Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

ORIENT HOPE AGENCIES, INC. and/or ZEO MARINE CORPORATION, Petitioners,	**G.R. No. 204307** Present: VELASCO, JR., *J., Chairperson,* BERSAMIN, LEONEN, MARTIRES, and GESMUNDO, *JJ.*
-versus-	
MICHAEL E. JARA, Respondent.	**Promulgated:** June 6, 2018

x----------x

DECISION

LEONEN, *J.*:

Failure of the company-designated physician to render a final and definitive assessment of a seafarer's condition within the 240-day extended period transforms the seafarer's temporary and total disability to permanent and total disability.

This Petition for Review on Certiorari[1] seeks to annul the Court of Appeals August 15, 2012 Decision[2] and November 6, 2012 Resolution[3] in

---

1 *Rollo*, pp. 3–37.

2 Id. at 39–48. The Decision was penned by Associate Justice Amelita G. Tolentino and concurred in by Associate Justices Ramon R. Garcia and Angelita A. Gacutan of the Special Fourth Division, Court of Appeals, Manila.

3 Id. at 63–64. The Resolution was penned by Associate Justice Amelita G. Tolentino and concurred in by Associate Justices Ramon R. Garcia and Rodil V. Zalameda of the Special Former Special Fourth Division, Court of Appeals, Manila.

CA-G.R. SP No. 113214. The Court of Appeals reversed the National Labor Relations Commission September 30, 2009 Decision[4] and granted Michael E. Jara (Jara) permanent and total disability benefits of US$60,000.00 and 10% attorney's fees. It also denied Orient Hope Agencies, Inc. (Orient Hope) and/or Zeo Marine Corporation's (Zeo Marine) Motion for Reconsideration.

Jara was hired by Orient Hope, on behalf of its foreign principal, Zeo Marine, as engine cadet[5] on board M/V Orchid Sun.[6] The employment contract was for a duration of 10 months with a basic monthly salary of US$230.00.[7]

On its way to Oman, M/V Orchid Sun sank off Muscat on July 12, 2007, during which Jara sustained leg injuries.[8] He was treated at Khoula Hospital in Oman and thereafter repatriated and admitted on August 3, 2007 at the Metropolitan Hospital in Manila.[9]

Jara was diagnosed to have suffered from "fracture, shaft of left ulna and left fibula."[10] On August 28, 2007 and January 9, 2008, he underwent knee operations.[11] He did not return to the company-designated doctor after his check up on March 17, 2008.[12]

Meanwhile, on March 6, 2008,[13] Jara filed a complaint with the Labor Arbiter, insisting that he was entitled to total permanent disability benefits amounting to US$60,000.00.[14]

On May 29, 2008, Assistant Medical Coordinator Dr. Mylene Cruz-Balbon of the Marine Medical Services of Metropolitan Medical Center issued a letter, which Medical Coordinator Dr. Robert D. Lim noted and which read:

> This is with regards to your query regarding the case of Wiper Michael E. Jara who was initially seen and admitted here at Metropolitan Medical Center on August 3, 2007 and was diagnosed to have Fracture,

---

4 Id. at 90–96. The Decision, docketed as NLRC LAC No. 01-000006-09, was penned by Commissioner Isabel G. Panganiban-Ortiguerra and concurred in by Presiding Commissioner Benedicto R. Palacol and Commissioner Nieves Vivar-De Castro of the Sixth Division, National Labor Relations Commission, Quezon City.

5 Id. at 84; Labor Arbiter's Decision dated August 29, 2008.

6 Id. at 40.

7 Id. at 84.

8 Id. at 40–41.

9 Id. at 41.

10 Id. at 87.

11 Id. at 46.

12 Id. at 54.

13 Id.

14 Id. at 42.

> Shaft of Left Ulna and Left Fibula; S/P Open Reduction and Internal Fixation, Left Ulna; S/P Arthroscopic Release, Debridement, Synovectomy, Adhesiolysis, Lateral Complex Reconstruction, Fibular Collateral Ligament Advancement and Partial Lateral Meniscectomy, Left Knee on August 28, 2007; S/P Anterior Cruciate Ligament Reconstruction, Left Knee using bone patellar tendon graft with interference screw fixation on January 9, 2008.
>
> Patient was last seen at the clinic on March 17, 2008.
>
> Patient still has complaints of left knee pain especially upon doing left knee flexion.
>
> Based on his last follow-up, his suggested disability grading is Grade 11 – stretching leg or ligaments of a knee resulting in instability of the joint.[15]

In his August 29, 2008 Decision,[16] Labor Arbiter Daniel J. Cajilig found Jara entitled to compensation equivalent to Grade 11 disability.[17] He solely relied on the assessment of the company-designated physician. He found no evidence or other medical report on record to dispute the company-designated physician's determination and to support Jara's claim.[18] The dispositive portion of this Decision read:

> WHEREFORE, judgment is hereby rendered ordering respondents jointly and severally to pay complainant the amount of US$7,465.00 or its Philippine Peso equivalent at the time of payment representing his disability benefits plus 10% thereof as and by way of attorney's fee.
>
> Other claims are hereby denied for lack of merit.
>
> SO ORDERED.[19]

The National Labor Relations Commission affirmed[20] the Labor Arbiter's award.[21] It rejected Jara's unsubstantiated allegation that he was permanently and fully disabled.[22] It found no evidence, such as a credible assessment from another doctor, to overturn the company-designated physician's finding that indeed Jara was suffering from a Grade 11 disability.[23]

---

15 Id. at 82.
16 Id. at 84–88. The Decision was docketed as NLRC-NCR-CASE-No. 03-03618-2008.
17 Id. at 87.
18 Id.
19 Id. at 88.
20 Id. at 90–96.
21 Id. at 95.
22 Id. at 94.
23 Id.

