

ARNULFO C. ACEVEDO, PETITIONER, VS. ADVANSTAR COMPANY INC. AND/OR FELIPE LOI, MANAGER, AND TONY JALAPADAN, RESPONDENTS.*G.R. No. 157656. November 11, 2005*

Ponente: CALLEJO, SR., J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-157656/>**CALLEJO, SR., J.:**

The Advanstar Company Inc. (ACI) was engaged in the distribution and sale of various brands of liquor and alcoholic spirits, including the Tanduay Brand. Felipe Loi was employed as its manager. To effectively launch its vigorous marketing operations, ACI hired several salesmen, one of whom was Tony Jalapadan. On September 1, 1994, ACI executed an Agreement for the Sale of Merchandise[1] with Jalapadan for a period of one year, renewable for another year under the same terms and conditions.

Under the agreement, the parties agreed, inter alia, that Jalapadan would promote and sell products of ACI, solicit from customers and outlets within his designated territory, collect payments from such customers and account the same to ACI. Jalapadan was provided with a 6-wheeler truck to facilitate the sale and delivery of products to customers and outlets from his base of operations in Ozamis City to Zamboanga del Sur and Zamboanga del Norte. Jalapadan was also authorized to employ and discharge a driver and other assistants as he deemed necessary. It was stipulated, however, that the hired hands would be considered his employees, and that he alone would be liable for their compensation and actual expenses, including meals while on duty. As of July 1997, Jalapadan had employed and fired 14 drivers.

On August 5, 1997, Jalapadan hired Arnulfo Acevedo[2] as the driver of the truck assigned to him by ACI. Acevedo was tasked to sell and deliver stocks to outlets and customers, collect payments, and to maintain the truck in good and clean condition. He reported for work from 6:00 a.m. to 8:00 or 9:00 p.m.[3] Aside from Acevedo, Jalapadan also hired a loader (kargador).

Acevedo received a daily wage of P152.00 and was paid on a weekly basis. He also enjoyed sick leave privilege, which benefit was convertible into cash. Sometime in June 1998, he received from Jalapadan a salary differential for the period of December 1997 to June 1998, following a P15.00 increase in his daily wage. He received his wages from Jalapadan through vouchers approved by the latter.[4]

Sometime in July 1998, Acevedo failed to comply with Jalapadan's instructions. At that time, they were on their way to Plaridel, Misamis Oriental on board the truck. Jalapadan ordered Acevedo to alight from the truck, and threatened to leave him behind to fend for himself. However, Jalapadan later asked him to return to work[5] and the latter agreed.

On October 7, 1998, Acevedo failed to report for work. The next day, Jalapadan inquired why he failed to check and wash the truck. Jalapadan berated Acevedo and ordered him to get his personal belongings and leave. Acevedo did as he was told. Later, Jalapadan urged Acevedo to go back to work, stating that they were "one big family," but Acevedo refused.[6] He then signed a Letter[7] dated October 10, 1998, informing Jalapadan that he

was resigning effective that date.

However, on October 26, 1998, Acevedo filed a complaint against Jalapadan, ACI and its general manager, Felipe Loi, for illegal dismissal and for the recovery of backwages and other monetary benefits.

In their position paper, respondents ACI and Loi averred that the complainant was Jalapadan's employee as indicated in the agreement between Jalapadan and ACI. It was also pointed out that the Department of Labor and Employment had already ruled in Case No. 08-MA-A-8-230-91 that truck drivers and helpers of salesmen are the employees of such salesmen and not that of a marketing corporation. The respondents also averred that Acevedo was not dismissed; he abandoned his work and later voluntarily resigned as evidenced by his typewritten letter of resignation dated October 10, 1998 addressed to Jalapadan. The said letter was appended to the position paper.[8]

During the hearing, Acevedo testified that on October 10, 1998, Loi, through the cashier, gave him P2,200.00 from his personal fund which, according to Loi, was only goodwill money.[9]

On March 24, 1999, the Labor Arbiter rendered judgment in favor of the complainant. The dispositive portion of the decision reads:

WHEREFORE, couched on the foregoing considerations, judgment is hereby rendered:

1.) holding that there has been an employer-employee relationship between respondent Advanstar, Inc. and complainant Arnulfo Acevedo, with respondent Tony Jalapadan as agent of the respondent corporation arising from their relationship of labor-only contracting;

