

SABENA BELGIAN WORLD AIRLINES, PETITIONER, VS. HONORABLE COURT OF APPEALS (SEVENTH DIVISION) CONCEPCION, OCTAVIO, ESTRELLA AND GEMMA, ALL SURNAMED FULE, RESPONDENTS.

G.R. No. 82068. March 31, 1989

Ponente: GUTIERREZ, JR., J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-82068/>

GUTIERREZ, JR., J.:

The only issue in this case is whether or not the petitioner, Sabena Belgian World Airlines, is liable to the respondents for damages arising from breach of contract of carriage.

The antecedent facts were summarized by the respondent Court of Appeals as follows:

"On March 27, 1979, the plaintiff-appellee Concepcion F. Fule purchased three round trip tickets for herself and two children, Estrella and Gemma, from the defendant-appellant Sabena World Airlines for the routes covering Manila-Brussels-Barcelona-Madrid (Exhs. A, B and C) On March 29, 1979, she and her children took the Sabena flight No.274, arriving in Brussels, Belgium at 6:00 o'clock in the morning of March 30, 1979. Just before the flight arrived in Brussels, it was announced that the city would be cloudy and rainy and in fact when the plane arrived there was a slight drizzle. (TSN, pp. 5-6, April 17, 1980) Before disembarking, the plaintiff-appellees put on their sweaters and winter coats but did not cover their heads. Mrs. Fule thought there would be a shuttle bus or a ground steward with umbrella to bring them to the terminal building. However, there was none and the plaintiff-appellees had to walk towards the terminal building which was about 20 to 30 meters from the plane. As a result, their winter coats got wet, as did the front portion of Mrs. Fule's dress as she could not hold her coat to keep it from opening. (Id., pp. 7-8; 10-12)

"The plaintiff-appellees waited for about 5 hours in the transit area of the airport terminal for their connecting flight to Barcelona, Spain. When their flight was announced, they had to walk again in the rain without head covers. (Id., pp. 17-18) In Barcelona, while the luggages of her children were recovered, Mrs. Fule's luggage was mis-sing. She went to Sabena office but found it closed. After 40 minutes of waiting a Sabena personnel arrived and advised her to wait for the next flight from Brussels because her luggage might be in it. But when the flight arrived it was not among those which were carried. (TSN, pp. 19-22, Jan. 16, 1980) So, she returned to Sabena office put it was already closed. She then went to Iberia Airlines Office where she was asked to prepare a reclamation letter and advised to go to her hotel and wait for a call. (Id., pp. 22-24, 30)

"Plaintiff-appellees checked in at Hotel Dante (Id., p. 31) As Mrs. Fule wanted to change her clothes, she bought a dress and a nightgown at a department store, El Corte Ingles, for which she paid 5,000 pesetas (Exhs. D to D-2; TSN, pp. 32-33, Jan. 16, 1980). Afterwards, she made an overseas call to her daughter in Manila, who was working at Air France, to find out whether her luggage had not been left in Manila. For the telephone call she paid 2,775 pesetas. (Exh. E)

"Then at 10:30 in the evening, Iberia Airlines called and informed her that her luggage had arrived. (TSN, p. 5, March 5, 1980) She, therefore, took a cab to the airport and the round trip taxi fare amounted to 920 pesetas. (Id., p. 9; Exh. F)

"At the hotel, Mrs. Fule asked for a doctor because she felt sick, lost her voice and had an attack of asthma. Her children developed fever due to colds, attributed to the rainy weather condition upon their arrival and departure from Brussels. The doctor gave them injections and prescribed medicines for them. (Id., pp. 12-14) Plaintiff-appellees incurred medical expenses amounting to 3,000 pesetas (Exhs. G, H and I). Plaintiff-appellees also incurred hotel expenses amounting to 14,320 pesetas. (Exh. J)

"After reaching Madrid, Mrs. Fule made a letter-complaint to the Sabena office which she gave to Angel Yancha who told her that the letter would be forwarded to Brussels, as the Madrid office could not do anything about it (Exh. K) The total claim for actual damages was 26,015 pesetas.

