

## THIRD DIVISION

**[ G.R. No. 197849, November 29, 2017 ]**

**RAFFY BRODETH AND ROLAN B. ONAL, PETITIONERS, VS.  
PEOPLE OF THE PHILIPPINES AND ABRAHAM G. VILLEGAS,  
RESPONDENTS.**

### DECISION

**MARTIRES, J.:**

We resolve the petition for review on certiorari<sup>[1]</sup> filed by petitioners Raffy Brodeth (*Brodeth*) and Rolan B. Onal (*Onal*) assailing the 17 May 2011 Decision<sup>[2]</sup> and the 20 July 2011 Resolution<sup>[3]</sup> of the Court of Appeals (CA) in CA-G.R. CR No. 33104. The CA affirmed petitioners' criminal liability for violating Batas Pambansa Blg. 22 (*B.P. Blg. 22*).

### THE FACTS

On 16 August 2001, petitioners were charged before the Metropolitan Trial Court, Branch 30 Manila (MeTC), with violation of B.P. Blg. 22. The informations read:

#### Criminal Case No. 371104-CR

That on or about September 5, 1999 in the City of Manila, Philippines, the said accused, did then and there willfully, unlawfully, and feloniously make or draw and issue to VILL INTEGRATED TRANSPORT CORP., rep. by ABRAHAM VILLEGAS to apply on account or for value METROBANK Check No. 2700111416 dated September 5, 1999 in the amount of P123,600.00 payable to Vill Integrated Transport Corporation said accused well knowing that at the time of issue he/she/they did not have sufficient funds or credit with the drawee bank for payment of such check in full upon presentment, which check when presented for payment within ninety (90) days from the date thereof was subsequently dishonored by the drawee bank for the reason "Drawn Against Insufficient Funds (DAIF)" and despite receipt of notice of such dishonor, said accused, failed to pay said VILL INTEGRATED TRANSPORT CORPORATION the amount of the check or make arrangement for full payment of the same within five (5) banking days after receiving said notice.<sup>[4]</sup>

#### Criminal Case No. 371105-CR

That on or about August 31, 1999 in the City of Manila, Philippines, the said accused, did then and there willfully, unlawfully, and feloniously make or draw and issue to VILL INTEGRATED TRANSPORT CORP., rep. by ABRAHAM VILLEGAS to apply on account or for value METROBANK Check No. 2700111415 dated August 31, 1999 in the amount of P140,000.00

payable to Vill Integrated Transport Corporation said accused well knowing that at the time of issue he/she/they did not have sufficient funds or credit with the drawee bank for payment of such check in full upon presentment, which check when presented for payment within ninety (90) days from the date thereof was subsequently dishonored by the drawee bank for the reason "Drawn Against Insufficient Funds (DAIF)" and despite receipt of notice of such dishonor, said accused, failed to pay said VILL INTEGRATED TRANSPORT CORPORATION the amount of the check to make arrangement for full payment of the same within five (5) banking days after receiving said notice.<sup>[5]</sup>

The charges against petitioners stemmed from an affidavit-complaint dated 23 November 2000 filed by Abraham G. Villegas (*Villegas*), the Operations Manager of Vill Integrated Transportation Corporation (*Vill Integrated*). He alleged that in the course of his company's operations, he transacted with Land & Sea Resources Phils. (*L&S Resources*), Inc. by providing the latter equipment and tugboats for its own operations. After the execution of the service contracts, L&S Resources started using the equipment and tugboats, and even made partial payments to Vill Integrated. However, L&S Resources had not fully paid all of Vill Integrated's billings and its officers only made promises to settle them but never did.<sup>[6]</sup>

According to Villegas, among the payments made by L&S Resources were three (3) checks drawn against Metropolitan Bank and Trust Company (*Metrobank*). Two (2) out of these three (3) checks, particularly: (a) Metrobank Check No. 2700111415 dated 31 August 1999, and (b) Metrobank Check No. 2700111416 dated 5 September 1999,<sup>[7]</sup> are the subject checks in the instant case. When the subject checks were deposited to Vill Integrated's account, they were dishonored as they were "Drawn Against Insufficient Funds (DAIF)."<sup>[8]</sup>

On 9 October 1999, and on 3 May 2000, due to L&S Resources' growing outstanding balance, its refusal to comply with continued demand for payment, and on account of its checks that bounced, Vill Integrated sent demand letters to settle the L&S Resources' account.<sup>[9]</sup>

Despite the demands, L&S Resources did not settle its account; hence, the filing of the criminal complaint against petitioners.