Jara filed a Motion for Reconsideration, but it was denied by the National Labor Relations Commission in its December 10, 2009 Resolution.[24]

Insisting that he was entitled to permanent disability compensation, Jara elevated the matter to the Court of Appeals through a Petition for Certiorari under Rule 65.[25]

In its August 15, 2012 Decision, the Court of Appeals held that Jara was "entitled to permanent disability benefits because the assessment of the company-designated physician that he was suffering from a grade '11' disability was issued after nine (9) months or more than 120 days from the time he was medically repatriated."[26] Citing *Valenzona v. Fair Shipping Corporation, et al.*[27] and *Fil-Star Maritime Corporation, et al. v. Rosete,*[28] the Court of Appeals held that Jara's disability was permanent and total considering that "he was unable to return to his job . . . for more than one hundred twenty days already."[29] Given Jara's knee injury, the Court of Appeals ruled that it would be nearly impossible for Jara to go back to sea duties.[30]

This Decision disposed as follows:

> WHEREFORE, the petition is GRANTED. The September 30, 2009 *decision* of the NLRC and its December 10, 2009 *resolution* are REVERSED and SET ASIDE. The respondents are held jointly and severally liable to pay the petitioner permanent and total disability benefits of US$60,000.00 and attorney's fees of ten percent (10%) of the total monetary award, both at its peso equivalent at the time of actual payment.
>
> SO ORDERED.[31]

Orient Hope and/or Zeo Marine filed a Motion for Reconsideration,[32] citing the cases of *Vergara v. Hammonia Maritime Services*,[33] *Magsaysay Maritime Corp. v. Lobusta*,[34] and *Santiago v. Pacbasin Shipmanagement, Inc.*,[35] where it was clarified that the medical treatment period of 120 days may be extended up to a maximum of 240 days. As such, they argued that a temporary total disability only becomes permanent when a company-

---

24 Id. at 98–100.
25 Id. at 39.
26 Id. at 43.
27 675 Phil. 713 (2011) [Per J. Del Castillo, First Division].
28 677 Phil. 262 (2011) [Per J. Mendoza, Third Division].
29 *Rollo*, p. 45
30 Id. at 47.
31 Id. at 47–48.
32 Id. at 49–61.
33 588 Phil. 895 (2008) [Per J. Brion, Second Division].
34 680 Phil. 137 (2012) [Per J. Villarama Jr., First Division].
35 686 Phil. 255 (2012) [Per J. Mendoza, Third Division].

designated physician, within the 240-day period, declares it to be so, or when after the lapse of this period, he or she fails to make a declaration of the seafarer's fitness to work or a degree of disability.[36]

The Court of Appeals maintained its ruling, stating:

> Following the argument of [Orient Hope and/or Zeo Marine], [Jara] is still entitled to permanent disability benefits because the assessment of the company-designated physician was issued on May 29, 2008, after nine (9) months or more than 240 days from the time he was medically repatriated on August 3, 2007.[37]

On November 28, 2012, Orient Hope and/or Zeo Marine filed their Petition for Review on Certiorari before this Court.[38]

Petitioners contend that based on prevailing jurisprudence, the 120-day period within which a company-designated physician must give an assessment or declare a seafarer fit to work is extendible to 240 days.[39] Where the 240-day period has lapsed without any such declaration from a company-designated doctor, a presumption then arises which may entitle the seafarer to permanent and total disability compensation.[40] However, petitioners argue that this presumption is not applicable to respondent's case in light of the Grade 11 disability assessment made by their company-designated physician.[41] Petitioners add that since respondent abandoned his treatment, the disability assessment issued by their company-designated physician on May 29, 2008 must be deemed to have been given on March 17, 2008, the last day respondent was seen by their company-designated physician.[42] Petitioners submit that their company-designated physician's findings must be respected absent any showing of fraud or arbitrariness in arriving at those findings,[43] more importantly, where "no competent evidence [was] adduced by [r]espondent showing that he [was] permanently and totally disabled."[44]

Petitioners further argue that pursuant to Section 20(B) of the Philippine Overseas Employment Administration-Standard Employment Contract (POEA-SEC), there must be resort to a third physician to settle any conflict in the findings of the company-designated physician.[45] Since respondent did not comply with this procedure, then it is the company-

---

36 *Rollo*, p. 50.
37 Id. at 63–64, Resolution dated November 6, 2012.
38 Id. at 3.
39 Id. at 11 & 14.
40 Id. at 17.
41 Id. at 15–17.
42 Id. at 16.
43 Id. at 18.
44 Id. at 22.
45 Id. at 21.

designated physician's determination that must prevail.[46] Thus, the Court of Appeals was not justified in disregarding the findings of the company-designated physician and in awarding respondent the sum of US$60,000.00 equivalent to a permanent and total disability.[47]

Finally, petitioners aver that respondent's complaint should be dismissed for lack of cause of action.[48] For one, respondent was given a disability grading before the expiration of the 240-day period.[49] Moreover, when respondent filed his complaint, he had not yet consulted with his own physician.[50] In fact, "the medical report upon which he anchors his claim for compensation corresponding to a Grade '1' disability was issued way after he had filed his complaint, i.e. on 11 February 2010, when the case was already with the Honorable Court of Appeals."[51]

In his Comment,[52] respondent counters that the assessment of the company-designated physician was issued only after nine (9) months or more than 120 days from his medical repatriation.[53] Furthermore, having an injured and fragile knee would make it impossible for him to meet the demands of a seafaring job.[54] Hence, the Court of Appeals did not err in granting him permanent and total disability benefits.[55]

Respondent further prays for moral damages of ₱300,000.00 for the "terrible depression and anxiety"[56] that he has suffered because of this case. Additionally, he prays for exemplary damages of ₱200,000.00, due to the "despicable and inhumane acts of the petitioners."[57]

Petitioners filed their Reply,[58] arguing that the Labor Arbiter's factual findings that respondent never presented evidence to support his claim for total and permanent disability benefits, as affirmed by the National Labor Relations Commission, are binding and entitled to great respect.[59]

They aver that the Medical Report dated February 11, 2010[60] of respondent's physician was issued almost three (3) years after the sinking of the vessel. It was also "based only on one instance of physical

---

46 Id. at 22.
47 Id.
48 Id. at 25.
49 Id.
50 Id.
51 Id. at 23.
52 Id. at 102–110.
53 Id. at 103–104.
54 Id. at 107.
55 Id. at 103 and 107.
56 Id. at 108.
57 Id.
58 Id. at 143–157.
59 Id. at 144–145.
60 Id. at 146.

examination,"[61] and was introduced as new evidence only in a petition for certiorari with the Court of Appeals.[62] Allowing this report would run counter to the mandatory procedure laid down in the POEA-SEC of getting a third doctor's opinion in case of conflict between the findings of a company-designated physician and the seafarer's physician of choice.[63] Hence, the report should not be considered as valid to support respondent's claim.[64]

They maintain that the disability grade given by the company-designated physician is entitled to great weight.[65]

Finally, they point out that "[respondent's] failure to comply with his treatment schedule . . . bars his claim for disability benefits."[66]

The issues for this Court's resolution are as follows:

First, whether or not respondent Michael E. Jara is entitled to permanent and total disability compensation considering that there was a Grade 11 disability grading given by the company-designated physician; and

Second, whether or not respondent Michael E. Jara is entitled to damages and attorney's fees.

