

****Title:**** Lourdes A. Valmonte and Alfredo D. Valmonte vs. The Honorable Court of Appeals and Rosita Dimalanta, G.R. No. 107745, July 17, 1996.

****Facts:****

Petitioners Lourdes A. Valmonte and Alfredo D. Valmonte are a married couple residing in Seattle, Washington, U.S.A. Lourdes Valmonte is essentially a nonresident who does not reside in the Philippines, while Alfredo D. Valmonte, a member of the Philippine Bar, practices law in the Philippines with an office in Ermita, Manila.

On March 9, 1992, Rosita Dimalanta, Lourdes Valmonte's sister, filed a complaint for partition and accounting of rentals concerning a three-door apartment located in Paco, Manila, against the Valmontes in the Regional Trial Court of Manila, Branch 48. Based on Lourdes Valmonte's prior correspondence, which indicated her husband as the point of contact for legal communications, Dimalanta's counsel had summons served on Atty. Alfredo D. Valmonte in his Manila office. He accepted summons for himself but refused on behalf of his wife.

Alfredo Valmonte filed his answer, while Lourdes failed to do so. Subsequently, Dimalanta moved to declare Lourdes Valmonte in default, but the trial court denied the motion. Dimalanta sought a certiorari, prohibition, and mandamus, leading the Court of Appeals to overrule the trial court and declare Lourdes in default. This prompted the Valmontes to file a petition for review on certiorari with the Supreme Court.

****Issues:****

1. Whether Rule 14, §17 of the Revised Rules of Court applies to a nonresident defendant as opposed to Rule 14, §8.
2. Whether there was valid substituted service on Lourdes A. Valmonte through her husband given she is a nonresident defendant.

****Court's Decision:****

The Supreme Court held that there was no valid service of process on Lourdes A. Valmonte and reversed the Court of Appeals' decision.

****Rationale:****

1. ****Distinction between in personam, in rem, and quasi in rem actions:****
 - The action for partition and accounting of rentals filed by Rosita Dimalanta was determined to be quasi in rem, which involves the interests in a specific property rather than rendering a binding judgment on a person's obligations.

- For quasi in rem actions against a nonresident defendant not found in the Philippines, service of summons must comply with Rule 14, §17 — requiring personal service outside the Philippines or by publication, with a copy of the summons sent by registered mail to the last known address of the defendant, or by any method the court deems satisfactory with prior leave.

2. **Improper Service:**

- Summons was not served by personal service or by publication as mandated. Crucially, service on Alfredo D. Valmonte (the husband and co-defendant) in the Philippines did not equate to proper service on Lourdes A. Valmonte.
- The directive given by Lourdes to have her husband manage communications concerned pre-litigation negotiations, and there was no explicit appointment of her husband as attorney-in-fact to accept summons on her behalf.
- The service was improperly conducted without court order, prior leave, or the necessary adherence to the due process requirements.

3. **Procedural Non-compliance:**

- The statutory requirements for extraterritorial service under Rule 14, §17 were essential for due process but were not complied with in this case.
- The disparity in the time given to file an answer for resident (15 days) and nonresident defendants (minimum of 60 days) underscores the significance of adhering to procedural rules for valid service.

Doctrine:

In summoning a nonresident defendant in actions quasi in rem, proper extraterritorial service under Rule 14, §17 of the Revised Rules of Court is mandatory. Substituted or constructive service within the country is inadequate and circumvents procedural safeguards, thus invalidating jurisdiction over the person.

Class Notes:

- **Service of Summons:** Rule 14, particularly §§8 and 17, covering personal, substituted, and extraterritorial service.
- **Action Quasi in Rem:** Jurisdiction over the property or res rather than the person; affects the defendant's interest in a specific property.
- **Due Process in Service:** Necessity for court orders, leave, and appropriate methods for summons to ensure due process requirements.

****Historical Background:****

This case arose during a period when litigation involving Filipinos abroad was frequent, necessitating clarity in procedural rules, especially in distinguishing the proper methods for serving nonresident defendants to adhere to due process standards in varying types of civil actions.