In his counter-affidavit executed on 8 May 2008, Brodeth alleged that L&S Resources' balance pertaining to the subject checks were settled in cash duly received by Vill Integrated's officer. But, only one (1) of the three (3) checks was returned. Upon inquiry, Brodeth was informed that the outstanding accounts were not the obligations of L&S Resources but of one Noli Dela Cerna.<sup>[10]</sup> These allegations were backed up by Onal's letter dated 10 November 1999, explaining that Vill Integrated should bill Noli dela Cerna instead.<sup>[11]</sup>

On 2 July 2008, the MeTC found petitioners guilty beyond reasonable doubt for the offense charged. The MeTC held that the dishonor of the subject checks was sufficiently shown by the letters "DAIF" written at the back of the checks, which is *prima facie* evidence that the drawee bank had dishonored the checks. Moreover, the MeTC ruled that petitioners had known the checks were dishonored because they

admitted they had the demand letters.<sup>[12]</sup>

### ***The MeTC Ruling***

With regard to their defense, the MeTC was not convinced that the two (2) dishonored checks were paid at all, to wit:

The defense contends that it was another officer of Land and Sea Resources by the name of Noli Dela Cerna who had a remaining obligation to Vill Integrated which was not allegedly the obligation of their company Land and Sea Resources but a personal obligation of Mr. Dela Cerna. The defense further argues that since Vill Integrated could no longer locate the whereabouts of Mr. Dela Cerna, Vill Integrated chose to pressure them into paying the obligation of the latter.

However, in the course of his testimony, Mr. Brodeth somehow made a three hundred sixty-degree turn on his first contention when he testified that these checks were already paid on staggered basis as well [as] an alleged arrangement with a certain Cristina Villegas that payment will be made in cash, fuel oil and food for the crew. However, as Mr. Brodeth himself admitted there were no receipts to prove such payments.

Be that as it may, the defense was not able to show any convincing proof to back up both contentions. In fact, their first contention that it was Mr. Dela Cerna who owes the complainant company was not even heavily relied upon by them.

The accused anchors his defense mainly on the fact that the subject checks were already paid and made good. Such being the case, the court deems it unnecessary to delve further on this line of argument and instead will discuss the merits of its main defense that the checks were already paid.

To the mind of the court, it is quite absurd to think that the company or for that matter both accused would just pay Vill Integrated without any proof to show that payments were indeed made. This attitude is not normal considering that both accused were engaged in business themselves. As such they were presumed to know the ordinary and routine duty that a receipt is necessary to evidence payment. In fact, it is not even a duty to ask for a receipt as proof of a purchase or for any payment made but it is a common practice and a correlative duty on both seller and buyer or creditor and debtor to issue one.

Furthermore, no person in his right mind would just part way[s] with his hard[-]earned money without any assurance that it will be received by its rightful possessor and in this case it was the company Vill Integrated.

Accused Brodeth contends that the company closed down sometime in 2000. This is the reason why he could no longer locate the receipts. To the mind of the court this is a flimsy excuse and could be a last[-]ditch effort to exonerate them from liability.

It is but natural to safely keep the said receipt[s] if indeed they exist. Sad to say, Land and Sea Resources, through both accused, were remiss of its simple duty and as such, they should suffer the consequences.

Moreover, if indeed payments were already made, Vill Integrated would not exert efforts to go through the painstaking rigors of court trial. Obviously, Vill Integrated was not paid because the subject checks given as payment were dishonored by the bank, hence, it was forced to file these present cases.

The defense also offers Exhibit "2" to prove that the amounts of the check were paid. The court cannot consider this evidence since what has been presented was a mere photocopy. The original document was never presented in court. In fact, defense counsel undertook to submit the original of the said document but up to this date the same was not presented in court.