This Court denies the Petition and affirms with modification the Court of Appeals August 15, 2012 Decision by awarding moral and exemplary damages, considering the circumstances in this case.

I

This Court's review in this Rule 45 Petition is confined to determining the legal correctness of the Court of Appeals August 15, 2012 Decision on a Rule 65 petition filed before it.[67] Accordingly, this Court resolves whether or not the Court of Appeals properly found grave abuse of discretion on the part of the National Labor Relations Commission when it ruled that respondent is entitled only to a Grade 11 disability compensation.

---

61 Id.
62 Id. at 147–148.
63 Id. at 146.
64 Id. at 149.
65 Id.
66 Id. at 152.
67 *Dayo v. Status Maritime Corp.*, 751 Phil. 778 (2015) [Per J. Leonen, Second Division]; *Racelis v. United Philippine Lines, Inc.*, 746 Phil. 758 (2014) [Per J. Perlas-Bernabe, First Division] *citing Montoya v. Transmed Manila Corporation*, 613 Phil. 696 (2009) [Per J. Brion, Second Division]; *Philman Marine Agency, Inc. v. Cabanban*, 715 Phil. 454 (2013) [Per J. Brion, Second Division].

This Court finds that the Court of Appeals properly found that the National Labor Relations Commission gravely abused its discretion when it overlooked the company-designated physician's failure to issue a final and definitive medical assessment within the 240-day extended period, which under the law and jurisprudence transforms respondent's disability to permanent and total.

Jurisprudence[68] teaches that in claims for a seafarer's disability benefits, POEA-SEC[69] is deemed incorporated in the seafarer's employment contract and must be read in light of the relevant provisions on disability of the Labor Code and its implementing rules. In this case, the 2000 version of the POEA-SEC applies since respondent was hired in December 2005 and he filed his complaint in 2008.

The 120-day period mandated in Section 20(B)[70] of the POEA-SEC, within which a company-designated physician should declare a seafarer's fitness for sea duty or degree of disability, should accordingly be harmonized with Article 198 [192](c)(1) of the Labor Code, in relation with Book IV, Title II, Rule X of the Implementing Rules of the Labor Code, or the Amended Rules on Employee Compensation. Book IV, Title II, Article 198 [192](c)(1) of the Labor Code, as amended, reads:

> Article 198. [192] Permanent total disability. — . . .
>
> . . . .
>
> (c) The following disabilities shall be deemed total and permanent:

---

68 *Marlow Navigation Philippines, Inc. v. Osias*, 773 Phil. 428 (2015) [Per J. Mendoza, Second Division]; *Dalusong v. Eagle Clarc Shipping Phils., Inc.*, 742 Phil. 377 (2014) [Per J. Carpio, Second Division]; *Vergara v. Hammonia Maritime Services, Inc.*, 588 Phil. 895 (2008) [Per J. Brion, Second Division].

69 POEA Dep. O. No. 4, Series of 2000 or the Amended Standard Terms and Conditions Governing the Employment of Filipino Seafarers On Board Ocean-Going Vessels (May 31, 2000) applies since respondent was hired in 2005.

70 Section 20. COMPENSATION AND BENEFITS. —

. . . .

B. COMPENSATION AND BENEFITS FOR INJURY OR ILLNESS

The liabilities of the employer when the seafarer suffers work-related injury or illness during the term of his contract are as follows:

. . . .

2. . . . .

However, if after repatriation, the seafarer still requires medical attention arising from said injury or illness, he shall be so provided at cost to the employer until such time he is declared fit or the degree of his disability has been established by the company-designated physician.

3. Upon sign-off from the vessel for medical treatment, the seafarer is entitled to sickness allowance equivalent to his basic wage until he is declared fit to work or the degree of permanent disability has been assessed by the company-designated physician but in no case shall this period exceed one hundred twenty (120) days.

For this purpose, the seafarer shall submit himself to a post-employment medical examination by a company-designated physician within three working days upon his return except when he is physically incapacitated to do so, in which case, a written notice to the agency within the same period is deemed as compliance. Failure of the seafarer to comply with the mandatory reporting requirement shall result in his forfeiture of the right to claim the above benefits.

If a doctor appointed by the seafarer disagrees with the assessment, a third doctor may be agreed jointly between the Employer and the seafarer. The third doctor's decision shall be final and binding on both parties. (Emphasis supplied)

> (1) Temporary total disability lasting continuously for more than one hundred twenty days, except as otherwise provided for in the Rules[.]

Meanwhile, Rule X, Section 2 of the Implementing Rules of the Labor Code, reads:

> Section 2. *Period of entitlement.* — (a) The income benefit shall be paid beginning on the first day of such disability. If caused by an injury or sickness it shall not be paid longer than 120 consecutive days *except where such injury or sickness still requires medical attendance beyond 120 days but not to exceed 240 days* from onset of disability in which case benefit for temporary total disability shall be paid. However, the System may declare the total and permanent status at any time after 120 days of continuous temporary total disability as may be warranted by the degree of actual loss or impairment of physical or mental functions as determined by the System. (Emphasis supplied)

This Court discussed the interplay of these provisions in *Vergara v. Hammonia Maritime Services, Inc.*:[71]

> As these provisions operate, the seafarer, upon sign-off from his vessel, must report to the company-designated physician within three (3) days from arrival for diagnosis and treatment. For the duration of the treatment but in no case to exceed 120 days, the seaman is on *temporary total disability* as he is totally unable to work. He receives his basic wage during this period until he is declared fit to work or his temporary disability is acknowledged by the company to be permanent, either partially or totally, as his condition is defined under the POEA Standard Employment Contract and by applicable Philippine laws. If the 120 days initial period is exceeded and no such declaration is made because the seafarer requires further medical attention, then the temporary total disability period may be extended up to a maximum of 240 days, subject to the right of the employer to declare within this period that a permanent partial or total disability already exists.[72] (Emphasis in the original, citations omitted)

Petitioners aptly argue that starting with *Vergara,* the prevailing rule is that a seafarer's mere inability to perform his or her usual work after 120 days does not automatically lead to entitlement to permanent and total disability benefits because the 120-day period for treatment and medical evaluation by a company-designated physician may be extended to a maximum of 240 days.[73]

---

71 588 Phil. 895 (2008) [Per J. Brion, Second Division].
72 Id. at 912.
73 *Rollo*, pp. 11–14.

