstances in the present case. As previously discussed, the petitioners' refusal to pay the change orders was based on a valid ground - lack of their prior written approval. There, too, is the matter of defective construction discussed below.

Petitioners' liability is set-off by respondent's construction defect

We cannot sustain the lower courts' order to repair the defective concrete gutter. The considerable lapse of time between the filing of the complaint in May 1996 and the final resolution of the present case renders the order to repair at this time highly impractical, if not manifestly absurd. Besides, under the contract, the respondent's repair of construction defects, at its expense, pertains to the 12-month warranty period after the petitioners' issuance of the final acceptance of work.[54] This provision does not apply since the petitioners have not even issued a certificate of completion and final acceptance of work.

Under the circumstances, fairness and reason dictate that we simply order the set-off of the petitioners' contractual liabilities totaling P575,922.13 against the repair cost for the defective gutter, pegged at P717,524.00,[55] leaving the amount of P141,601.87 still due from the respondent. Support in law for this ruling for partial legal compensation proceeds from Articles 1278,[56] 1279,[57] 1281,[58] and 1283[59] of the Civil Code. In short, both parties are creditors and debtors of each other, although in different amounts that are already due and demandable.

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Monetary award is subject to legal interest

Pursuant to our definitive ruling in Eastern Shipping Lines, Inc. v. Court of Appeals,[60] we hold that the amount of P141, 601.87 is subject to the legal interest of 6% per annum computed from the time the RTC rendered judgment on December 11, 1997 since it was the respondent who filed the complaint.[61] After the finality of this decision, the judgment award inclusive of interest shall bear interest at 12% per annum until full satisfaction.

WHEREFORE, the petition is hereby GRANTED. The assailed decision and resolution of the Court of Appeals in CA-G.R. CV Nos. 61583 are REVERSED and SET ASIDE. The respondent is ORDERED to pay the petitioners P141,601.87 representing the balance of the repair costs for the defective gutter in the petitioners' house, with interest at 6% per annum to be computed from the date of the filing of the complaint until finality of this decision and 12% per annum thereafter until full payment.

No pronouncement as to costs.

SO ORDERED.

Carpio Morales, (Chairperson), Bersamin, Villarama, Jr., and Sereno, JJ., concur.

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[*] Known as "Ulanday Constructors, Inc." and "Ulanday Contractors, Inc." in other parts of the record.

[1] Filed under Rule 45 of the Rules of Court; rollo, pp. 9-67.

[2] Dated June 28, 2002; penned by Associate Justice Andres B. Reyes, Jr., with the concurrence of Associate Justices Josefina Guevara-Salonga and Mario L. Guariña III; id. at 69-88.

[3] Dated November 22, 2002, id. at 90-93.

[4] Entitled "Ulanday Construction, Inc. v. Sps. Victoriano Chung and Debbie Chung."

[5] Article VI of the Contract, Exhibit "A", Folder of Plaintiff's Exhibits, p. 6.

[6] Article III of the Contract, Exhibit "A", id. at 2-4.

[7] Exhibit "A", id. at 1-11.

[8] The exempted works were electrical works and fixtures, plumbing works equipment and fixtures, landscaping and site development, sanitary dump and deepwell, and interior and exterior architectural finishes; Article II of the Contract, Exhibit "A", id. at 2.

[9] Article V, paragraph A, of the Contract, Exhibit "A", id. at 5.

[10] Article V, paragraph B, of the Contract, Exhibit "A", ibid.

[11] Ibid.

[12] Article I, paragraph 6, of the Contract, Exhibit "A", id. at 2.

[13] Article V, paragraph D, of the Contract, Exhibit "A", id. at 5.

[14] Article IX, paragraph C, of the Contract, Exhibit "A", id. at 7.

[15] Erroneously printed as P321,388.00, Exhibit "A", id. at 4.

[16] Exhibit "104", Folder of Defendants' Exhibits, p. 246.

[17] Exhibit "86", id. at 214.

[18] Affidavit by way of Direct Testimony of Defendant Debbie Chung, Original Records, p. 584.

[19]

Progress billing no.

