Republic of the Philippines
Supreme Court
Baguio City

SECOND DIVISION

SPOUSES BONIFACIO AND LUCIA PARAS,
Petitioners,

-versus-

KIMWA CONSTRUCTION AND DEVELOPMENT CORPORATION,
Respondent.

G.R. No. 171601

Present:

CARPIO, *Chairperson,*
BRION,
DEL CASTILLO,
MENDOZA, and
LEONEN, *JJ.*

Promulgated:
08 APR 2015

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DECISION

LEONEN, *J.*:

This resolves the Petition for Review on Certiorari[1] under Rule 45 of the 1997 Rules of Civil Procedure praying that the assailed Decision[2] dated July 4, 2005 and Resolution[3] dated February 9, 2006 of the Court of Appeals Special 20th Division in CA-G.R. CV No. 74682 be reversed and set aside, and that the Decision[4] of Branch 55 of the Regional Trial Court, Mandaue City dated May 16, 2001 in Civil Case No. MAN-2412 be reinstated.[5]

The trial court's May 16, 2001 Decision ruled in favor of petitioners

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[1] *Rollo*, pp. 11–28.
[2] Id. at 32–39. The Decision was penned by Associate Justice Isaias P. Dicdican (Chair) and concurred in by Associate Justices Sesinando E. Villon and Enrico A. Lanzanas.
[3] Id. at 47–48. The Resolution was penned by Associate Justice Isaias P. Dicdican (Chair) and concurred in by Associate Justices Pampio A. Abarintos and Enrico A. Lanzanas.
[4] Id. at 66–70.
[5] Id. at 26.

Spouses Bonifacio and Lucia Paras (plaintiffs before the Regional Trial Court) in their action for breach of contract with damages against respondent Kimwa Construction and Development Corporation (Kimwa).[6]

The assailed Decision of the Court of Appeals reversed and set aside the trial court's May 16, 2001 Decision and dismissed Spouses Paras' Complaint.[7] The Court of Appeals' assailed Resolution denied Spouses Paras' Motion for Reconsideration.[8]

Lucia Paras (Lucia) was a "concessionaire of a sand and gravel permit at Kabulihan, Toledo City[.]"[9] Kimwa is a "construction firm that sells concrete aggregates to contractors and haulers in . . . Cebu."[10]

On December 6, 1994, Lucia and Kimwa entered into a contract denominated "Agreement for Supply of Aggregates" (Agreement) where 40,000 cubic meters of aggregates were "allotted"[11] by Lucia as supplier to Kimwa.[12] Kimwa was to pick up the allotted aggregates at Lucia's permitted area in Toledo City[13] at 240.00 per truckload.[14]

The entirety of this Agreement reads:

AGREEMENT FOR SUPPLY OF AGGREGATES

KNOW ALL MEN BY THESE PRESENTS:

This Agreement made and entered into by and between:

LUCIA PARAS, of legal age, Filipino, married and resident of Poblacion, Toledo City, Province of Cebu, hereinafter referred to as the SUPPLIER:

- a n d -

KIMWA CONSTRUCTION AND DEVELOPMENT CORP., a corporation duly organized and existing under the laws of the Philippines with office address at Subangdaku, Mandaue City, hereinafter represented by its President MRS. CORAZON Y. LUA, of legal age, Filipino and a resident of Subangdaku, Mandaue City[,] hereinafter referred to as the CONTRACTOR;

W I T N E S S E T H:

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6 Id. at 70.
7 Id. at 38.
8 Id. at 48.
9 Id. at 32.
10 Id.
11 Id. at 36.
12 Id. at 33.
13 Id.
14 Id. at 66.

> That the SUPPLIER is [sic] Special Permittee of (Rechanelling Block # VI of Sapang Daco River along Barangay Ilihan) located at Toledo City under the terms and conditions:
>
> 1. That the aggregates is [sic] to be picked-up by the CONTRACTOR at the SUPPLIER [sic] permitted area at the rate of TWO HUNDRED FORTY (P 240.00) PESOS per truck load;
>
> 2. *That the volume allotted by the SUPPLIER to the CONTRACTOR is limited to 40,000 cu.m.*;
>
> 3. *That the said Aggregates is* [sic] *for the exclusive use of the Contractor*;
>
> 4. That the terms of payment is Fifteen (15) days after the receipt of billing;
>
> 5. That there is [sic] no modification, amendment, assignment or transfer of this Agreement after acceptance shall be binding upon the SUPPLIER unless agreed to in writing by and between the CONTRACTOR and SUPPLIER.
>
> IN WITNESS WHEREOF, we have hereunto affixed our signatures this 6th day of December, 1994 at Mandaue City, Cebu, Philippines.
>
> **LUCIA PARAS** (sgd.) Supplier
>
> **CORAZON Y. LUA** (sgd.) Contractor[15]
>
> (Emphasis supplied)

