



Republic of the Philippines  
Supreme Court  
Manila

FIRST DIVISION

NOTICE

Sirs/Mesdames:

*Please take notice that the Court, First Division, issued a Resolution dated **June 17, 2020** which reads as follows:*

**“G.R. No. 248806 (MICHAEL ALCANTARA v. RUSTANS SUPERCENTERS, INC.)**

RESOLUTION

Petitioner Michael Alcantara faults the Court of Appeals for imposing an interest of six percent (6%) *per annum*. The rate of interest should be twelve percent (12%) *per annum* since the parties did not agree on the interest and the obligation amounted to a loan or forbearance of money or credit. Too, the Bangko Sentral ng Pilipinas-Monetary Board Resolution No. 796 (BSP-MB Circular 796) took effect only on July 1, 2013, long after the trial court’s Decision dated December 24, 2008 attained finality. Besides, *Nacar v. Gallery Frames*<sup>1</sup> states that the new rate should only be applied prospectively and not retroactively.

We affirm.

As both the trial court and the Court of Appeals found, although petitioner became entitled to the possession of the car in view of his amortization payments therefor to respondent Rustans Supercenters, Inc. (RSI), it was impossible for RSI to deliver back its possession, much less, transfer its ownership to petitioner because RSI never became its owner. For RSI was only a lessee of the car whose ownership belonged to another. Hence, in lieu of delivery of the car back to petitioner, the courts below applied the principle of

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<sup>1</sup> 716 Phil. 267, 280-281 (2013).

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*solutio indebiti*<sup>2</sup> by requiring RSI to reimburse petitioner of all his amortization payments, plus interest.

RSI's obligation, therefore, is not considered a loan or forbearance of money or credit.<sup>3</sup> In this regard, the Court of Appeals correctly imposed a six percent (6%) interest *per annum* on the principal amount of P569,892.00 reckoned from the date of filing of the complaint on December 11, 2003 until finality of the decision on January 3, 2011. As for the award of attorney's fees of P50,000.00, the same interest rate of six percent (6%) *per annum* shall apply to be reckoned from the date the trial court's judgment was made on December 24, 2008 until its finality on January 3, 2011. These amounts shall be subject to further annual interest of twelve percent (12%) from the time the decision becomes final and executory or from January 4, 2011 until June 30, 2013, and six percent (6%) thereafter from July 1, 2013 until fully paid. This is in accordance with *Nacar v. Gallery Frames*.<sup>4</sup>

**WHEREFORE**, the Decision dated April 24, 2019 and Resolution dated July 30, 2019 of the Court of Appeals in CA-G.R. SP No. 158498 are **AFFIRMED with MODIFICATION**. Respondent Rustans Supercenters, Inc. (RSI) is **ORDERED** to pay petitioner Michael Alcantara the following:

1. The principal amount of Five Hundred Sixty-Nine Thousand Eight Hundred Ninety-Two (P569,892.00) at six percent (6%) interest *per annum* from the filing of the complaint until the decision becomes final and executory;
2. Attorney's fees of Fifty Thousand Pesos (P50,000.00) at six percent (6%) interest *per annum* from the date of the judgment of the Regional Trial Court until the decision becomes final and executory; and
3. The foregoing amounts to earn twelve percent (12%) from the time the decision becomes final and executory until June 30, 2013 and six percent (6%) thereafter until full satisfaction.

<sup>2</sup> Article 2154 of the Civil Code.

<sup>3</sup> *Bank of the Philippine Islands v. Mendoza*, 807 Phil. 640, 652-653 (2017).

<sup>4</sup> *Supra* note 1, at 281.

The petitioner's compliance with the Resolution dated October 2, 2019, submitting a verified statement of material dates, proper verification with properly accomplished *jurat*, additional copy of the petition, contact details, and compact disc, is **NOTED**.

**SO ORDERED."**

Very truly yours,

  
**LIBRADA C. BUENA**  
Division Clerk of Court

by:

**MARIA TERESA B. SIBULO**  
Deputy Division Clerk of Court  
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(CA-G.R. SP No. 158498)

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The Presiding Judge  
Regional Trial Court, Branch 220  
1100 Quezon City  
(Civil Case No. Q-03-51355)

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