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# THIRD DIVISION

# [ G.R. No. 175378, November 11, 2015 ]

## MULTI-INTERNATIONAL BUSINESS DATA SYSTEM, INC., PETITIONER, VS. RUEL MARTINEZ, RESPONDENT.

## D E C I S I O N

**JARDELEZA, J.:**

Before us is a petition for review on *certiorari*[1] (petition) under Rule 45 filed by Multi-International Business Data System, Inc. (petitioner) to annul and set aside the Decision[2] dated October 18, 2006 rendered by the Appeals (CA) Sixteenth Division in CA G.R. CV No. 82686.

### The Facts

Respondent Ruel Martinez (respondent) was the Operations Manager[3] of petitioner from the last quarter of 1990 to January 22, 1999.[4] Sometime in June 4, 1994, respondent applied for and was granted a car loan amounting to P648,288.00.[5] Both parties agreed that the loan was payable through deductions from respondent's bonuses or commissions, if any.[6] Further, if respondent would be terminated for any cause before the end of the term of the loan obligation, the unpaid balance would be immediately due and demandable without need of demand.[7] On November 11, 1998, petitioner sent respondent a letter informing him of the breakdown of his outstanding obligation with petitioner amounting to P418,012.78, detailing every bonus, loan or advance obtained and deducted.[8] The subject vehicle remains with respondent.[9]

In a letter dated November 24, 1998, respondent requested for a breakdown of his benefits from petitioner as director/operations manager in case he will resign from his position. In said letter, respondent stated that the computation "is only for the assumed amount on my end to deduct whatever I owe the Company."[10]

In a letter dated January 22, 1999 which respondent received the next day, petitioner terminated respondent for cause effective immediately and demanded that respondent pay his outstanding loan of P418,012.78 and surrender the car to petitioner within three days from receipt.[11] Despite this, respondent failed to pay the outstanding balance.

In a letter dated June 23, 1999, petitioner demanded respondent to pay his loan within three days from receipt thereof at petitioner's office.[12] Again, despite demand, respondent failed to pay his outstanding obligation.

On July 12, 1999, petitioner filed a complaint[13] with the Regional Trial Court of

Makati City, Branch 148 (trial court) against respondent praying that respondent be ordered to pay his outstanding obligation of P418,012.78 plus interest, and that respondent be held liable for exemplary damages, attorney's fees and costs of the suit.[14]

In his answer[15] dated August 28, 1999, respondent alleged that he already paid his loan through deductions made from his compensation/salaries, bonuses and commissions.[16] During trial, respondent presented a certification dated September 10, 1996 issued by petitioner's president, Helen Dy (Dy), stating that respondent already paid the amount of P337,650.00 as of the said date.[17] Respondent alleged that a simple accounting would show that the he already paid the loan considering that it is payable within four years from 1994.[18]

**The Ruling of the Regional Trial Court**

In its Decision[19] dated November 22, 2002, the trial court ruled in favor of petitioner. It decreed, thus:

> WHEREFORE, judgment i[s] hereby rendered in favor of plaintiff as against the defendant[ ] as follows:
>
> 1. Ordering defendant to pay plaintiff the balance of his car loan in the amount of Four Hundred Eighteen Thousand Twelve and 78/100 Pesos ([P]418,012.78) plus interest at the rate of twelve percent (12%) [per annum] from [June 23,] 1999 until full payment;
>
> 2. Ordering defendant Martinez to pay plaintiff the amount of Ten Thousand Pesos ([P]10,000.00), by way of exemplary damages;
>
> 3. Ordering defendant to pay plaintiff the amount of Twenty Thousand Pesos ([P]20,000.00) by way of attorney's fees;
>
> 4. Dismissing the counterclaims interposed by defendant;
>
> 5. Ordering defendant to pay the costs of the suit.
>
> SO ORDERED.[20]

In arriving at the above pronouncement, the trial court held that the respondent failed to present evidence to prove payment. The trial court also held that the due execution and authenticity of the certification dated September 10, 1996 were not established. In respondent's direct examination, he merely testified that he knows Dy and her spouse but did not state that the document was actually executed by Dy.[21]

On December 16, 2002, respondent filed a motion seeking the reconsideration of the trial court's decision dated November 22, 2002. The trial court denied this motion in its Order[22] dated March 22, 2004.

## The Ruling of the Court of Appeals

Respondent appealed the trial court's decision with the CA. Docketed as CA G.R. CV No. 82686, the appeal alleged that the parties agreed that the car loan would be payable within four years from the time respondent secured the loan in June 1994.[23] Respondent alleged that he already completed his payment in June 1998 and that the payment was done through salary deductions because if it were otherwise, petitioner would be seeking full payment in the amount of P648,288.00 and not only the balance of P418,012.78.[24] Respondent also assailed the finding that the due execution of the certification dated September 10, 1996 was not proven. Respondent alleged that by mere comparison, one can safely say that the signatures appearing in the certification and in Dy's affidavit submitted before the National Labor Relations Commission are signatures by one and the same person, Dy. Respondent claims that he is very much familiar with the signature of Dy, his former boss for ten years and even petitioner's witness, who is also its administrative manager, Aida Valle (Valle), also identified the signature of Dy in the certification.[25]

