

## FIRST DIVISION

[ G.R. No. 139849, December 05, 2001 ]

### JOHN MANGIO, PETITIONER, VS. COURT OF APPEALS AND THE PEOPLE OF THE PHILIPPINES, RESPONDENTS.

#### DECISION

##### PUNO, J.:

Not only did petitioner John Mangio breach the law when he committed estafa in the case at bar, he also breached the trust reposed upon him by his former business partners, private complainant spouses Reynaldo and Aurea Dillena. Indeed, he should be taught a lesson and penalized, for dishonesty and unfaithfulness not only disrupt peace and order, but also deeply undermine good human relations.

Petitioner Mangio filed this petition for review on *certiorari* to reverse the respondent court's Decision dated March 31, 1999 and Resolution dated August 25, 1999 affirming the trial court's decision convicting him of estafa.

An information for estafa under Article 315, par. 1(b) of the Revised Penal Code was filed against petitioner Mangio on January 4, 1994, viz:

"The undersigned Asst. Provincial Prosecutor accuses John Mangio of the crime of estafa, penalized under the provisions of Art. 315, par. 1(b) of the Revised Penal Code, committed as follows:

That in or about the month of January, 1991, in the municipality of Hagonoy, province of Bulacan, Philippines, and within the jurisdiction of this Honorable Court, the above-named accused, received in trust from the complaining witness (sic) Reynaldo and Aurea Dillena an owner-type jeep bearing Plate No. CCS-121 with a total value of P40,000.00 with the express obligation to deliver the said jeep to Agnes Salvador as payment for an obligation, but the said accused once in possession of the said jeep and far from complying with his aforesaid obligation and in spite of repeated demands for such compliance, did then and there wilfully, unlawfully and feloniously with unfaithfulness, abuse of confidence and intent to gain, misapply, misappropriate and convert the said jeep to third person, to the damage and prejudice of the said Reynaldo and Aurea Dillena in the said amount of P40,000.00.

Contrary to law."<sup>[1]</sup>

The following facts spurred the present controversy:

Petitioner Mangio and private complainant Aurea Dillena used to be business partners. In October 1990, Aurea and her husband, Reynaldo Dillena, approached the petitioner as they badly needed money because of the losses they suffered in

their fishpond business. The petitioner informed them that they could ask help from his friend, Agnes Salvador, and accompanied the couple to the latter so they could borrow money from her with the petitioner as guarantor. As Salvador did not have money at that time, the Dillena couple went back to her on some other day and obtained a P50,000.00 loan. Salvador asked the Dillenas to issue a check for P50,000.00 as evidence of the loan. The Dillenas obliged, but told Salvador that their checking account was already closed. When the loan fell due, Salvador asked the couple to make good their check. The couple failed to do so, and instead asked Mangio to bring P10,500.00 to Salvador. The payment was evidenced by a receipt.

[2] Aurea, however, also testified that Mangio subsequently came to the Dillenas' house and told her and Reynaldo that Salvador refused to accept the P10,500.00 and demanded payment of the entire P50,000.00. The couple told Mangio that they would give Salvador whatever she needed other than cash. Mangio came back to their house after some time and told them that their loan had increased to P64,000.00, and that Salvador instructed him to get the couple's Toyota jeep as payment for the loan. Mangio showed them a type-written agreement, the "Dapat Malaman ng Lahat" dated January 19, 1991, viz:

#### "DAPAT MALAMAN NG LAHAT

#### KASULATAN NG KASUNDUAN

Na, ako si Reynaldo Boy Dillena, kasal kay Aurea Dillena, sapat na gulang, at kasalukuyang naninirahan sa Sto. Niño, Hagonoy, Bulacan ay may nakuhang pera kay Gng. Agnes M. Salvador kasal kay Rodolfo Salvador na taga Sta. Ana, Bulacan, Bulacan ng halagang ANIMNAPO AT APAT NA LIBONG PISO (P64,000.00) Perang Pilipino at ito ay aking babayaran sa ika-28 ng Pebrero 1991. At kung sakali at hindi ko maibalik o mabayaran ay aking ipananagot ang aking sasakyan na may mapagkakakilanlan ay ang sumusunod:

Make or Type ----- TOYOTA JEEP  
Motor No. ----- -2R- 1486112  
Chassis or Serial No. --76-04206-C  
Plate No. -----CCS-121

Na, ang nasabing sasakyan ay nasa pag-iingat ni Gng. Agnes Salvador. At ibibigay ko sa kanya ang lahat ng aking karapatan bilang may-ari ng nasabing sasakyan.

At bilang patotoo ako ay lumalagda sa ibaba ng kasulatang ito ngayong ika-19 ng Enero, 1991.

(signed)  
REYNALDO DILLENA  
(May-ari ng Sasakyan)

Saksi:  
(signed)  
John Mangio"

In his own handwriting, Reynaldo added at the bottom of the document that he signed it with the understanding that Salvador would give back to him and his wife

the P50,000.00 check they issued as evidence of their loan. His note read:

"1/22/91

Katunayan lamang ito na ako ay lumagda sa ibaba ayon sa kasunduan na ibabalik ang aking tseke na may halagang P50,000.