Pursuant to the Agreement, Kimwa hauled 10,000 cubic meters of aggregates. Sometime after this, however, Kimwa stopped hauling aggregates.[16]

Claiming that in so doing, Kimwa violated the Agreement, Lucia, joined by her husband, Bonifacio, filed the Complaint[17] for breach of contract with damages that is now subject of this Petition.

In their Complaint, Spouses Paras alleged that sometime in December 1994, Lucia was approached by Kimwa expressing its interest to purchase gravel and sand from her.[18] Kimwa allegedly asked that it be "assured"[19] of 40,000 cubic meters worth of aggregates.[20] Lucia countered that her concession area was due to be rechanneled on May 15, 1995, when her

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15 RTC records, p. 97.
16 *Rollo*, p. 33.
17 Id. at 56–59.
18 Id. at 56.
19 Id.
20 Id. at 56–57.

Special Permit expires.[21] Thus, she emphasized that she would be willing to enter into a contract with Kimwa "provided the forty thousand cubic meter[s] w[ould] be withdrawn or *completely* extracted and hauled before 15 May 1995[.]"[22] Kimwa then assured Lucia that it would take only two to three months for it to completely haul the 40,000 cubic meters of aggregates.[23] Convinced of Kimwa's assurances, Lucia and Kimwa entered into the Agreement.[24]

Spouses Paras added that within a few days, Kimwa was able to extract and haul 10,000 cubic meters of aggregates. However, after extracting and hauling this quantity, Kimwa allegedly transferred to the concession area of a certain Mrs. Remedios dela Torre in violation of their Agreement. They then addressed demand letters to Kimwa. As these went unheeded, Spouses Paras filed their Complaint.[25]

In its Answer,[26] Kimwa alleged that it never committed to obtain 40,000 cubic meters of aggregates from Lucia. It argued that the controversial quantity of 40,000 cubic meters represented only an upper limit or the maximum quantity that it could haul.[27] It likewise claimed that it neither made any commitment to haul 40,000 cubic meters of aggregates before May 15, 1995 nor represented that the hauling of this quantity could be completed in two to three months.[28] It denied that the hauling of 10,000 cubic meters of aggregates was completed in a matter of days and countered that it took weeks to do so. It also denied transferring to the concession area of a certain Mrs. Remedios dela Torre.[29]

Kimwa asserted that the Agreement articulated the parties' true intent that 40,000 cubic meters was a maximum limit and that May 15, 1995 was never set as a deadline. Invoking the Parol Evidence Rule, it insisted that Spouses Paras were barred from introducing evidence which would show that the parties had agreed differently.[30]

On May 16, 2001, the Regional Trial Court rendered the Decision in favor of Spouses Paras. The trial court noted that the Agreement stipulated that the allotted aggregates were set aside exclusively for Kimwa. It reasoned that it was contrary to human experience for Kimwa to have entered into an Agreement with Lucia without verifying the latter's authority

21 Id. at 57.
22 Id.
23 Id.
24 Id.
25 Id.
26 Id. at 60–63.
27 Id. at 60
28 Id. at 60–61.
29 Id. at 61–62.
30 Id. at 62–63.

as a concessionaire.[31] Considering that the Special Permit[32] granted to Lucia (petitioners' Exhibit "A" before the trial court) clearly indicated that her authority was good for only six (6) months from November 14, 1994, the trial court noted that Kimwa must have been aware that the 40,000 cubic meters of aggregates allotted to it must necessarily be hauled by May 15, 1995. As it failed to do so, it was liable to Spouses Paras for the total sum of 720,000.00, the value of the 30,000 cubic meters of aggregates that Kimwa did not haul, in addition to attorney's fees and costs of suit.[33]

On appeal, the Court of Appeals reversed the Regional Trial Court's Decision. It faulted the trial court for basing its findings on evidence presented which were supposedly in violation of the Parol Evidence Rule. It noted that the Agreement was clear that Kimwa was under no obligation to haul 40,000 cubic meters of aggregates by May 15, 1995.[34]

In a subsequent Resolution, the Court of Appeals denied reconsideration to Spouses Paras.[35]

Hence, this Petition was filed.

