

## SECOND DIVISION

[ G.R. No. 199660, July 13, 2015 ]

**U-BIX CORPORATION AND EDILBERTO B. BRAVO, PETITIONERS,  
VS. VALERIE ANNE H. HOLLERO, RESPONDENT.**

### R E S O L U T I O N

**DEL CASTILLO, J.:**

This is a Petition for Review on *Certiorari*<sup>[1]</sup> of the Court of Appeals (CA) Decision<sup>[2]</sup> dated August 9, 2011 and Resolution<sup>[3]</sup> dated December 7, 2011 in CA-G.R. SP No. 117199, which affirmed the National Labor Relations Commission (NLRC) Resolution<sup>[4]</sup> dated June 29, 2010 and Resolution<sup>[5]</sup> dated September 27, 2010 denying the appeal of petitioners U-Bix Corporation and Edilberto B. Bravo (petitioners) from Labor Arbiter Enrique S. Flores, Jr.'s (Labor Arbiter Flores) Order<sup>[6]</sup> dated April 16, 2010 approving the recomputation of the monetary award in favor of respondent Valerie Anne, H. Hollero (respondent) and ordering the issuance of a writ of execution.

#### ***Factual Antecedents***

Petitioners filed a complaint against respondent for reimbursement of training costs plus interest, exemplary damages, attorney's fees and litigation expenses, docketed as NLRC-NCR-Case No. 00-05-03696-97. On the other hand, respondent filed against petitioners a complaint for illegal dismissal, unpaid wages, backwages, moral and exemplary damages, and attorney's fees, docketed as NLRC-NCR-Case No. 00-08-05988-97. The two complaints were later on consolidated.

In a Decision<sup>[7]</sup> dated February 8, 1999, the Labor Arbiter found respondent's dismissal to be valid; she was also ordered to reimburse the amount spent by petitioners for her training, with interest at the rate of 12% *per annum*.<sup>[8]</sup>

On appeal, the NLRC reversed the Labor Arbiter's Decision. Finding respondent to have been illegally dismissed, it awarded her backwages from the date of her dismissal up to the date of the NLRC Decision and separation pay in lieu of reinstatement due to strained relations. Anent petitioners' complaint for reimbursement, the NLRC held that the same is one for collection of sum of money over which it has no jurisdiction. Hence, the dispositive portion of the NLRC Resolution dated July 12, 1999:<sup>[9]</sup>

WHEREFORE, premises considered, the assailed decision dated February 8, 1999, is hereby REVERSED and SET ASIDE and a new one entered as follows:

A. Dismissing the complaint of the [petitioner] U-BFX CORPORATION, in

NLRC NCR Case No. 00-05-03696-97 for lack of jurisdiction; and

B. Finding the dismissal of [respondent] Valerie Anne H. Hollero in NLRC NCR Case No. 00-08-05988-97 to be illegal thereby ordering [petitioners] U-BIX CORPORATION/Edilberto B. Bravo to pay the former the following:

1. Backwages P520,000.00
2. Separation 60,000.00; and Pay
- TOTAL P580,000.00

All other claims for damages are dismissed for insufficiency of evidence.

SO ORDERED.<sup>[10]</sup>

Petitioners' Petition for *Certiorari* before the CA was dismissed through a Decision<sup>[11]</sup> dated January 8, 2007. Since petitioners' motion for reconsideration thereto was likewise denied by the CA,<sup>[12]</sup> they elevated the case before this Court.

In a Decision<sup>[13]</sup> dated October 31, 2008, the Court affirmed the CA Decision. This became final and executory on March 12, 2009.<sup>[14]</sup>

Subsequently, respondent filed a Motion for Issuance of Writ of Execution before the Labor Arbiter.<sup>[15]</sup> In the course of the pre-execution conferences, petitioners moved for the recomputation of the monetary award. Acting on the same, Labor Arbiter Elizabeth C. Avedoso (Labor Arbiter Avedoso) came up with a re-computed total monetary award of P3,330,512.82.<sup>[16]</sup> Petitioners opposed this re-computation for lack of legal basis.<sup>[17]</sup> Thus, a second re-computation in the reduced amount of P3,270,512.82<sup>[18]</sup> was presented to the parties in a conference held on February 18, 2010. Still, they failed to reach an agreement.

