



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

OLIVAREZ REALTY G.R. No. 196251
CORPORATION and DR. PABLO
R. OLIVAREZ,

Petitioners,

Present:

VELASCO, JR., *J., Chairperson,*
PERALTA,
VILLARAMA, JR.,*
MENDOZA, and
LEONEN, *JJ.*

-versus-

BENJAMIN CASTILLO,
Respondent.

Promulgated:
July 9, 2014

X-----*Wilfredo S. Legitima*-----X

DECISION

LEONEN, J.:

Trial may be dispensed with and a summary judgment rendered if the case can be resolved judiciously by plain resort to the pleadings, affidavits, depositions, and other papers filed by the parties.

This is a petition for review on certiorari¹ of the Court of Appeals' decision² dated July 20, 2010 and resolution³ dated March 18, 2011 in CA-G.R. CV No. 91244.

* Villarama, Jr., *J.*, designated as Acting Member per Special Order No. 1691 dated May 22, 2014 in view of the vacancy in the Third Division.

¹ *Rollo*, pp. 9-79.

² *Id.* at 80-93. This decision was penned by Associate Justice Normandie B. Pizzaro, with Associate Justices Amelita G. Tolentino and Ruben C. Ayson concurring.

³ *Id.* at 94-98.

The facts as established from the pleadings of the parties are as follows:

Benjamin Castillo was the registered owner of a 346,918-square-meter parcel of land located in Laurel, Batangas, covered by Transfer Certificate of Title No. T-19972.⁴ The Philippine Tourism Authority allegedly claimed ownership of the same parcel of land based on Transfer Certificate of Title No. T-18493.⁵

On April 5, 2000, Castillo and Olivarez Realty Corporation, represented by Dr. Pablo R. Olivarez, entered into a contract of conditional sale⁶ over the property. Under the deed of conditional sale, Castillo agreed to sell his property to Olivarez Realty Corporation for ₱19,080,490.00. Olivarez Realty Corporation agreed to a down payment of ₱5,000,000.00, to be paid according to the following schedule:

<u>DATE</u>	<u>AMOUNT</u>
April 8, 2000	₱ 500,000.00
May 8, 2000	500,000.00
May 16, 2000	500,000.00
June 8, 2000	1,000,000.00
July 8, 2000	500,000.00
August 8, 2000	500,000.00
September 8, 2000	500,000.00
October 8, 2000	500,000.00
November 8, 2000	500,000.00 ⁷

As to the balance of ₱14,080,490.00, Olivarez Realty Corporation agreed to pay in 30 equal monthly installments every eighth day of the month beginning in the month that the parties would receive a decision voiding the Philippine Tourism Authority’s title to the property.⁸ Under the deed of conditional sale, Olivarez Realty Corporation shall file the action against the Philippine Tourism Authority “with the full assistance of [Castillo].”⁹ Paragraph C of the deed of conditional sale provides:

- C. [Olivarez Realty Corporation] assumes the responsibility of taking necessary legal action thru Court to have the claim/title TCT T-18493 of Philippine Tourism Authority over the above-described property be nullified and voided; with the full assistance of [Castillo][.]¹⁰

⁴ Id. at 158–160.
⁵ Id. at 161.
⁶ Id. at 140–141.
⁷ Id. at 140.
⁸ Id. at 140.
⁹ Id. at 140.
¹⁰ Id. at 140.

Should the action against the Philippine Tourism Authority be denied, Castillo agreed to reimburse all the amounts paid by Olivarez Realty Corporation. Paragraph D of the deed of conditional sale provides:

- D. In the event that the Court denie[s] the petition against the Philippine Tourism Authority, all sums received by [Castillo] shall be reimbursed to [Olivarez Realty Corporation] without interest[.]¹¹

As to the “legitimate tenants” occupying the property, Olivarez Realty Corporation undertook to pay them “disturbance compensation,” while Castillo undertook to clear the land of the tenants within six months from the signing of the deed of conditional sale. Should Castillo fail to clear the land within six months, Olivarez Realty Corporation may suspend its monthly down payment until the tenants vacate the property. Paragraphs E and F of the deed of conditional sale provide:

- E. That [Olivarez Realty Corporation] shall pay the disturbance compensation to legitimate agricultural tenants and fishermen occupants which in no case shall exceed ONE MILLION FIVE HUNDRED THOUSAND (□1,500,000.00) PESOS. Said amount shall not form part of the purchase price. In excess of this amount, all claims shall be for the account of [Castillo];
- F. That [Castillo] shall clear the land of [the] legitimate tenants within a period of six (6) months upon signing of this Contract, and in case [Castillo] fails, [Olivarez Realty Corporation] shall have the right to suspend the monthly down payment until such time that the tenants [move] out of the land[.]¹²

The parties agreed that Olivarez Realty Corporation may immediately occupy the property upon signing of the deed of conditional sale. Should the contract be cancelled, Olivarez Realty Corporation agreed to return the property’s possession to Castillo and forfeit all the improvements it may have introduced on the property. Paragraph I of the deed of conditional sale states:

- I. Immediately upon signing this Contract, [Olivarez Realty Corporation] shall be entitled to occupy, possess and develop the subject property. In case this Contract is canceled [sic], any improvement introduced by [the corporation] on the property shall be forfeited in favor of [Castillo][.]¹³

¹¹ Id. at 140.

¹² Id. at 141.

¹³ Id.

On September 2, 2004, Castillo filed a complaint¹⁴ against Olivarez Realty Corporation and Dr. Olivarez with the Regional Trial Court of Tanauan City, Batangas.

