

SECOND DIVISION

[G.R. No. 173279, March 30, 2009]

MOTOROLA PHILIPPINES, INC. AND/OR SCG PHILIPPINES, INC.,
ROMERICO S. SERRANO, DANIEL JAVELOSA, ALFRED GAMBOL,
ANN DALUPAN AND JOSEPH JACOBSON, PETITIONERS, VS.
IMELDA B. AMBROCIO, AMELITA ALAO, MERLE ALMASCO,
LIBRADA C. ACEBES, ELVIRA C. ANULAT, FE ARAGON, CARINA D.
ARGAME, MA. TERESA R. ALMARIO, ISIDORA S. ALMENDRAS,
ARLENE C. ALINDAY, EDNA B. ASIATICO, SUSANA AGUILON,
MELINDA A. BALLON, ANNABELLA T. BRAVO, FEROLYN H. BACO,
LOIDA A. BON SOL, MA. LUISA L. BONA OBRA, TERESITA BELBES,
EMILIANA C. CARRAO, MA. CRISTINA L. CARINO, ERLINDA T.
CARIGMA, DAISY E. CAPUNO, IMELDA S. CAGUIOA, AMELIA E.
CASTRO, ROSEMARIE B. CASICAS, CARMELITA B. CASTILLO,
FLORA O. CABRERA, MERLINDA B. CAJILIG, CRISELDA D.
CAINGLET, ROSITA B. CERBAS, MA. VICTORIA R. CERRER,
MARILOU T. COSCOS, SILVIA S. CUNANAN, PERLITA CIELO,
TERESITA B. CRUZ, LUZVIMINDA E. CELIS, RUFINA T. CRUZ,
YOLANDA D. CONSTANTINO, ANABELEN CANAPI, JOCELYN
CHALAN, MAYDELYN C. DAYAO, ERLINDA M. DAJAO, BRIGIDA R.
DE CHAVEZ, MERLE E. DE LOS SANTOS, CRISTINA C. DUPAYA,
CERLY B. DISTOR, YOLANDA A. DIONISIO, GLORIA R.
DAIGDIGAN, YOLANDA DE JESUS, HAYDEE G. DE LEON,
MERCEDITA M. DELGADO, ROSALINDA B. DEL ROSARIO,
CRISTINA D. ENTUCIASMO, EUGENIA G. ENRIQUES, ELIZABETH
G. FRANCIA, FLORDELINA B. FLORES, LEDILLA DARDE,
ROSALIDAR R. GARCIA, REMEDIOS B. GALMAN, CURINA F.
GAMA, ELISA G. GUSTILO, ISABELITA A. GAGARIN, SERENA G.
GENTOLLANES, MA. EMELITA T. GUARIN, ANNE C. GONZALES,
ARCILLA G. GLORIA, DOROTEA T. HAMILE, RIZALINA CARAMAT,
ERLINDA DEUDA, DOMINGA ILAO, NAZARIA P. HERNANDEZ,
EDITHA P. JAUDALSO, CELEDONIA LAPUZ, JOSEPHINE T.
LAGUNERO, OLIVIA O. LABRADOR, EMELITA G. LEGASPI, WILMA
G. LEMONCITO, CARLINA R. LIRAZAN, LUISA R. LOYOLA, JEAN S.
LOZANO, MA. TERESA R. LIZARDO, NENA L. MARCELO, CORAZON
R. MATEO, GUADALUPE T. MAYNIGO, LOLITA C. MALLILLIN,
HELEN Q. MERCADO, TERESITA L. MEDIADO, ERLINDA G. MECUA,
EDITHA M. MERCADO, DORIS V. MADARANG, LOIDA G. MALLARI,
MARILOU C. MARTINEZ, LUCIA C. MANALO, RUBY M. MAMARIL,
ANITA C. MEDALLA, LTA M. MEJIA, MARY A. MINA, GLORIA M.
NIEVA, MELINDA F. NOFUENTE, CORAZON B. NUYDA LETICIA R.
ORTEGA, ROMEO P. ORTEGA, RAUL R. ORAA, FE P. PASCUA,
GLICERIA B. PLACIDO, FELICITAS R. PATO, SYLVIA PERALTA,
LENIDA R. PONES, ROSALINDA PAREDES, YOLANDA
PANGANIBAN, MARITEL PILASPILAS, CONSOLACION M.
QUINOY, FLORANDO C. QUITAIN, ERLINDA I. REYES, ROSENDA