2.) declaring that complainant's severance from employment is illegal, causing respondents to have the obligation of reinstating complainant Arnulfo Acevedo back to work without loss of seniority rights and other privileges, immediately even pending appeal; and, directing respondents to pay complainant his full backwages constituting his basic wage and 13th month pay, from the date when he was unlawfully dismissed up to the date of actual or payroll reinstatement of complainant, which partial amount is reflected in paragraph "3" hereof;

3.) ordering respondents Advanstar, Inc. and Tony Jalapadan to pay complainant, jointly and severally, the following:

A. Partial backwages..... P30,014.07; and

B. Salary differentials

due to unjustified

reduction..... 1,500.00;

TOTAL..... P31,514.07;

=====

4.) directing respondents to pay attorney's fees in the amount of ten (10) percent of the whole amount due complainant, jointly and severally; and

5.) dismissing all other claims of complainant for being divested of merit.

SO ORDERED.[10]

The Labor Arbiter ruled that the agreement of Jalapadan and ACI was a mere subterfuge to escape the latter's obligations and liabilities to its workers, including the complainant, hence, null and void for being contrary to public policy. Moreover, the agreement between the respondents cannot prevail over Articles 106 and 107 of the

Labor Code of the Philippines. Thus, according to the Labor Arbiter, respondent Jalapadan was a labor-only contractor of respondent ACI, and as such, the employees of respondent Jalapadan were also its employees. The Labor Arbiter also ruled that the services rendered by the complainant were necessary and desirable to the business of respondent ACI.

The respondents appealed the decision to the National Labor Relations Commission (NLRC). They filed a Manifestation on May 23, 2000, alleging that respondent Jalapadan was an independent contractor of respondent ACI and that, based on Social Security System (SSS) records, the employer of the complainant was respondent Jalapadan. They also pointed out that the complainant submitted his handwritten letter of resignation on October 10, 1998. The respondents appended the following: (a) an affidavit executed by Jalapadan wherein he declared that he was the employer of the complainant and that respondent ACI allowed him to sell its products "on a marked-up price" as his commissions, aside from being granted other incentives; (b) the SSS records of the complainant; and (c) the complainant's handwritten letter of resignation.[11]

The NLRC reversed the Labor Arbiter's ruling. It held that the complainant was an employee of respondent Jalapadan, not of respondent ACI, and that he voluntarily resigned.[12] However, the NLRC failed to resolve the issue of whether respondent Jalapadan was an independent contractor. The complainant filed a motion for reconsideration of the decision, reiterating his claim that although he signed the letters of resignation, he finished only the third grade and could not read, write or understand English.[13] The NLRC denied the motion for lack of merit.

Acevedo then filed a petition for certiorari with the Court of Appeals (CA) where he raised the following issues:

- A) THE HONORABLE COMMISSION GRAVELY ABUSED ITS DISCRETION IN RESOLVING THAT COMPLAINANT IS NOT AN EMPLOYEE OF RESPONDENT ADVANSTAR;
- B) THE HONORABLE COMMISSION SERIOUSLY ERRED AND GRAVELY ABUSED ITS DISCRETION IN HOLDING THAT THE COMPLAINANT RESIGNED FROM HIS JOB;
- C) THE HONORABLE COMMISSION GRAVELY ABUSED ITS DISCRETION AND SERIOUSLY ERRED IN ADMITTING AND APPRECIATING EVIDENCE NOT ADDUCED BEFORE THE LABOR ARBITER; AND
- D) THE HONORABLE COMMISSION GRAVELY ABUSED ITS DISCRETION IN APPRECIATING THE ALLEGED TWO RESIGNATION LETTERS OF THE COMPLAINANT PRESENTED BY THE PRIVATE RESPONDENTS.[14]

The petitioner averred that respondent Jalapadan failed to adduce evidence to show that he had substantial capital or investment in the form of tools, equipment, machineries, etc. as to classify him as an independent contractor. If, at all, respondent Jalapadan was a labor-only contractor for respondent ACI.

In their Comment on the petition, the respondents reiterated that the petitioner was not dismissed from his employment; on the contrary, he abandoned his work and later resigned. They reiterated their stand that respondent Jalapadan was an independent contractor.