Subsequent cases,[74] nonetheless, emphasized that there must be a sufficient justification to extend the medical treatment from 120 days to 240 days. In other words, the 240-day extended period remains to be an exception, and as such, must be clearly shown to be warranted under the circumstances of the case before it can be applied.

For instance, in *Marlow Navigation Philippines, Inc. v. Osias,*[75] this Court found the medical report of a company-designated physician to have been properly issued within the 240-day extended period because the seafarer was uncooperative, resulting in the extended period of treatment.

> In the case at bench, *the sufficient justification to apply the 240-day extended period would be the uncooperativeness of Osias.* Based on the evidence presented, it is clear that he did not fully comply with the prescribed medical therapy. In his medical report, dated March 31, 2010, Dr. Arago, as company-designated physician, required Osias to undergo 10 sessions of physical therapy every Monday, Tuesday and Thursday, starting on April 5, 2010. After four (4) sessions, however, Osias failed to appear for the continuation of his physical therapy without any prior notice for his sudden non-attendance. It was only on May 14, 2010, or after more than a month, that Osias returned to see Dr. Arago after coming back from La Union. Osias neither denied nor attempted to justify his abrupt absence. His disregard of the doctor's orders was duly noted by Dr. Arago in his medical report, dated May 14, 2010.
>
> The manifest non-compliance of Osias with the prescribed therapy by the company-designated physician demonstrates that he was uncooperative with the treatment. Osias utterly disregarded the limited amount of time the company-designated physician had to finalize his medical assessment by ignoring the scheduled therapy sessions. The LA correctly ruled that, by going to La Union, Osias capriciously and wittingly dispensed with the treatment of the company-designated physician. Likewise, the NLRC observed that it would be unfair to award disability benefits to Osias due to the lapse of 120-day period because the extended period of the treatment was attributable to him.[76] (Emphasis supplied)

However, in *Aldaba v. Career Philippines, Inc.*,[77] this Court deemed the disability of a seafarer to be permanent and total despite the Grade 8

---

74 *Talaroc v. Arpaphil Shipping Corp.*, G.R. No. 223731, August 30, 2017 <http://sc.judiciary.gov.ph/pdf/web/viewer.html?file=/jurisprudence/2017/august2017/223731.pdf> [Per J. Perlas-Bernabe, Second Division]; *Career Philippines Ship Management, Inc. v. Acub,* G.R. No. 215595, April 26, 2017 <http://sc.judiciary.gov.ph/pdf/web/viewer.html?file=/jurisprudence/2017/april2017/215595.pdf> [Per J. Peralta, Second Division]; *Marlow Navigation Philippines, Inc. v. Osias,* 773 Phil. 428 (2015) [Per J. Mendoza, Second Division]; *Hanseatic Shipping Philippines, Inc. v. Ballon,* 769 Phil. 567 (2015) [Per J. Velasco, Second Division]; *Elburg Shipmanagement Phils., Inc. v. Quiogue, Jr.*, 765 Phil. 341, (2015) [Per J. Mendoza, Second Division].

75 773 Phil. 428 (2015) [Per J. Mendoza, Second Division].

76 Id. at 444–445.

77 G.R. No. 218842, June 21, 2017 <http://sc.judiciary.gov.ph/pdf/web/viewer.html?file=/jurisprudence/2017/june2017/218242.pdf> [Per J. Peralta, Second Division].

disability rating given by a company-designated physician because the assessment was issued only on the 163rd day of the seafarer's medical treatment without any justifiable reason.

Talaroc v. Arpaphil Shipping Corp.[78] stressed that for a company-designated physician to avail of the extended 240-day period, he or she must perform some complete and definite medical assessment to show that the illness still requires medical attendance beyond the 120 days, but not to exceed 240 days. In such case, the temporary total disability period is extended to a maximum of 240 days. Without sufficient justification for the extension of the treatment period, a seafarer's disability shall be conclusively presumed to be permanent and total. This Court summarized the following guidelines to be observed when a seafarer claims permanent and total disability benefits:

> 1. The company-designated physician must issue a final medical assessment on the seafarer's disability grading within a period of 120 days from the time the seafarer reported to him;
>
> 2. If the company-designated physician fails to give his assessment within the period of 120 days, without any justifiable reason, then the seafarer's disability becomes permanent and total;
>
> 3. If the company-designated physician fails to give his assessment within the period of 120 days with a sufficient justification (*e.g.*, seafarer required further medical treatment or seafarer was uncooperative), then the period of diagnosis and treatment shall be extended to 240 days. The employer has the burden to prove that the company-designated physician has sufficient justification to extend the period; and
>
> 4. If the company-designated physician still fails to give his assessment within the extended period of 240 days, then the seafarer's disability becomes permanent and total, regardless of any justification.[79]

In this case, the company-designated physician did not issue a medical assessment within the 120-day period. Nonetheless, the surgical procedure performed on respondent on January 9, 2008, or 159 days from his repatriation, shows that his condition required further medical treatment, justifying the extension of the 120-day period to 240 days. Thus, this Court

---

[78] G.R. No. 223731, August 30, 2017 <http://sc.judiciary.gov.ph/pdf/web/viewer.html?file=/jurisprudence/2017/august2017/223731.pdf> [Per J. Perlas-Bernabe, Second Division]. *See also Olidana v. Jebsens Maritime, Inc.*, G.R. No. 215313, October 21, 2015 <http://sc.judiciary.gov.ph/pdf/web/viewer.html?file=/jurisprudence/2015/october2015/215313.pdf> [Per J. Mendoza, Second Division] and *Sunit v. OSM Maritime Services, Inc.*, G.R. No. 223035, February 27, 2017 <http://sc.judiciary.gov.ph/pdf/web/viewer.html?file=/jurisprudence/2017/february2017/223035.pdf> [Per J. Velasco, Jr., Third Division].

[79] Id. at 9.

deems the temporary total disability period to be accordingly extended up to a maximum of 240 days.

Petitioners contend that the Court of Appeals erred in applying the 240-day presumptive rule and awarding respondent permanent and total disability benefits despite the Grade 11 disability rating issued by the company-designated physician. Invoking the ruling in *Santiago v. Pacbasin Shipmanagement, Inc.*,[80] petitioners contend that the 240-day presumptive disability rule operates only in default of a declaration of a seafarer's fitness or disability assessment from a company-designated physician.[81]

Petitioners further insist that respondent's complaint should have been dismissed for lack of cause of action because the 240-day period had yet to lapse when the complaint was filed.[82]

This Court is not persuaded.