Castillo alleged that Dr. Olivarez convinced him into selling his property to Olivarez Realty Corporation on the representation that the corporation shall be responsible in clearing the property of the tenants and in paying them disturbance compensation. He further alleged that Dr. Olivarez solely prepared the deed of conditional sale and that he was made to sign the contract with its terms “not adequately explained [to him] in Tagalog.”¹⁵

After the parties had signed the deed of conditional sale, Olivarez Realty Corporation immediately took possession of the property. However, the corporation only paid ₱2,500,000.00 of the purchase price. Contrary to the agreement, the corporation did not file any action against the Philippine Tourism Authority to void the latter’s title to the property. The corporation neither cleared the land of the tenants nor paid them disturbance compensation. Despite demand, Olivarez Realty Corporation refused to fully pay the purchase price.¹⁶

Arguing that Olivarez Realty Corporation committed substantial breach of the contract of conditional sale and that the deed of conditional sale was a contract of adhesion, Castillo prayed for rescission of contract under Article 1191 of the Civil Code of the Philippines. He further prayed that Olivarez Realty Corporation and Dr. Olivarez be made solidarily liable for moral damages, exemplary damages, attorney’s fees, and costs of suit.¹⁷

In their answer,¹⁸ Olivarez Realty Corporation and Dr. Olivarez admitted that the corporation only paid ₱2,500,000.00 of the purchase price. In their defense, defendants alleged that Castillo failed to “fully assist”¹⁹ the corporation in filing an action against the Philippine Tourism Authority. Neither did Castillo clear the property of the tenants within six months from the signing of the deed of conditional sale. Thus, according to defendants, the corporation had “all the legal right to withhold the subsequent payments to [fully pay] the purchase price.”²⁰

Olivarez Realty Corporation and Dr. Olivarez prayed that Castillo’s complaint be dismissed. By way of compulsory counterclaim, they prayed for ₱100,000.00 litigation expenses and ₱50,000.00 attorney’s fees.²¹

¹⁴ Id. at 110–115.

¹⁵ Id. at 111.

¹⁶ Id. at 113.

¹⁷ Id. at 115.

¹⁸ Id. at 188–194.

¹⁹ Id. at 190.

²⁰ Id. at 190.

²¹ Id. at 191.

Castillo replied to the counterclaim,²² arguing that Olivarez Realty Corporation and Dr. Olivarez had no right to litigation expenses and attorney's fees. According to Castillo, the deed of conditional sale clearly states that the corporation "assume[d] the responsibility of taking necessary legal action"²³ against the Philippine Tourism Authority, yet the corporation did not file any case. Also, the corporation did not pay the tenants disturbance compensation. For the corporation's failure to fully pay the purchase price, Castillo claimed that he had "all the right to pray for the rescission of the [contract],"²⁴ and he "should not be held liable . . . for any alleged damages by way of litigation expenses and attorney's fees."²⁵

On January 10, 2005, Castillo filed a request for admission,²⁶ requesting Dr. Olivarez to admit under oath the genuineness of the deed of conditional sale and Transfer Certificate of Title No. T-19972. He likewise requested Dr. Olivarez to admit the truth of the following factual allegations:

1. That Dr. Olivarez is the president of Olivarez Realty Corporation;
2. That Dr. Olivarez offered to purchase the parcel of land from Castillo and that he undertook to clear the property of the tenants and file the court action to void the Philippine Tourism Authority's title to the property;
3. That Dr. Olivarez caused the preparation of the deed of conditional sale;
4. That Dr. Olivarez signed the deed of conditional sale for and on behalf of Olivarez Realty Corporation;
5. That Dr. Olivarez and the corporation did not file any action against the Philippine Tourism Authority;
6. That Dr. Olivarez and the corporation did not pay the tenants disturbance compensation and failed to clear the property of the tenants; and

²² Id. at 193–194.

²³ Id. at 193.

²⁴ Id. at 194.

²⁵ Id. at 194.

²⁶ Id. at 195–197.

7. That Dr. Olivarez and the corporation only paid ₱2,500,000.00 of the agreed purchase price.²⁷

On January 25, 2005, Dr. Olivarez and Olivarez Realty Corporation filed their objections to the request for admission,²⁸ stating that they “reiterate[d] the allegations [and denials] in their [answer].”²⁹

The trial court conducted pre-trial conference on December 17, 2005.

On March 8, 2006, Castillo filed a motion for summary judgment and/or judgment on the pleadings.³⁰ He argued that Olivarez Realty Corporation and Dr. Olivarez “substantially admitted the material allegations of [his] complaint,”³¹ specifically:

1. That the corporation failed to fully pay the purchase price for his property;³²
2. That the corporation failed to file an action to void the Philippine Tourism Authority’s title to his property;³³ and
3. That the corporation failed to clear the property of the tenants and pay them disturbance compensation.³⁴

Should judgment on the pleadings be improper, Castillo argued that summary judgment may still be rendered as there is no genuine issue as to any material fact.³⁵ He cited *Philippine National Bank v. Noah’s Ark Sugar Refinery*³⁶ as authority.

Castillo attached to his motion for summary judgment and/or judgment on the pleadings his affidavit³⁷ and the affidavit of a Marissa Magsino³⁸ attesting to the truth of the material allegations of his complaint.

Olivarez Realty Corporation and Dr. Olivarez opposed³⁹ the motion for summary judgment and/or judgment on the pleadings, arguing that the

²⁷ Id. at 196.

²⁸ Id. at 198–199.

²⁹ Id. at 199.

³⁰ Id. at 200–206.

³¹ Id. at 200.

³² Id. at 201.

³³ Id. at 202.

³⁴ Id. at 202.

³⁵ Id. at 204.

³⁶ G.R. No. 107243, September 1, 1993, 226 SCRA 36 [Per C.J. Narvasa, Second Division].

³⁷ *Rollo*, pp. 207–209.

³⁸ Id. at 210–211.

motion was “devoid of merit.”⁴⁰ They reiterated their claim that the corporation withheld further payments of the purchase price because “there ha[d] been no favorable decision voiding the title of the Philippine Tourism Authority.”⁴¹ They added that Castillo sold the property to another person and that the sale was allegedly litigated in Quezon City.⁴²

Considering that a title adverse to that of Castillo’s existed, Olivarez Realty Corporation and Dr. Olivarez argued that the case should proceed to trial and Castillo be required to prove that his title to the property is “not spurious or fake and that he had not sold his property to another person.”⁴³

In reply to the opposition to the motion for summary judgment and/or judgment on the pleadings,⁴⁴ Castillo maintained that Olivarez Realty Corporation was responsible for the filing of an action against the Philippine Tourism Authority. Thus, the corporation could not fault Castillo for not suing the Philippine Tourism Authority.⁴⁵ The corporation illegally withheld payments of the purchase price.

As to the claim that the case should proceed to trial because a title adverse to his title existed, Castillo argued that the Philippine Tourism Authority’s title covered another lot, not his property.⁴⁶

During the hearing on August 3, 2006, Olivarez Realty Corporation and Dr. Olivarez prayed that they be given 30 days to file a supplemental memorandum on Castillo’s motion for summary judgment and/or judgment on the pleadings.⁴⁷

The trial court granted the motion. It gave Castillo 20 days to reply to the memorandum and the corporation and Dr. Olivarez 15 days to respond to Castillo’s reply.⁴⁸

In their supplemental memorandum,⁴⁹ Olivarez Realty Corporation and Dr. Olivarez argued that there was “an obvious ambiguity”⁵⁰ as to which should occur first — the payment of disturbance compensation to the tenants or the clearing of the property of the tenants.⁵¹ This ambiguity, according to

³⁹ Id. at 213–214.

