

THIRD DIVISION

[G.R. No. 206562, January 21, 2015]

**UNICOL MANAGEMENT SERVICES, INC., LINK MARINE PTE. LTD.
AND/OR VICTORIANO B. TIROL, III, PETITIONERS, VS. DELIA
MALIPOT, IN BEHALF OF GLICERIO MALIPOT, RESPONDENT.**

D E C I S I O N

PERALTA, J.:

This is a Petition for Review on *Certiorari* under Rule 45 of the 1997 Rules of Civil Procedure seeking the reversal of the Decision^[1] dated October 29, 2012 and Resolution^[2] dated March 27, 2013 of the Court of Appeals (CA) in CA-G.R. SP No. 118451, which set aside the Decision^[3] dated September 30, 2010 and Resolution^[4] dated December 30, 2010 of the National Labor Relations Commission (NLRC) denying the award of death benefits to respondent.

The factual antecedents follow.

Respondent Delia Malipot is the surviving spouse of the deceased seaman Glicerio Malipot (*seaman Glicerio*) with whom the latter has two minor children.

On July 16, 2008, seaman Glicerio was processed for hiring by petitioner Unicol Management Services (*petitioner Unicol*), acting for and in behalf of its principal, petitioner Link Marine Pte. Ltd. (*petitioner Link Marine*) for the vessel Heredia Sea as Chief Engineer Officer with a monthly salary of \$2,500.00 for a contract duration of four (4) months.

Prior to his employment, seaman Glicerio was made to undergo a rigorous pre-employment medical examination conducted by petitioners' designated physicians and was found fit to work physically and mentally.

On August 18, 2008, seaman Glicerio left the Philippines to join the vessel Heredia Sea.

In her complaint, respondent alleged that seaman Glicerio suffered emotional strain when petitioners refused to allow him to go home and be with his family. As early as November 16, 2008, seaman Glicerio already manifested his desire to end his contract and gave petitioners enough time to secure his replacement. His request was relayed by the Master of Heredia Sea to petitioners' Port Captain. However, the Port Captain did not allow seaman Glicerio to leave the vessel. The Port Captain also allegedly threatened seaman Glicerio by telling him that once he leaves and sets his feet on Philippine soil, he will immediately be arrested and will never be employed by any vessel ever again, and he will be made to pay for all the expenses of his deployment.

Respondent further contended that seaman Glicerio became depressed, especially when December came and he was still not allowed to go home. Seaman Glicerio called up and texted respondent, begging her to talk to the Port Captain and allow him to go home. He soon became ill and experienced chest pains and palpitations. He was seen by a physician at the Fujairah Port Medical Center in Fujairah, United Arab Emirates and was diagnosed with Muscoskeletal pain and Emotional trauma/illness. Despite this, seaman Glicerio was not repatriated. Even when his 4-month contract expired on December 18, 2008, he was still not allowed to join his family for Christmas. Respondent stressed that his death was compensable because his emotional trauma was caused by the conditions of his job and aggravated by the acts of the Port Captain.

For their part, petitioners alleged that seaman Glicerio was hired for the first time by petitioner Unicol and seconded to one of its principals, petitioner Link Marine to board the vessel Heredia Sea. This employment was contained in the Contract of Employment approved by the Philippine Overseas Employment Administration (POEA). The period of employment, as stipulated in said contract, was for a period of four to six months starting August 18, 2008 and ending February 18, 2009.

Regrettably, before the end of his employment contract, or on January 13, 2009, petitioners received information that seaman Glicerio committed suicide by hanging in the store room of the Heredia Sea. This report was confirmed by the Certification of the Philippine Consulate General at Dubai, and the accompanying documents, namely: Medico Legal Report issued by the Ministry of Justice of the United Arab Emirates and the Death Certificate issued by the Ministry of Health of the United Arab Emirates.

As a result of the foregoing events, respondent filed a Complaint before the Labor Arbiter claiming death compensation under seaman Glicerio's POEA contract.