In the meantime, respondent filed a Supplemental Motion for Issuance of Writ of Execution<sup>[19]</sup> to which petitioners filed an Opposition.<sup>[20]</sup>

### ***Ruling of the Labor Arbiter***

In an Order<sup>[21]</sup> dated April 16, 2010, Labor Arbiter Flores found the recomputation of the total award at P3,270,512.82 correct. Hence, he ruled:

Finding the Motion for Issuance of Writ of Execution to be well taken, the same is hereby GRANTED.

WHEREFORE, the corresponding Writ of Execution be issued pursuant to the re-computed monetary award in the amount of P3,270,512.82<sup>[2]</sup>.

SO ORDERED.<sup>[22]</sup>

Accordingly, Labor Arbiter Flores issued a Writ of Execution<sup>[23]</sup> dated April 20, 2010.

### ***Ruling of the National Labor Relations Commission***

Petitioners filed before the NLRC a Notice and Memorandum of Appeal.<sup>[24]</sup> At the same time, they posted a corresponding supersedeas bond issued by Mapfre Insular Insurance Corporation (Mapfre) in the amount of P3,270,512.82. Subsequently, petitioners also filed an Omnibus Motion to Quash Writ of Execution and to Lift Order of Garnishment.

In a Resolution<sup>[25]</sup> dated June 29, 2010, the NLRC denied for lack of merit petitioners' Appeal and their Omnibus Motion to Quash Writ of Execution and to Lift Order of Garnishment.

With respect to the appeal, the NLRC held that the supersedeas bond posted by petitioners has no force and effect, viz.:

A perusal of the bond, however, revealed that the Certification of Accreditation and Authority of Jose Midas P. Marquez, Supreme Court Administrator, covers an authority to transact surety business in relation to **CIVIL/SPECIAL PROCEEDINGS CASES ONLY** filed/pending before the Regional Trial Courts of Caloocan City, City of Manila, Las Piñas City, Makati City, Marikina City, Mandaluyong City, Muntinlupa City, Parañaque City, Pasay City, Pasig City and Quezon City x x x.<sup>[26]</sup> Clearly, the authority does not include labor cases filed before the NLRC. Thus, as far as the NLRC is concerned, the [s]upersedeas bond posted by U-Bix Corporation has no force and effect.

Assuming only that it is authorized, it failed to present proof of security deposit or collateral securing the bond as required by Section 6(c) of Rule 6, NLRC Rules of Procedure. U-Bix failed to perfect its appeal. Therefore, the Order appealed from has attained finality.<sup>[27]</sup>

Anent the Motion to Quash Writ of Execution and to Lift Order of Garnishment, it held as follows:

As mentioned earlier, the Order approving the judgment award has become final and executory, thus, the issuance of the writ of execution is proper. There is nothing more left to be done except its execution.<sup>[28]</sup>

Hence:

WHEREFORE, premises considered, the Appeal, Omnibus Motion to Quash Writ of Execution and to Lift Order of Garnishment filed by U-Bix Corporation and Edilberto Bravo are **DENIED** for lack of merit.

SO ORDERED.<sup>[29]</sup>

Petitioners moved for reconsideration which was dismissed in a Resolution<sup>[30]</sup> dated September 27, 2010.

### ***Ruling of the Court of Appeals***

Thus, petitioners sought recourse from the CA through a Petition for *Certiorari* with Prayer for the Issuance of Temporary Restraining Order and/or Writ of Preliminary Injunction. They imputed upon the NLRC grave abuse of discretion amounting to lack or in excess of jurisdiction when it denied their appeal outright on the ground that the supersedeas bond accompanying the appeal has no force and effect. They argue that: (1) Mapfre is a bonding company accredited by this Court and the NLRC; (2) petitioner Bravo's signature in the indemnity agreement constitutes his personal guarantee of the supersedeas bond; and (3) the grounds relied upon in their memorandum of appeal are meritorious.<sup>[31]</sup>

In a Decision<sup>[32]</sup> dated August 9, 2011, the CA denied the Petition. Citing Article 223<sup>[33]</sup> of the Labor Code and Section 6<sup>[34]</sup> Rule VI of the New Rules of Procedure of the NLRC, it emphasized that the filing of a supersedeas bond for the perfection of an appeal is mandatory and jurisdictional. In this case, the CA found the supersedeas bond posted by petitioners to be irregular in view of the Certification of Accreditation and Authority issued by the Office of the Court Administrator (OCA) that Mapfre's authority to transact business was limited only to Civil/Special cases and does not cover labor cases. Besides, the said court found no meritorious ground to relax the requirement of posting a supersedeas bond. Thus:

WHEREFORE, in view of the foregoing premises, the petition filed in this case is hereby DENIED for lack of merit. The Resolutions issued by the Third Division of the National Labor Relations Commission dated June 29, 2010 and September 27, 2010 in NLRC NCR Case No. 00-05-03696-97 is hereby AFFIRMED.