On June 14, 2002, the CA rendered judgment dismissing the petition for lack of merit, holding that the petitioner voluntarily resigned from his job.[15] However, it failed to resolve the other issues raised by the petitioner. The appellate court, likewise, denied the petitioner's motion for reconsideration of its decision.[16]

The petitioner then filed a petition for review on certiorari with this Court, alleging that the CA committed grave abuse of its discretion amounting to excess or lack of jurisdiction in affirming the decision of the NLRC and in not reinstating the decision of the Labor Arbiter.

The pivotal issues in this case are factual: (a) whether the respondent ACI was the employer of respondent Jalapadan; (b) whether the petitioner is the employee of respondent ACI; and (c) whether the petitioner resigned from his employment. Under Rule 45 of the Rules of Court, only questions of law may be raised in and resolved by this Court. The reason for this is that the Court is not a trier of facts; it is not to reexamine and calibrate the evidence on record. Moreover, findings of facts of quasi-judicial bodies like the NLRC, and affirmed by the CA in due course, are conclusive on this Court, unless the aggrieved party establishes that grave abuse of discretion amounting to excess or lack of jurisdiction was committed. Thus, in exceptional cases, this Court may delve into and resolve factual issues. Indeed, the Court has reviewed the records in this case and holds that the findings of the NLRC and that of the CA on substantial matters are contrary to the evidence on record.

On the first and second issues, the petitioner avers that respondent Jalapadan was a labor-only contractor, not an independent contractor, hence, merely an agent of respondent ACI. Consequently, the latter is responsible to the employees hired by respondent Jalapadan as if such employees had been directly employed by it, and, as such, the respondents are solidarily liable for their valid claims. The petitioner notes that the respondents adopted a new defense in the NLRC: that respondent Jalapadan was an independent contractor and received from respondent ACI commissions or honoraria or incentives as compensation for his services. The respondents even claimed that their agreement was merely pro forma.

The petitioner avers that the respondents failed to prove that Jalapadan had substantial capital, investment and tools to engage in job contracting. He insists that he was a labor-only contractor; hence, his employees are actually the employees of respondent ACI. The petitioner insists that applying the "control test," Jalapadan was an employee of respondent ACI; the latter, through Jalapadan, its employee-agent, had supervision and control over the petitioner who drove the truck and maintained it in good condition, which Jalapadan was tasked to do under his agreement with respondent ACI. He posits that even if respondent ACI did not exercise control over Jalapadan, it is enough that it had the right to do so. The petitioner further asserts that he was employed by Jalapadan to drive the truck provided by respondent ACI for the marketing and delivery of its products to the customers in parts of Zamboanga del Norte and del Sur. The use of the truck was essential to the business of both Jalapadan and respondent ACI; thus, the petitioner's job as driver of the truck was usual, necessary and desirable to both Jalapadan and respondent ACI.

While the petitioner admits having received his wages from Jalapadan and that he was hired and fired by the latter, he insists that his wages must have been paid by respondent ACI through Jalapadan. He points out that he received a daily wage of P152.00 or a total of P3,648.00 a month, while the hired truck helper received P4,000.00 a month. However, Jalapadan received P3,590.00 as monthly compensation from respondent ACI under their agreement. Hence, the total amount of P7,648.00 Jalapadan paid the petitioner and the truck helper was much more than the monthly compensation he received from respondent ACI. The petitioner posited that since Jalapadan could not afford to pay his and the truck helper's wages, it was respondent ACI who must have been paying them.

The petitioner asserts that the NLRC acted arbitrarily in taking cognizance of and considering his handwritten letter of resignation dated October 10, 1998 because respondent ACI submitted the same to the NLRC only on appeal. He avers that he could not have understood the contents of the said letter because he merely affixed his thumbmarks thereon. He reiterates that he finished only the third grade and can neither read nor write. Moreover, he signed only one letter of resignation. Even then, it was not his intention to resign because he filed his complaint shortly after signing the said letter. The petitioner belittles the SSS records submitted by the respondents because as shown therein, Jalapadan paid his share of the premiums due only after October 1998.

By way of Comment, the respondents aver that the issues raised by the petitioner are the same issues raised in and

already resolved by the NLRC and the CA, whose decisions are in accord with the evidence on record and the law.

The contentions of the petitioner are correct.