The issue for resolution is whether respondent Kimwa Construction and Development Corporation is liable to petitioners Spouses Paras for (admittedly) failing to haul 30,000 cubic meters of aggregates from petitioner Lucia Paras' permitted area by May 15, 1995.

To resolve this, it is necessary to determine whether petitioners Spouses Paras were able to establish that respondent Kimwa was obliged to haul a total of 40,000 cubic meters of aggregates on or before May 15, 1995.

We reverse the Decision of the Court of Appeals and reinstate that of the Regional Trial Court. Respondent Kimwa is liable for failing to haul the remainder of the quantity which it was obliged to acquire from petitioner Lucia Paras.

I

Rule 130, Section 9 of the Revised Rules on Evidence provides for the Parol Evidence Rule, the rule on admissibility of documentary evidence when the terms of an agreement have been reduced into writing:

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31 Id. at 70.
32 Id. at 96.
33 Id. at 70.
34 Id. at 36–37.
35 Id. at 48.

> Section 9. *Evidence of written agreements*. — When the terms of an agreement have been reduced to writing, it is considered as containing all the terms agreed upon and there can be, between the parties and their successors in interest, no evidence of such terms other than the contents of the written agreement.
>
> However, a party may present evidence to modify, explain or add to the terms of written agreement if he puts in issue in his pleading:
>
> (a) An intrinsic ambiguity, mistake or imperfection in the written agreement;
>
> (b) The failure of the written agreement to express the true intent and agreement of the parties thereto;
>
> (c) The validity of the written agreement; or
>
> (d) The existence of other terms agreed to by the parties or their successors in interest after the execution of the written agreement.
>
> The term "agreement" includes wills.

Per this rule, reduction to written form, regardless of the formalities observed,[36] "forbids any addition to, or contradiction of, the terms of a written agreement by testimony or other evidence purporting to show that different terms were agreed upon by the parties, varying the purport of the written contract."[37]

This rule is animated by a perceived wisdom in deferring to the contracting parties' articulated intent. In choosing to reduce their agreement into writing, they are deemed to have done so meticulously and carefully, employing specific — frequently, even technical — language as are appropriate to their context. From an evidentiary standpoint, this is also because "oral testimony . . . coming from a party who has an interest in the outcome of the case, depending exclusively on human memory, is not as reliable as written or documentary evidence. Spoken words could be notoriously unreliable unlike a written contract which speaks of a uniform language."[38] As illustrated in *Abella v. Court of Appeals*:[39]

> Without any doubt, oral testimony as to a certain fact, depending as it does exclusively on human memory, is not as reliable as written or documentary evidence. "I would sooner trust the smallest slip

[36] *See Inciong, Jr. v. Court of Appeals*, 327 Phil. 364, 371 (1996) [Per J. Romero, Second Division].

[37] *Seaoil Petroleum Corporation v. Autocorp Group*, 590 Phil. 410, 418 (2008) [Per J. Nachura, Third Division], *citing Spouses Edrada v. Spouses Ramos*, 505 Phil. 672, 677–678 (2005) [Per J. Tinga, Second Division].

[38] *Ortañez v. Court of Appeals*, 334 Phil. 514, 518 (1997) [Per J. Francisco, Third Division].

[39] 327 Phil. 270 (1996) [Per J. Francisco, Third Division].

> of paper for truth," said Judge Limpkin of Georgia, "than the strongest and most retentive memory ever bestowed on mortal man." This is especially true in this case where such oral testimony is given by . . . a party to the case who has an interest in its outcome, and by . . . a witness who claimed to have received a commission from the petitioner.[40]

This, however, is merely a general rule. Provided that a party puts in issue in its pleading any of the four (4) items enumerated in the second paragraph of Rule 130, Section 9, "a party may present evidence to modify, explain or add to the terms of the agreement[.]"[41] Raising any of these items as an issue in a pleading such that it falls under the exception is not limited to the party initiating an action. In *Philippine National Railways v. Court of First Instance of Albay*,[42] this court noted that "if the defendant set up the affirmative defense that the contract mentioned in the complaint does not express the true agreement of the parties, then parol evidence is admissible to prove the true agreement of the parties[.]"[43] Moreover, as with all possible objections to the admission of evidence, a party's failure to timely object is deemed a waiver, and parol evidence may then be entertained.