⁴⁰ Id. at 213.

⁴¹ Id. at 213.

⁴² Id. at 214.

⁴³ Id. at 214.

⁴⁴ Id. at 215–216.

⁴⁵ Id. at 215.

⁴⁶ Id. at 216.

⁴⁷ Id. at 224.

⁴⁸ Id. at 224.

⁴⁹ Id. at 225–246.

⁵⁰ Id. at 227.

⁵¹ Id. at 227.

defendants, is a genuine issue and “ought to be threshed out in a full blown trial.”⁵²

Olivarez Realty Corporation and Dr. Olivarez added that Castillo prayed for irreconcilable reliefs of reformation of instrument and rescission of contract.⁵³ Thus, Castillo’s complaint should be dismissed.

Castillo replied⁵⁴ to the memorandum, arguing that there was no genuine issue requiring trial of the case. According to Castillo, “common sense dictates . . . that the legitimate tenants of the [property] shall not vacate the premises without being paid any disturbance compensation . . .”⁵⁵ Thus, the payment of disturbance compensation should occur first before clearing the property of the tenants.

With respect to the other issues raised in the supplemental memorandum, specifically, that Castillo sold the property to another person, he argued that these issues should not be entertained for not having been presented during pre-trial.⁵⁶

In their comment on the reply memorandum,⁵⁷ Olivarez Realty Corporation and Dr. Olivarez reiterated their arguments that certain provisions of the deed of conditional sale were ambiguous and that the complaint prayed for irreconcilable reliefs.⁵⁸

As to the additional issues raised in the supplemental memorandum, defendants argued that issues not raised and evidence not identified and pre-marked during pre-trial may still be raised and presented during trial for good cause shown. Olivarez Realty Corporation and Dr. Olivarez prayed that Castillo’s complaint be dismissed for lack of merit.⁵⁹

Ruling of the trial court

The trial court found that Olivarez Realty Corporation and Dr. Olivarez’s answer “substantially [admitted the material allegations of Castillo’s] complaint and [did] not . . . raise any genuine issue [as to any material fact].”⁶⁰

⁵² Id. at 229.

⁵³ Id. at 238.

⁵⁴ Id. at 247–251.

⁵⁵ Id. at 248.

⁵⁶ Id. at 249.

⁵⁷ Id. at 252–267.

⁵⁸ Id. at 255.

⁵⁹ Id. at 259.

⁶⁰ Id. at 268.

Defendants admitted that Castillo owned the parcel of land covered by Transfer Certificate of Title No. T-19972. They likewise admitted the genuineness of the deed of conditional sale and that the corporation only paid ₱2,500,000.00 of the agreed purchase price.⁶¹

According to the trial court, the corporation was responsible for suing the Philippine Tourism Authority and for paying the tenants disturbance compensation. Since defendant corporation neither filed any case nor paid the tenants disturbance compensation, the trial court ruled that defendant corporation had no right to withhold payments from Castillo.⁶²

As to the alleged ambiguity of paragraphs E and F of the deed of conditional sale, the trial court ruled that Castillo and his witness, Marissa Magsino, “clearly established”⁶³ in their affidavits that the deed of conditional sale was a contract of adhesion. The true agreement between the parties was that the corporation would both clear the land of the tenants and pay them disturbance compensation.

With these findings, the trial court ruled that Olivarez Realty Corporation breached the contract of conditional sale. In its decision⁶⁴ dated April 23, 2007, the trial court ordered the deed of conditional sale rescinded and the ₱2,500,000.00 forfeited in favor of Castillo “as damages under Article 1191 of the Civil Code.”⁶⁵

The trial court declared Olivarez Realty Corporation and Dr. Olivarez solidarily liable to Castillo for ₱500,000.00 as moral damages, ₱50,000.00 as exemplary damages, and ₱50,000.00 as costs of suit.⁶⁶

Ruling of the Court of Appeals

Olivarez Realty Corporation and Dr. Olivarez appealed to the Court of Appeals.⁶⁷

In its decision⁶⁸ dated July 20, 2010, the Court of Appeals affirmed *in toto* the trial court’s decision. According to the appellate court, the trial court “did not err in its finding that there is no genuine controversy as to the

⁶¹ Id. at 268–269.

⁶² Id. at 282.

⁶³ Id. at 282.

⁶⁴ Id. at 268–285.

⁶⁵ Id. at 285.

⁶⁶ Id. at 285.

⁶⁷ Id. at 329–371.

⁶⁸ Id. at 81–93.

facts involved [in this case].”⁶⁹ The trial court, therefore, correctly rendered summary judgment.⁷⁰

As to the trial court’s award of damages, the appellate court ruled that a court may award damages through summary judgment “if the parties’ contract categorically [stipulates] the respective obligations of the parties in case of default.”⁷¹ As found by the trial court, paragraph I of the deed of conditional sale categorically states that “in case [the deed of conditional sale] is cancelled, any improvement introduced by [Olivarez Realty Corporation] on the property shall be forfeited in favor of [Castillo].”⁷² Considering that Olivarez Realty Corporation illegally retained possession of the property, Castillo forewent rent to the property and “lost business opportunities.”⁷³ The ₱2,500,000.00 down payment, according to the appellate court, should be forfeited in favor of Castillo. Moral and exemplary damages and costs of suit were properly awarded.

On August 11, 2010, Olivarez Realty Corporation and Dr. Olivarez filed their motion for reconsideration,⁷⁴ arguing that the trial court exceeded its authority in forfeiting the ₱2,500,000.00 down payment and awarding ₱500,000.00 in moral damages to Castillo. They argued that Castillo only prayed for a total of ₱500,000.00 as actual and moral damages in his complaint.⁷⁵ Appellants prayed that the Court of Appeals “take a second hard look”⁷⁶ at the case and reconsider its decision.

In the resolution⁷⁷ dated March 18, 2011, the Court of Appeals denied the motion for reconsideration.

Proceedings before this court

Olivarez Realty Corporation and Dr. Olivarez filed their petition for review on certiorari⁷⁸ with this court. Petitioners argue that the trial court and the Court of Appeals erred in awarding damages to Castillo. Under Section 3, Rule 35 of the 1997 Rules of Civil Procedure, summary judgment

⁶⁹ Id. at 87.

