

THIRD DIVISION

[G.R. No. 155309, November 15, 2005]

JOSEPHINE M. SANCHEZ, PETITIONER, VS. FAR EAST BANK AND TRUST COMPANY,^[1] RESPONDENT.

D E C I S I O N

PANGANIBAN, J.:

At bottom, the resolution of this case hinges on the credibility of the witnesses and their testimonies. Since the factual findings of the lower courts are disparate, this Court painstakingly reviewed the records. It found no sufficient reason to disbelieve the well-explained findings and equally logical conclusions of the trial court. The evidence proffered by respondent even corroborated relevant portions of those of petitioner. Thus, the evidence supported the ruling of the trial court that the acquittal of petitioner was based on its reasonable finding that she had not committed the crime imputed to her. Consequently, she incurred no civil liability for the alleged offense.

The Case

Before us is a Petition for Review^[2] under Rule 45 of the Rules of Court, seeking to reverse the July 31, 2001 Decision^[3] and the August 30, 2002 Resolution^[4] of the Court of Appeals (CA) in CA-GR CV No. 53715. The challenged Decision disposed as follows:

"WHEREFORE, the assailed order is **REVERSED** and **SET ASIDE**. [Petitioner] JOSEPHINE SANCHEZ is hereby ordered to pay [Respondent] Far East Bank and Trust Company, the amount of One Million One Hundred Eighty Seven Thousand Five Hundred Thirty Pesos and Eighty Six Centavos (P1,187,530.86) as actual damages. This is without prejudice to [petitioner]'s recourse of reimbursement from the other persons who participated in the transactions."^[5]

The assailed Resolution denied reconsideration.

The Facts

The antecedents of the case are related by the CA as follows:

"It is undisputed that Kai J. Chin was the director and representative of Chemical Bank. Its subsidiary, the Chemical International Finance Limited (CIFL), was an investor in [Respondent] Far East Bank and Trust [C]ompany (FEBTC), x x x. In representing the interest of CIFL in FEBTC, Chin was made a director and sr. vice president of FEBTC. [Petitioner] Josephine Sanchez was, in turn, assigned as secretary of

Chin. CIFL also maintained a checking account (CA# 0009-04212-1) in FEBTC's investment arm, the Far East Bank Investment, Inc. (FEBII). Chin was one of the authorized signatories in the said current and money market accounts.

"According to [respondent], [petitioner] made unauthorized withdrawals from the account of CIFL in FEBTC through the use of forged or falsified applications for cashier's checks which were deposited to her personal accounts. Once credited to her account, she withdrew the amounts and misappropriated, misapplied and converted them to her personal benefit and advantage, to the damage of FEBTC.

"[Petitioner supposedly] employed three modes in the said fraudulent transactions, namely:

"In the **First Mode**, [petitioner] caused the issuance of a cashier's check payable to 'bearer' with number 461390, dated September 29, 1992, in the sum of P250,040.86. This is the subject of Crim. Case No. 93-126175. She presented a forged letter of confirmation bearing the forged signature of Chin addressed to Beatriz Bagsit, Cash Department Head of FEBTC. This check was paid pursuant to the said confirmation. [Petitioner] immediately deposited this check to her FEBTC Savings Account No. 0101-39109-9 and on September 30, 1992, she withdrew P200,040.86.

"Under the **Second Mode**, [petitioner] filed applications forms to purchase cashier's checks payable to her, [with] Chin as the supposed purchaser. Said applications were accompanied by a forged memorandum of Chin confirming [petitioner] as the payee-beneficiary. After the approval by Bagsit of the applications and memoranda, checks were issued, as follows:

Check No.	Date	Amount	Exhibit
461739	10/22/92	P489,450.00	'F'
461963	04/11/92	160,550.00	'G'
464801	05/24/93	180,090.00	'H'
465405	06/30/93	107,400.00	'I'

"In compliance with bank procedures [petitioner] signs the checks twice, one as an endorsement and two as proof of receipt of the proceeds which she then deposited to her FEBTC account.

"The **Third Mode**, was frequently used which involved checks payable to Chin.

"[Petitioner] was designated as Chin's representative to purchase cashier's checks using applications which bore forged signatures of Chin as a purchaser and the payee.

"After Bagsit has approved the application and has checked the authenticity of Chin's signatures, a cashier's check is issued. Then

[petitioner] claimed the check, left then came back soon to encash it. The check when presented for encashment already had two signatures of Chin on its dorsal side, both signatures being forged. The first forged signature represents Chin's endorsement of the check as payee and the second, Chin's purported receipt of the check's proceeds. The teller pays the value of the check only if initialed by Bagsit.

"In this mode, 16 checks were issued, to wit:

Check No.	Date	Amount	Exhibit
461417	10/13/93	P100,000.00	'K'
461488	10/20/92	150,000.00	'L'
462197	11/17/92	50,000.00	'M'
461318	11/26/92	190,000.00	'N'
462420	12/09/92	200,400.00	'O'
462482	12/12/92	220,000.00	'P'
462717	01/04/93	210,000.00	'Q'
462946	01/18/93	200,000.00	'R'
463241	02/01/93	180,000.00	'S'
463606	02/26/93	180,000.00	'T'
463776	03/08/93	200,000.00	'U'
463850	03/19/93	200,000.00	'V'
464108	04/01/93	150,000.00	'W'
464329	04/20/93	100,000.00	'X'
464432	04/27/93	150,000.00	'Y'
464620	05/13/93	150,000.00	'Z'