SO ORDERED.<sup>[35]</sup>

As petitioners' Motion for Reconsideration<sup>[36]</sup> was likewise denied in a Resolution<sup>[37]</sup> dated December 7, 2011, they are now before this Court through this Petition for Review on *Certiorari*.

### **Issues**

THE COURT OF APPEALS COMMITTED GRAVE REVERSIBLE ERROR IN AFFIRMING THE NLRC'S DECISION DISMISSING OUTRIGHT PETITIONERS' APPEAL ON THE GROUND THAT THE ACCOMPANYING SUPERSEDEAS BOND WAS INVALID, CONSIDERING THAT:

- A. MAPFRE INSULAR INSURANCE CORPORATION IS A BONDING COMPANY ACCREDITED BY BOTH THE NLRC AND THE SUPREME COURT.
- B. PETITIONER BRAVO'S SIGNATURE IN THE INDEMNITY AGREEMENT CONSTITUTES HIS PERSONAL GUARANTEE OF THE SUPERSEDEAS BOND.
- C. PETITIONERS' MEMORANDUM OF APPEAL IS IMPRESSED WITH MERIT SUCH THAT A RESOLUTION OF THE SUBSTANTIAL ISSUES RAISED THEREIN WAS WARRANTED.<sup>[38]</sup>

## Our Ruling

The Petition has no merit.

*Perfection of an appeal **in the manner** and within the period prescribed by law is not only mandatory and jurisdictional and failure to conform to the rules will render the judgment sought to be reviewed final and unappealable.*

Petitioners argue that the CA erred in concluding that the supersedeas bond they posted was irregular and therefore has no force and effect based on the OCA certification that Mapfre's authority to transact business as a bonding company refers only to civil and special cases. They call attention to the Memorandum<sup>[39]</sup> dated June 8, 2010 issued by the NLRC's Legal and Enforcement Division for the information and guidance of all Presiding/Commissioners and Executive/Labor Arbiters regarding the list of bonding companies accredited by this Court with respect to criminal and civil cases, which include Mapfre. Petitioners assert that the NLRC's endorsement of the said list to all Presiding Commissioners and Executive/Labor Arbiters could only mean that the bonding companies therein listed can also well be considered for labor cases.

The Court agrees with petitioners. In the 2013 Guidelines for Accreditation of Surety Companies<sup>[40]</sup> of the NLRC, one of the requirements for the accreditation of a bonding company is the submission of a valid Certificate of Accreditation and Authority issued by the OCA. Upon a bonding company's submission of the same and compliance with the other requirements, the Legal and Enforcement Division of the NLRC shall furnish all Presiding/Commissioners and Deputy/ Executive Clerks of Court a copy of the Certificate of Accreditation and Authority and a list of accredited surety companies and their agents. While the said guidelines were issued only in 2013, it is logical to conclude that the Memorandum dated June 8, 2010 was for the same purpose mentioned, i.e., to furnish all Presiding/Commissioners and Executive/Labor Arbiters a list of accredited bonding companies. For one, the said Memorandum was issued by the Legal and Enforcement Division to all Presiding/Commissioners and Executive/Labor Arbiters or similar to what is outlined under the aforementioned guidelines. For another, and as aptly pointed out by petitioners, there could have been no other plausible reason for the said issuance but to apprise the concerned labor officials of the list of bonding companies which they may consider in transacting business in their respective offices.

Nevertheless, the Court still finds that petitioners failed to comply with the bond requirement in perfecting their appeal. Article 223 of the Labor Code provides in part:

Article 223. *Appeal.* Decisions, awards, or orders of the Labor Arbiter are final and executory unless appealed to the Commission by any or both parties within ten (10) calendar days from receipt of such decisions, awards, or orders. x x x

x x x x