

SECOND DIVISION

[G.R. No. 140931, November 26, 2004]

**RAMON BALITE, JOSE C. LEABRES AND FREDERICK M. DE BORJA,
PETITIONERS, VS. HON. COURT OF APPEALS (FORMER SPECIAL
FOURTH DIVISION), FELICIDAD SANDOVAL VDA. DE CARLOS
AND TEOFILO CARLOS II, RESPONDENTS.**

DECISION

CALLEJO, SR., J.:

Before us is a petition for review on certiorari of the November 4, 1999 Resolution of the Court of Appeals (CA) in CA-G.R. CV No. 53229, citing petitioner Ramon Balite, the president of the then SIDDCOR Insurance Corporation (SIDDCOR), now the Mega Pacific Insurance Corporation, and its counsel, petitioners Frederick M. de Borja and Jose C. Leabres, in contempt of court for forum shopping and ordering each of them to pay a fine of P1,000.

The Antecedents

On September 1, 1995, Juan De Dios Carlos filed a Complaint in the Regional Trial Court (RTC) of Muntinlupa, Branch 256, against respondent Felicidad Sandoval and her son, respondent Teofilo Carlos II, for declaration of nullity of marriage, status of child, recovery of property, reconveyance, sum of money, and damages, with prayer for the issuance of a writ of preliminary attachment. The case was docketed as Civil Case No. 95-135. On September 7, 1995, the trial court issued an Order granting Carlos's plea for a writ of preliminary attachment upon the posting of a bond in the amount of P20,000,000.^[1] The latter filed with the trial court a bond issued by the SIDDCOR, in the amount of P20,000,000 which was approved by the trial court. A writ of preliminary attachment was, thereafter, issued by the trial court on September 15, 1995. Sheriff Antonio D. Blancaflor served a copy of the notice of garnishment to the Philippine National Bank (PNB) covering the deposits of the respondents. The latter filed a motion to discharge the writ of preliminary attachment issued by the court, which motion was denied by the trial court per its Order dated December 4, 1995. By then, the respondents had filed their answer with compulsory counterclaim.

On December 6, 1995, the respondents filed a petition for certiorari with the CA for the nullification of the September 7, 1995 Order and writ of preliminary attachment issued by the court, and the notice of garnishment issued by the sheriff. The case was docketed as CA-G.R. SP No. 39267.

While the petition was pending, the respondents filed a motion for summary judgment. Carlos filed a counter-motion for summary judgment in his favor.

On February 27, 1996, the CA rendered judgment in CA-G.R. SP No. 39267 in favor

of the respondents granting their petition and nullifying the assailed order and writ of preliminary attachment issued by the trial court. The appellate court ruled that there was no factual and legal bases for the issuance of the assailed order and writ.

Carlos filed a petition for review on certiorari of the appellate court's decision before the Supreme Court. The case was docketed as G.R. No. 125717.

On April 8, 1996, the trial court rendered a summary judgment in favor of Carlos and against the respondents. The *fallo* of the decision reads:

WHEREFORE, premises considered, defendants' Motion for Summary Judgment is hereby denied. Plaintiff's Counter-Motion for Summary Judgment is hereby granted and summary judgment is hereby rendered in favor of plaintiff as follows:

1. Declaring the marriage between defendant Felicidad Sandoval and Teofilo Carlos solemnized at Silang, Cavite, on May 14, 1962, evidenced by the Marriage Contract submitted in this case, null and void *ab initio* for lack of the requisite marriage license;
2. Declaring that the defendant minor, Teofilo S. Carlos II, is not the natural, illegitimate (*sic*), or legally adopted child of the late Teofilo E. Carlos;
3. Ordering defendant Sandoval to pay and retribute to plaintiff the sum of P18,924,800.00, together with interest thereon at the legal rate from the date of filing of the instant complaint until fully paid;
4. Declaring plaintiff as the sole and exclusive owner of the parcel of land, less the portion adjudicated to the plaintiffs in Civil Case No. 11975, covered by TCT No. 139061 of the Register of Deeds of Makati City, and ordering said Register of Deeds to cancel said title and to issue another title in the sole name of plaintiff herein;
5. Declaring the Contract, Annex K of the Complaint, between plaintiff and defendant Sandoval null and void, and ordering the Register of Deeds of Makati City to cancel TCT No. 139058 in the name of Teofilo Carlos, and to issue another title in the sole name of the plaintiff herein;
6. Declaring the Contract, Annex M of the Complaint, between plaintiff and defendant Sandoval null and void;
7. Ordering the cancellation of TCT No. 210877 in the names of defendant Sandoval and defendant minor Teofilo S. Carlos II and ordering the Register of Deeds of Manila to issue another title in the exclusive name of

plaintiff herein;