"A few weeks later, Yancha informed her that the Madrid office would pay about half of what she was asking, and the balance would be paid in Manila. She received a check amounting to 8,620 pesetas and signed a document (Exh. L) written in French, a language she did not understand. (Id., pp. 21-26) Yancha did not explain the contents of the document to her and it was only upon her return to Manila that she learned that the document was a quitclaim. Her daughter, who spoke French, explained its content to her. The plaintiff-appellee made a demand on the Manila office of Sabena for the balance of their claim for 26,015 pesetas and P200,000.00 as moral damages. (Exh. M)

"During the trial, the defendant-appellant airline company presented Angel Yancha as its witness. Yancha confirmed that Mrs. Fule had talked to him about the problem she and her children had encountered in Brussels and Barcelona and that she wanted to make a claim against Sabena for the expenses she had incurred. Upon Yancha's advice, Fule wrote a demand letter to the airline. This letter was given to Alejandro Abeledo, the Madrid office sales manager, who sent it to the airlines general manager. Sabena's Madrid office got a reply from Brussels, directing it to pay Mrs. Fule about 8,000 pesetas. Yancha gave the check and a letter to Mrs. Fule, telling her that she was being paid only such amount and not the total amount of her claim. He asked Mrs. Fule to sign the letter, written in French (which turned out to be a quitclaim), to serve as a receipt for the amount paid to her. (TSN, pp. 3-10, Nov. 27, 1980) Yancha said he did not ask Mrs. Fule whether she understood French. The letter was not translated to her. He also told Mrs. Fule to contact the Manila office for information about the difference in her claim. (Id., pp. 21 and 23)

"On the basis of these facts, the lower court found the defendant-appellant liable. The dispositive portion of its decision states:

"WHEREFORE, all the foregoing considered, this Court sentences defendant Sabena World Airlines to pay plaintiffs the following amounts:

"a. P1,981.21 - as actual damage representing the 17,395 pesetas balance of plaintiff's claim that was not settled in Madrid.

"b. P50,000.00 - as moral damages for the serious anxiety and fright caused plaintiffs' incident in Mrs. Fule's missing maleta and the trouble she was placed in retrieving the same late at night in Barcelona.

"c. P50,000.00 - as exemplary damages for defendant's callous indifference in protecting plaintiffs from the inclement weather when disembarking from and embarking on its airplane in Brussels when the nose-loader could not be used and for its bad faith in deceiving Mrs. Fule signing a document in French that purportedly was merely a receipt that was in reality a quitclaim.

"d. P10,000.00 - by way of attorney's fees under the provisions of subparagraphs (1), (2), and (11), Art. 2208 of the Civil Code.

"e. Pay the costs of suit." (pp. 31-34, Rollo)

On appeal to the respondent Court of Appeals, the decision was modified. The appellate court reduced the amount

of moral and exemplary damages from P50,000.00 to P25,000.00 each. In all other respects, the appealed decision was affirmed.

On March 30, 1988, the petitioner went to this Court on petition for review on certiorari presenting its alleged pivotal issues, namely:

1. WHETHER THE DOCUMENT (EXHIBIT "L" AND EXHIBIT "1") ACCOMPANYING THE CHECK IS JUST A RECEIPT, OR A VALID QUITCLAIM WHICH FORECLOSES PRIVATE RESPONDENTS' CAUSES OF ACTION AGAINST THE PETITIONER.
2. WHETHER THE PETITIONER COMMITTED AN ACT OF DUPLICITY AND BAD FAITH IN LETTING PRIVATE RESPONDENT CONCEPCION FULE SIGN THE DOCUMENT (EXHIBIT "L" AND EXHIBIT "1") WHEN SHE RECEIVED THE CHECK.
3. HAVING RULED THAT THE AWARD FOR MORAL DAMAGES IS NOT PROPER AND UNJUSTIFIED, WHETHER OR NOT THE RESPONDENT HON. COURT OF APPEALS (SEVENTH DIVISION) SERIOUSLY ERRED FOR STILL AWARDED MORAL DAMAGES BY SIMPLY MODIFYING THE AWARD FOR MORAL DAMAGES PREVIOUSLY MADE BY THE TRIAL COURT.
4. HAVING RULED THAT THE AWARD FOR EXEMPLARY DAMAGES IS NOT PROPER AND UNJUSTIFIED, WHETHER OR NOT THE RESPONDENT HON. COURT OF APPEALS (SEVENTH DIVISION) GRAVELY ERRED FOR STILL AWARDED EXEMPLARY DAMAGES BY SIMPLY MODIFYING THE AWARD FOR EXEMPLARY DAMAGES PREVIOUSLY MADE BY THE TRIAL COURT. (pp. 15-16, Rollo)

We affirm the appealed decision.