⁷⁰ Id. at 92.

⁷¹ Id. at 90, *citing* CIVIL CODE, art. 1315, which states:

Art. 1315. Contracts are perfected by mere consent, and from that moment the parties are bound not only to the fulfillment of what has been expressly stipulated but also to all the consequences which, according to their nature, may be in keeping with good faith, usage and law.

⁷² Id. at 141.

⁷³ Id. at 91.

⁷⁴ Id. at 117–129.

⁷⁵ Id. at 126.

⁷⁶ Id. at 126.

⁷⁷ Id. at 95–98.

⁷⁸ Id. at 9–79.

may be rendered except as to the amount of damages. Thus, the Court of Appeals “violated the procedural steps in rendering summary judgment.”⁷⁹

Petitioners reiterate that there are genuine issues of material fact to be resolved in this case. Thus, a full-blown trial is required, and the trial court prematurely decided the case through summary judgment. They cite *Torres v. Olivarez Realty Corporation and Dr. Pablo Olivarez*,⁸⁰ a case decided by the Ninth Division of the Court of Appeals.

In *Torres*, Rosario Torres was the registered owner of a parcel of land covered by Transfer Certificate of Title No. T-19971. Under a deed of conditional sale, she sold her property to Olivarez Realty Corporation for ₱17,345,900.00. When the corporation failed to fully pay the purchase price, she sued for rescission of contract with damages. In their answer, the corporation and Dr. Olivarez argued that they discontinued payment because Rosario Torres failed to clear the land of the tenants.

Similar to Castillo, Torres filed a motion for summary judgment, which the trial court granted. On appeal, the Court of Appeals set aside the trial court’s summary judgment and remanded the case to the trial court for further proceedings.⁸¹ The Court of Appeals ruled that the material allegations of the complaint “were directly disputed by [the corporation and Dr. Olivarez] in their answer”⁸² when they argued that they refused to pay because Torres failed to clear the land of the tenants.

With the Court of Appeals’ decision in *Torres*, Olivarez Realty Corporation and Dr. Olivarez argue that this case should likewise be remanded to the trial court for further proceedings under the equipoise rule.

Petitioners maintain that Castillo availed himself of the irreconcilable reliefs of reformation of instrument and rescission of contract.⁸³ Thus, the trial court should have dismissed the case outright.

Petitioners likewise argue that the trial court had no jurisdiction to decide the case as Castillo failed to pay the correct docket fees.⁸⁴ Petitioners argue that Castillo should have paid docket fees based on the property’s fair market value since Castillo’s complaint is a real action.⁸⁵

⁷⁹ Id. at 24.

⁸⁰ Id. at 442–463.

⁸¹ Id. at 442–446.

⁸² Id. at 451.

⁸³ Id. at 42.

⁸⁴ Id. at 73.

⁸⁵ Id. at 101–104.

In his comment,⁸⁶ Castillo maintains that there are no genuine issues as to any material fact in this case. The trial court, therefore, correctly rendered summary judgment.

As to petitioners' claim that the trial court had no jurisdiction to decide the case, Castillo argues that he prayed for rescission of contract in his complaint. This action is incapable of pecuniary estimation, and the Clerk of Court properly computed the docket fees based on this prayer.⁸⁷

Olivarez Realty Corporation and Dr. Olivarez replied,⁸⁸ reiterating their arguments in the petition for review on certiorari.

The issues for our resolution are the following:

- I. Whether the trial court erred in rendering summary judgment;
- II. Whether proper docket fees were paid in this case.

The petition lacks merit.

I

The trial court correctly rendered summary judgment, as there were no genuine issues of material fact in this case

Trial "is the judicial examination and determination of the issues between the parties to the action."⁸⁹ During trial, parties "present their respective evidence of their claims and defenses."⁹⁰ Parties to an action have the right "to a plenary trial of the case"⁹¹ to ensure that they were given a right to fully present evidence on their respective claims.

There are instances, however, when trial may be dispensed with. Under Rule 35 of the 1997 Rules of Civil Procedure, a trial court may dispense with trial and proceed to decide a case if from the pleadings, affidavits, depositions, and other papers on file, there is no genuine issue as

⁸⁶ Id. at 467–488.

⁸⁷ Id. at 485.

⁸⁸ Id. at 490–579.

⁸⁹ W. B. RIANO, I CIVIL PROCEDURE (THE BAR LECTURE SERIES) 509 (2011).

⁹⁰ Id.

⁹¹ *Calubaquib v. Republic of the Philippines*, G.R. No. 170658, June 22, 2011, 652 SCRA 523, 531–532 [Per J. Del Castillo, First Division], citing *Viajar v. Estenzo*, 178 Phil. 561 (1979) [Per J. Guerrero, First Division].

to any material fact. In such a case, the judgment issued is called a summary judgment.

A motion for summary judgment is filed either by the claimant or the defending party.⁹² The trial court then hears the motion for summary judgment. If indeed there are no genuine issues of material fact, the trial court shall issue summary judgment. Section 3, Rule 35 of the 1997 Rules of Civil Procedure provides:

SEC. 3. *Motion and proceedings thereon.* – The motion shall be served at least ten (10) days before the time specified for the hearing. The adverse party may serve opposing affidavits, depositions, or admission at least three (3) days before the hearing. After the hearing, the judgment sought shall be rendered forthwith if the pleadings, supporting affidavits, depositions, and admissions on file, show that, except as to the amount of damages, there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law.

An issue of material fact exists if the answer or responsive pleading filed specifically denies the material allegations of fact set forth in the complaint or pleading. If the issue of fact “requires the presentation of evidence, it is a genuine issue of fact.”⁹³ However, if the issue “could be resolved judiciously by plain resort”⁹⁴ to the pleadings, affidavits, depositions, and other papers on file, the issue of fact raised is sham, and the trial court may resolve the action through summary judgment.

A summary judgment is usually distinguished from a judgment on the pleadings. Under Rule 34 of the 1997 Rules of Civil Procedure, trial may likewise be dispensed with and a case decided through judgment on the pleadings if the answer filed fails to tender an issue or otherwise admits the material allegations of the claimant’s pleading.⁹⁵

Judgment on the pleadings is proper when the answer filed fails to tender any issue, or otherwise admits the material allegations in the complaint.⁹⁶ On the other hand, in a summary judgment, the answer filed tenders issues as specific denials and affirmative defenses are pleaded, but the issues raised are sham, fictitious, or otherwise not genuine.⁹⁷

⁹² RULES OF COURT, Rule 35, secs. 1 and 2.