8. Ordering the cancellation of TCT No. 210878 in the names of defendant Sandoval and defendant minor Teofilo S. Carlos II and ordering the Register of Deeds of Manila to issue another title in the sole name of plaintiff herein.

Let this case be set for hearing for the reception of plaintiff's evidence on his claims for moral damages, exemplary damages, attorney's fees, appearance fees and litigation expenses on June 7, 1996 at 1:30 o'clock (*sic*) in the afternoon.

SO ORDERED.^[2]

Carlos filed a motion to waive presentation of evidence to prove damages and attorney's fees referred to by the trial court in its summary judgment. On April 26, 1996, the trial court granted the motion. The respondents received on April 19, 1996 a copy of the decision and filed a motion for the reconsideration of the summary judgment on May 23, 1996.

On April 29, 1996, Carlos filed a Motion for Execution pending appeal. On May 21, 1996, the trial court issued an Order granting the motion and ordered the issuance of a writ of execution pending appeal upon the posting of a bond in the amount of P20,000,000.

On June 4, 1996, the respondents filed their Notice of Appeal.

Carlos posted the requisite bond issued by the SIDDCOR in the amount of P20,000,000, which was duly approved by the trial court. The court issued a writ of execution on May 27, 1996. Sheriff Blancaflor served a notice of delivery/payment to the bank managers of the PNB in Muntinlupa City and Malolos, Bulacan.

On June 5, 1996, the PNB filed a Manifestation and Motion to admit its petition for intervention in interpleader with prayer for consignment. The court issued an Order^[3] denying the motion on June 5, 1996. The dispositive portion of the order reads:

WHEREFORE, the instant PNB's Manifestation and Motion are hereby denied and, unless a Temporary Restraining Order or a Writ of Injunction has been issued by the appellate courts, PNB is hereby directed to comply with the Notice of Delivery/Payment dated May 27, 1996 issued by Sheriff Luis Bucayon II pursuant to the Order dated May 21, 1996 and Writ of Execution dated May 27, 1996 issued by this Court, by delivering the garnished amount to him upon receipt of this Order. Let a copy of this Order be served personally upon PNB by Sheriff Bucayon II. Furnish copy also of this Order upon all parties concerned.

SO ORDERED.^[4]

The respondents filed a petition for certiorari with the CA for the nullification of the trial court's May 21, 1996 Order. The case was docketed as CA-G.R. SP No. 40819.

On June 6, 1996, the CA issued a Resolution directing the issuance of a *status quo* order and required Carlos to file his comment on the petition.

On June 13, 1996, Carlos filed a Motion to Dismiss Appeal.^[5] On June 19, 1996, the trial court issued an Order in Civil Case No. 95-135 giving due course to the appeal of the respondents. The appeal was docketed as CA-G.R. SP No. 53229.

On October 21, 1996, this Court dismissed the petition in G.R. No. 125717 and affirmed the assailed decision of the CA in CA-G.R. SP No. 39267. Carlos filed a motion for the reconsideration of the decision, but the Court denied the said motion.

On December 10, 1996, the respondents filed a Motion in CA-G.R. CV No. 53229 for judgment on the attachment bond posted by Carlos. The latter and the SIDDCOR opposed the motion. The CA issued a Resolution dated June 26, 1998 rendering judgment on the attachment bond as prayed for by the respondents. The *fallo* reads:

WHEREFORE, premises considered, judgment is hereby rendered against the attachment bond, ordering SIDDCOR INSURANCE CORPORATION and plaintiff-appellee to pay defendants-appellants, jointly and severally, the sum of P15,384,509.98, and 12% interest per annum from June 27, 1996 when the unlawful garnishment was effected until fully paid and P1,000,000.00 as attorney's fees with 6% interest thereon from the trial court's decision on April 8, 1996 until fully paid.^[6]

On July 27, 1998, SIDDCOR filed a Motion for Reconsideration of the June 26, 1998 Resolution of the CA. On August 7, 1998, the respondents filed in CA-G.R. CV No. 53229 a motion for immediate execution of the June 26, 1998 Resolution, which the appellate court granted over the opposition of Carlos and SIDDCOR per its Resolution dated October 16, 1998. The CA denied the motion for reconsideration of the SIDDCOR and held that its resolution in CA-G.R. SP No. 39267 had already become final and executory. The SIDDCOR, now the Mega Pacific Insurance Corporation (MPIC), filed a motion for reconsideration of its October 16, 1998 Resolution which the appellate court denied on December 22, 1998.