(signed)

Boy Dillena"<sup>[3]</sup>

Mr. Dillena signed the agreement. Mangio signed it as a witness and also to attest to his receipt of the jeep. Reynaldo then surrendered the jeep to Mangio, and the latter took it.

Sometime thereafter, Aurea was surprised to learn that Salvador sued her for violation of B. P. Blg. 22 because their check for P50,000.00 was dishonored. When she asked Salvador about the payment and the jeep, the latter told her that she did not receive anything. Based on the affidavit executed by petitioner Mangio<sup>[4]</sup> in November 1991 in connection with that B.P. Blg. 22 case, it turned out that Mangio sold the jeep for P20,000.00 and allegedly used the money to pay the interest of the Dillenas' loan to Salvador and other expenses. Counsel for the petitioner admits Mangio executed said affidavit. The Dillena spouses did not give authority to Mangio to sell the jeep. From the court hearings in the B.P. Blg. 22 case filed by Salvador against Aurea, as shown by the transcript of stenographic notes therein, Aurea learned that Salvador did not receive the P20,000.00 sale proceeds.<sup>[5]</sup> Aurea was convicted for violation of B.P. Blg. 22.<sup>[6]</sup> The Dillenas demanded that the petitioner return the jeep or the purchase price therefor, but the petitioner did not do so.<sup>[7]</sup> When the Dillenas looked for the jeep, they learned that Marcelino Rodriguez had bought it.<sup>[8]</sup> The latter attested in his "Sinumpaang Salaysay" that he bought the Dillenas' jeep from Salvador through the petitioner Mangio who was his "amain" and that the jeep was transferred to Salvador in payment of a debt owed by the Dillenas to her.<sup>[9]</sup>

Aurea and her husband were embarrassed by the B.P. Blg. 22 case as it was the first time she was sued. They spent P15,000.00 for the services of their lawyer and P700.00 appearance fee per hearing in the instant case.

Reynaldo Dillena also took the witness stand. He knows the petitioner Mangio as he and his wife, Aurea Dillena, used to buy fingerlings from him for their fishpond business. Sometime in January 1991, petitioner Mangio brought a document entitled "Dapat Malaman ng Lahat," regarding the petitioner's taking of his Toyota jeep from the Dillena residence for delivery to Agnes Salvador as payment for Aurea's debt to the latter. The document stipulated, "Na, ang nasabing sasakyan ay nasa pag-iingat ni Gng. Agnes M. Salvador at ibibigay ko sa kanya ang lahat ng aking karapatan bilang may-ari ng nasabing sasakyan." Reynaldo signed the document because he trusted that Mangio would deliver the jeep to Salvador. The petitioner Mangio also signed the document as witness. Reynaldo did not, however, sign a Deed of Sale covering the sale of the jeep to Salvador as he agreed to do so only upon Mangio's return of the check his wife issued to Salvador. The Dillenas did not give authority to sell the jeep to any person other than Salvador. After Mangio took the jeep, Salvador got mad at Aurea and sued her for violation of B.P. Blg. 22.

In the proceedings for said case, Reynaldo learned from Salvador that Mangio sold the jeep to another person and spent the proceeds of the sale. Aurea was convicted for violation of B.P. Blg. 22.<sup>[10]</sup>

Marcelino Rodriguez took the witness stand for the petitioner. He knows the petitioner as they live in the same place in Bulacan and he (petitioner) is the uncle of his wife. Rodriguez had also known Agnes Salvador for ten years as they previously had a money lending transaction. In the latter part of 1992, Rodriguez purchased a Toyota jeep from Salvador for P30,000.00. He paid her an initial amount of P20,000.00 with the remaining balance of P10,000.00 to be paid upon delivery of the Deed of Sale over the jeep. Rodriguez took the jeep after making the initial payment in Salvador's house in the presence of petitioner Mangio and his son Manny. He knew that Salvador was not the owner of the jeep as the jeep's certificate of ownership showed that Mr. Boy (Reynaldo) Dillena was its owner. Nonetheless, he no longer required Salvador to issue a receipt as he had only paid partially. Moreover, Salvador showed him a contract regarding the ownership of the jeep, entitled "Dapat Malaman ng Lahat", executed between Reynaldo Dillena and Salvador which stipulated that if by February 28, 1991, Reynaldo had not paid his debt to Salvador, the jeep would serve as payment for the loan. At the time of the jeep's sale to Rodriguez, it had been more than one year from February 28, 1991. He thus presumed that the jeep was already owned by Salvador. Rodriguez never paid the balance of P10,000.00 as Salvador failed to deliver to him the Deed of Sale because the "real owner did not sign the Deed of Sale." Rodriguez offered that he return the jeep and Salvador return the P20,000.00, but Salvador told him that she had already spent the money. Sometime thereafter, Reynaldo and his wife went to see Rodriguez asking him to testify that he purchased the jeep from Salvador in a case filed by the latter against Aurea. He did not have any document to prove that he purchased the jeep from Salvador or from the Dillenas.<sup>[11]</sup>