On September 14, 2009, the Labor Arbiter rendered a Decision^[5] awarding death compensation in the amount of US\$71,500.00.

The Labor Arbiter ruled that petitioners failed to satisfactorily prove by substantial evidence that seaman Glicerio committed suicide as it relied on the inconclusive report of the medico-legal consultant, which merely gave the cause of death. The Labor Arbiter held as follows:

[Respondent] Delia Malipot, in behalf of her deceased husband seaman Glicerio, is therefore entitled to death benefits and burial expenses pursuant to Section 20 (A) (1) and (4c) of the POEA Standard Employment Contract, which provide:

1. In case of work-related death of the seafarer during the term of his contract, the employer shall pay his beneficiaries the Philippine currency equivalent to the amount of Fifty Thousand US Dollars (US\$50,000) and an additional amount of Seven Thousand US Dollars (US\$7,000) to each child under the age of twenty-one (21) but not exceeding four (4) children, at the exchange rate prevailing during the time of payment.

xxx xxx xxx

4. The other liabilities of the employer when the seafarer dies as a result of injury or illness during the term of employment are as follows:

xxx xxx xxx

c. The employer shall pay the beneficiaries of the seafarer the Philippine currency equivalent to the amount of One Thousand US Dollars (US\$1,000) for burial expenses at the exchange rate prevailing during the time of payment.

There is no dispute that seaman Glicerio had two (2) legitimate minor children who, in addition to the death benefits of US\$50,000.00, are entitled to US\$7,000 each, plus burial allowance of US\$1,000.00.

There is merit in [respondent]'s claim that she is entitled to attorney's fees because she was forced to litigate and incur expenses to protect her rights and interests because of the unjust, unfair and totally unlawful acts of the [petitioners] in refusing to pay her claims. The same finds ample basis on Art. 2208, par. 2 of the Civil Code, which provides:

Art. 2208. In the absence of stipulation, attorney's fees and expenses of litigation, other than judicial costs, cannot be recovered, except:

xxx xxx xxx

(2) When the defendant's act or omission has compelled the plaintiff to litigate with third persons or to incur expenses to protect his interests;

WHEREFORE, premises considered, judgment is hereby rendered holding the above-named [petitioners] Unicol Maritime Services, Inc. and Victoriano B. Tirol III liable, jointly and severally, to pay [respondent] the following amounts:

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|----------------------|---|---|
| 1. US\$50,000 | - | Death Benefits |
| 2. US\$14,000 | - | Death benefits for the two (2) minor children |
| 3. <u>US\$1,000</u> | - | Burial Expenses |
| US\$65,000 | - | Total |
| 4. <u>US\$6,500</u> | - | 10% Attorney's fees |
| US\$71,500.00 | - | Grand Total |

or in Philippine currency at the prevailing rate of exchange at the time of actual payment.

All other claims are dismissed.

SO ORDERED.^[6]

On October 7, 2009, petitioners appealed before the NLRC.

On September 30, 2010, the NLRC reversed and set aside the decision of the Labor Arbiter and dismissed respondent's complaint for lack of merit.

It its Decision, the NLRC ruled that petitioners have clearly shown that seaman Glicerio's death was due to suicide and that the same is not compensable under the POEA Employment Contract. Thus:

As such, there being no evidence to the contrary, We find that Glicerio Malipot in fact committed suicide. The Labor Arbiter thus seriously erred in ruling that there is no certainty as to the cause of Glicerio's death when the above documents clearly provided otherwise. In the same Great Southern Maritime case, the Supreme Court noted:

Indeed, we are not unaware of our ruling in *Becmen Service Exporter and Promotion, Inc. v. Cuaresma*, where we held that Jasmin Cuaresma, also an overseas Filipino worker, did not commit suicide; that Filipinos are resilient people, willing to take on sacrifices for the good of their family; and that we do not easily succumb to hardships and difficulties. Nevertheless, the circumstances prevailing in said case are totally different from this case. In *Becmen*, the postmortem examination and the police report did not state with specificity that poisoning or suicide was the cause of Jasmin's death. In fact, both reports mentioned that the cause of death of Jasmin was still under investigation. In contrast, the postmortem examination and the police report in this case, categorically mentioned that Salvador died of asphyxia due to hanging. It was also shown that no other individual could have caused the death of Salvador because the bathroom door was locked or bolted from the inside and could not be opened from the outside.