⁹³ *Wood Technology Corporation v. Equitable Banking Corporation*, 492 Phil. 106, 116 (2005) [Per J. Quisumbing, First Division].

⁹⁴ *Id.* at 116.

⁹⁵ Rule 34, sec. 1. *Judgment on the pleadings.* — Where an answer fails to tender an issue, or otherwise admits the material allegations of the adverse party's pleading, the court may, on motion of that party, direct judgment on such pleading. However, in actions for declaration of nullity or annulment of marriage or for legal separation, the material facts alleged in the complaint shall always be proved.

⁹⁶ RULES OF COURT, Rule 34.

⁹⁷ RULES OF COURT, Rule 35. *See Narra Integrated Corporation v. Court of Appeals*, 398 Phil. 733, 740 (2000) [Per J. Gonzaga-Reyes, Third Division].

In this case, Olivarez Realty Corporation admitted that it did not fully pay the purchase price as agreed upon in the deed of conditional sale. As to why it withheld payments from Castillo, it set up the following affirmative defenses: First, Castillo did not file a case to void the Philippine Tourism Authority's title to the property; second, Castillo did not clear the land of the tenants; third, Castillo allegedly sold the property to a third person, and the subsequent sale is currently being litigated before a Quezon City court.

Considering that Olivarez Realty Corporation and Dr. Olivarez's answer tendered an issue, Castillo properly availed himself of a motion for summary judgment.

However, the issues tendered by Olivarez Realty Corporation and Dr. Olivarez's answer are not genuine issues of material fact. These are issues that can be resolved judiciously by plain resort to the pleadings, affidavits, depositions, and other papers on file; otherwise, these issues are sham, fictitious, or patently unsubstantial.

Petitioner corporation refused to fully pay the purchase price because no court case was filed to void the Philippine Tourism Authority's title on the property. However, paragraph C of the deed of conditional sale is clear that petitioner Olivarez Realty Corporation is responsible for initiating court action against the Philippine Tourism Authority:

- C. [Olivarez Realty Corporation] assumes the responsibility of taking necessary legal action thru Court to have the claim/title TCT T-18493 of Philippine Tourism Authority over the above-described property be nullified and voided; with the full assistance of [Castillo].⁹⁸

Castillo's alleged failure to "fully assist"⁹⁹ the corporation in filing the case is not a defense. As the trial court said, "how can [Castillo] assist [the corporation] when [the latter] did not file the action [in the first place?]"¹⁰⁰

Neither can Olivarez Realty Corporation argue that it refused to fully pay the purchase price due to the Philippine Tourism Authority's adverse claim on the property. The corporation knew of this adverse claim when it entered into a contract of conditional sale. It even obligated itself under paragraph C of the deed of conditional sale to sue the Philippine Tourism Authority. This defense, therefore, is sham.

⁹⁸ *Rollo*, p. 112.

⁹⁹ *Id.* at 190.

¹⁰⁰ *Id.* at 271.

Contrary to petitioners' claim, there is no "obvious ambiguity"¹⁰¹ as to which should occur first — the payment of the disturbance compensation or the clearing of the land within six months from the signing of the deed of conditional sale. The obligations must be performed simultaneously. In this case, the parties should have coordinated to ensure that tenants on the property were paid disturbance compensation and were made to vacate the property six months after the signing of the deed of conditional sale.

On one hand, pure obligations, or obligations whose performance do not depend upon a future or uncertain event, or upon a past event unknown to the parties, are demandable at once.¹⁰² On the other hand, obligations with a resolutive period also take effect at once but terminate upon arrival of the day certain.¹⁰³

Olivarez Realty Corporation's obligation to pay disturbance compensation is a pure obligation. The performance of the obligation to pay disturbance compensation did not depend on any condition. Moreover, the deed of conditional sale did not give the corporation a period to perform the obligation. As such, the obligation to pay disturbance compensation was demandable at once. Olivarez Realty Corporation should have paid the tenants disturbance compensation upon execution of the deed of conditional sale.

With respect to Castillo's obligation to clear the land of the tenants within six months from the signing of the contract, his obligation was an obligation with a resolutive period. The obligation to clear the land of the tenants took effect at once, specifically, upon the parties' signing of the deed of conditional sale. Castillo had until October 2, 2000, six months from April 5, 2000 when the parties signed the deed of conditional sale, to clear the land of the tenants.

Olivarez Realty Corporation, therefore, had no right to withhold payments of the purchase price. As the trial court ruled, Olivarez Realty Corporation "can only claim non-compliance [of the obligation to clear the land of the tenants in] October 2000."¹⁰⁴ It said:

. . . it is clear that defendant [Olivarez Realty Corporation] should have paid the installments on the ₱5 million downpayment up to October 8, 2000, or a total of ₱4,500,000.00. That is the agreement because the only time that defendant [corporation] can claim non-compliance of the condition is after October, 2000 and so it has the clear obligation to pay up to the October 2000 the

¹⁰¹ Id. at 227.

¹⁰² CIVIL CODE, art. 1179.

¹⁰³ CIVIL CODE, art. 1193.

¹⁰⁴ *Rollo*, p. 283.

agreed installments. Since it paid only ₱2,500,000.00, then a violation of the contract has already been committed. . . .¹⁰⁵

The claim that Castillo sold the property to another is fictitious and was made in bad faith to prevent the trial court from rendering summary judgment. Petitioners did not elaborate on this defense and insisted on revealing the identity of the buyer only during trial.¹⁰⁶ Even in their petition for review on certiorari, petitioners never disclosed the name of this alleged buyer. Thus, as the trial court ruled, this defense did not tender a genuine issue of fact, with the defense “bereft of details.”¹⁰⁷

Castillo’s alleged prayer for the irreconcilable reliefs of rescission of contract and reformation of instrument is not a ground to dismiss his complaint. A plaintiff may allege two or more claims in the complaint alternatively or hypothetically, either in one cause of action or in separate causes of action per Section 2, Rule 8 of the 1997 Rules of Civil Procedure.¹⁰⁸ It is the filing of two separate cases for each of the causes of action that is prohibited since the subsequently filed case may be dismissed under Section 4, Rule 2 of the 1997 Rules of Civil Procedure¹⁰⁹ on splitting causes of action.

As demonstrated, there are no genuine issues of material fact in this case. These are issues that can be resolved judiciously by plain resort to the pleadings, affidavits, depositions, and other papers on file. As the trial court found, Olivarez Realty Corporation illegally withheld payments of the purchase price. The trial court did not err in rendering summary judgment.