Apart from pleading these exceptions, it is equally imperative that the parol evidence sought to be introduced points to the conclusion proposed by the party presenting it. That is, it must be relevant, tending to "induce belief in [the] existence"[44] of the flaw, true intent, or subsequent extraneous terms averred by the party seeking to introduce parol evidence.

In sum, two (2) things must be established for parol evidence to be admitted: first, that the existence of any of the four (4) exceptions has been put in issue in a party's pleading or has not been objected to by the adverse party; and second, that the parol evidence sought to be presented serves to form the basis of the conclusion proposed by the presenting party.

II

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40 Id. at 276, *citing De Leon v. Court of Appeals*, 205 SCRA 612, 622–623 (1992) [Per J. Cruz, First Division] and *Miller v. Cotten*, 5 Ga. 341, 349.

41 *ACI Philippines, Inc. v. Coquia*, 580 Phil. 275, 284 (2008) [Per J. Tinga, Second Division].

42 173 Phil. 5 (1978) [Per J. Aquino, Second Division].

43 Id. at 11, *citing Enriquez, et al. v. Ramos*, 116 Phil. 525, 531 (1962) [Per J. Bautista Angelo, En Banc], *Philippine Sugar E. D. Co. v. Philippines*, 62 L. Ed. 1177, 247 U.S. 385, *Heirs of De la Rama v. Talisay-Silay Milling Co.*, 54 Phil. 580, 588 (1930) [Per J. Romualdez, En Banc], and *Land Settlement and Development Corporation v. Garcia Plantation Co., Inc.*, 117 Phil. 761, 765 (1963) [Per J. Paredes, En Banc].

44 REV. RULES ON EVID., Rule 128, secs. 3 and 4 provide:
Section 3. *Admissibility of evidence*. — Evidence is admissible when it is relevant to the issue and is not excluded by the law of these rules.
Section 4. *Relevancy; collateral matters*. — Evidence must have such a relation to the fact in issue as to induce belief in its existence or non-existence. Evidence on collateral matters shall not be allowed, except when it tends in any reasonable degree to establish the probability or improbability of the fact in issue.

Here, the Court of Appeals found fault in the Regional Trial Court for basing its findings "on the basis of *evidence presented* in violation of the parol evidence rule."[45] It proceeded to fault petitioners Spouses Paras for showing "no proof . . . of [respondent Kimwa's] obligation."[46] Then, it stated that "[t]he stipulations in the agreement between the parties leave no room for interpretation."[47]

The Court of Appeals is in serious error.

At the onset, two (2) flaws in the the Court of Appeals' reasoning must be emphasized. First, it is inconsistent to say, on one hand, that the trial court erred on the basis of "evidence presented"[48] (albeit supposedly in violation of the Parol Evidence Rule), and, on the other, that petitioners Spouses Paras showed "no proof."[49] Second, without even accounting for the exceptions provided by Rule 130, Section 9, the Court of Appeals immediately concluded that whatever evidence petitioners Spouses Paras presented was in violation of the Parol Evidence Rule.

Contrary to the Court of Appeal's conclusion, petitioners Spouses Paras pleaded in the Complaint they filed before the trial court a mistake or imperfection in the Agreement, as well as the Agreement's failure to express the true intent of the parties. Further, respondent Kimwa, through its Answer, also responded to petitioners Spouses Paras' pleading of these issues. This is, thus, an exceptional case allowing admission of parol evidence.

Paragraphs 6 to 10 of petitioners' Complaint read:

> 6. Sensing that the buyers-contractors and haulers alike could easily consumed [sic] the deposits defendant proposed to the plaintiff-wife that it be assured of a forty thousand (40,000) cubic meter [sic];
>
> 7. Plaintiff countered that the area is scheduled to be rechanneled on 15 May 1995 and by that time she will be prohibited to sell the aggregates;
>
> 8. She further told the defendant that she would be willing to enter into a contract provided the forty thousand cubic meter [sic] will be withdrawn or completely extracted and hauled before 15 May 1995, the scheduled rechanneling;
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> 9. Defendant assured her that it will take them only two to three months to haul completely the desired volume as defendant has all the trucks needed;

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45 *Rollo*, p. 36.
46 Id. at 37.
47 Id.
48 Id. at 36.
49 Id. at 37.

