720 Phil. 475

FIRST DIVISION

[G.R. No. 196036, October 23, 2013]

ELIZABETH M. GAGUI, PETITIONER, VS. SIMEON DEJERO AND TEODORO R. PERMEJO, RESPONDENTS.

D E C I S I O N

SERENO, C.J.:

This is a Rule 45 Petition[1] dated 30 March 2011 assailing the Decision[2] and Resolution[3] of the Court of Appeals (CA) in CA-G.R. SP No. 104292, which affirmed the Decision[4] of the National Labor Relations Commission (NLRC) in NLRC Case No. OCW-RAB-IV-4-392-96-RI, finding petitioner Elizabeth M. Gagui solidarily liable with the placement agency, PRO Agency Manila, Inc., to pay respondents all the money claims awarded by virtue of their illegal dismissal.

The antecedent facts are as follows:

On 14 December 1993, respondents Simeon Dejero and Teodoro Permejo filed separate Complaints[5] for illegal dismissal, nonpayment of salaries and overtime pay, refund of transportation expenses, damages, and attorney's fees against PRO Agency Manila, Inc., and Abdul Rahman Al Mahwes.

After due proceedings, on 7 May 1997, Labor Arbiter Pedro Ramos rendered a Decision,[6] the dispositive portion of which reads:

> WHEREFORE, ALL FOREGOING CONSIDERED, judgment is hereby rendered ordering respondents Pro Agency Manila, Inc., and Abdul Rahman Al Mahwes to jointly and severally pay complainants, as follows:
>
> a) US$4,130.00 each complainant or a total of US$8,260.00, their unpaid salaries from July 31, 1992 up to September 1993, less cash advances of total of SR11,000.00, or its Peso equivalent at the time of payment;
> b) US$1,032.00 each complainant for two (2) hours overtime pay for fourteen (14) months of services rendered or a total of US$2,065.00 or its Peso equivalent at the time of payment;
> c) US$2,950.00 each complainant or a total of US$5,900.00 or its Peso equivalent at the time of payment, representing the unexpired portion of their contract;
> d) Refund of plane ticket of complainants Teodoro Parejo and Simeon Dejero from Saudi Arabia to the Philippines, in the amount of P15,642.90 and P16,932.00 respectively;
> e) Refund of excessive collection of placement fees in the

amount of P4,000.00 each complainant, or a total of P8,000.00;

f) Moral and exemplary damages in the amount of P10,000.00 each complainant, or a total of P20,000.00;

g) Attorney's fees in the amount of P48,750.00.

SO ORDERED.

Pursuant to this Decision, Labor Arbiter Ramos issued a Writ of Execution[7] on 10 October 1997. When the writ was returned unsatisfied,[8] an Alias Writ of Execution was issued, but was also returned unsatisfied.[9]

On 30 October 2002, respondents filed a Motion to Implead Respondent Pro Agency Manila, Inc.'s Corporate Officers and Directors as Judgment Debtors.[10] It included petitioner as the Vice-President/Stockholder/Director of PRO Agency, Manila, Inc.

After due hearing, Executive Labor Arbiter Voltaire A. Balitaan issued an Order[11] on 25 April 2003 granting respondents' motion, to wit:

> WHEREFORE, the motion to implead is hereby granted insofar as Merlita G. Lapuz and Elizabeth M. Gagui as parties-respondents and accordingly held liable to complainant jointly and solidarily with the original party-respondent adjudged liable under the Decision of May 7, 1998. Let 2nd Alias Writ of Execution be issued for the enforcement of the Decision consistent with the foregoing tenor.
>
> SO ORDERED.

On 10 June 2003, a 2nd Alias Writ of Execution was issued,[12] which resulted in the garnishment of petitioner's bank deposit in the amount of P85,430.48.[13] However, since the judgment remained unsatisfied, respondents sought the issuance of a third alias writ of execution on 26 February 2004.[14]

On 15 December 2004, Executive Labor Arbiter Lita V. Aglibut issued an Order[15] granting respondents' motion for a third alias writ. Accordingly, the 3rd Alias Writ of Execution[16] was issued on 6 June 2005, resulting in the levying of two parcels of lot owned by petitioner located in San Fernando, Pampanga.[17]

On 14 September 2005, petitioner filed a Motion to Quash 3rd Alias Writ of Execution;[18] and on 29 June 2006, a Supplemental Motion to Quash Alias Writ of Execution.[19] In these motions, petitioner alleged that apart from not being made aware that she was impleaded as one of the parties to the case,[20] the dispositive portion of the 7 May 1997 Decision (1997 Decision) did not hold her liable in any form whatsoever.[21] More importantly, impleading her for the purpose of execution was tantamount to modifying a decision that had long become final and executory.[22]

On 26 June 2006, Executive Labor Arbiter Lita V. Aglibut issued an Order[23] denying petitioner's motions on the following grounds: (1) records disclosed that despite having been given sufficient notices to be able to register an opposition, petitioner refused to do so, effectively waiving her right to be heard;[24] and (2) under Section 10 of Republic Act No. 8042 (R.A. 8042) or the Migrant Workers and Overseas Filipinos Act of 1995, corporate officers may be held jointly and severally liable with the placement agency for the judgment award.[25]

Aggrieved, petitioner appealed to the NLRC, which rendered a Decision[26] in the following wise:

> WHEREFORE, premises considered, the appeal of the respondent Elizabeth M. Gagui is hereby DENIED for lack of merit. Accordingly, the Order of Labor Arbiter Lita V. Aglibut dated June 26, 2006 is AFFIRMED.
>
> SO ORDERED.