The petitioner took the witness stand. He knows Reynaldo Dillena as he transacted business with him. He also knows Agnes Salvador because he lived in her apartment sometime in October 1990 for five months. About that time, the Dillena spouses went to Mangio to buy fingerlings for P200,000.00. Having spent their money to buy another fishpond, the Dillenas were not able to pay petitioner Mangio. This enraged petitioner's son and the barangay captain of Bulacan, Bulacan. Reynaldo thus asked the petitioner to borrow money for him even at a 10% interest. The petitioner then introduced Reynaldo to Agnes Salvador for the latter to help the spouses financially. With the petitioner as "guarantor" of the loan, Salvador agreed to lend Reynaldo P150,000.00. Of this amount, Dillena paid P100,000.00 to the petitioner's son, Emmanuel Mangio, and P20,000.00 to the petitioner, and kept P30,000.00 for himself. Reynaldo was able to pay back Salvador P100,000.00 and for the remaining P50,000.00, he issued a check in her favor. The check bounced. The loan increased to P80,000.00 because of the interest, and Reynaldo was able to pay P10,000.00 for the interest. The petitioner told Salvador not to file a complaint against Reynaldo and that he would talk to him for the payment of the loan. In January 1991, the petitioner talked to Reynaldo and the latter told him that he would pay Salvador even if the loan increased to P100,000.00 and would give his owner-type jeep as collateral. Salvador prepared a document entitled "Dapat Malaman ng Lahat" dated January 19, 1991, regarding the payment arrangement. Reynaldo signed the document and the petitioner also signed as witness. The jeep was delivered to Salvador's house and was parked

there. Subsequently, Salvador asked Reynaldo to take back the jeep. Reynaldo then talked to the petitioner and told him that he (Reynaldo) would just sell the jeep and apply the proceeds thereof to the payment of his loan to Salvador. Upon learning this, Salvador asked the petitioner to get the jeep's certificate of registration from Reynaldo so she could sell the jeep. Salvador found a buyer, Marcelino Rodriguez, and agreed to sell it for P30,000.00, P20,000.00 to be paid initially and the remaining P10,000.00 to be paid upon transfer of registration to Rodriguez. Rodriguez paid P20,000.00 to Salvador in her house at Sta. Ana, Bulacan, Bulacan in the presence of the petitioner and his son, then took the jeep. The balance of P10,000.00 was never paid as the registration was not transferred to Rodriguez. Petitioner denied the Dillenas' allegation that he sold the jeep and received the proceeds of the sale. Salvador then filed a case for B.P. Blg. 22 against Reynaldo in relation to the loan, and the latter was convicted. He also filed a collection suit against the Dillenas for payment of *bangus* fry and fingerlings and the case was decided in his favor.<sup>[12]</sup>

Manuel Mangio, son of the petitioner, also testified. He knows the Dillena spouses because they had been buying fingerlings from him since 1989. In September 1990, they bought P100,000.00 worth of fingerlings from him. Their agreement was that payment would be made outright in cash, but the couple failed to pay right away, causing Manuel to get mad at them. It took more than one month for the couple to pay. Manuel also knows Agnes Salvador as she is his *kumadre*. In October 1991, he accompanied his *kumpadre*, Marcelino Rodriguez, to Salvador's house to look at Reynaldo Dillena's jeep which Salvador was selling. According to Salvador, the jeep was mortgaged to her. Rodriguez asked Manuel to check if the jeep was in good condition, and when told that it was, Rodriguez paid Salvador P20,000.00 in Salvador's residence. Rodriguez and Manuel then took the jeep. When Manuel was confronted with his father's affidavit stating that he (the petitioner) sold the jeep, Manuel testified that he was not aware of this.<sup>[13]</sup>

The trial court convicted the petitioner, *viz*:

"WHEREFORE, premises considered, the Court finds the accused JUANITO MANGIO,<sup>[14]</sup> GUILTY beyond reasonable doubt of the crime of estafa as defined and penalized under Art. 315, par. (b) of the Revised Penal Code and hereby sentences him to suffer the indeterminate penalty of 2 years 4 months and 1 day of prision correccional as minimum to 8 years of prision mayor as maximum and to pay the private complainant the sum of P40,000.00, the value of the goods misappropriated."<sup>[15]</sup>

He appealed to the Court of Appeals which affirmed the trial court's decision *in toto* on March 31, 1999. He filed a motion for reconsideration which was denied on August 29, 1999. Hence, this petition for review with the following assignment of errors:

"I.

THE HONORABLE COURT OF APPEALS ERRED IN APPLYING THE LAW WHEN IT TOOK INTO CONSIDERATION TESTIMONIES OF AGNES SALVADOR GIVEN IN ANOTHER CASE, WHERE PETITIONER WAS NOT AFFORDED THE CHANCE TO CROSS-EXAMINE HER.