> 10. Convinced of the assurances, plaintiff-wife and the defendant entered into a contract for the supply of the aggregates sometime on 6 December 1994 or thereabouts, at a cost of Two Hundred Forty (P240.00) Pesos per truckload[.][50]

It is true that petitioners Spouses Paras' Complaint does not specifically state words and phrases such as "mistake," "imperfection," or "failure to express the true intent of the parties." Nevertheless, it is evident that the crux of petitioners Spouses Paras' Complaint is their assertion that the Agreement "entered into . . . on 6 December 1994 or thereabouts"[51] was founded on the parties' supposed understanding that the quantity of aggregates allotted in favor of respondent Kimwa must be hauled by May 15, 1995, lest such hauling be rendered impossible by the rechanneling of petitioner Lucia Paras' permitted area. This assertion is the very foundation of petitioners' having come to court for relief.

Proof of how petitioners Spouses Paras successfully pleaded and put this in issue in their Complaint is how respondent Kimwa felt it necessary to respond to it or address it in its Answer. Paragraphs 2 to 5 of respondent Kimwa's Answer read:

> 2. The allegation in paragraph six of the complaint is admitted subject to the qualification that when defendant offered to buy aggregates from the concession of the plaintiffs, it simply asked the plaintiff-concessionaire if she could sell a sufficient supply of aggregates to be used in defendant's construction business and plaintiff-concessionaire agreed to sell to the defendant aggregates from her concession up to a limit of 40,000 cubic meters at the price of P240.00 per cubic meter.
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> 3. The allegations in paragraph seven and eight of the complaint are vehemently denied by the defendant. The contract which was entered into by the plaintiffs and the defendant provides only that the former supply the latter the volume of 40,000.00 cubic meters of aggregates. There is no truth to the allegation that the plaintiff wife entered into the contract under the condition that the aggregates must be quarried and hauled by defendant completely before May 15, 1995, otherwise this would have been unequivocally stipulated in the contract.
>
> 4. The allegation in paragraph nine of the complaint is hereby denied. The defendant never made any assurance to the plaintiff wife that it will take only two to three months to haul the aforesaid volume of aggregates. Likewise, the contract is silent on this aspect for in fact there is no definite time frame agreed upon by the parties within which defendant is to quarry and haul aggregates from the concession of the plaintiffs.
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> 5. The allegation in paragraph ten of the complaint is admitted insofar as the execution of the contract is concerned. However, the contract was executed, not by reason of the alleged assurances of the defendant to the plaintiffs, as claimed by the latter, but because of the intent and willingness of the plaintiffs to supply and sell aggregates

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[50] Id. at 56–57.
[51] Id. at 57.

> to it. It was upon the instance of the plaintiff that the defendant sign the subject contract to express in writing their agreement that the latter would haul aggregates from plaintiffs' concession up to such point in time that the maximum limit of 40,000 cubic meters would be quarried and hauled without a definite deadline being set. Moreover, the contract does not obligate the defendant to consume the allotted volume of 40,000 cubic meters.[52]

Considering how the Agreement's mistake, imperfection, or supposed failure to express the parties' true intent was successfully put in issue in petitioners Spouses Paras' Complaint (and even responded to by respondent Kimwa in its Answer), this case falls under the exceptions provided by Rule 130, Section 9 of the Revised Rules on Evidence. Accordingly, the testimonial and documentary parol evidence sought to be introduced by petitioners Spouses Paras, which attest to these supposed flaws and what they aver to have been the parties' true intent, may be admitted and considered.

III

Of course, this admission and availability for consideration is no guarantee of how exactly the parol evidence adduced shall be appreciated by a court. That is, they do not guarantee the probative value, if any, that shall be attached to them. In any case, we find that petitioners have established that respondent Kimwa was obliged to haul 40,000 cubic meters of aggregates on or before May 15, 1995. Considering its admission that it did not haul 30,000 cubic meters of aggregates, respondent Kimwa is liable to petitioners.

The Pre-Trial Order issued by the Regional Trial Court in Civil Case No. MAN-2412 attests to respondent Kimwa's admission that:

> 6) Prior to or during the execution of the contract[,] the Plaintiffs furnished the Defendant all the documents and requisite papers in connection with the contract, one of which was a copy of the Plaintiff's [sic] special permit indicating that the Plaintiff's [sic] authority was only good for (6) months from November 14, 1994.[53]

This Special Permit was, in turn, introduced by petitioners in evidence as their Exhibit "A,"[54] with its date of issuance and effectivity being specifically identified as their Exhibit "A-1."[55] Relevant portions of this Special Permit read:

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[52] Id. at 60–61.
[53] Id. at 64.
[54] RTC records, pp. 93 and 96.
[55] Id. at 93.