II

Castillo is entitled to cancel the contract of conditional sale

Since Olivarez Realty Corporation illegally withheld payments of the purchase price, Castillo is entitled to cancel his contract with petitioner

¹⁰⁵ Id. at 283.

¹⁰⁶ Id. at 218.

¹⁰⁷ Id. at 272.

¹⁰⁸ RULES OF COURT, Rule 8, sec. 2 states:

Sec. 2. *Alternative causes of action or defenses.*

A party may set forth two or more statements of a claim or defense alternatively or hypothetically, either in one cause of action or defense or in separate causes of action or defenses. When two or more statements are made in the alternative and one of them if made independently would be sufficient, the pleading is not made insufficient by the insufficiency of one or more of the alternative statements.

¹⁰⁹ RULES OF COURT, Rule 2, sec. 4 states:

Sec. 4. *Splitting a single cause of action; effect of.*

If two or more suits are instituted on the basis of the same cause of action, the filing of one or a judgment upon the merits in any one is available as a ground for the dismissal of the others.

corporation. However, we properly characterize the parties' contract as a contract to sell, not a contract of conditional sale.

In both contracts to sell and contracts of conditional sale, title to the property remains with the seller until the buyer fully pays the purchase price.¹¹⁰ Both contracts are subject to the positive suspensive condition of the buyer's full payment of the purchase price.¹¹¹

In a contract of conditional sale, the buyer automatically acquires title to the property upon full payment of the purchase price.¹¹² This transfer of title is "by operation of law without any further act having to be performed by the seller."¹¹³ In a contract to sell, transfer of title to the prospective buyer is not automatic.¹¹⁴ "The prospective seller [must] convey title to the property [through] a deed of conditional sale."¹¹⁵

The distinction is important to determine the applicable laws and remedies in case a party does not fulfill his or her obligations under the contract. In contracts of conditional sale, our laws on sales under the Civil Code of the Philippines apply. On the other hand, contracts to sell are not governed by our law on sales¹¹⁶ but by the Civil Code provisions on conditional obligations.

Specifically, Article 1191 of the Civil Code on the right to rescind reciprocal obligations does not apply to contracts to sell.¹¹⁷ As this court explained in *Ong v. Court of Appeals*,¹¹⁸ failure to fully pay the purchase price in contracts to sell is not the breach of contract under Article 1191.¹¹⁹ Failure to fully pay the purchase price is "merely an event which prevents the [seller's] obligation to convey title from acquiring binding force."¹²⁰ This is because "there can be no rescission of an obligation that is still non-existent, the suspensive condition not having [happened]."¹²¹

¹¹⁰ *Nabus v. Pacson*, G.R. No. 161318, November 25, 2009, 605 SCRA 334, 349 [Per J. Peralta, Third Division], citing *Ramos v. Heruela*, 509 Phil. 658 (2005) [Per J. Carpio, First Division].

¹¹¹ *Nabus v. Pacson*, G.R. No. 161318, November 25, 2009, 605 SCRA 334, 349 [Per J. Peralta, Third Division], citing *Ramos v. Heruela*, 509 Phil. 658 (2005) [Per J. Carpio, First Division].

¹¹² *Nabus v. Pacson*, G.R. No. 161318, November 25, 2009, 605 SCRA 334, 349–351 [Per J. Peralta, Third Division], citing *Coronel v. Court of Appeals*, 331 Phil. 294 (1996) [Per J. Melo, Third Division].

¹¹³ *Id.* at 351.

¹¹⁴ *Id.* at 351.

¹¹⁵ *Id.* at 351.

¹¹⁶ *Gomez v. Court of Appeals*, 395 Phil. 115 (2000) [Per J. Buena, Second Division]; *Padilla v. Spouses Paredes*, 385 Phil. 128, 140–142 (2000) [Per. J. Quisumbing, Second Division].

¹¹⁷ *Padilla v. Spouses Paredes*, 385 Phil. 128, 140 (2000) [Per. J. Quisumbing, Second Division].

¹¹⁸ 369 Phil. 243 (1999) [Per J. Ynares-Santiago, First Division].

¹¹⁹ *Id.* at 254.

¹²⁰ *Id.* at 254.

¹²¹ *Nabus v. Pacson*, G.R. No. 161318, November 25, 2009, 605 SCRA 334, 353–354 [Per J. Peralta, Third Division].

In this case, Castillo reserved his title to the property and undertook to execute a deed of absolute sale upon Olivarez Realty Corporation's full payment of the purchase price.¹²² Since Castillo still has to execute a deed of absolute sale to Olivarez Realty Corporation upon full payment of the purchase price, the transfer of title is not automatic. The contract in this case is a contract to sell.

As this case involves a contract to sell, Article 1191 of the Civil Code of the Philippines does not apply. The contract to sell is instead cancelled, and the parties shall stand as if the obligation to sell never existed.¹²³

Olivarez Realty Corporation shall return the possession of the property to Castillo. Any improvement that Olivarez Realty Corporation may have introduced on the property shall be forfeited in favor of Castillo per paragraph I of the deed of conditional sale:

- I. Immediately upon signing this Contract, [Olivarez Realty Corporation] shall be entitled to occupy, possess and develop the subject property. In case this Contract is cancelled, any improvement introduced by [Olivarez Realty Corporation] on the property shall be forfeited in favor of [Castillo].¹²⁴

As for prospective sellers, this court generally orders the reimbursement of the installments paid for the property when setting aside contracts to sell.¹²⁵ This is true especially if the property's possession has not been delivered to the prospective buyer prior to the transfer of title.

In this case, however, Castillo delivered the possession of the property to Olivarez Realty Corporation prior to the transfer of title. We cannot order the reimbursement of the installments paid.

In *Gomez v. Court of Appeals*,¹²⁶ the City of Manila and Luisa Gomez entered into a contract to sell over a parcel of land. The city delivered the property's possession to Gomez. She fully paid the purchase price for the property but violated the terms of the contract to sell by renting out the property to other persons. This court set aside the contract to sell for her

¹²² *Rollo*, p. 141, deed of conditional sale, par. J provides:

J. That [Castillo] shall execute and deliver to [Olivarez Realty Corporation] by way of a Deed of Absolute Sale upon full payment by the latter of the full and complete purchase price herein above stipulated[.]

¹²³ *Heirs of Atienza v. Espidol*, G.R. No. 180665, August 11, 2010, 628 SCRA 256, 263 [Per J. Abad, Second Division].