The CA in its Decision[26] dated October 18, 2006 reversed the trial court and ruled in favor of respondent in holding that the latter already fulfilled his loan obligation with petitioner. The CA found credence in the following pieces of evidence: (1) certification dated September 10, 1996 signed by Dy; (2) deduction of the monthly installments from respondent's salary pursuant to the agreement between him and petitioner; and (3) petitioner's admission of respondent's installment payments made in the amount of P230,275.22.[27] The CA held that Dy never denied nor confirmed in open court the authenticity of her signature in the certification dated September 10, 1996.[28] Citing *Permanent Savings and Loan Bank v. Velarde*[29] and *Consolidated Bank and Trust Corporation (SOLIDBANK) v. Del Monte Motor Works, Inc.,*[30] the CA held that Dy must declare under oath that she did not sign the document or that it is otherwise false or fabricated.[31]

Thus, the CA reversed the trial court's ruling and held:

> **WHEREFORE**, premises considered, the November 22, 2002 Decision of the Regional Trial Court of Makati City, Branch 148, in Civil Case No. 99-1295, is hereby **REVERSED and SET ASIDE** and a new one is entered **DISMISSING** the complaint for lack of merit.
>
> **SO ORDERED.**[32] (Emphasis in the original)

Hence, this petition.

## The Issues

The issues for resolution are:

1. Whether respondent has fulfilled his obligation with petitioner; and

2. Whether the certification dated September 10, 1996 should be admitted as basis for respondent's payment of his loan with petitioner.[33]

## Our Ruling

The petition is partly meritorious.

***Verification/Certification on Non-Forum Shopping***

Before going into the substantive merits of the case, we shall first resolve the technical issue raised by respondent in his Comment[34] dated February 8, 2007 and Memorandum[35] dated November 6, 2007.

Respondent alleged that the petition should be dismissed for failing to comply with Section 4, Rule 45 of the Rules of Court in relation to Sections 4 and 5, Rule 7 of the Rules of Court.[36] Respondent alleged that the signature of Dy in the Verification/Certification in the petition differs from her signature in the letter dated November 11, 1998, thus, inferred that someone not authorized signed the Verification/Certification.[37]

Upon a review of the records, however, we found Dy's signature in the petition to be the same with Dy's signature in the Ex-Parte Manifestation of Compliance[38] dated February 22, 2005 which petitioner filed with the CA. Respondent never objected to Dy's signature in petitioner's Ex-Parte Manifestation of Compliance. Further, Dy did not refute that the signature in the petition is hers. Thus, we find no reason to dismiss the petition outright based on respondent's allegation.

***Review of factual findings***

Before going into the merits of the petition, we stress the well-settled rule that only questions of law may be raised in a petition for review on *certiorari* under Rule 45 of the Rules of Court, since "the Supreme Court is not a trier of facts."[39] It is not our function to review, examine and evaluate or weigh the probative value of the evidence presented.

When supported by substantial evidence, the findings of fact of the CA are conclusive and binding on the parties and are not reviewable by this Court, unless the case falls under any of the recognized exceptions in jurisprudence.[40]

In the present case, the factual findings of the trial court and the CA on whether respondent has fully paid his car loan are conflicting. The trial court found that no deductions were made from respondent's salary to establish full payment of the car loan while the CA found otherwise. The trial court held, thus:

> Culled from the evidence adduced and the testimony of the witnesses, it appears that the defendant himself admitted on cross-examination that no deductions were made in his monthly salary. Thus, it was a mere presumption of fact on his part that he had been able to fully pay off his

> car loan. The testimony of the defendant creating merely an inference of payment will not be regarded as conclusive on that issue. Thus, payment cannot be presumed by a mere inference from surrounding circumstances. At most, the agreement that the payments for the car loan shall be deducted from the defendant's salary and bonus is only affirmative of the capacity or ability of the defendant to fulfill his part of the bargain.
>
> But whether or not there was actual payment through deductions from the defendant's salary and bonus remains to be proven by independent and credible evidence. As the saying goes: "*a proof that an act could have been done is no proof that it was actually done.*" Hence for failure to present evidence to prove payment, defendant miserably failed in his defense and in effect admitted the allegations of plaintiff.[41]

The CA, on the other hand, found that respondent sufficiently established that deductions were made from his salary:

> x x x Moreover, it had been sufficiently established by witness Aida Valle (VALLE), Administrative manager of plaintiff-appellee MULTI-INTERNATIONAL, that defendant-appellant MARTINEZ had been the only employee granted by plaintiff-appellee MULTI-INTERNATIONAL a car loan as such [sic]. With that, it can fairly be inferred that plaintiff-appellee MULT1-INTERNATIONAL's asseveration that the deductions from the salary of defendant-appellant MARTINEZ had not been reflected in his payslips is for naught, since indeed, no such "item" in the payslip is provided, considering that it is only defendant-appellant MARTINEZ who had been granted such car loan x x x.[42]

Thus, the conflicting factual findings of the trial court and CA compel us to re-evaluate the facts of this case, an exception to the rule that only questions of law may be dealt with in a petition for *certiorari* under Rule 45.

***Admissibility of the certification dated September 10, 1996***

Respondent relies on the certification[43] dated September 10, 1996 to bolster his defense that he already fully paid his car loan to petitioner. We affirm the findings of the CA that the certification is admissible in evidence.

Section 22,[44] Rule 132 of the Rules of Court explicitly authorizes the court to compare the handwriting in issue with writings admitted or treated as genuine by the party against whom the evidence is offered or proved to be genuine to the satisfaction of the judge. In *Jimenez v. Commission on Ecumenical Mission and Relations of the United Presbyterian Church in the USA*,[45] we held: