

THIRD DIVISION

[G.R. Nos. 182978-79, April 07, 2009]

**BECMEN SERVICE EXPORTER AND PROMOTION, INC.,
PETITIONER, VS. SPOUSES SIMPLICIO AND MILA CUARESMA
(FOR AND IN BEHALF OF THEIR DAUGHTER, JASMIN G.
CUARESMA), WHITE FALCON SERVICES, INC. AND JAIME ORTIZ
(PRESIDENT, WHITE FALCON SERVICES, INC.), RESPONDENTS.**

[G.R. NOS. 184298-99]

**SPOUSES SIMPLICIO AND MILA CUARESMA (FOR AND IN
BEHALF OF THEIR DAUGHTER, JASMIN G. CUARESMA),
PETITIONERS, VS. WHITE FALCON SERVICES, INC. AND BECMEN
SERVICE EXPORTER AND PROMOTION, INC., RESPONDENTS.**

D E C I S I O N

YNARES-SANTIAGO, J.:

These consolidated petitions assail the Amended Decision^[1] of the Court of Appeals dated May 14, 2008 in CA-G.R. SP No. 80619 and CA-G.R. SP No. 81030 finding White Falcon Services, Inc. and Becmen Service Exporter and Promotion, Inc. solidarily liable to indemnify spouses Simplicio and Mila Cuaresma the amount of US\$4,686.73 in actual damages with interest.

On January 6, 1997, Jasmin Cuaresma (Jasmin) was deployed by Becmen Service Exporter and Promotion, Inc.^[2] (Becmen) to serve as assistant nurse in Al-Birk Hospital in the Kingdom of Saudi Arabia (KSA), for a contract duration of three years, with a corresponding salary of US\$247.00 per month.

Over a year later, she died allegedly of poisoning.

Jessie Fajardo, a co-worker of Jasmin, narrated that on June 21, 1998, Jasmin was found dead by a female cleaner lying on the floor inside her dormitory room with her mouth foaming and smelling of poison.^[3]

Based on the police report and the medical report of the examining physician of the Al-Birk Hospital, who conducted an autopsy of Jasmin's body, the likely cause of her death was poisoning. Thus:

According to letter No. 199, dated 27.2.1419H, issued by Al-Birk Police Station, for examining the corpse of Jasmin Cuaresma, 12.20 P.M. 27.2.1419H, Sunday, at Al-Birk Hospital.

1. The Police Report on the Death

2. The Medical Diagnosis

Sex: Female Age: 25 years Relg: Christian

The said person was brought to the Emergency Room of the hospital; time 12.20 P.M. and she was unconscious, blue, no pulse, no respiration and the first aid esd undertaken but without success.

3. Diagnosis and Opinion: Halt in blood circulation respiratory system and brain damage due to an **apparent poisoning which is under investigation.**^[4]

Name:	Jasmin
Cuaresma	
Sex: Female	
Marital Status: Single	Nationality: Philipino (sic)
Religion: Christian	Profession: Nurse
Address: Al-Birk Genrl. Hospital	Birth Place: The Philippines

On 27.2.1419H, Dr. Tariq Abdulminnem and Dr. Ashoki Komar, both have examined the dead body of Jasmin Cuaresma, at 12.20 P.M., Sunday, 22.2.14189H, and the result was:

1. Report of the Police on the death
2. Medical Examination: Blue skin and paleness on the Extrimes (sic), total halt to blood circulation and respiratory system and brain damage. There were no external injuries. **Likely poisoning** by taking poisonous substance, **yet not determined**. There was a bad smell in the mouth and unknown to us.^[5] (Emphasis supplied)

Jasmin's body was repatriated to Manila on September 3, 1998. The following day, the City Health Officer of Cabanatuan City conducted an autopsy and the resulting medical report indicated that Jasmin died under violent circumstances, and not poisoning as originally found by the KSA examining physician. The City Health Officer found that Jasmin had abrasions at her inner lip and gums; lacerated wounds and abrasions on her left and right ears; lacerated wounds and hematoma (contusions) on her elbows; abrasions and hematoma on her thigh and legs; intra-muscular hemorrhage at the anterior chest; rib fracture; puncture wounds; and abrasions on the labia minora of the vaginal area.^[6]

On March 11, 1999, Jasmin's remains were exhumed and examined by the National Bureau of Investigation (NBI). The toxicology report of the NBI, however, tested negative for non-volatile, metallic poison and insecticides.^[7]

Simplicio and Mila Cuaresma (the Cuaresmas), Jasmin's parents and her surviving heirs, received from the Overseas Workers Welfare Administration (OWWA) the following amounts: P50,000.00 for death benefits; P50,000.00 for loss of life; P20,000.00 for funeral expenses; and P10,000.00 for medical reimbursement.