S. RAMOS, IRENE G. REGACHO, EMILITA R. REYES, LEONORA A. RIVERA, REMEDIOS M. ROBOSA, MELINDA G. RODULFO, LEPOLDO A. RODRIGUEZ, VERONICA S. RIVERA, NANCY J. ROMERO, TERESITA F. RONQUILLO, EVA B. RUANTO, MARIA LUISA LUY RABIN, ROSITA SABINO, ROSEMARIE J. SALANATIN, MARILIE S. SANCHEZ, OLIVIA C. SANTIOQUE, LUISA R. SAN MIGUEL, JOSEFINA F. SAN MIGUEL, ANGELES C. SAMAR, OLIVIA P. SALLE, NELIA E. SARABILLO, NENITA R. SAFLOR, GLORIA B. SANTIAGO, ANGELINA H. SANTOS, MARINA B. SOLIDUM, MARITESS G. SUNGA, SALVADOR M. SALES, SUSANA C. TAGAM, ARCEL S. TAYAG, JOSEPHINE B. TADIOAN, SILVIA L. TAN, LIGAYA C. TANCINGCO, MARIVIC R. TELEBRICO, ROSELYN B. TERUEL, MARILYN G. TOLENTINO, MARILYN B. TAGUINES, AMALIA UNIPA, MANUEL UNIPA, EMERENCIANA VILLAGONZALO, NINA VILLANUEVA, JOSEPHINE VILLANUEVA, HELEN J. VILLARIN, NELIA VILLANUEVA, ANALYN B. VIDA, CLAUDIA YASAY, GLORIA C. ZAFRA, SYLVIA R. ZAFRA, FLOR G. FUNA, BELEN BANDALAN, ELENA H. SARZUELA, CRISTINA C. BALICOCO, GLORIA C. BALICOCO, GLORIA N. BANO, REMEGIA DE LOS SANTOS, BEVERLY N. PAYAS, JULIET BUERA, EMERCIANA E. MARCELO, LEONIDA N. QUINTO, AURORA Q. BACUD, ZENAIDA R. MANAHAN, VIVIAN G. PERALTA, CRISANTA ROTONE, LEONILA R. VIRTUS, TERESA ALEGADA, ROSALINA R. AQUINO, JAIME A. AROGO, ELISA C. BARLAS, JULIETA V. BUENAVENTURA, HELEN F. CAMAROA, EDNA C. ESTILLORE, HELINDA H. HAGOOT, LIBERTY B. ISIP, EMERLITA B. LAYNO, ANGELITA C. MACALINDONG, SEVERINA E. MALAGA, VIOLETA C. NACIANCENO, MARITA C. NATIVIDAD, CRISTINA NAVARRO, RODRIGO L. RIVERA, TERESITA C. ROLLON, REMEDIOS C. SANTOS, MILAGROS B. SUNGA, VIDISTA B. TALAVERA, CARMELITA J. TAMPE, VIOLETA P. GUEVARA, AMELITA ILAO, MYRNA A. COMBALECE, CONCHITA V. CONSIBIDO, LIZA MOYA, SUSAN PATARATA, MILA SAMORTIN, BEATRIZ UMALI, EVA BANCOLETA, RIZALINO BANCOLETA, MARIA RIZA BERNI, ELIZABETH SUNGA, IMELDA DE VILLA AND MINDA SAN PEDRO, RESPONDENTS.

D E C I S I O N

CARPIO MORALES, J.:

On petition for review on certiorari is the Court of Appeals March 1, 2006 Resolution^[1] and June 27, 2006 Resolution^[2] reinstating the appeal of respondent Imelda B. Ambrocio and 235^[3] other respondents from the December 13, 2004 Resolution^[4] and September 30, 2005 Resolution^[5] of the National Labor Relations Commission (NLRC) in NLRC RAB IV Case Nos. 4-13771-01-C, and 4-13772-01-C.

Culled from the five-volume records of the case are the following undisputed facts:

Sometime in 1997, Motorola Philippines, Inc. (MPI), a subsidiary of Motorola U.S., decided to close its Parañaque plant in order to consolidate its operations at its Carmona, Cavite plant. It thus offered to its affected employees a redundancy/separation package consisting of the following benefits and

emoluments:

- 1) separation pay equivalent to two months salary per year of service;
- 2) two-year health insurance policy;
- 3) one-year life insurance policy;
- 4) cost of stock liquidation transactions on the employees' stock options;
- 5) orientation program on fund management; and
- 6) orientation program and training on livelihood options.

