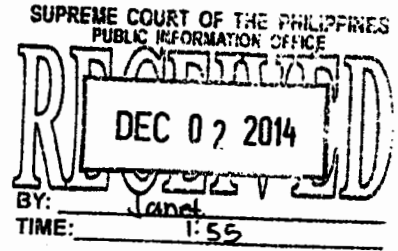




REPUBLIC OF THE PHILIPPINES
 SUPREME COURT
 Manila

SECOND DIVISION

NOTICE



Sirs/Mesdames:

*Please take notice that the Court, Second Division, issued a Resolution dated **12 November 2014** which reads as follows:*

G.R. No. 214289 (Spouses JUAN LEGASPI and MILAGROS LEGASPI v. Spouses JUANITO SAN PABLO and LILY SAN PABLO). – We now resolve the Petition for Review on *Certiorari*¹ filed under Rule 45 of the Rules of Court, assailing the Decision² dated June 30, 2014 and the Resolution³ dated September 4, 2014 of the Court of Appeals (CA) in CA-G.R. SP No. 131480, both penned by Associate Justice Ramon R. Garcia, with Associate Justices Rebecca de Guia-Salvador and Danton Q. Bueser, concurring.

On August 19, 2011, respondents spouses Juanito San Pablo and Lily San Pablo (*respondents-spouses*) filed with the Regional Trial Court (RTC), Branch 12, Malolos City, Bulacan a complaint for sum of money against petitioners spouses Juan Legaspi and Milagros Legaspi (*petitioners-spouses*). Allegedly, the petitioners-spouses enticed the respondents-spouses to accept eighteen (18) post dated check in the aggregate amount of P5,870,190.00. The checks, however, were dishonored, prompting the respondent-spouses to file the complaint.

In their Answer, the petitioners-spouses claimed that the checks were issued to another person for a different transaction. They further argued that the respondents-spouses failed to present any contract evidencing the alleged agreement between them.

During the pre-trial on March 20, 2012, the petitioners-spouses' counsel failed to appear. No pre-trial brief was filed either by the petitioners-spouses, prompting the RTC to grant the respondents-spouses' motion to declare the petitioners-spouses in default in its order dated May 7, 2012.

In due course, the respondents-spouses commenced the presentation of their evidence *ex-parte*, which was terminated on June 19, 2012. Afterwards, the respondents-spouses filed their formal offer of evidence and the case was then submitted for decision on October 10, 2012.

Subsequently, on February 20, 2013, the petitioners-spouses filed an Urgent Omnibus Motion to Lift their Default Status. In their motion, the petitioners-spouses argued that they failed to file a pre-trial brief due to the gross negligence of their previous handling counsel, Atty. Paul Eduard Siapno (*Atty. Siapno*). They argued that Atty. Siapno's disregard should not be taken against them.

¹ Rollo, pp. 3-18.
² Id. at 22-31.
³ Id. at 32.33

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The RTC, however, denied the petitioners-spouses' motion in its April 11, 2013 order. In denying the motion, the RTC observed that the petitioners-spouses were also negligent in not securing the services of another counsel to represent them in the case. Despite knowledge of their default status, the petitioners-spouses waited for nine (9) months before they filed the motion to lift the order of default.

The petitioners-spouses moved for reconsideration but their motion was likewise denied. Undeterred, the petitioners-spouses filed a petition for *certiorari* with the CA.

The CA dismissed the petition in its assailed June 30, 2014 Decision. Citing *Lapid v. Judge Laurea*⁴ the CA opined that there should at least be an effort on the part of the party invoking liberality to at least explain its failure to comply with the rules. The petitioners-spouses, however, did not provide an acceptable reason for their failure to file the required pre-trial brief or the nine-month delay in filing the motion to set aside the order of default.

The petitioner-spouses promptly filed a motion for reconsideration but their motion was denied by the CA in its September 4, 2014 Resolution. The petitioners-spouses then filed the present petition for review with this Court.

The petitioner-spouses claim that the CA seriously erred in dismissing their petition for *certiorari*. They allege that they did not sleep on their rights and even consistently pursued the case. Although they hired the services of Atty. Siapno to represent them, he was a grossly inefficient counsel who did not devote himself to the defense of their cause. The petitioners-spouses further aver that the CA failed to consider the RTC's apparent haste in declaring them in default. They argue that the RTC should have referred the case to mediation, instead of declaring them in default, notwithstanding their failure to file a pre-trial brief.

Our Ruling

We **DENY** the petition.

It has long been settled that the negligence and mistakes of counsel are binding on the client.⁵ Otherwise, there would never be an end to a suit, so long as a client could allege a counsel's fault or negligence and thereby obtain remedies and reliefs already lost by the operation of law. The rationale for the rule is that a counsel holds the implied authority to do all acts necessary or, at least, incidental to the management of the suit on behalf of his client, such that any act or omission by counsel within the scope of the authority is regarded, in the eyes of the law, as the act or omission of the client himself.⁶

⁴ 439 Phil. 887 (2002).

⁵ *Sapad v. Court of Appeals*, 401 Phil. 478, 483 (2000).

⁶ *Bejarasco, Jr. v. People of the Philippines*, G.R. No. 159781, February 2, 2011, 641 SCRA 328, 330-331.

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Notably, the petitioners-spouses are not entirely blameless. Records show that it took them nine (9) months before acting on the order of default. Although the petitioners-spouses condemn Atty. Siapno for abandoning his clients' cause, they miserably failed to provide an acceptable explanation for their failure to monitor their own case. The petitioners-spouses should have informed themselves of the progress of their case, thereby exercising that standard of care "which an ordinarily prudent man bestows upon his business."⁷ To our mind, this delay is indicative of sheer laxity and indifference on the petitioners-spouses' part to defend their cause.

Moreover, the petitioners-spouses were declared in default for their failure to submit their pre-trial briefs as required under Section 6, Rule 18 of the Revised Rules of Court. Although the A.M. No. 3-1-09 SC⁸ mandates a trial judge to refer the parties and their counsel to the Philippine Mediation Center for mediation, it does not dispense with the requirement to file the pre-trial brief before the date of the pre-trial. On the contrary, the pre-trial brief is indispensable for the conduct of mediation for it should contain, among others, a statement of their willingness to enter into amicable settlement or alternative modes of dispute resolution.⁹ Accordingly, the order of default was not based on the petitioners-spouses' failure to appear, but was an inevitable result of their failure to file their pre-trial briefs.

WHEREFORE, the petition is hereby **DENIED**.

SO ORDERED.

Very truly yours,


 MA. LOURDES C. PERFECTO
 Division Clerk of Court *11/11/21*

⁷ *Tan v. Court of Appeals*, 524 Phil. 752, 760-761 (2006).

⁸ Rule on Guidelines to be Observed by Trial Court Judges and Clerks of Court in the Conduct of Pre-Trial and Use of Deposition-Discovery Measures.

⁹ Rule 18, Section 6, Revised Rules of Court.

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HON. PRESIDING JUDGE (reg)
Regional Trial Court, Branch 12
Malolos City, Bulacan
Civil Case No. 461-M-2011

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