In *Island Overseas Transport Corporation v. Beja*,[83] this Court clarified that:

> [I]f the maritime compensation complaint was filed *prior to October 6, 2008, the rule on the 120-day period*, during which the disability assessment should have been made in accordance with *Crystal Shipping, Inc. v. Natividad*, that is, the doctrine then prevailing before the promulgation of *Vergara* on October 6, 2008, stands; if, on the other hand, the complaint was filed from October 6, 2008 onwards, the 240-day rule applies.[84] (Emphasis supplied, citations omitted)

When respondent filed his Complaint on March 6, 2008, or after more than 120 days had lapsed, the company-designated physician had not yet determined his disability and respondent had not yet fully recovered. Applying the above ruling in *Island Overseas Transport Corporation*, respondent is deemed to have already acquired a cause of action for permanent and total disability benefits.

This Court, nonetheless, will tackle the timeliness and appropriateness of the disability rating issued by the company-designated physician.

---

80 686 Phil. 255 (2012) [Per J. Mendoza, Third Division].

81 *Rollo*, pp. 13–14.

82 Id. at 23–26.

83 774 Phil. 332 (2015) [Per J. Del Castillo, Second Division], which in turn cited *Kestrel Shipping Co. v. Munar*, 702 Phil 717 (2013) [Per J. Reyes, First Division], *Montierro v. Rickmers Marine Agency Phils., Inc.*, G.R. No. 210634, January 14, 2015 [Per C.J. Sereno, First Division] and *Eyana v. Philippine Transmarine Carriers, Inc.*, 752 Phil. 232 (2015) [Per J. Reyes, Third Division].

84 Id. at 351.

The case of *Santiago* cited by petitioners is not *apropos*. There, a seafarer underwent several tests and treatment two (2) days after his repatriation on March 17, 2005. On August 13, 2005, or on the 148th day, clearly within the 240-day period, a company-designated physician declared that he was suffering from a Grade 12 disability only, not a permanent total one. This Court ruled that the seafarer's condition could not be considered a permanent total disability. It also held that "a temporary total disability only becomes permanent when the company-designated physician, within the 240[-]day period, declares it to be so, or when after the lapse of the same, he fails to make such declaration."[85]

In contrast, this case has no medical or progress report that was ever made by the company-designated physician other than that issued on May 29, 2008, or 300 days from respondent's repatriation on August 3, 2007.

Respondent was last seen by the company-designated physician on March 17, 2008, or on the 227th day from his repatriation. At this point, the company-designated physician is nearing the end of the extended period of 240 days, 13 days to be exact, within which to give respondent's final disability assessment, yet none was given. Petitioners, however, would put the blame on respondent for not returning to the doctor for further consultation and treatment.[86] There is no showing, though, in the records that the physician required him to return within a specified period.

Respondent could not be faulted for not returning to the company-designated physician who failed to assess him of rightful disability grading *after treatment of more than seven (7) months*. The company-designated physician should have at least issued a medical report containing an evaluation of respondent's condition on March 17, 2008. This is reasonably expected given the proximity of respondent's last check up to the expiration of the 240-day period.

Instead, the company-designated physician issued an assessment only on May 29, 2008, simply stating that "[b]ased on his last follow-up, his suggested disability grading is Grade 11 – stretching leg or ligaments of a knee resulting in instability of the joint."[87] Furthermore, other than this succinct statement, the report is devoid of any explanation to back up the findings of the company-designated physician or of any detail of the progress of respondent's treatment, and the approximate period needed for him to fully recover.

---

85 *Santiago v. Pacbasin Shipmanagement, Inc.*, 686 Phil. 255, 267 (2012) [Per J. Mendoza, Third Division].

86 *Rollo*, p. 16.

87 Id. at 82.

The POEA-SEC clearly provides the primary responsibility of a company-designated physician to determine the disability grading or fitness to work of seafarers.[88] To be conclusive, however, company-designated physicians' medical assessments or reports must be complete[89] and definite[90] to give the proper disability benefits to seafarers. As explained by this Court:

> A **final and definite disability assessment** is necessary in order to truly reflect the true extent of the sickness or injuries of the seafarer and his or her capacity to resume work as such. Otherwise, the corresponding disability benefits awarded might not be commensurate with the prolonged effects of the injuries suffered.[91] (Emphasis in the original)

In *Monana v. MEC Global Shipmanagement and Manning Corp.*,[92] this Court further stressed the overriding consideration that there must be sufficient basis to support the assessment:

> Regardless of who the doctor is and his or her relation to the parties, the overriding consideration by both the Labor Arbiter and the National Labor Relations Commission should be that *the medical conclusions are based on (a) the symptoms and findings collated with medically acceptable diagnostic tools and methods, (b) reasonable professional inferences anchored on prevailing scientific findings expected to be known to the physician given his or her level of expertise, and (c) the submitted medical findings or synopsis, supported by plain English annotations* that will allow the Labor Arbiter and the National Labor Relations Commission to make the proper evaluation.[93] (Emphasis supplied)

Thus, this Court has previously disregarded the findings of company-designated physicians for being incomplete,[94] doubtful,[95] clearly biased in favor of an employer,[96] or for lack of finality.[97]

---

88 *OSG Ship Management Manila, Inc. v. Monje,* G.R. No. 214059, October 11, 2017 <http://sc.judiciary.gov.ph/pdf/web/viewer.html?file=/jurisprudence/2017/october2017/214059.pdf> [Per J. Reyes, Jr., Second Division]; *Magsaysay Maritime Corp. v. Velasquez*, 591 Phil. 839-853 (2008) [Per J. Leonardo De Castro, First Division].

89 *Olidana v. Jebsens Maritime, Inc.,* G.R. No. 215313, October 21, 2015 <http://sc.judiciary.gov.ph/pdf/web/viewer.html?file=/jurisprudence/2015/october2015/215313.pdf> [Per J. Mendoza, Second Division].

90 *Sunit v. OSM Maritime Services, Inc.,* G.R. No. 223035, February 27, 2017 <http://sc.judiciary.gov.ph/pdf/web/viewer.html?file=/jurisprudence/2017/february2017/223035.pdf> [Per J. Velasco, Jr., Third Division].

91 Id. at 10.

92 746 Phil. 736 (2014) [Per J. Leonen, Second Division].