A perusal of the first two issues mentioned above shows that the same are factual. After going over the various arguments of the petitioner on these issues, we reiterate the established rule that this Court is not a trier of facts (*Korean Airlines, Ltd. v. Court of Appeals*, 154 SCRA 211 [1987]). The conclusions and findings of fact by the trial court are entitled to great weight on appeal and should not be disturbed unless for strong and cogent reasons. The fact that the appellate court adopted the findings of the trial court make the same binding upon this Court for the factual findings of the appellate court are generally binding on the Supreme Court. The findings of the Court of Appeals when supported by substantial evidence are almost always beyond the power of review by the Supreme Court. (*Rebuleda v. Intermediate Appellate Court*, 155 SCRA 520 [1987]) The petitioner has failed to show that its case should be an exception to these established principles.

To be sure, however, the examination of the provisions of the document in question revealed that the appellate court did not err in considering that while it may have been also a quitclaim, Mrs. Fule did not know that she was made to sign a quitclaim. The document, in its English translation which the petitioner insists is the binding translation for lack of opposition from the respondents, states the following:

"I, the undersigned, Mrs. Concepcion Foronda de Fule, (address) declare to have received from Sabena (Societe Anonymo Belgo d' Exploi-tation de la Navigation Aerienne) the sum of Pesetas 8,620.00 (Eight thousand six hundred twenty)

as settlement on account of all claims whether legally founded or not, which may have been introduced, will be introduced or will have been introduced in the future, in relation to:

various expenses incurred in Brussels,

and guarantees to Sabena, its co-transporters, its agents and its managers against any recourse which may be introduced against them directly or indirectly, and I will undertake to absorb any expenses which may arise

from this.

This payment is effected without any burden or responsibility on the part of Sabena, its co-transporters, its agents and in-charge.

In case this payment is effected to compensate for loss of goods, Sabena has the right to retain said goods if found, until an agreement is reached as to the amount involved.

I declare to subrogate Sabena, up to the above-agreed amount, from all rights whatsoever, vis-a-vis and authorize the use of my name for the appropriate means of valuing said rights and I will undertake to furnish all necessary documents and information to this purpose.

The present release subrogation is effective only when the above-mentioned sum is released to Mrs. Concepcion Foronda de Fule

in the following manner: Cheque Bank of Santander No. C- 536.690.

Place & Date: Madrid, 31 May 1979

Signature: Signed by Mrs. C. F. de Fule" (p. 78, Rollo)

The foregoing provisions clearly show that the document is both a receipt and a quitclaim as it settles upon receipt of the mentioned sum of money "all claims whether legally founded or not, which may have been introduced, will be introduced or will have been introduced in the future, in relation to various expenses incurred in Brussels x x x."

The issue, however, is not what was written in French in the document but what Yancha represented to Mrs. Fule when he induced her to sign it. As stated by the Court of Appeals, citing *Air France v. Carrascoso* (18 SCRA 155 [1966]), the misconduct on the part of the carrier's employees toward a passenger gives the latter an action for damages against the carrier.

We also note that in its appeal to the Court of Appeals, the petitioner alleged in its brief the following assignment of error: "The trial court erred in not holding that by the quitclaim (Exh. L; Exhs. 1 and 1-a) the plaintiff-appellees have no cause of action against the defendant-appellant for moral and exemplary damages and in not sustaining the validity of the said quitclaim." (p. 52, Rollo) In its discussion, the petitioner insisted that the trial court erred in concluding that Exhibit L is only a receipt and that the respondent understood it as such. It argued that the rest of the document recites a quitclaim and the respondent understood French because she received her schooling in Spain where French is taught. In the present petition, however, the petitioner alleges that it is both a receipt and a quitclaim but it does not foreclose the respondents' right to collect the balance of her claim. It is obvious that the petitioner is taking inconsistent positions which this Court may not allow.

In the last two issues, the petitioner argues that the appellate court erred in still awarding moral and exemplary damages in spite of its express declaration that the petitioner did not act in bad faith. This allegation is misleading because the Court of Appeals did not declare the petitioner entirely faultless. The appellate court held:

"But we do not think the award of moral damages for the trouble which Mrs. Fule had gone through as a result of the delay in the delivery of her luggage in Barcelona is justified. In cases of breach of contracts, moral damages can be awarded only where the defendant has acted fraudulently or in bad faith. (Civil Code, art. 2220, *Fores v. Miranda*, 105 Phil. 266 [1959]; *Necesito v. Paras*, 104 Phil. 75 [1957]) Mere negligence, even if thereby the plaintiff suffers mental anguish or serious fright is not a ground for awarding moral damages. In *Laguna Tayabas Bus Co. v. Cornista*, 11 SCRA 181 [1964]), cited by the plaintiff-appellees to justify the award to them of moral damages, the failure of the carrier to cover the side of its bus as a result of which, and the bus driver's reckless operation of the bus, a passenger fell, was held to be not mere negligence but a