¹²⁴ *Rollo*, p. 141.

¹²⁵ *Heirs of Atienza v. Espidol*, G.R. No. 180665, August 11, 2010, 628 SCRA 256, 265 [Per J. Abad, Second Division]; *Nabus v. Pacson*, G.R. No. 161318, November 25, 2009, 605 SCRA 334, 357 [Per J. Peralta, Third Division].

¹²⁶ 395 Phil. 115 (2000) [Per J. Buena, Second Division].

violation of the terms of the contract to sell. It ordered the installments paid forfeited in favor of the City of Manila “as reasonable compensation for [Gomez’s] use of the [property]”¹²⁷ for eight years.

In this case, Olivarez Realty Corporation failed to fully pay the purchase price for the property. It only paid ₱2,500,000.00 out of the ₱19,080,490.00 agreed purchase price. Worse, petitioner corporation has been in possession of Castillo’s property for 14 years since May 5, 2000 and has not paid for its use of the property.

Similar to the ruling in *Gomez*, we order the ₱2,500,000.00 forfeited in favor of Castillo as reasonable compensation for Olivarez Realty Corporation’s use of the property.

III

Olivarez Realty Corporation is liable for moral and exemplary damages and attorney’s fees

We note that the trial court erred in rendering summary judgment on the amount of damages. Under Section 3, Rule 35 of the 1997 Rules of Civil Procedure, summary judgment may be rendered, except as to the amount of damages.

In this case, the trial court erred in forfeiting the ₱2,500,000.00 in favor of Castillo as damages under Article 1191 of the Civil Code of the Philippines. As discussed, there is no breach of contract under Article 1191 in this case.

The trial court likewise erred in rendering summary judgment on the amount of moral and exemplary damages and attorney’s fees.

Nonetheless, we hold that Castillo is entitled to moral damages, exemplary damages, and attorney’s fees.

Moral damages may be awarded in case the claimant experienced physical suffering, mental anguish, fright, serious anxiety, besmirched reputation, wounded feelings, moral shock, social humiliation, and similar injury.¹²⁸

¹²⁷ Id. at 130.

¹²⁸ CIVIL CODE, art. 2217.

As for exemplary damages, they are awarded in addition to moral damages by way of example or correction for the public good.¹²⁹ Specifically in contracts, exemplary damages may be awarded if the defendant acted in a wanton, fraudulent, reckless, oppressive, or malevolent manner.¹³⁰

Under the deed of conditional sale, Olivarez Realty Corporation may only suspend the monthly down payment in case Castillo fails to clear the land of the tenants six months from the signing of the instrument. Yet, even before the sixth month arrived, Olivarez Realty Corporation withheld payments for Castillo's property. It even used as a defense the fact that no case was filed against the Philippine Tourism Authority when, under the deed of conditional sale, Olivarez Realty Corporation was clearly responsible for initiating action against the Philippine Tourism Authority. These are oppressive and malevolent acts, and we find Castillo entitled to ₱500,000.00 moral damages and ₱50,000.00 exemplary damages:

Plaintiff Castillo is entitled to moral damages because of the evident bad faith exhibited by defendants in dealing with him regarding the sale of his lot to defendant [Olivarez Realty Corporation]. He suffered much prejudice due to the failure of defendants to pay him the balance of purchase price which he expected to use for his needs which caused him wounded feelings, sorrow, mental anxiety and sleepless nights for which defendants should pay ₱500,000.00 as moral damages more than six (6) years had elapsed and defendants illegally and unfairly failed and refused to pay their legal obligations to plaintiff, unjustly taking advantage of a poor uneducated man like plaintiff causing much sorrow and financial difficulties. Moral damages in favor of plaintiff is clearly justified . . . [Castillo] is also entitled to ₱50,000.00 as exemplary damages to serve as a deterrent to other parties to a contract to religiously comply with their prestations under the contract.¹³¹

We likewise agree that Castillo is entitled to attorney's fees in addition to the exemplary damages.¹³² Considering that Olivarez Realty Corporation refused to satisfy Castillo's plainly valid, just, and demandable claim,¹³³ the award of ₱50,000.00 as attorney's fees is in order.

However, we find that Dr. Pablo R. Olivarez is not solidarily liable with Olivarez Realty Corporation for the amount of damages.

Under Article 1207 of the Civil Code of the Philippines, there is solidary liability only when the obligation states it or when the law or the

¹²⁹ CIVIL CODE, art. 2229.

¹³⁰ CIVIL CODE, art. 2232.

¹³¹ *Rollo*, p. 284.

¹³² CIVIL CODE, art. 2208.

¹³³ CIVIL CODE, art. 2208.

nature of the obligation requires solidarity.¹³⁴ In case of corporations, they are solely liable for their obligations.¹³⁵ The directors or trustees and officers are not liable with the corporation even if it is through their acts that the corporation incurred the obligation. This is because a corporation is separate and distinct from the persons comprising it.¹³⁶

As an exception to the rule, directors or trustees and corporate officers may be solidarily liable with the corporation for corporate obligations if they acted “in bad faith or with gross negligence in directing the corporate affairs.”¹³⁷

In this case, we find that Castillo failed to prove with preponderant evidence that it was through Dr. Olivarez’s bad faith or gross negligence that Olivarez Realty Corporation failed to fully pay the purchase price for the property. Dr. Olivarez’s alleged act of making Castillo sign the deed of conditional sale without explaining to the latter the deed’s terms in Tagalog is not reason to hold Dr. Olivarez solidarily liable with the corporation. Castillo had a choice not to sign the deed of conditional sale. He could have asked that the deed of conditional sale be written in Tagalog.

Thus, Olivarez Realty Corporation is solely liable for the moral and exemplary damages and attorney’s fees to Castillo.

IV

The trial court acquired jurisdiction over Castillo’s action as he paid the correct docket fees

Olivarez Realty Corporation and Dr. Olivarez claimed that the trial court had no jurisdiction to take cognizance of the case. In the reply/motion to dismiss the complaint¹³⁸ they filed with the Court of Appeals, petitioners argued that Castillo failed to pay the correct amount of docket fees. Stating that this action is a real action, petitioners argued that the docket fee Castillo paid should have been based on the fair market value of the property. In this case, Castillo only paid ₱4,297.00, which is insufficient “if the real nature

¹³⁴ CIVIL CODE, art. 1207 states:

Art. 1207. The concurrence of two or more creditors or of two or more debtors in one and the same obligation does not imply that each one of the former has a right to demand, or that each one of the latter is bound to render, entire compliance with the prestation. There is a solidary liability only when the obligation expressly so states, or when the law or the nature of the obligation requires solidarity.