93 Id. at 752–753.

94 *Hanseatic Shipping Philippines, Inc. v. Ballon,* 769 Phil. 567 (2015) [Per J. Velasco, Second Division].

95 *Olidana v. Jebsens Maritime, Inc.,* G.R. No. 215313, October 21, 2015 <http://sc.judiciary.gov.ph/pdf/web/viewer.html?file=/jurisprudence/2015/october2015/215313.pdf> [Per J. Mendoza, Second Division].

96 *Seagull and Maritime Corp. v. Dee,* 548 Phil. 660-672 (2007) [Per J. Corona, First Division].

97 *Tamin v. Magsaysay Maritime Corp.,* G.R. No. 220608, August 31, 2016 <http://sc.judiciary.gov.ph/pdf/web/viewer.html?file=/jurisprudence/2016/august2016/220608.pdf> [Per J. Velasco, Third Division]; *Island Overseas Transport Corp. v. Beja*, 774 Phil. 332 (2015) [Per J.

In *Maersk Filipinas Crewing, Inc. v. Mesina,*[98] this Court found the opinion of a seafarer's physician to be more reliable than that of a company-designated physician:

> After a circumspect evaluation of the conflicting medical certifications of Drs. Alegre and Fugoso, the Court finds that serious doubts pervade in the former. While both doctors gave a brief description of psoriasis, it was only Dr. Fugoso who categorically stated a factor that triggered the activity of the respondent's disease — stress, drug or alcohol intake, etc. *Dr. Alegre immediately concluded that it is not work-related on the basis merely of the absence of psoriasis in the schedule of compensable diseases in Sections 32 and 32-A of the POEA-SEC. Dr. Alegre failed to consider the varied factors the respondent could have been exposed to while on board the vessel. At best, his certification was merely concerned with the examination of the respondent for purposes of diagnosis and treatment and not with the determination of his fitness to resume his work as a seafarer* in stark contrast with the certification issued by Dr. Fugoso which categorically declared the respondent as "disabled." *The certification of Dr. Alegre is, thus, inconclusive for purposes of determining the compensability of psoriasis under the POEA-SEC.* Moreover, Dr. Alegre's specialization is General Surgery while Dr. Fugoso is a dermatologist, or one with specialized knowledge and expertise in skin conditions and diseases like psoriasis. Based on these observations, it is the Court's considered view that Dr. Fugoso's certification deserves greater weight.[99] (Emphasis supplied, citation omitted)

In *HFS Philippines, Inc., et al. v. Pilar,*[100] this Court upheld the findings of a seafarer's personal physician because it was supported by his medical records. This Court also noted that the company-designated physician downgraded the seafarer's illness:

> The company-designated physician declared respondent as having suffered a major depression but was already cured and therefore fit to work. On the other hand, the independent physicians stated that respondent's major depression persisted and constituted a disability. More importantly, while the former totally ignored the diagnosis of the Japanese doctor that respondent was also suffering from gastric ulcer, the latter addressed this. The independent physicians thus found that respondent was suffering from chronic gastritis and declared him unfit for work.[101]

Del Castillo, Second Division]; *Belchem Phils., Inc. v. Zafra, Jr.,* 759 Phil. 514 (2015) [Per J. Mendoza, Second Division]; *Sealanes Marine Services, Inc. v. Dela Torre,* 754 Phil. 380 (2015) [Per J. Reyes, Third Division].

98 710 Phil. 531 (2013) [Per J. Reyes, First Division].

99 Id. at 546–547.

100 603 Phil. 309 (2009) [Per J. Corona, First Division].

101 Id. at 320.

In *Island Overseas Transport Corp. v. Beja*,[102] a seafarer suffered a knee injury while on board a vessel. Upon repatriation on November 22, 2007, he was referred to a company-designated physician who recommended a knee operation. Roughly a month after the knee operation, or on May 26, 2008, the company-designated physician rendered Grades 10 and 13 partial disability grading of his medical condition. This Court considered this assessment as tentative because the seafarer continued his physical therapy sessions, which even went beyond 240 days. It further noted that the company-designated physician "did not even explain how he arrived at the partial permanent disability assessment"[103] or provided any justification for his conclusion that the seafarer was suffering from Grades 10 and 13 disability.[104]

Furthermore, while the assessment of a company-designated physician *vis à vis* the schedule of disabilities under the POEA-SEC is the basis for compensability of a seafarer's disability, it is still subject to the periods prescribed in the law.[105] Otherwise, the fate of the seafarer would completely rest in the hands of the company-designated physician, without redress, should the latter fail or refuse to give a disability rating.[106]

Accordingly, in *Carcedo v. Maine Marine Philippines, Inc.*,[107] this Court declared that a partial and permanent disability could, by legal contemplation, become total and permanent when a company-designated physician fails to arrive at a definite assessment within the 120- or 240-day periods prescribed under Article 198 [192](c)(1) of the Labor Code and the Amended Rules on Employee Compensation, implementing Book IV, Title II of the Labor Code. Thus:

> The Court in *Kestrel Shipping Co., Inc. v. Munar*[108] held that the declaration by the company-designated physician is an obligation, the abdication of which transforms the temporary total disability to permanent total disability, regardless of the disability grade, *viz.*:
>
> > Indeed, under Section 32 of the POEA-SEC, only those injuries or disabilities that are classified as Grade 1 may be considered as total and permanent. However, if those injuries or disabilities with a disability grading from 2 to 14, hence, partial and permanent, would incapacitate a seafarer from performing his usual sea duties for a period of more than 120 or 240 days, depending on the need for further medical treatment, then he is, under legal contemplation, totally and permanently disabled. In other words, an impediment should be characterized as partial

---

102 774 Phil. 332 (2015) [Per J. Del Castillo, Second Division].
103 Id. at 348.
104 Id.
105 *Carcedo v. Maine Marine Philippines, Inc.*, 758 Phil. 166 (2015) [Per J. Carpio, Second Division].
106 Id.
107 758 Phil. 166 (2015) [Per J. Carpio, Second Division].
108 702 Phil. 717 (2013) [Per J. Reyes, First Division].

