



**Republic of the Philippines
Supreme Court
Bacolod City**

FIRST DIVISION

NOTICE

Sirs/Mesdames:

*Please take notice that the Court, First Division, issued a Resolution dated **November 29, 2022** which reads as follows:*

“G.R. No. 260245 (*Philippine National Bank v. Interbrand Logistics and Distribution, Inc., Spouses Edgar and Doris San Luis, Spouses Almer and Jane Caras, Gil G. Chua, and Carlos Francisco S. Mijares*) and G.R. No. 260752 (*Interbrand Logistics and Distribution, Inc., Spouses Edgar and Doris San Luis, Spouses Almer and Jane Caras, and Carlos Francisco S. Mijares v. Philippine National Bank*). – The Court resolves to **CONSOLIDATE** the present Petitions for Review on *Certiorari* (petitions) and **GRANT** the Motions for Extension of Time to File the Petitions.

After a judicious review of the allegations, issues, and arguments adduced in the petitions, the Court further resolves to **DENY** both petitions and **AFFIRM WITH MODIFICATION** the Decision¹ dated 23 November 2021 and the Resolution² dated 07 April 2022 of the Court of Appeals (CA) in CA-G.R. CV No. 113745. Both petitions failed to show any reversible error on the part of the CA. Likewise, petitioners have not established any ground warranting factual review by this Court. As such, absent any showing of arbitrariness, capriciousness, or palpable error, the Court is not duty-bound to analyze, review, and weigh the evidence all over again.³ In any case, even if the Court were to ignore the procedural limitations of a Rule 45 petition and delve into the factual issues raised, the petitions must still be denied.

The petition in G.R. No. 260245 assails the exclusion of respondent Gil G. Chua (Chua) from the individuals held by the CA to be solidarily liable with Interbrand Logistics and Distribution, Inc. (Interbrand) in its obligation to petitioner Philippine National Bank (PNB). However, the Court finds that the CA did not err in ruling that Chua’s signature on the Joint and

¹ *Rollo* (G.R. No. 260245), Vol. I, pp. 71-84. Penned by Associate Justice Carlito B. Calpatura and concurred in by Associate Justices Maria Elisa Sempio Diy and Rafael Antonio M. Santos.

² *Id.* at 86-89. Penned by Associate Justice Carlito B. Calpatura and concurred in by Associate Justices Maria Elisa Sempio Diy and Rafael Antonio M. Santos.

³ *Manotok Realty, Inc. v. CLT Realty Development Corporation*, 512 Phil. 679 (2005).

Solidary Agreement (Agreement) was forged. As correctly held by the CA, forgery may be established through a visual comparison of the genuine and questioned signatures.⁴ The authenticity of signatures is not a highly technical issue.⁵ The opinions of handwriting experts are not binding upon the courts, and resort to these experts is not mandatory or indispensable to the examination of a handwriting.⁶ Judges are required to conduct an independent examination of the questioned signature to determine its authenticity.⁷ Moreover, Section 22, Rule 132 of the Rules of Court authorizes courts to compare the disputed signature with signatures “admitted or treated as genuine by the party against whom the evidence is offered or proved to be genuine to the satisfaction of the judge.”

A cursory examination of Chua’s signature on the Agreement *vis-à-vis* his genuine specimen signatures, whether in 2009 or in 2014, reveal striking dissimilarities. The genuine signatures have strokes spelling “Ch,” “Chu,” or “Chua,” representing Chua’s surname.⁸ In contrast, the signature on the Agreement does not have these strokes.⁹ The placement and movement of the strokes in the genuine signatures are likewise different from that on the Agreement. Moreover, the signature on the Agreement is not as fluid as the genuine ones, revealing hesitation in its execution.¹⁰

The CA also correctly held that the Agreement was invalidly notarized. The *cedula* purportedly presented by Chua is not a valid and competent evidence of identity.¹¹ The statement in the acknowledgment that Chua is “[k]nown to [the notary public] to be the same person/s who executed the foregoing instrument” is insufficient to excuse the presentation of a competent evidence of identity. The Court has held that statements to this effect do not satisfy the requirement that the affiant must be personally known to the notary public.¹² The phrase “personally known” requires the notary public to have “knowledge of the signatory’s personal circumstances independent and irrespective of any representations made by the signatory immediately before and/or during the time of the notarization.”¹³ A defective notarization strips the document of its public character and reduces it to a private instrument.¹⁴ As such, PNB cannot rely on the presumptions that attach to notarized documents.

With respect to the petition in G.R. No. 260752, petitioners therein heavily cite and refer to exhibits and testimony presented before the trial court. However, petitioners failed to attach material portions of the record

⁴ *Rollo*, pp. 46-47.

⁵ *G & M Philippines, Inc. v. Cuambot*, 537 Phil. 709, 725-726 (2006).

⁶ *Id.*

⁷ *Id.*

⁸ *Rollo* (G.R. No. 260245), Vol. I, pp. 39-40 and 42.

⁹ *Id.* at 38 and 42.

¹⁰ *Id.* at 42.

¹¹ *Ong v. Bijis*, A.C. No. 13054, 23 November 2021.

¹² *Heir of Unite v. Guzman*, 834 Phil. 724, 732 (2018).