Date

Amount

Amount Approved

1

May 31 1995

P448,512.06

P342,976.63

2

June 26, 1995

P466,747.64

3

July 10, 1995

P236,843.50

P187,180.50

4

July 26, 1995

P219,437.99

P170,278.44

5

August 16, 1995

P160,779.45

P108,445.91

6

August 31, 1995

P110,128.93

P66,518.18

7

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September 18, 1995

P209,073.81

P88,157.70

8

October 14, 1995

P33, 516.25

P36,481.42

9

November 4, 1995

P216,419.11

P126,628.27

10

November 27, 1995

P72,547.23

P68,350.51

11

December 11, 1995

P187,268.12

P62,316.13

12

December 27, 1995

P252,145.80

(Exhibit "LL", Folder of Plaintiff's Exhibits, p. 81).

[20] The petitioners paid progress billing nos. 1 and 2 for P695,275.00 on June 11, 1995; progress billing no. 3 for P186,461.29 on August 8, 1995; progress billing nos. 4 and 5 for P208,038.21 on September 11, 1995; progress billing no. 6 for P92,781.00 on October 3, 1995; and, progress billing no. 7 for P88,086.09 on October 31, 1995 (Exhibit "LL", ibid).

[21] Exhibit "C-3", id. at 20.

[22] Supra note 19.

[23] Change Order No. 1 (construction of room warehouse) P42,298.61

Change Order No. 3 (rehabilitation of trusses and rear portion)

57,866.00

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Change Order No. 4 (Installation of purlins)

29,764.00

Change Order No. 6 (reinforcement of truss at rear portion)

10,000.00

Change Order No. 8 (breaking of slab)

10,560.00

Change Order No. 12 (additional wall footing)

14,000.00

Change Order No. 13 (additional canopy at service)

30,000.00

Change Order No. 15 (ceiling eaves)

190,731.00

Change Order No. 16 (wood battens)

60, 000.00

Change Order No. 17 (structural reinforcement)

200,000.00

Change Order No. 18 (additional angle bar)

14,000.00

Change Order No. 19 (stair revision)

13,000.00

Change Order No. 21 (revision of porch)

7,055.65

Change Order No. 24 (false column and additional groove)

41,498.00

Change Order No. 25 (additional footing and column at entrance)

33,664.00

Change Order No. 26 (additional laundry tub at service)

6,949.10

Change Order No. 27 (additional slab on fill at garage and service)

93,685.00

Change Order No. 28 (revision of window sill)

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49,091.00

Change Order No. 29 (additional burdillo at bridgeway and stairs)

8,723.55

Total

P912,885.91

(Exhibits "G" to "X", id. at 30-31, 41-50, 54-56, 59-62)

[24] The petitioners paid Change Order No. 1; Exhibit "Q-1", id. at 51.

[25] The petitioner partially paid Change Order Nos. 16 and 17 on September 11, 1995; Exhibits "N" and "O-1", id. at 46 and 48.

[26] Exhibits "N" and "O-1", ibid.

[27] Exhibit "Y", id. at 63.

[28] Exhibits "Z" to "FF", id. at 64-70.

[29] Exhibit "HH", id. at 72.

[30] Exhibit "JJ", id. at 74.

[31] Exhibit "JJ-1", id. at 76-78.

[32] Original Records, pp. 1-7.

[33] Id., pp. 44-57.

[34] Rollo, p. 115-125.

[35] Id. at 69-88.

[36] Id. at 90-93.

[37] Id. at 148-152.

[38] Aguirre v. Heirs of Lucas Villanueva, G.R. No. 169898, October 27, 2006, 505 SCRA 855, 860; Heirs of Flores Restar v. Heirs of Dolores R. Cichon, G.R. No. 161720, November 22, 2005, 475 SCRA 731, 739.

[39] CIVIL CODE, Art. 1159; Norton Resources and Development Corporation v. All Asia Bank Corporation, G.R. No. 162523, November 25, 2009, 605 SCRA 370, 380.

[40] CIVIL CODE, Art. 1306; National Power Corporation v. Premier Shipping Lines, Inc. G.R. No. 179103, September 17, 2009, 600 SCRA 153, 176; Meralco Industrial Engineering Services Corporation v. National Labor Relations Commission, G.R. No. 145402, March 14, 2008, 548 SCRA 315, 334.

[41] CIVIL CODE, Art. 1159.

[42] Liga v. Allegro Resources Corp., G.R. No. 175554, December 23, 2008, 575 SCRA 310, 320; Department of Health v. HMTC Engineers' Company, G.R. No. 146120, January 27, 2006, 480 SCRA 299, 311.