The pertinent provision of the Labor Code on labor-only contracting is paragraph 4 of Article 106, which provides:

There is "labor-only" contracting where the person supplying workers to an employer does not have substantial capital or investment in the form of tools, equipment, machineries, work premises, among others, and the workers recruited and placed by such persons are performing activities which are directly related to the principal business of such employer. In such cases, the person or intermediary shall be considered merely as an agent of the employer who shall be responsible to the workers in the same manner and extent as if the latter were directly employed by him.

Rule VIII-A, Book III, Section 4(f) of the Omnibus Rules Implementing the Labor Code further defines "labor-only" contracting as an arrangement where the contractor or subcontractor merely recruits, supplies or places workers to perform a job, work or service for a principal. In labor-only contracting, the following elements are present:

- (a) The contractor or subcontractor does not have substantial capital or investment to actually perform the job, work or service under its own account and responsibility;
- (b) The employees recruited, supplied or placed by such contractor or subcontractor, are performing activities which are directly related to the main business of the principal.[17]

In such case, the law creates an employee-employer relationship so that labor laws may not be circumvented. The principal employer becomes solidarily liable with the labor-only contractor for all the rightful claims of the employees.[18] The labor-only contractor is considered merely as an agent of the employer, the employer having been made, by law, responsible to the employees of the labor-only contractor as if such employees had been directly employed by it.

On the other hand, permissible job contracting or subcontracting refers to an arrangement whereby a principal agrees to put out or farm out with the contractor or subcontractor the performance or completion of a specific job, work or service within a definite or predetermined period regardless of whether such job, work or service is to be performed or completed within or outside the premises of the principal.[19]

A person is considered engaging in legitimate job contracting or subcontracting if the following conditions concur:

- (a) The contractor or subcontractor carries on a distinct and independent business and undertakes to perform the job, work or service on its own account and under its own responsibility according to its own manner and method, and free from the control and direction of the principal in all matters connected with the performance of the work except as to the results thereof;
- (b) The contractor or subcontractor has substantial capital or investment; and
- (c) The agreement between the principal and contractor or subcontractor assures the contractual employees entitlement to all labor and occupational safety and health standards, free exercise of the right to self-organization, security of tenure, and social and welfare benefits.[20]

The test to determine the existence of an independent contractorship is whether one who claims to be an independent contractor has contracted to do the work according to his own methods and without being subject to

the employer's control except only as to the results.[21] Each case must be determined by its own facts and all the features of the relationship are to be considered.[22]

In the case of *Vinoya v. NLRC*,[23] the Court declared that it is not enough to show substantial capitalization or investment in the form of tools, equipment, etc. to determine whether one is an independent contractor. Other factors that may be considered include the following: whether or not the contractor is carrying on an independent business; the nature and extent of the work; the skill required; the term and duration of the relationship; the right to assign the performance of specified pieces of work; the control and supervision of the work to another; the employer's power with respect to the hiring, firing and payment of the contractor's workers; the control of the premises; the duty to supply premises, tools, appliances, materials and labor; and the mode and manner or terms of payment.[24]

In the present case, the respondents failed to prove that respondent Jalapadan was an independent contractor. Indeed, the substantial evidence on record shows that he was merely a labor-only contractor.

First. The respondents failed to adduce a scintilla of evidence that respondent Jalapadan had any substantial capital or investment, such as tools and equipment, to perform the work contracted for. There is even no evidence that respondent Jalapadan had any assets, or that he maintained an office, staff or a terminal for the truck entrusted to him by respondent ACI.

Second. Respondent Jalapadan bound and obliged himself to work exclusively for respondent ACI during the terms of the agreement.