The NLRC ruled that "in so far as overseas migrant workers are concerned, it is R.A. 8042 itself that describes the nature of the liability of the corporation and its officers and directors. x x x [I]t is not essential that the individual officers and directors be impleaded as party respondents to the case instituted by the worker. A finding of liability on the part of the corporation will necessarily mean the liability of the corporate officers or directors."[27]

Upon appellate review, the CA affirmed the NLRC in a Decision[28] promulgated on 15 November 2010:

> From the foregoing, the Court finds no reason to hold the NLRC guilty of grave abuse of discretion amounting to lack or excess of jurisdiction in affirming the Order of Executive Labor Arbiter Aglibut which held petitioner solidarily liable with PRO Agency Manila, Inc. and Abdul Rahman Al Mahwes as adjudged in the May 7, 1997 Decision of Labor Arbiter Pedro Ramos.
>
> **WHEREFORE**, the Petition is **DENIED.**
>
> **SO ORDERED**. (Emphasis in the original)

The CA stated that there was "no need for petitioner to be impleaded x x x because by express provision of the law, she is made solidarily liable with PRO Agency Manila, Inc., for any and all money claims filed by private respondents."[29] The CA further said that this is not a case in which the liability of the corporate officer must be established because an allegation of malice must be proven. The general rule is that corporate officers, directors and stockholders are not liable, except when they are made liable for their corporate act by a specific provision of law, such as R.A. 8042.[30]

On 8 and 15 December 2010, petitioner filed two Motions for Reconsideration, but both were denied in a Resolution[31] issued by the CA on 25 February 2011.

Hence, this Petition for Review filed on 30 March 2011.

On 1 August 2011, respondents filed their Comment,[32] alleging that the petition had been filed 15 days after the prescriptive period of appeal under Section 2, Rule 45 of the Rules of Court.

On 14 February 2012, petitioner filed a Reply,[33] countering that she has a fresh period of 15 days from 16 March 2011 (the date she received the Resolution of the CA) or up to 31 March 2011 to file the Petition.

ISSUES

From the foregoing, we reduce the issues to the following:

1. Whether or not this petition was filed on time; and

2. Whether or not petitioner may be held jointly and severally liable with PRO Agency Manila, Inc. in accordance with Section 10 of R.A. 8042, despite not having been impleaded in the Complaint and named in the Decision.

THE COURT'S RULING

Petitioner has a fresh period of 15 days within which to file this petition, in accordance with the Neypes rule.

We first address the procedural issue of this case.

In a misleading attempt to discredit this petition, respondents insist that by opting to file a Motion for Reconsideration instead of directly appealing the CA Decision, petitioner effectively lost her right to appeal. Hence, she should have sought an extension of time to file her appeal from the denial of her motion.

This contention, however, deserves scant consideration. We agree with petitioner that starting from the date she received the Resolution denying her Motion for Reconsideration, she had a "fresh period" of 15 days within which to appeal to this Court. The matter has already been settled in *Neypes v. Court of Appeals,*[34] as follows:

> To standardize the appeal periods provided in the Rules and to afford litigants fair opportunity to appeal their cases, the Court deems it practical to allow a fresh period of 15 days within which to file the notice of appeal in the Regional Trial Court, counted from receipt of the order

dismissing a motion for a new trial or motion for reconsideration.

Henceforth, this "fresh period rule" shall also apply to Rule 40 governing appeals from the Municipal Trial Courts to the Regional Trial Courts; Rule 42 on petitions for review from the Regional Trial Courts to the Court of Appeals; Rule 43 on appeals from quasi-judicial agencies to the Court of Appeals and Rule 45 governing appeals by certiorari to the Supreme Court. The new rule aims to regiment or make the appeal period uniform, to be counted from receipt of the order denying the motion for new trial, motion for reconsideration (whether full or partial) or any final order or resolution.

Since petitioner received the CA Resolution denying her two Motions for Reconsideration only on 16 March 2011, she had another 15 days within which to file her Petition, or until 31 March 2011. This Petition, filed on 30 March 2011, fell within the prescribed 15-day period.

Petitioner may not be held jointly and severally liable, absent a finding that she was remiss in directing the affairs of the agency.

As to the merits of the case, petitioner argues that while it is true that R.A. 8042 and the Corporation Code provide for solidary liability, this liability must be so stated in the decision sought to be implemented.[35] Absent this express statement, a corporate officer may not be impleaded and made to personally answer for the liability of the corporation.[36] Moreover, the 1997 Decision had already been final and executory for five years and, as such, can no longer be modified.[37] If at all, respondents are clearly guilty of laches for waiting for five years before taking action against petitioner.[38]

In disposing the issue, the CA cited Section 10 of R.A. 8042, stating that there was "no need for petitioner to be impleaded x x x because by express provision of the law, she is made solidarily liable with PRO Agency Manila, Inc., for any and all money claims filed by private respondents."[39]

We reverse the CA.

At the outset, we have declared that "R.A. 8042 is a police power measure intended to regulate the recruitment and deployment of OFWs. It aims to curb, if not eliminate, the injustices and abuses suffered by numerous OFWs seeking to work abroad."[40]

The pertinent portion of Section 10, R.A. 8042 reads as follows:

SEC. 10. MONEY CLAIMS. - Notwithstanding any provision of law to the contrary, the Labor Arbiters of the National Labor Relations Commission (NLRC) shall have the original and exclusive jurisdiction to hear and decide, within ninety (90) calendar days after filing of the complaint, the claims arising out of an employer-employee relationship or by virtue of any law or contract involving Filipino workers for overseas deployment