> and permanent not only under the Schedule of Disabilities found in Section 32 of the POEA-SEC but should be so under the relevant provisions of the Labor Code and the Amended Rules on Employee Compensation (AREC) implementing Title II, Book IV of the Labor Code. That while the seafarer is partially injured or disabled, he is not precluded from earning doing the same work he had before his injury or disability or that he is accustomed or trained to do. Otherwise, if his illness or injury prevents him from engaging in gainful employment for more than 120 or 240 days, as the case may be, he shall be deemed totally and permanently disabled.
>
> *Moreover, the company-designated physician is expected to arrive at a definite assessment of the seafarer's fitness to work or permanent disability within the period of 120 or 240 days. That should he fail to do so and the seafarer's medical condition remains unresolved, the seafarer shall be deemed totally and permanently disabled.*[109] (Emphasis supplied)

Aside from the belated assessment of respondent's injury, the medical report dated May 29, 2008 did not contain any definitive declaration as to the seafarer's fitness to work. On the contrary, the report stated that as of his last check up on March 17, 2008, respondent was still complaining of left knee pain especially upon doing left knee flexion. Under the circumstances of this case, it would be improbable to expect that by March 30, 2008, or the last day of the 240-day period, respondent would have fully recovered from his injury or regained his pre-injury capacity as to be able to go back to his sea duty.

In *Fil-Pride Shipping Company, Inc. v. Balasta,*[110] this Court awarded permanent and total disability benefits to a seafarer despite the premature filing of his complaint before the lapse of the 240-day period. This Court held that by that time, it was already evident that the seafarer would be unable to return to his work given his delicate post-operative condition and a definitive assessment by a company-designated physician was, under the circumstances, unnecessary.

> Concededly, the period September 18, 2005 to April 19, 2006 is less than the statutory 240-day — or 8-month — period. Nonetheless, it is impossible to expect that by May 19, 2006, or on the last day of the statutory 240-day period, respondent would be declared fit to work when just recently — or on February 24, 2006 — he underwent coronary artery bypass graft surgery; by then, respondent would not have sufficiently recovered. In other words, it became evident as early as April 19, 2006 that respondent was permanently and totally disabled, unfit to return to work as seafarer and earn therefrom, given his delicate post-operative

---

[109] Id. at 730–731.

[110] 728 Phil. 297 (2014) [Per J. Del Castillo, Second Division].

> condition; a definitive assessment by Dr. Cruz before May 19, 2006 was unnecessary. Respondent would to all intents and purposes still be unfit for sea-duty. Even then, with Dr. Cruz's failure to issue a definite assessment of respondent's condition on May 19, 2006, or the last day of the statutory 240-day period, respondent was thus deemed totally and permanently disabled pursuant to Article 192 (c) (1) of the Labor Code and Rule X, Section 2 of the AREC.[111]

It is well to point out that in disability compensation, "it is not the injury which is compensated, but rather it is the incapacity to work resulting in the impairment of one's earning capacity."[112] Total disability refers to an employee's inability to perform his or her usual work. It does not require total paralysis or complete helplessness.[113] Permanent disability, on the other hand, is a worker's inability to perform his or her job for more than 120 days, or 240 days if the seafarer required further medical attention justifying the extension of the temporary total disability period, regardless of whether or not he loses the use of any part of his body.[114]

In *Belchem Philippines, Inc. v. Zafra, Jr.*,[115] this Court held that:

> [P]ermanent partial disability presupposes a seafarer's fitness to resume sea duties before the end of the 120/240-day medical treatment period despite the injuries sustained. The premise is that such partial injuries did not disable a seafarer to earn wages in the same kind of work or similar nature for which he was trained.[116]

The facts of this case show respondent's inability to perform his customary sea duties and the company-designated physician's failure to declare his fitness or unfitness to work, despite the lapse of 240 days. This entitles respondent, under the law, to permanent and total disability compensation.

In this regard, non-compliance with the third-doctor-referral provision as provided in the POEA-SEC will not prejudice respondent's claim. The third-doctor rule does not apply when there is no valid final and definitive assessment from a company-designated physician.[117]

---

111 Id. at 313.

112 *Remigio v. National Labor Relations Commission,* 521 Phil. 330, 347 (2006) [Per J. Puno, Second Division] citing *Philippine Transmarine Carriers v. NLRC*, 405 Phil. 487 (2001) [Per J. Quisumbing, Second Division].

113 *Fil-Star Maritime Corp. v. Rosete*, 677 Phil. 262 (2011) [Per J. Mendoza, Third Division].

114 *Sunit v. OSM Maritime Services, Inc.,* G.R. No. 223035, February 27, 2017 <http://sc.judiciary.gov.ph/pdf/web/viewer.html?file=/jurisprudence/2017/february2017/223035.pdf> [Per J. Velasco, Third Division]. See also *Fair Shipping Corp. v. Medel,* 693 Phil. 516 (2012) [Per J. Leonardo-De Castro, First Division].

115 759 Phil. 514 (2015) [Per J. Mendoza, Second Division].

116 Id. at 526.

117 *Carcedo v. Maine Marine Philippines, Inc.,* 758 Phil. 566 (2015) [Per J. Carpio, Second Division].

In *Kestrel Shipping Co., Inc. v. Munar*:[118]

> In addition, that it was by operation of law that brought forth the conclusive presumption that Munar is totally and permanently disabled, there is no legal compulsion for him to observe the procedure prescribed under Section 20-B (3) of the POEA-SEC. *A seafarer's compliance with such procedure presupposes that the company-designated physician came up with an assessment as to his fitness or unfitness to work before the expiration of the 120-day or 240-day periods. Alternatively put, absent a certification from the company-designated physician, the seafarer had nothing to contest and the law steps in to conclusively characterize his disability as total and permanent.* (Emphasis supplied)[119]

Without a valid final and definitive assessment from the company-designated physician, respondent's temporary and total disability, by operation of law, became permanent and total.

Thus, the Court of Appeals did not err in reversing and setting aside the National Labor Relations Commission's decision and granting respondent permanent and total disability benefits.

The standard provisions in the 2000 POEA-SEC is a regulatory attempt to balance the constitutional protection to labor with the need for shipping and manning agencies to have an efficient basis for the resolution of claims against them. Hence, the 120- and 240-day periods within which a company-designated physician should make a full, complete, and definitive assessment are accommodations for them. Generally, between companies and an ordinary Filipino seafarer, it is the former that has the better capability to comply with the requirements for determining disabilities of a claimant. Certainly, the period given to them is more than sufficient and it would be the height of inequity for this Court to grant them more at the expense of the seafarer.

II

This Court finds no ground to disturb the uniform findings of the Labor Arbiter, National Labor Relations Commission, and the Court of Appeals in awarding attorney's fees. Since respondent was compelled to litigate due to petitioners' denial of his valid claims, the award for attorney's fees was proper.[120]

---

[118] 702 Phil. 717 (2013) [Per J. Reyes, First Division].