Third. Under the agreement, respondent ACI had the right to control not only the end to be attained but also the manner and means to be used in accomplishing that end or purpose. Aside from Jalapadan's duties/obligations as salesman, respondent ACI could require him to perform other duties and obligations. Respondent Jalapadan was, likewise, mandated to obey all rules, regulations, orders, and instructions, whether oral or written, of respondent ACI. He was obliged to work only in the territory assigned to him, which may be altered at any time upon the discretion of ACI. He was also prohibited from overpricing or underpricing the products of respondent ACI, and was required to sell the same according to the prices dictated solely by it. While Jalapadan was entitled to a monthly compensation of P3,590.00 payable on a bi-monthly basis and an unspecified commission based on booking sales fully remitted to respondent ACI, the latter had the absolute right to change, at any time, the amount and/or all the payments of such compensation and commission. Moreover, notice of such changes was only for information purposes. Furthermore, Jalapadan was obliged to inform respondent ACI of his activities, situation or whereabouts. Since he did not have any truck for the delivery of products to customers or outlets, he had to rely on the truck entrusted to him by respondent ACI or, in lieu thereof, a traveling allowance of P600.00 a month which could even be changed. Respondent Jalapadan was prohibited from incurring any other expenses unless permission was first secured from respondent ACI. He was prohibited from using the truck for purposes other than the performance of his duties and responsibilities under the agreement. Respondent Jalapadan was mandated to maintain the truck and its accessories in clean and good order and condition. The agreement was for a period of one year, renewable under the same terms and conditions but the parties could terminate the agreement upon notice to the other. Moreover, while respondent ACI did not fix or impose any quota on respondent Jalapadan, it reserved the right to do so.

Fourth. Respondent Jalapadan was obliged to pay the petitioner's monthly wage of P3,648.00, as well as that of his helper, another P4,000.00 a month, totaling P7,648.00, exclusive of other expenses such as meals, gasoline, and the upkeep of the vehicle. On the other hand, respondent Jalapadan received from respondent ACI only P3,590.00 a month as compensation. He had no other means of income because he was obliged, under the

agreement, to devote all his time for respondent ACI. Respondent Jalapadan's claim that he sold the products of the respondent ACI for a marked-up price as his commission is belied by their agreement, which precisely prohibited him from selling such products at a different price. Respondent Jalapadan was only entitled to a commission based on their booked sales. Aside from the fact that such commission was not fixed, there is no evidence on record how much, if any, respondent Jalapadan received from the respondent ACI by way of commission.

Considering all these, then, the Court concludes that the petitioner's wages must have been paid for by respondent ACI through respondent Jalapadan, its labor-only contractor.

On the third issue, the petitioner asserts that the NLRC and the CA erred in finding and declaring that he voluntarily resigned from his employment on October 10, 1998. He avers that the NLRC erred in considering his handwritten letter of resignation and his testimony in the Office of the Labor Arbiter. He asserts that the respondents submitted the letter only in the NLRC, thus, depriving him of his right to due process. Moreover, the contents of the letter were handwritten by respondent Jalapadan. He reiterates that he was not aware of the nature and legal effect of signing the said letter because he can neither read nor write and finished only third grade. Moreover, he maintains that he signed two letters of resignation, one typewritten and the other handwritten by respondent Jalapadan, and yet the NLRC ignored the typewritten one without any explanation.

For their part, the respondents reiterate their stand (as sustained by the NLRC and the CA) that the petitioner abandoned his work and was not dismissed by respondent Jalapadan.

The Court agrees with the rulings of the NLRC and the CA that the petitioner was not dismissed from employment. Upon careful review of the records, the Court finds that such rulings are in accord with the evidence:

Nevertheless, assuming that complainant was a regular employee of Advanstar, this Commission finds his claim that he was illegally dismissed to be nebulous. The only incident from which complainant drew the conclusion that he was dismissed from work is when he was allegedly told to disembark from the vehicle. Nothing on record shows that he was terminated from work. On the contrary, complainant himself reveals that previously (in July 1995) he was also told to disembark to be left on the road by an angry Jalapadan, the latter went back to fetch him and told him that "we are just one family." Evidently, [these] incidents were mere expressions of anger on the part of Jalapadan without intention of terminating his employment. Rather, it was complainant as admitted by him – who, this time, refused to return to work. ...[25]

When he testified before the Labor Arbiter, the petitioner admitted that he was not dismissed from employment, thus:

Q -

You alleged that you were terminated on October 8, 1998. Is that right?

A -

Yes, Sir.

Q -

Is it not a fact that you were the one who left while you were in the south?

A -

I was told by Tony Jalapadan to disembark from the van, so I took my personal belonging and I told him that

I'll see him in our office at Ozamis City.

Q -

You mean that was the reason why you were terminated when you were told to disembark?

A -

When I told him that we would see each other in Ozamis City, he told me to go back because we were one family, but I did not go back anymore.

Q -

These are the only words that made you conclude that you were terminated by Tony Jalapadan?

A -

Yes, Sir.

Q -

After that, where did you proceed?

