

HIYAS SAVINGS AND LOAN BANK, PETITIONER, VS. COURT OF APPEALS, SPOUSES DELFIN MENDOZA AND SOLITA SANTOS AND SPOUSES FELIX SANTOS AND DEMETRIA PACHECO, RESPONDENTS.

G.R. No. 95625. October 04, 1991

Ponente: MEDIALDEA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-95625/>

MEDIALDEA, J.:

This is a petition for review on certiorari of the decision of the Court of Appeals in CA-G.R. SP. No. 21002 dismissing the special civil action for certiorari filed by the herein petitioner against the order of the Regional Trial Court of Bulacan, Branch 15.

Herein petitioner Hiyas Savings and Loan Bank (Hiyas Savings) was one of the defendants in Civil Case No. 6821-M entitled "Delfin Mendoza, et al. v. Victoriano Evangelista, et al." for annulment of a mortgage contract with a prayer for a preliminary injunction seeking to restrain the foreclosure sale and public auction of the properties subject of the mortgage. After trial, a decision was rendered in favor of the defendant Hiyas Savings and Loan Bank, the dispositive portion of which read:

"WHEREFORE, premises considered, judgment is hereby rendered dismissing plaintiffs' complaint for lack of merit and ordering the lifting and setting aside or (sic) the preliminary injunction previously issued in this case.

"The plaintiffs are ordered, jointly and severally to pay defendant Hiyas Savings and Loan Association, Inc., within ninety (90) days from receipt hereof, the following sums:

"1.

P200,000.00 representing the principal amount of loan payable by plaintiffs to private defendant, with 14% interest per annum thereon from January 10, 1982 (date of maturity) until the same is fully paid by the plaintiffs or satisfied out of the sale of the mortgaged properties;

"2.

Ten percent (10%) of the amount due as and by way of attorney's fees; and

"3.

The costs of this suit.

"In default of plaintiffs to pay said money judgment, let the mortgaged two (2) parcels of land and their improvements covered by TCT Nos. T-8930(M) and T-24.7070(M), be sold at public auction by the Provincial Sheriff of Bulacan under Rules 39 and 68 of the Revised Rules of Court.

"SO ORDERED." (p. 16, Rollo)

No appeal was taken by the parties from the decision of the trial court. Hence, it became final. Motion for execution was filed by Hiyas Savings.

On June 7, 1989, private respondents deposited in court two (2) treasury checks in the amount of P428,600.00 in satisfaction of the judgment. Of the amount deposited, P40,735.35 was applied by petitioner as attorney's fees. However, on August 18, 1989, petitioner filed an amended motion for execution. Petitioner claimed that the total liability of private respondents was P448,941.92 computed as follows:

P200,000.00

- Principal

207,436.66

- Interest from 1-10-82 to 6-07-89

40,743.66

- Attorney's fees [10% of (200,000.00+207,436.66)]

761.60

- Cost of suit and legal expenses

P448,941.92

- Total

Hence, there was still an unsatisfied balance which it claimed to be P20,250.38.

The motion was denied on September 4, 1989 and reconsideration was likewise denied on November 16, 1989.

Petitioner filed a special civil action for certiorari with the Court of Appeals on the lone issue:

"Whether the respondent-Judge acted in excess of its jurisdiction in stating in the assailed order that the ten (10) percent of the amount due as and by way of attorney's fees refers to the principal amount and in denying the motion for reconsideration which acts are correctible by certiorari." (p. 17, Rollo)

On September 28, 1990, the Court of Appeals dismissed the petition. It ruled:

"By and large, We believe that the respondent-Judge acted correctly in fixing the reasonable attorney's fees to P20,000.00 the amount of ten (10) per cent from the amount due as appearing in the agreement of the parties. Consequently, the respondent Judge has not exceeded his jurisdiction in denying the motion of the petitioner to amend the writ of execution, and the subsequent motion for reconsideration. Suffice it to state, that the petition for certiorari is devoid of merit and therefore should be DENIED DUE COURSE.