On March 8, 1999, SIDDCOR filed a petition for certiorari with this Court for the nullification of the October 16, 1998 and December 22, 1998 Resolutions of the CA. The case was docketed as G.R. No. 136035. SIDDCOR prayed therein that:

- 1) The instant Petition for Review be given due course;
- 2) After due consideration, that the instant Petition for Review be granted, reversing and setting aside the Resolutions of the Honorable Court of Appeals promulgated by the Former Special Fourth Division of the Honorable Court of Appeals dated June 26 and October 16, 1998 in CA-G.R. CV No. 53229 entitled Juan de Dios Carlos vs. Felicidad Sandoval Vda. De Carlos, *et al.* insofar as it renders judgment against the attachment bond issued by herein Petitioner SIDDCOR (now MEGA PACIFIC) INSURANCE CORPORATION and ordering it to pay the amount of P15,384,509.98, and 12% interest per annum from June 27, 1996 when the alleged unlawful garnishment was effected until fully paid and P1,000,000.00 as attorney's fees with 6% interest thereon from the trial

court's decision on April 8, 1986 until fully paid.

3) Other reliefs just and equitable under the premises are similarly prayed for.^[7]

For their part, the respondents filed a motion, on March 17, 1999, in CA-G.R. CV No. 53229 for the implementation of the appellate court's June 26, 1998 Resolution on the attachment bond. The respondents' motion contained the following prayer:

WHEREFORE, it is most respectfully prayed that the motion for contempt dated October 30, 1998 be considered withdrawn, that the resolution dated October 16, 1998 ordering the lower court to issue the writ of execution be set aside, and directing the Clerk of this Division to issue a writ of execution of the June 26, 1998 resolution above quoted.^[8]

On May 5, 1999, the CA issued a Resolution granting the motion of the respondents, thus:

PREMISES CONSIDERED, the motion to implement the June 26, 1998 resolution is hereby GRANTED. The motion for contempt dated October 30, 1998 is considered withdrawn, the resolution dated October 16, 1998 as far as ordering the lower court to issue a writ of execution is set aside, and let a writ of execution be issued on the June 26, 1998 resolution, whose decretal portion reads:

"**WHEREFORE**, premises considered, judgment is hereby rendered against the attachment bond, ordering **SIDDCOR INSURANCE CORPORATION** and plaintiff-appellee to pay defendants-appellants, jointly and severally, the sum of P15,384,509.98 and 12% interest per annum from June 27, 1996 when the unlawful garnishment was effected until fully paid and P1,000,000.00 as attorney's fees with 6% interest thereon from the trial court's decision on April 8, 1986 until fully paid."

SO ORDERED.^[9]

The CA also resolved to designate Ramon Abalos as Special Sheriff. On May 24, 1999, the respondents filed a motion for the appointment of the City Sheriff of Manila or his deputy to enforce the judgment of the appellate court on the attachment bond. The appellate court granted the motion and issued, on May 26, 1999, an amended writ of execution.

Meantime, on June 9, 1999, the Court issued a Resolution in G.R. No. 136035 granting the plea of the SIDDCOR for the issuance of a temporary restraining order enjoining the CA and the City Sheriff of Manila from enforcing its judgment on the attachment bond; and to comment on the petition. On the same day, the Court issued a temporary restraining order as prayed for by the SIDDCOR.

Nevertheless, on June 11, 1999, the SIDDCOR filed in CA-G.R. CV No. 53229 a motion for reconsideration of the appellate court's Resolution dated May 26, 1999 and the writ of execution and the amended writ of execution issued by it on May 26, 1999. On June 15, 1999, the SIDDCOR also filed a Motion to Recall or Set Aside the