Out of about 900 employees who availed of the package and were consequently separated from employment on July 24, 1998 when MPI's Parañaque plant finally closed shop, 236 employees including respondents herein, filed on July 24, 2001 two separate complaints against MPI, for payment of *retirement* pay equivalent to one month salary per year of service, alleging that they were entitled thereto under Sec. III-B of MPI's Retirement Plan.^[6]

For its part, MPI alleged that the applicable retirement plan was not Sec. III-B, but Policy 1215, specifically Sec. III par. 6 thereof which reads:

In case of voluntary separation from the company due to Labor Saving devices or redundancy, retrenchment program initiated by the Company as a result of a merger or to prevent losses or other similar causes, the company shall provide a separation pay equivalent to one (1) month's pay per year of service, inclusive of any service benefit eligibility under the Retirement Plan.^[7] (Italics and underscoring supplied)

MPI thus insisted that respondents had already received such one-month pay, the same having been included in the cash component of the separation/redundancy package, which consisted of two-months pay per year of service, paid to them.

Labor Arbiter Waldo Emerson Gan, by Decision^[8] of December 16, 2002, found MPI and its officers liable to respondents for the payment of "retirement pay service benefits" under Sec. III-B of the Retirement Plan, as well as for interest thereon at 15% per annum, moral and exemplary damages equivalent to 25% of the total monetary award in each case, and attorney's fees equivalent to 15% of the total monetary award in each case.

In arriving at the decision, the Arbiter noted that retirement pay is separate and distinct from *separation* pay, hence, respondents were entitled to their claim of another separate one-month pay per year of service; that Policy 1215 was unfair; and that the quitclaims and waivers signed by respondents were void for they were forced and defrauded into signing them.

MPI appealed to the NLRC, which move was opposed by respondents, they alleging that the appeal was not perfected since the surety bond was filed not by MPI but by Motorola Communications Philippines, Inc. (MCPI) "for and in behalf of Motorola Philippines, Inc. and/or SCG Corporation," and that the initial amount of the bond

posted was insufficient, being way below the amount of the total monetary award.

Respondents' opposition notwithstanding, the NLRC gave due course to MPI's appeal by Resolution of December 13, 2004, it holding that there is nothing in the law which requires that only the employer can post the appeal bond in order to perfect it, hence, MCPI was not precluded from filing the same on behalf of MPI and/or SCG Corporation.

The NLRC further held that the "rationale behind the requirement for the posting of an appeal bond to perfect an appeal is to guarantee the payment of the employee's valid and legal claims against any occurrence, during the pendency of the appeal, that would defeat or diminish recovery under the appealed judgment if it is subsequently affirmed," and this was complied with by MCPI's filing of the appeal bond in favor of MPI.

Moreover, the NLRC gave credence to MPI's explanation that prior to MPI's transfer of ownership to SCG Corporation, it was a sister company of MCPI, and the posting of the appeal bond by MCPI in favor of MPI/SCG Corporation was in fact in compliance with the indemnity agreement Motorola, Inc., MCPI's parent company, entered into with SCG - that SCG would be free from any and all liability arising from or related to the claims of MPI's former employees who were separated when SCG acquired its business.

Respecting the merits of the appeal, the NLRC held that MPI was not liable for payment of the so-called "retirement service benefits" under Sec. III-B of the Retirement Plan, consistent with its earlier findings in *"Fe de Vera, et al. v. Motorola Philippines, Inc., et al., and Yolanda Rombaon, et al. v. Motorola Philippines, Inc."* - cases filed by former employees of MPI which it decided on appeal.

In granting MPI's appeal and dismissing the complaint of respondents, the NLRC held that the benefits received by respondents for involuntary separation under MPI's retirement plan included the service pay benefits under either Sec. III-B of the Retirement Plan or Policy 1215 which both grant exactly the same benefit in case of involuntary separation - one month's pay for every year of service.

The NLRC added that retirement pay is due only if an employee retires, and since none of respondents retired but were actually involuntarily separated due to redundancy, then they cannot avail of such pay.

The NLRC thus concluded that since respondents availed of the separation package consisting of two months pay for every year of service (as well as other emoluments) under MPI's retirement plan and Article 283 of the Labor Code, as amended, they no longer have any cause of action.

Contrary to the arbiter's observation, the NLRC held that Policy 1215 was fair, for it did not revoke nor reduce any of the benefits granted under Sec. III-B of the Retirement Plan.

On the quitclaims and waivers executed by respondents, the NLRC found the same to be valid, it noting that respondents were given every opportunity to ask questions and review them in connection with the redundancy program through the meetings and seminars held, and pamphlets and other materials were in fact distributed and