"WHEREFORE, the petition for certiorari is ordered DISMISSED. No costs." (p. 19, Rollo)

The petitioner is now before Us submitting the same issue which the respondent appellate court had allegedly decided in a way not in accord with law or the applicable decisions of this Honorable Court.

Petitioner advanced the argument that the trial court cannot modify nor amend its judgment which had become

final and executory. By awarding attorney's fees of ten percent (10%) of the amount due, it cannot, in the pretext of interpreting its own decision, order that the 10% attorney's fees shall be taken only from the principal amount of the loan and not from the principal and interests, the latter being the total amount due.

There is no question that a court may still amend a final and executory judgment to clarify an ambiguity caused by an omission or mistake in the disposition of the decision. In *Republic Surety and Insurance Co., Inc. v. IAC*, Nos. 71131-32, July 27, 1987, 152 SCRA 309, We allowed the clarification of the dispositive portion of a final and executory judgment of the then Court of First Instance declaring a Deed of Sale with Assumption of Mortgage in favor of the defendant null and void but omitting to order also the Register of Deeds to recall and cancel a Transfer Certificate of Title issued by that office to the same defendant by ordering said office to so recall and cancel the TCT of the defendant and to issue a new TCT in favor of the prevailing plaintiff. Likewise, cited in the above case was the case of *Locsin, et al. v. Paredes, et al.*, 63 Phil. 87, where We allowed a final and executory judgment "to be clarified by supplying a word which had been inadvertently omitted and which, when supplied, in effect changed the literal import of the original phraseology."

We do not agree that in the case at bar, there is an ambiguity as regards the amount of attorney's fees awarded. It is clear that the final and executory decision of the Regional Trial Court awarded ten percent (10%) of the amount due as attorney's fees. Since there was no qualification that the ten percent attorney's fees shall be taken only from the principal, the ordinary and literal meaning of the words should prevail, that is, from the amount due which is the total amount due on the loan obligation (principal + interest). Had the decision really intended that the attorney's fees shall be ten percent (10%) of the principal only, it could have so provided. In fact, even the promissory note and the real estate mortgage, which was the subject of the main case between the parties provided an attorney's fees in case of litigation of ten percent (10%) on the total outstanding obligation which is 10% of the unpaid principal plus interest.

The Regional Trial Court acted without jurisdiction when it denied the amended motion for execution filed by petitioner in Civil Case No. 6821-M which resulted in the substantial amendment of the final and executory judgment rendered therein.

"It is well settled that a court has plenary power to alter, modify or even set aside, its own decisions, and even order a new trial, at any time before the decision becomes final, or before an appeal from that decision has been perfected. However, after the decision has become final and executory, it can no longer be amended or corrected by the court except for clerical errors or mistakes. This principle of immutability of judgments already final and executory has invariably been adhered to by this Court regardless of any occasional injustice, for the equity of a particular case must yield to the 'over-mastering need' of certainty and unalterability of judicial pronouncements. Any amendment or alteration which substantially affects a final and executory judgment is null and void for lack of jurisdiction, including the entire proceedings held for that purpose. x x x." (*Francisco v. Bautista*, G.R. No. 44167, December 19, 1990, 192 SCRA 388, italics supplied)

Courts are cautioned to be careful in writing their decisions, to be clear and precise in the use of words, especially in the dispositive portion. Ambiguities must be avoided. And, when the dispositions in the decision are clear, courts must avoid interpretations which result in the substantial amendment thereof which are violative of the rule on immutability of final and executory judgments.

ACCORDINGLY, the petition is GRANTED. The decision of the Court of Appeals is REVERSED. Judgment is rendered granting the amended motion for execution and declaring that the total amount of the judgment debt unsatisfied in Civil Case No. 6821-M is P20,250.38 plus 14% interest from June 7, 1987 until full payment.

SO ORDERED.

Narvasa, (Chairman), Cruz, and Griño-Aquino, 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.