A -

I went to my family in Dipolog City.[26]

In fact, respondent Jalapadan appealed to the petitioner to go back to work, and the latter spurned such plea.

The Court finds, however, that contrary to the rulings of the NLRC and the CA, the petitioner did not resign from his employment. Reliance on the handwritten letter of resignation dated October 10, 1998 signed and thumbmarked by the petitioner is misplaced. The handwritten letter of resignation signed by the petitioner is inconsistent with the respondents' claim that respondent Jalapadan was the petitioner's employer. This is so because the said letter is addressed to Tanduary Corporation, and not to respondent Jalapadan, thus:

TANDUARY CORPORATION
OZAMIS BRANCH

THRU: MR. TONY JALAPADAN, SALESMAN

SIR:

I HAVE THE HONOR TO TENDER MY RESIGNATION, EFFECTIVE OCT. 10, 1998, BY REASON THAT I AM SEARCHING FOR BETTER INCOME. BY VIRTUE THAT MY SALARY CURRENTLY IS NOT SUFFICIENT FOR MY FAMILY.

HOPE AND PRAY FOR YOUR CONSIDERATION AND I REMAIN PRAYING FOR THE CONTINUOUS SUCCESS OF YOUR MOST PROGRESSIVE COMPANY AND I HAVE NO CLAIM WHATSOEVER.

HANDTHUMBMARK VERY TRULY YOURS,

(SGD.)_____

HANDTHUMBMARK ARNULFO ACEBEDO[27]

Neither the petitioner nor the respondents explained why the letter was addressed to Tanduary Corporation. Significantly, respondent Jalapadan did not deny the petitioner's claim that the letter was handwritten by him (Jalapadan). If such claim were true, there is neither rhyme nor reason why Tanduary Corporation was its addressee. Moreover, it appears that the letter was coursed through respondent Jalapadan as salesman of the said corporation, which is antithetical to the respondents' claim that he was the petitioner's employer and an independent contractor of respondent ACI.

IN LIGHT OF ALL THE FOREGOING, the petition is GRANTED. The Decision and Resolution of the Court of Appeals are REVERSED AND SET ASIDE. The Court declares respondent Tony Jalapadan as a labor-only contractor, and respondent Advanstar Company Inc. as the principal employer of Petitioner Arnulfo C. Acevedo. The respondents are hereby ORDERED to allow the petitioner to report back for work as driver under the same terms and conditions existing before October 8, 1998, upon finality of this Decision. No costs.

SO ORDERED.

Puno, (Chairman), Austria-Martinez, and Tinga, JJ., on leave.
Chico-Nazario, J., on leave.

[1] CA Rollo, pp. 52-57.

[2] Also spelled "Acebedo."

[3] CA Rollo, p. 29.

[4] Ibid.

[5] CA Rollo, p. 40.

[6] Id. at 72; TSN, 15 February 1999, p. 13.

[7] Id. at 59.

[8] CA Rollo, p. 51.

[9] Id. at 78-79; TSN, 15 February 1999, pp. 19-20.

[10] CA Rollo, pp. 36-37.

[11] CA Rollo, pp. 84-95.

[12] Rollo, pp. 59-65.

[13] Id. at 69.

[14] CA Rollo, p. 11.

[15] CA Rollo, pp. 96-109.

[16] Id. at 122.

[17] *Vinoya v. National Labor Relations Commission*, G.R. No. 126586, 2 February 2000, 324 SCRA 469.

[18] *San Miguel Corporation v. MAERC Integrated Services, Inc.*, G.R. No. 144672, 10 July 2003, 405 SCRA

579.

[19] Rule VIII-A, Book III, Section 4(d) of the Omnibus Rules Implementing the Labor Code.

[20] *Vinoya v. National Labor Relations Commission*, *supra*.

[21] *New Golden City Builders and Development Corporation v. Court of Appeals*, G.R. No. 154715, 11 December 2003, 418 SCRA 411.

[22] *Encyclopaedia Britannica (Phils.), Inc. v. National Labor Relations Commission*, G.R. No. 87098, 4 November 1996, 264 SCRA 1.

[23] *Supra*.

[24] *New Golden City Builders and Development Corporation, Inc. v. Court of Appeals*, *supra*.

[25] CA Rollo, p. 44.

[26] *Id.* at 71-73.

[27] CA Rollo, p. 95.

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.