¹³⁵ *Aratea v. Suico*, 547 Phil. 407, 415 (2007) [Per J. Garcia, First Division], citing *MAM Realty Development Corporation v. NLRC*, G.R. No. 114787, June 2, 1995, 244 SCRA 797, 802–803 [Per J. Vitug, Third Division].

¹³⁶ *Id.* at 415.

¹³⁷ *Id.* at 415.

¹³⁸ *Rollo*, pp. 99–109.

of the action was admitted and the fair market value of the property was disclosed and made the basis of the amount of docket fees to be paid to the court.”¹³⁹ Thus, according to petitioners, the case should be dismissed for lack of jurisdiction.

Castillo countered that his action for rescission is an action incapable of pecuniary estimation. Thus, the Clerk of Court of the Regional Trial Court of Tanauan City did not err in assessing the docket fees based on his prayer.

We rule for Castillo. In *De Leon v. Court of Appeals*,¹⁴⁰ this court held that an action for rescission of contract of sale of real property is an action incapable of pecuniary estimation. In *De Leon*, the action involved a real property. Nevertheless, this court held that “it is the nature of the action as one for rescission of contract which is controlling.”¹⁴¹ Consequently, the docket fees to be paid shall be for actions incapable of pecuniary estimation, regardless if the claimant may eventually recover the real property. This court said:

... the Court in *Bautista v. Lim*, held that an action for rescission of contract is one which cannot be estimated and therefore the docket fee for its filing should be the flat amount of P200.00 as then fixed in the former Rule 141, §141, §5(10). Said this Court:

We hold that Judge Dalisay did not err in considering Civil Case No. V-144 as basically one for rescission or annulment of contract which is not susceptible of pecuniary estimation (1 Moran's Comments on the Rules of Court, 1970 Ed, p. 55; *Lapitan vs. Scandia, Inc.*, L-24668, July 31, 1968, 24 SCRA 479, 781-483).

Consequently, the fee for docketing it is P200, an amount already paid by plaintiff, now respondent Matilda Lim. (She should pay also the two pesos legal research fund fee, if she has not paid it, as required in Section 4 of Republic Act No. 3870, the charter of the U.P. Law Center).

Thus, although eventually the result may be the recovery of land, it is the nature of the action as one for rescission of contract which is controlling. The Court of Appeals correctly applied these cases to the present one. As it said:

We would like to add the observations that since the action of petitioners [private respondents] against private respondents [petitioners] is solely for annulment or rescission which is not susceptible of pecuniary estimation,

¹³⁹ Id. at 103.

¹⁴⁰ 350 Phil. 535 (1998) [Per J. Mendoza, Second Division].

¹⁴¹ Id. at 542–543.

the action should not be confused and equated with the "value of the property" subject of the transaction; that by the very nature of the case, the allegations, and specific prayer in the complaint, sans any prayer for recovery of money and/or value of the transaction, or for actual or compensatory damages, the assessment and collection of the legal fees should not be intertwined with the merits of the case and/or what may be its end result; and that to sustain private respondents' [petitioners'] position on what the respondent court may decide after all, then the assessment should be deferred and finally assessed only after the court had finally decided the case, which cannot be done because the rules require that filing fees should be based on what is alleged and prayed for in the face of the complaint and paid upon the filing of the complaint.¹⁴²

Although we discussed that there is no rescission of contract to speak of in contracts of conditional sale, we hold that an action to cancel a contract to sell, similar to an action for rescission of contract of sale, is an action incapable of pecuniary estimation. Like any action incapable of pecuniary estimation, an action to cancel a contract to sell "demands an inquiry into other factors"¹⁴³ aside from the amount of money to be awarded to the claimant. Specifically in this case, the trial court principally determined whether Olivarez Realty Corporation failed to pay installments of the property's purchase price as the parties agreed upon in the deed of conditional sale. The principal nature of Castillo's action, therefore, is incapable of pecuniary estimation.

All told, there is no issue that the parties in this case entered into a contract to sell a parcel of land and that Olivarez Realty Corporation failed to fully pay the installments agreed upon. Consequently, Castillo is entitled to cancel the contract to sell.

WHEREFORE, the petition for review on certiorari is **DENIED**. The Court of Appeals' decision dated July 20, 2010 and in CA-G.R. CV No. 91244 is **AFFIRMED** with **MODIFICATION**.

The deed of conditional sale dated April 5, 2000 is declared **CANCELLED**. Petitioner Olivarez Realty Corporation shall **RETURN** to respondent Benjamin Castillo the possession of the property covered by Transfer Certificate of Title No. T-19972 together with all the improvements that petitioner corporation introduced on the property. The amount of ₱2,500,000.00 is **FORFEITED** in favor of respondent Benjamin Castillo as reasonable compensation for the use of petitioner Olivarez Realty Corporation of the property.

¹⁴² Id. at 542-543.

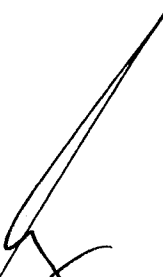
¹⁴³ Id. at 541, citing *Lapitan v. Scandia, Inc.*, 133 Phil. 526 [Per J. J.B.L. Reyes, En Banc].

Petitioner Olivarez Realty Corporation shall **PAY** respondent Benjamin Castillo ₱500,000.00 as moral damages, ₱50,000.00 as exemplary damages, and ₱50,000.00 as attorney's fees with interest at 6% per annum from the time this decision becomes final and executory until petitioner corporation fully pays the amount of damages.¹⁴⁴

SO ORDERED.


MARVIC MARIO VICTOR F. LEONEN
Associate Justice

WE CONCUR:


PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson

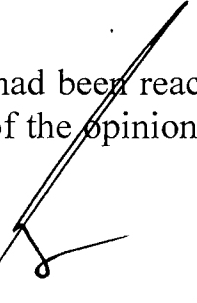

DIOSDADO M. PERALTA
Associate Justice


MARTIN S. VILLARAMA, JR.
Associate Justice


JOSE CATRAL MENDOZA
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson, Third Division

¹⁴⁴ *Nacar v. Gallery Frames*, G.R. No. 189871, August 13, 2013, 703 SCRA 439, 458 [Per J. Peralta, En Banc].

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

**MARIA LOURDES P. A. SERENO**

Chief Justice