[43] Excluding the P100,000.00 case advance, supra notes 19 and 21.

[44] Supra note 21.

[45] ART. 1724. The contractor who undertakes to build a structure or any other work for a stipulated price, in conformity with plans and specifications agreed upon with the land-owner, can neither withdraw from the contract nor demand an increase in the price on account of the higher cost of labor or materials, save when there has been a change in the plans and specifications, provided:

(1) Such change has been authorized by the proprietor in writing; and

(2) The additional price to be paid to the contractor has been determined in writing by both parties.

[46] Titan-Ikeda Construction & Development Corporation v. Primetown Properties Group, Inc., G.R. No. 158768, February 12, 2008, 544 SCRA 466, 489-490; Powton Conglomerate, Inc. v. Agcolicol, 448 Phil. 643, 655 (2003).

[47] Supra note 12.

[48] Soliman v. Pampanga Sugar Development Company (PASUDECO), Inc., G.R. No. 169589, June 16, 2009, 589 SCRA 236, 252.

[49] Ibid.

[50] See Halagueña v. Philippine Airlines, Incorporated, G.R. No. 172013, October 2, 2009, 602 SCRA 297, 313, citing Pakistan International Airlines Corporation v. Ople, G.R. No. 61594, September 28, 1990, 190 SCRA 90, 99; National Steel Corporation v. RTC, Br. 2, Iligan City, 364 Phil. 240, 257 (1999).

[51] Supra note 25.

[52] Tanay Recreation Center and Development Corp. v. Fausto, G.R. No. 140182, April 12, 2005, 455 SCRA 436, 457.

[53] CIVIL CODE, ART. 2208. In the absence of stipulation, attorney's fees and expenses of litigation, other than judicial costs, cannot be recovered, except:

(1) When exemplary damages are awarded;

(2) When the defendant's act or omission has compelled the plaintiff to litigate with third persons or to incur expenses to protect his interest;

(3) In criminal cases of malicious prosecution against the plaintiff;

(4) In case of a clearly unfounded civil action or proceeding against the plaintiff;

(5) Where the defendant acted in gross and evident bad faith in refusing the plaintiff's plainly valid, just, and demandable claim;

(6) In actions for legal support;

(7) In actions for the recovery of wages of household helpers, laborers, and skilled workers;

(8) In actions for indemnity under workmen's compensation and employer's liability laws;

(9) In a separate civil action to recover civil liability arising from a crime;

(10) When at least double judicial costs are awarded;

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

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In all cases, the attorney's fees and expenses of litigation must be reasonable.

[54] Supra note 14.

[55] Exhibit "53", Folder of Defendants' Exhibits, p. 174.

[56] ART. 1278. Compensation shall take place when two persons, in their own right, are creditors and debtors of each other.

[57] ART. 1279. In order that compensation may be proper, it is necessary:

(1) That each one of the obligors be bound principally, and that he be at the same time a principal creditor of the other;

(2) That both debts consist in a sum of money, or if the things due are consumable, they be of the same kind, and also of the same quality if the latter has been stated;

(3) That the two debts be due;

(4) That they be liquidated and demandable;

(5) That over neither of them there be any retention or controversy, commenced by third persons and communicated in due time to the debtor.

[58] ART. 1281. Compensation may be total or partial. When the two debts are of the same amount, there is total compensation.

[59] ART. 1283. If one of the parties to a suit over an obligation has a claim for damages against the other, the former may set it off by proving his right to said damages and the amount thereof.

[60] G.R. No. 97412, July 12, 1994, 234 SCRA 78.

We held:

"2. When an obligation, not constituting a loan or forbearance of money, is breached, an interest on the amount of damages awarded may be imposed at the discretion of the court at the rate of 6% per annum. No interest, however, shall be adjudged on unliquidated claims or damages except when or until the demand can be established with reasonable certainty. Accordingly, where the demand is established with reasonable certainty, the interest shall begin to run from the time the claim is made judicially or extrajudicially (Art. 1169, Civil Code) but when such certainty cannot be so reasonably established at the time the demand is made, the interest shall begin to run only from the date the judgment of the court is made (at which time the quantification of damages may be deemed to have been reasonably ascertained). The actual base for the computation of legal interest shall, in any case, be on the amount finally adjudged."

[61] See Crystal v. Bank of the Philippine Islands, G.R. No. 180274, September 4, 2009, 598 SCRA 464, 471.

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