¹³ *Id.*

¹⁴ *Mendoza v. Fermin*, 738 Phil. 429, 445 (2014).

referred to, in contravention of Section 4 (d), Rule 45 of the Rules of Court. Failure to comply with any of the requirements under Rule 45 renders the petition dismissible, pursuant to Section 5 of the same Rule.

In any event, the CA did not commit any reversible error in holding individual petitioners liable. By the Agreement's clear terms, petitioners Spouses Edgar S. San Luis and Doris L. San Luis, Spouses Almer L. Caras and Jane S. Caras, and Carlos Francisco S. Mijares bound themselves to be solidarily liable with Interbrand for the latter's credit facility with PNB.¹⁵ That the promissory notes (PNs) were executed after the Agreement is immaterial. The PNs only evince drawdowns from the credit facility and, as expressly stipulated, are covered by the Agreement.

Similarly, there is no merit in petitioners' claim that their obligation as sureties was extinguished due to the extension of some PNs. Article 2079 of the Civil Code¹⁶ only extinguishes the obligation of the surety if the extension was granted without his or her consent. However, in this case, the Agreement expressly states that the sureties waived notice of any kind with respect to any extension of the loan obligation.¹⁷ The Agreement also states that the obligation of the solidary obligors shall not be released or discharged by any extension of time for payment of any amount due to PNB.¹⁸

Petitioners, likewise, failed to show that the trial court and the CA erred in ruling that demand was made upon petitioners. Similarly, petitioners did not substantiate their claims of overpayment and damages. They failed to adduce proof of their supposed payments to PNB. A party claiming that an obligation has been discharged by payment has the burden of proving the same.¹⁹

Thus, the Court finds no reason to disturb the monetary awards adjudged by the RTC and affirmed by the CA, especially since the amounts due had already been equitably reduced by the trial court for being excessive. Nonetheless, following prevailing jurisprudence, the CA Decision must be

¹⁵ *Rollo* (G.R. No. 260752), p. 44.

¹⁶ CIVIL CODE, Art. 2079: "An extension granted to the debtor by the creditor without the consent of the guarantor extinguishes the guaranty. The mere failure on the part of the creditor to demand payment after the debt has become due does not of itself constitute any extension of time referred to herein."

¹⁷ *Rollo* (G.R. No. 260245), Vol. I, p. 104:

Waiver. The Solidary Obligor hereby waives notice of any kind with respect to the amendment, modification or supplementation of the Credit Document, the Notes and the Other Instruments/Documents and the extension of the Secured Obligations or any of the matters, events and occurrences contemplated by Par. No. 8 hereof.

¹⁸ *Id.* at 103:

8. **Continuing Obligation.** The obligation and liability of the Solidary Obligor shall not be released, discharged or in any way affected by:

(a) any extension of time for payment of any amount due to the Bank pursuant to the Credit Document, the Notes and the Other Instruments/Documents or where the Credit Facility herein secured is hereinafter regranted or renewed or converted into another form of credit facility whether in the same or increased or decreased amount x x x[.]

¹⁹ *Hun Hyung Park v. Eung Won Choi*, G.R. No. 220826, 27 March 2019.

modified to include legal interest on the total monetary award at the rate of six percent (6%) per *annum* from the finality of the Court's Resolution until full payment.²⁰

WHEREFORE, the foregoing premises considered, the Petitions for Review on *Certiorari* in G.R. Nos. 260245 and 260752 are **DENIED**. The Decision dated 23 November 2021 and the Resolution dated 07 April 2022 of the Court of Appeals in CA-G.R. CV No. 113745 are **AFFIRMED WITH MODIFICATION**, in that the total monetary award shall earn legal interest at the rate of six percent (6%) per *annum* from the finality of the Court's Resolution until full payment.

Accordingly, Interbrand Logistics and Distribution, Inc., Spouses Edgar and Doris San Luis, Spouses Almer and Jane Caras, and Carlos Francisco Mijares are **ORDERED** to solidarily pay Philippine National Bank the following amounts:

- (1) ₱187,590,528.01, representing the obligation under the credit facility granted by Philippine National Bank, with interest at 12% per *annum* from 19 March 2010 until 30 June 2013, and 6% per *annum* from 01 July 2013 until fully paid;
- (2) 12% of the principal amount due as penalty charges;
- (3) 5% of the total amount due as attorney's fees; and
- (4) ₱3,813,583.89 as docket fees.


The total judgment award shall earn legal interest at six percent (6%) per *annum* from the finality of this Resolution until fully paid.

The instant case is **CONSOLIDATED** with G.R. No. 260752, entitled "*Interbrand Logistics and Distribution, Inc., Spouses Edgar and Doris San Luis, Spouses Almer and Jane Caras, and Carlos Francisco S. Mijares v. Philippine National Bank*," also a First Division case, and to **REFER** G.R. No. 260752 to the Member-in-Charge of the lower-numbered case, G.R. No. 260245.

²⁰ *Nacar v. Gallery Frames*, 716 Phil. 267, 283 (2013).

SO ORDERED.” *Marquez, J., on official business.*

By authority of the Court:


LIBRADA C. BUENA
Division Clerk of Court

by:

MARIA TERESA B. SIBULO
Deputy Division Clerk of Court
334 & 335-A
JAN 19 2023

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