> To All Whom It May Concern:
>
> PERMISSION is hereby granted to:
>
> | Name | Address |
> | --- | --- |
> | LUCIA PARAS | Poblacion, Toledo City |
>
> to undertake the rechannelling of Block No. VI of Sapang Daco River along Barangay Ilihan, Toledo City, subject to following terms and conditions:
>
> 1. That the volume to be extracted from the area is approximately 40,000 cubic meters;
>
> . . . .
>
> This permit which is valid for six (6) months from the date hereof is revocable anytime upon violation of any of the foregoing conditions or in the interest of public peace and order.
>
> Cebu Capitol, Cebu City, November 14, 1994.[56]

Having been admittedly furnished a copy of this Special Permit, respondent Kimwa was well aware that a total of only about 40,000 cubic meters of aggregates may be extracted by petitioner Lucia from the permitted area, and that petitioner Lucia Paras' operations cannot extend beyond May 15, 1995, when the Special Permit expires.

The Special Permit's condition that a total of only about 40,000 cubic meters of aggregates may be extracted by petitioner Lucia Paras from the permitted area lends credence to the position that the aggregates "allotted" to respondent Kimwa was in consideration of its corresponding commitment to haul all 40,000 cubic meters. This is so, especially in light of the Agreement's own statement that "the said Aggregates is for the exclusive use of [respondent Kimwa.]"[57] By allotting the entire 40,000 cubic meters, petitioner Lucia Paras bound her entire business to respondent Kimwa. Rational human behavior dictates that she must have done so with the corresponding assurances from it. It would have been irrational, if not ridiculous, of her to oblige herself to make this allotment without respondent Kimwa's concomitant undertaking that it would obtain the entire amount allotted.

Likewise, the condition that the Special Permit shall be valid for only six (6) months from November 14, 1994 lends credence to petitioners Spouses Paras' assertion that, in entering into the Agreement with

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[56] Id. at 96.
[57] Id. at 97.

respondent Kimwa, petitioner Lucia Paras did so because of respondent Kimwa's promise that hauling can be completed by May 15, 1995. Bound as she was by the Special Permit, petitioner Lucia Paras needed to make it eminently clear to any party she was transacting with that she could supply aggregates only up to May 15, 1995 and that the other party's hauling must be completed by May 15, 1995. She was merely acting with due diligence, for otherwise, any contract she would enter into would be negated; any commitment she would make beyond May 15, 1995 would make her guilty of misrepresentation, and any prospective income for her would be rendered illusory.

Our evidentiary rules impel us to proceed from the position (unless convincingly shown otherwise) that individuals act as rational human beings, i.e, "[t]hat a person takes ordinary care of his concerns[.]"[58] This basic evidentiary stance, taken with the supporting evidence petitioners Spouses Paras adduced, respondent Kimwa's awareness of the conditions under which petitioner Lucia Paras was bound, and the Agreement's own text specifying exclusive allotment for respondent Kimwa, supports petitioners Spouses Paras' position that respondent Kimwa was obliged to haul 40,000 cubic meters of aggregates on or before May 15, 1995. As it admittedly hauled only 10,000 cubic meters, respondent Kimwa is liable for breach of contract in respect of the remaining 30,000 cubic meters.

WHEREFORE, the Petition is **GRANTED**. The assailed Decision dated July 4, 2005 and Resolution dated February 9, 2006 of the Court of Appeals Special 20th Division in CA-G.R. CV No. 74682 are **REVERSED** and **SET ASIDE.** The Decision of Branch 55 of the Regional Trial Court, Mandaue City dated May 16, 2001 in Civil Case No. MAN-2412 is **REINSTATED**.

A legal interest of 6% per annum shall likewise be imposed on the total judgment award from the finality of this Decision until full satisfaction.

SO ORDERED.

MARVIC M.V.F. LEONEN
Associate Justice

WE CONCUR:

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[58] REV. RULES ON EVID., Rule 131, sec. 3(d).

ANTONIO T. CARPIO
Associate Justice
Chairperson

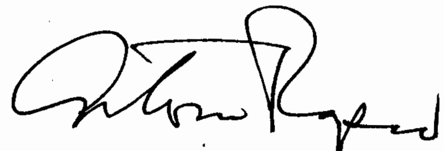
ARTURO D. BRION
Associate Justice

MARIANO C. DEL CASTILLO
Associate Justice

JOSE C. 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.



ANTONIO T. CARPIO
Associate Justice
Chairperson

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