'misconduct', warranting the award of moral damages. So was the neglect of the airline in *Air France v. Carrascoso*, 18 SCRA 155 [1966]), the other case cited by the plaintiff-appellees, simple negligence but a 'malfeasance' whereby a first class passenger was downgraded into a third class passenger on the onward flight of an airline, just so as a 'white man' could be accommodated. The case at bar cannot be analogized to these cases.

"Indeed, the flaw in the trial court's decision is its assumption that every case of mental anguish or fright or serious anxiety calls for the award of moral damages. While the enumeration of cases in Art. 2219 is not exclusive, the defendant's act must be wrongful or wanton or done in bad faith to justify the imposition of moral damages. Here, there is no finding that the carrier's delay in delivering Mrs. Fule's luggage was wrongful or due to bad faith.

"Nonetheless, an award of P25,000.00 for the airline's bad faith in making Mrs. Fule sign a quitclaim without informing her of its contents, which were written in French, is in our opinion justified.

"With respect to the award for exemplary damages, the amount of P50,000.00 must be reduced by half. The trial court gave this award for (1) the defendant-appellant's 'callous indifference in protecting plain-tiffs from the inclement weather when disembarking from and embarking on its plane in Brussels' and (2) for deceiving Mrs. Fule into signing a quitclaim by representing it to be merely a receipt for partial payment of her claims.

"While we hold that the failure of the defendant-appellant to protect the plaintiff-appellees from the rain in disembarking from the plane for the stopover in Brussels and again in reboarding it for the onward flight to Barcelona constitutes a neglect of its duty to its passengers, we do not think that its neglect was so gross as to amount to bad faith or wantonness. (Civil Code, Art. 2232) The award of exemplary damages cannot be justified. In the Airlines Cases in which the Supreme Court awarded moral and exemplary damages, the airlines concerned were found guilty of either gross neglect or malfeasance or even malice. In contrast, what is involved in this case was simple negligence, considering that the rain through which the plaintiff-appellees had to walk was a 'slight drizzle.' If it was driving rain or heavy snow, perhaps there would be basis for finding the defendant-appellant guilty of gross negligence, in light of the duty of air carriers to observe 'utmost or extraordinary diligence.' (*Zulueta v. Pan American World Airway, Inc.*, 49 SCRA 1, 14 [1973]).

"With respect to the award of exemplary damages for alleged duplicity of the airlines employee, we hold that the trial court's decision is correct. Accordingly, the award of P50,000.00 must be reduced to P25,000.00." (pp. 40-41, Rollo)

We find no reversible error in the foregoing conclusions. The appellate court's finding that the negligence in this case does not amount to bad faith finds support in a recent decision of this Court. In the case of *China Airlines, Ltd. v. Intermediate Appellate Court, et al.* (G. R. No. 73835, January 17, 1989), this Court passed upon the issue of damages brought about by the airlines' failure to carry out a promised immediate flight connection from San Francisco, U.S.A. to Los Angeles, U.S.A. due to inefficient means of communication. The Court ruled that "while petitioner may have been remiss in its total reliance upon the telex communications and therefore considered negligent in view of the degree of diligence required of it as a common carrier, such negligence cannot under the circumstances be said to be so gross as to amount to bad faith." (*Ibid*, at p. 10) In the same case, however, the Court ruled that "[W]ith respect to moral damages, the rule is that the same are recoverable in a damage suit predicated upon a breach of contract of carriage only where (1) the mishap results in the death of a passenger and (2) it is proved that the carrier was guilty of fraud and bad faith, even if death does not result." (*Ibid*, at p. 13) As the appellate court found the petitioner guilty of bad faith in letting the respondent sign a quitclaim without her knowledge or understanding and contrary to what she was planning to do, the reduced award of moral and exemplary damages is proper and legal.

WHEREFORE, IN VIEW OF ALL THE FOREGOING, the petition is hereby DISMISSED for lack of merit.

The appealed decision is AFFIRMED.

SO ORDERED.

Fernan, C.J., (Chairman), Feliciano, Bidin, and Cortes, JJ., concur.

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.