[119] Id. at 737–738.

[120] *Tamin v. Magsaysay Maritime Corp.*, G.R. No. 220608, August 31, 2016 <http://sc.judiciary.gov.ph/pdf/web/viewer.html?file=/jurisprudence/2016/august2016/220608.pdf> [Per J. Velasco, Third Division]; *Quitoriano v. Jebsens Maritime, Inc.*, 624 Phil. 523–532 (2010) [Per J. Carpio Morales, First Division].

On damages, the Labor Arbiter denied respondent's claims for lack of sufficient basis. The National Labor Relations Commission affirmed the findings of the Labor Arbiter. The Court of Appeals, likewise, did not award moral and exemplary damages.

Respondent contends that he suffered depression and anxiety because of this case. He also claims exemplary damages for the inhumane treatment he received from petitioners.

In *Sharpe Sea Personnel, Inc. v. Mabunay, Jr.*,[121] this Court affirmed the award of moral and exemplary damages because of an employer's bad faith in belatedly releasing and submitting the disability rating.

> By not timely releasing Dr. Cruz's interim disability grading, petitioners revealed their intention to leave respondent in the dark regarding his future as a seafarer and forced him to seek diagnosis from private physicians. Petitioners' bad faith was further exacerbated when they tried to invalidate the findings of respondent's private physicians, for his supposed failure to move for the appointment of a third-party physician as required by the POEA-SEC, despite their own deliberate concealment of their physician's interim diagnosis from respondent and the labor tribunals. Thus, this Court concurs with the Court of Appeals when it stated:
>
> > We also grant petitioner's prayer for moral and exemplary damages. Private respondents acted in bad faith when they belatedly submitted petitioner's Grade 8 disability rating only via their motion for reconsideration before the NLRC. By withholding such disability rating from petitioner, the latter was compelled to seek out opinion from his private doctors thereby causing him mental anguish, serious anxiety, and wounded feelings, thus, entitling him to moral damages of P50,000.00. Too, by way of example or correction for the public good, exemplary damages of P50,000.00 is awarded.[122]

In *Magsaysay Maritime Corp. v. Chin, Jr.*,[123] Oscar D. Chin, Jr. (Chin), a seafarer, was found by a company-designated physician to have a moderate rigidity of tract a year after his operation. When he claimed for disability compensation, his employer offered US$30,000.00, which Chin accepted. Chin then executed a Release and Quitclaim in favor of Magsaysay Maritime Corporation. Subsequently, Chin filed a complaint for underpayment of disability benefits and damages. The labor tribunals dismissed his complaint. The Court of Appeals ruled that Chin was entitled

---

[121] G.R. No. 206113, November 6, 2017 <http://sc.judiciary.gov.ph/pdf/web/viewer.html?file=/jurisprudence/2017/november2017/206113.pdf> [Per J. Leonen, Third Division].

[122] Id. at 16.

[123] 731 Phil. 608 (2014) [Per J. Abad, Third Division].

to permanent and total disability benefit of US$60,000.00 and remanded the case to the Labor Arbiter for determination of Chin's other monetary claims.

The Labor Arbiter awarded Chin ₱200,000.00 as moral damages and ₱75,000.00 as exemplary damages, among others. This Court sustained the awards of damages, but reduced the amounts for being excessive. The amount of ₱30,000.00 as moral damages was deemed commensurate to the anxiety and inconvenience Chin suffered. Furthermore, the award of ₱25,000.00 as exemplary damages was considered "sufficient to discourage petitioner Magsaysay from entering into iniquitous agreements with its employees that violate their right to collect the amounts to which they are entitled under the law."[124]

In this case, respondent's travails started when, due to no fault of his, petitioners' ship sunk. Respondent did not receive any disability rating from the company-designated physician despite the lapse of more than seven (7) months of treatment. He demanded disability benefits from petitioners, considering that he had not yet fully recovered from his knee injury, but his demands were unheeded.[125] The uncertainty of his medical condition caused his anxiety about his future as a seafarer.

Indeed, petitioners only submitted the medical report with the Grade 11 disability rating when they filed their Position Paper[126] dated May 27, 2008 with the Labor Arbiter and, accordingly, expressed their willingness to pay disability benefits equivalent only to Grade 11 disability. This reveals petitioners' disregard of respondent's unfortunate plight. Petitioners' bad faith is further evident when they tried to invalidate respondent's complaint for his supposed failure to move for the appointment of a third-party physician as required by the POEA-SEC, when they knew that no prognosis whatsoever was issued by the company-designated physician other than the medical report dated May 29, 2008.

Considering the blithe manner in which petitioners dealt with respondent's condition and the rulings in *Sharp Sea* and *Magsaysay Maritime*, the amount of ₱100,000.00 as moral damages would be commensurate to the anxiety and inconvenience suffered by respondent. Exemplary damages of ₱100,000.00 is also granted by way of example or correction for the public good.

This Court notes the sacrifice that many of our seafarers have to contend with just to earn decent wages so their families could live a

---

[124] Id. at 614.
[125] *Rollo*, pp. 47 & 86.
[126] Id. at 66–80.

dignified existence. Their absence often imprints into their families' psyche. There will be many significant moments when their families will need the seafarers' presence but which will not be possible because they will be devoting their time with companies represented by petitioners.

Respondent was injured and forced to go home because the ship he was on sunk. He waited for more than 240 days to get an assessment that he deserved. Moral and exemplary damages are due him for his travails.

WHEREFORE, the Petition is **DENIED.** The Court of Appeals August 15, 2012 Decision and November 6, 2012 Resolution in CA-G.R. SP No. 113214 are **AFFIRMED with MODIFICATION**. Petitioners Orient Hope Agencies, Inc. and/or Zeo Marine Corporation are ordered to pay respondent Michael E. Jara US$60,000.00 as permanent and total disability benefits, ₱100,000.00 as moral damages, ₱100,000.00 as exemplary damages, and attorney's fees equivalent to ten percent (10%) of the total of these amounts.

SO ORDERED.

MARVIC M.V.F. LEONEN
Associate Justice

WE CONCUR:

PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson

LUCAS P. BERSAMIN
Associate Justice

SAMUEL R. MARTIRES
Associate Justice

ALEXANDER G. GESMUNDO
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

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.

ANTONIO T. CARPIO
Acting Chief Justice

CERTIFIED TRUE COPY
WILFREDO V. LAPITAN
Division Clerk of Court
Third Division

JUL 11 2018