"[Petitioner allegedly] confessed to Chin that she tampered with the CIFL account. Chin referred the matter to the FEBTC's audit division for further investigation. All the cashier's checks, funded by an unauthorized debit against the CIFL account, as well as the corresponding applications for their issuance were examined at the Philippine National Police Crime Laboratory. All of Chin's signatures borne on all the checks and applications were found to have been good forgeries. With the damage done, FEBTC had to reimburse the CIFL account and ultimately suffered the total misappropriated amount of P3,787,530.86."^[6]

The main defense of petitioner consisted of a denial of the forgeries. She asserted that she had deposited the checks to her account, under the authority and instructions of Kai Chin. Afterwards, petitioner withdrew the amounts and gave them to him.^[7]

Kai Chin denied that he had given that authority to her, and insisted that she had signed the subject documents. However, he did not rebut her testimony that she had turned over the proceeds of the checks to him.

Ruling of the Trial Court

The Regional Trial Court (RTC) did not find Kai Chin to be a credible witness. According to the RTC, FEBTC's records showed that, contrary to his testimony, he had expressly authorized petitioner to transact matters concerning Chemical Bank's

account.[8]

The trial judge doubted the integrity of the findings and the report of the PNP handwriting expert. He noted the nonuse during the handwriting analysis of Kai Chin's contemporaneous signatures. Besides, the examination was initiated unilaterally by FEBTC officials, who had submitted sample signatures of their own choice.[9]

The RTC added that the allegedly fraudulent transactions had occurred from September 1992 to June 1993, with the use of documents bearing the signatures of other officials and employees of respondent. In other words, all the questioned transactions had been approved and allowed by the bank officials concerned, despite apparent procedural infirmities.[10] Yet, only petitioner was indicted.

Thus, the RTC disposed as follows:

"FOR ALL THE FOREGOING CONSIDERATIONS, the Court finds and so holds that the prosecution failed to prove the culpability of the accused in any of these cases with moral certainty, and consequently acquits her from all the charges, with costs de officio. Her bail bonds are released and the hold departure order as well as the order of attachment are lifted." [11]

Subsequently, respondent filed a Motion for Reconsideration of the civil aspect of the RTC Decision. In an Order [12] dated March 20, 1996, the trial court denied reconsideration. Quoting portions of its Decision, the RTC said in its Order that the acquittal of the accused "was not exactly on the ground of 'reasonable doubt,' but that she was not the author of the frauds allegedly perpetrated (sic)." Thus, it held that "no civil liability against her may properly be made."

Ruling of the Court of Appeals

Granting respondent's appeal, the appellate court ruled that the trial court's judgment of acquittal did not preclude recovery of civil indemnity based on a quasi delict. [13] The CA held that the outcome of the criminal case, whether conviction or acquittal, was inconsequential in adjudging civil liability arising from the same act that could also be considered a quasi delict. Moreover, FEBTC did not have to reserve its right to file a separate civil action for damages, because the law had already made that reservation on respondent's behalf. [14]

The CA further held that, contrary to the trial court's clarifications in its March 20, 1996 Order, petitioner had been acquitted merely on reasonable doubt arising from insufficiency of evidence to establish her identity as perpetrator of the crime. Her acquittal was not due to the nonexistence of the crime for which civil liability could arise. [15] Although it agreed with the RTC that forgery had not been satisfactorily proven by FEBTC, the CA nonetheless found petitioner liable for her failure to turn over to respondent the proceeds of the checks. The failure supposedly constituted an actionable fraud. [16]

Thus, the appellate court ordered petitioner to pay respondent P1,187,530.86 as actual damages, representing the value of the checks that had been paid in her

name and to her account.^[17]

Hence, this Petition.^[18]

The Issues

Petitioner raises the following issues for this Court's consideration:

"(1) Whether the judgment of conviction had already become final at the time the motion for reconsideration of the civil aspect was filed by the complainant-appellant?

"(2) Whether an appeal on the civil aspect may be made from a decision in a criminal case acquitting the accused for being not the author of the crime?

"(3) Whether a separate civil action is necessary to be instituted after the accused is acquitted in a criminal case based on reasonable doubt?

"(4) Whether the civil aspect of the criminal offenses where the accused was acquitted may be pursued by a party other than the offended parties? Otherwise stated, whether the civil liability may be pursued by a party which is not a real party in interest after the acquittal of the accused of the offenses charged?"^[19]

The Court's Ruling

The Petition is meritorious.

First Issue: **Timeliness of the** **Motion for Reconsideration**

Because the RTC Decision had been promulgated on December 15, 1995, and respondent's Motion for Reconsideration was filed two months after, on February 14, 1996, petitioner instantly concludes that the Motion was filed out of time.

Respondent, however, contends that the time for filing the Motion should be counted from February 1, 1996 -- when it received the trial court's Decision -- not from the date of notice to the public prosecutor.^[20] To determine the period for filing from the latter date would undermine the dual aspects of a criminal litigation, in which the right of the offended party to appeal the civil aspect is independent of the decision of the accused on whether or not to appeal the case.^[21]

We uphold respondent on this issue. Section 6 of Rule 122 of the Rules of Court states as follows:

"SEC. 6. *When appeal to be taken.* – An appeal must be taken within fifteen (15) days from promulgation of the judgment or from notice of the final order appealed from. This period for perfecting an appeal shall be suspended from the time a motion for new trial or reconsideration is filed until notice of the order overruling the motion has been served upon