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As such, herein [respondent] is not entitled to any death benefits nor to attorney's fees.

WHEREFORE, the appealed Decision is hereby REVERSED and SET ASIDE. Another one entered DISMISSING the instant complaint for lack of merit.

SO ORDERED. ^[7]

Respondent filed a Motion for Reconsideration. However, the same was denied and the dismissal of the claim for death benefits was affirmed by the NLRC in a Resolution dated December 30, 2010.

Accordingly, respondent filed a *certiorari* petition before the CA alleging that the NLRC committed grave abuse of discretion when it gave weight to the Medico-Legal Report issued by Dr. Osman Abdul Hameed Awad and the Death Certificate issued by the United Arab Emirates Ministry of Health as the same are inconclusive as to the cause of seaman Glicerio's death.

In its Decision dated October 29, 2012, the CA reversed the NLRC ruling and awarded death benefits holding that petitioners failed to prove the cause or circumstances which lead to seaman Glicerio's suicide, viz.:

Apart from the Medico-Legal Report and Death Certificate, there is no showing that [petitioners] exerted effort to ascertain the circumstances surrounding Glicerio's death which was their duty to undertake as employer. As held by the Labor Arbiter, the Medico-Legal Report and Death Certificate are only evidence of the cause of death, but not of the circumstances surrounding Glicerio's death. While [petitioners] submitted an Investigation Report, log book extracts, and Master's Report, these were belatedly submitted on appeal to the NLRC via a Supplemental Memorandum of Appeal, yet, there is no indication that these are newly discovered evidence. Worse, a reading of these documents does not show the actual circumstances which surrounded Glicerio's death, for even the Investigation Report merely stated: "The local Fujairah Police is presently carrying out an investigation into the likely cause of death."

[Petitioners] presented these reports to highlight Glicerio's supposed "family problems" which allegedly drove him to commit suicide. However, this supposition is contradicted by Glicerio's yearning to go home, as related to his wife during their conversations. Also, [petitioners] alleged that Glicerio's Contract of Employment was supposed to end on February 18, 2009 as his contract was for 4-6 months. In contrast though, Glicerio's Seabased Overseas Filipino Worker (OFW) sheet stated that his contract duration is for "4 months, 0 days," so his contract should have ended on December 18, 2008. But whether it was in December or in February that Glicerio was slated to go home, We cannot subscribe to the idea that he decided to commit suicide at a time that was already so near the end of his contract. It is beyond human comprehension that a seaman who wanted to go home so badly would simply take his life for no reason at all.

x x x x

We also note that Delia executed a Quitclaim and Release in consideration of the sum of Twelve Thousand Two Hundred Fifty-Four and 00/100 (Usd 12,254.00) US Dollars. But it has already been held that where it is shown that the person making the waiver did so voluntarily and with full understanding of what he is doing and the consideration of the quitclaim is credible, the transaction must be recognized as a valid and binding undertaking. But where the consideration for the quitclaim is inordinately low and exceedingly unreasonable, the quitclaim cannot be considered as an obstacle to the pursuit of legitimate claims. Noting that the consideration of the quitclaim, US\$12,254.00, is inordinately low compared to the US\$71,500.00 awarded by the Labor Arbiter, We find it, therefore, to be palpably inequitable. However, to avoid any unjust enrichment here, the amount received by Delia must be deducted from the monetary award.

WHEREFORE, premises considered, the instant petition is GRANTED. The assailed September 30, 2010 Decision and December 30, 2010