

SECOND DIVISION

[G.R. No. 205578, March 01, 2017]

GEORGIA OSMEÑA-JALANDONI, PETITIONER, VS. CARMEN A. ENCOMIENDA, RESPONDENT.

D E C I S I O N

PERALTA, J.:

This is an appeal from the Decision^[1] of the Court of Appeals, Cebu City (CA) dated March 29, 2012 and its Resolution^[2] dated December 19, 2012 in CA-G.R. CV No. 01339 which set aside the Decision^[3] of the Cebu Regional Trial Court (RTC), Branch 57, dated January 9, 2006, dismissing respondent Carmen Encomienda's claim for sum of money.

The facts, as shown by the records of the case, are as follows:

Encomienda narrated that she met petitioner Georgia Osmeña-Jalandoni in Cebu on October 24, 1995, when the former was purchasing a condominium unit and the latter was the real estate broker. Thereafter, Encomienda and Jalandoni became close friends. On March 2, 1997, Jalandoni called Encomienda to ask if she could borrow money for the search and rescue operation of her children in Manila, who were allegedly taken by their father, Luis Jalandoni. Encomienda then went to Jalandoni's house and handed P100,000.00 in a sealed envelope to the latter's security guard. While in Manila, Jalandoni again borrowed money for the following errands:^[4]

1. Publication in SunStar Daily of Georgia's missing children	P11,000.00
2. Reproduction of the pictures of Georgia's children	720.00
3. Additional reproduction of pictures	1,350.00
4. Plane fare for Georgia's secretary to Manila	3,196.00
5. Allowance of Germana Berning in going to Manila	4,080.00
6. Cash airbill of Kabayan Forwarders	49.50
7. Cash airbill of Kabayan Forwarders	49.50
8. Salary of Georgia's household helper Reynilda Atillo for March 16-31, 1997	750.00
9. Salary of Georgia's driver Billy Tano for March 16-31, 1997	2,000.00
10. Petty cash for Germana Berning	250.00
11. Consultancy fee of Germana Berning	7,000.00
12. Filing fee of case filed by Georgia against CIS	100,500.00

13. Cebu cable bill per receipt No. 197743	380.00
14. Cebu cable bill per receipt No. 197742	380.00
15. Bankard bill of Georgia	840.00
16. Services of 2 security guards for 2/1-15/97 and 3/1-31/97	14,715.00
17. One sack of rice and gasoline	1,270.00
18. Food allowance for Georgia's household and payment for food ordered	2,900.00
19. Shipping charge of immigration papers sent to Georgia in Manila	145.45
20. Shipping charge of cellphone and easy call pager sent to Georgia	145.45
21. Salary of Georgia's helper Renilda Atillo from April 1-15, 1997	750.00
22. Purchase of cellphone registered in the name of Encomienda's sister, Paz	10,260.00
23. Pager acquired on April 10, 1997 upon Georgia's request	6,351.00
24. Wanted ad in Panay News and expenses of Georgia's secretary	8,500.00
25. Salary of Billy Tano from April 1-15, 1997	2,000.00
26. Water consumption of Georgia's house in Paradise Village	1,120.00
27. Services of security guard from April 1-15, 1997	4,905.00
28. Telephone bill for Georgia's residential phone from March 25 to April 24, 1997	3,609.77
29. Telephone bill for Georgia's other telephone line	440.20
30. Plane ticket for Georgia's psychic friends	\$1,570.00
31. Petty cash for GRO Co. owned by Georgia	3,150.00
32. Bill of cellphone under the name of Paz Encomienda	5,468.70
33. Another bill of cellphone used by Georgia	3,923.87
34. Cost of reproduction of pictures	2,500.00
35. Salary of driver and house help of Georgia from May 15-31, 1997	3,250.00
36. Service charge of Georgia's cellphone number	550.00
37. Ritual performed in Georgia's house to drive away evil spirits	17,500.00
38. Prayers for Georgia's missing children	5,500.00
39. Amount given to priest who performed a blessing of the house of Georgia	500.00
40. Globe cellular phone bill of Georgia as of 5/10/97	7,957.24
41. Salary of Germana Berning for May 1997	6,000.00
42. Amount given to priest for mass and blessing	2,500.00
43. Cash given to G. Berning for payment of Georgia's phone bill	3,000.00

44. Gasoline for Georgia's car paid on 6/10/97 per cash slip #221088	150.00
45. Gasoline for Georgia's car paid on 6/10/97 per cash slip #220997	379.44
46. Bill for Georgia's Easycall pager	1,605.09
47. Security guard services for May 16-31	4,905.00
48. Globe bill for cellular phone from April 18, 1997 to May 17, 1997	5,543.98
49. Bill of cellular phone registered in the name of Paz Encomienda but used by Georgia paid on June 18, 1997	14,169.21
50. Charge for changing the cap of Easycall pager on June 21, 1997	275.00
51. Monthly bill for Georgia's Easycall pager from 7/15/97 to 10/14/97	1,551.00
52. Water bill for April-May 1997 paid on June 25, 1997	1,728.31
53. Cebu Cable bill paid on 6/25/97	380.00
54. PLDT bill for the telephone in Georgia's residence	2,097.98
55. Electric bill paid on 6/25/97	1,964.43
56. Purchase of steel cabinet on 6/25/97	2,750.00
57. Airbill of JRS in sending the cap of Easycall pager	20.00
58. Bill for the cellphone in the name of Paz Encomienda but used by Georgia, June to July 8, 1997	8,630.11
59. Penalty for downgrading of executive line of cellphone	1,045.00
60. Globe cellphone bill paid on 9/10/97	1,903.00
61. Charge for downgrading of cellphone plan from Advantage to Basic	660.00
62. Penalty for Easycall 11/17/97	1,248.50

On April 1, 1997, Jalandoni borrowed P1 Million from Encomienda and promised that she would pay the same when her money in the bank matured. Thereafter, Encomienda went to Manila to attend the hearing of Jalandoni's *habeas corpus* case before the CA where P100,000.00 more was requested. On May 26, 1997, now crying, Jalandoni asked if Encomienda could lend her an additional P900,000.00. Encomienda still acceded, albeit already feeling annoyed. All in all, Encomienda spent around P3,245,836.02 and \$6,638.20 for Jalandoni.

When Jalandoni came back to Cebu on July 14, 1997, she never informed Encomienda. Encomienda then later gave Jalandoni six (6) weeks to settle her debts. Despite several demands, no payment was made. Jalandoni insisted that the amounts given were not in the form of loans. When they had to appear before the *Barangay* for conciliation, no settlement was reached. But a member of the *Lupong Tagapamayapa* of *Barangay* Kasambagan, Laureano Rogero, attested that Jalandoni admitted having borrowed money from Encomienda and that she was willing to return it. Jalandoni said she would talk to her lawyer first, but she never came back. Hence, Encomienda filed a complaint. She impleaded Luis as a necessary party, being Georgia's husband.