Furthermore, Exhibit "2," which is purportedly a letter addressed to Vill Integrated regarding the obligations of Land and Sea, does not refer nor does it mention the checks subject of these cases.

To reiterate, the defense was not able to convince the court that the two (2) checks that were dishonored were paid at all. No documentary proof was shown that the checks were paid or made good after they were dishonored except the bare allegation of the defense that they were paid. Without such proof to support its allegation, the defense of payment must fail.

To make matters worse, accused Raffy Brodeth readily admitted in his cross[-]examination to have issued the two (2) checks and that despite claiming to have already paid it, he could not produce any receipt to prove his claim.<sup>[13]</sup>

Accordingly, the MeTC ordered petitioners to pay a fine of P200,000.00 for each check that was issued, totaling P400,000.00, with subsidiary imprisonment in case of insolvency. They were likewise ordered to pay Vill Integrated P283,600.00 as civil indemnity, and the costs of suit.<sup>[14]</sup>

On 29 July 2008, petitioners timely filed a notice of appeal, and the case was forwarded to the Regional Trial Court for further proceedings.<sup>[15]</sup>

### ***The RTC Ruling***

After the parties had submitted their respective memoranda, the Regional Trial Court, Branch 27 of Manila (RTC), in Criminal Case Nos. 08-264256-57, found no reversible error in the MeTC's decision and affirmed it *in toto*.<sup>[16]</sup> The RTC's disposition is as follows:

On the first issue, the [c]ourt finds that the lower court has jurisdiction over the cases. The Affidavit-Complaint of Abraham G. Villegas (Exh. "J"), Operations Manager of Vill Integrated states that the checks were issued

in Manila. Paragraph 9 of the said complaint affidavit, which was admitted as part of the testimony of Mr. Villegas states:

9. Despite the receipt of the said letters, the above-named principal officers, Rolan B. Onal, Noli de la Cerna and Raffy Brodeth ignored our letters in refusing to pay not only their account of P1,078,238.24 but also refused to redeem the two (2) checks dated August 31, 1999 and September 5, 1999, to our detriment and prejudice, which checks were issued on said dates in **Manila**, so we were forced to again refer the matter to our lawyer, Atty. Romualdo M. Jubay, who sent new demand letters to the said persons dated October 15, 2000 and October 27, 2000, xerox copies of which letters are hereto attached and marked as Annexes "P" and "Q." (emphasis in the original)

A case for violation of B.P. Blg. 22 can be filed either at the place where the check was issued or paid. In the instant case, as already stated, the checks were issued in Manila.

Anent the second issue, accused-appellants insisted that the fact that the prosecution did not present a bank personnel to attest to the fact of dishonor of the checks created doubt as to the authenticity and genuineness for the reason therefor, as stamped at the back of the checks. This is misplaced.

In order to hold [...] liable for violation of B.P. Blg. 22, aside from the fact of dishonor, it must also be established beyond reasonable doubt that he knew the fact and reason for the dishonor of the check. In the instant case, the original checks were presented in court. Accused were notified through a demand letter of the dishonor of the checks. The defense conceded receipt of the notice of dishonor. Accused-appellants redeemed one of the checks but failed to redeem the two other checks. This sufficed to make them fall within the ambit of the law.

On the third issue, accused-appellants posit that they cannot be held liable of the issuance of the subject checks because they issued them in good faith, and as requested by private complainant to ensure payment of the obligations of Land and Sea Resources. Accused-appellants were officers of the corporation. They were the ones who issued the checks in favor of Land and Sea Resources. As drawers of the subject checks on behalf of the corporation, they must be held criminally liable thereon. Besides, "Violation of Batas Pambansa Blg. 22 applies even in cases where dishonored checks are issued merely in the form of a deposit or a guarantee."<sup>[17]</sup> (citation omitted)

After the RTC denied their motion for reconsideration,<sup>[18]</sup> petitioners filed a petition for review before the CA.<sup>[19]</sup>

In the assailed decision, the CA denied petitioners' appeal. It emphasized that the gravamen of the offense charges is the issuance of a bouncing check regardless of the purpose why it was issued. The fact that the checks were drawn by a