On November 22, 1999, the Cuaresmas filed a complaint against Becmen and its principal in the KSA, Rajab & Silsilah Company (Rajab), claiming death and insurance benefits, as well as moral and exemplary damages for Jasmin's death.^[8]

In their complaint, the Cuaresmas claim that Jasmin's death was work-related, having occurred at the employer's premises;^[9] that under Jasmin's contract with Becmen, she is entitled to "iqama insurance" coverage; that Jasmin is entitled to compensatory damages in the amount of US\$103,740.00, which is the sum total of her monthly salary of US\$247.00 per month under her employment contract, multiplied by 35 years (or the remaining years of her productive life had death not supervened at age 25, assuming that she lived and would have retired at age 60).

The Cuaresmas assert that as a result of Jasmin's death under mysterious circumstances, they suffered sleepless nights and mental anguish. The situation, they claim, was aggravated by findings in the autopsy and exhumation reports which evidently show that a grave injustice has been committed against them and their daughter, for which those responsible should likewise be made to pay moral and exemplary damages and attorney's fees.

In their position paper, Becmen and Rajab insist that Jasmin committed suicide, citing a prior unsuccessful suicide attempt sometime in March or April 1998 and relying on the medical report of the examining physician of the Al-Birk Hospital. They likewise deny liability because the Cuaresmas already recovered death and other benefits totaling P130,000.00 from the OWWA. They insist that the Cuaresmas are not entitled to "iqama insurance" because this refers to the "issuance" - not insurance - of iqama, or residency/work permit required in the KSA. On the issue of moral and exemplary damages, they claim that the Cuaresmas are not entitled to the same because they have not acted with fraud, nor have they been in bad faith in handling Jasmin's case.

While the case was pending, Becmen filed a manifestation and motion for substitution alleging that Rajab terminated their agency relationship and had appointed White Falcon Services, Inc. (White Falcon) as its new recruitment agent in the Philippines. Thus, White Falcon was impleaded as respondent as well, and it adopted and reiterated Becmen's arguments in the position paper it subsequently filed.

On February 28, 2001, the Labor Arbiter rendered a Decision^[10] dismissing the complaint for lack of merit. Giving weight to the medical report of the Al-Birk Hospital finding that Jasmin died of poisoning, the Labor Arbiter concluded that Jasmin committed suicide. In any case, Jasmin's death was not service-connected, nor was it shown that it occurred while she was on duty; besides, her parents have received all corresponding benefits they were entitled to under the law. In regard to damages, the Labor Arbiter found no legal basis to warrant a grant thereof.

On appeal, the National Labor Relations Commission (Commission) reversed the decision of the Labor Arbiter. Relying on the findings of the City Health Officer of Cabanatuan City and the NBI as contained in their autopsy and toxicology report, respectively, the Commission, via its November 22, 2002 Resolution^[11] declared that, based on substantial evidence adduced, Jasmin was the victim of compensable

work-connected criminal aggression. It disregarded the Al-Birk Hospital attending physician's report as well as the KSA police report, finding the same to be inconclusive. It declared that Jasmin's death was the result of an "accident" occurring within the employer's premises that is attributable to her employment, or to the conditions under which she lived, and thus arose out of and in the course of her employment as nurse. Thus, the Cuaremas are entitled to actual damages in the form of Jasmin's lost earnings, including future earnings, in the total amount of US\$113,000.00. The Commission, however, dismissed all other claims in the complaint.

Becmen, Rajab and White Falcon moved for reconsideration, whereupon the Commission issued its October 9, 2003 Resolution^[12] reducing the award of US\$113,000.00 as actual damages to US\$80,000.00.^[13] The NLRC likewise declared Becmen and White Falcon as solidarily liable for payment of the award.

Becmen and White Falcon brought separate petitions for certiorari to the Court of Appeals.^[14] On June 28, 2006, the appellate court rendered its Decision,^[15] the dispositive portion of which reads, as follows:

WHEREFORE, the subject petitions are DENIED but in the execution of the decision, it should first be enforced against White Falcon Services and then against Becmen Services when it is already impossible, impractical and futile to go against it (White Falcon).

SO ORDERED.^[16]

The appellate court affirmed the NLRC's findings that Jasmin's death was compensable, the same having occurred at the dormitory, which was contractually provided by the employer. Thus her death should be considered to have occurred within the employer's premises, arising out of and in the course of her employment.

Becmen and White Falcon moved for reconsideration. On May 14, 2008, the appellate court rendered the assailed Amended Decision, the dispositive portion of which reads, as follows:

WHEREFORE, the motions for reconsideration are GRANTED. Accordingly, the award of US\$80,000.00 in actual damages is hereby reduced to US\$4,686.73 plus interest at the legal rate computed from the time it became due until fully paid. Petitioners are hereby adjudged jointly and solidarily liable with the employer for the monetary awards with Becmen Service Exporter and Promotions, Inc. having a right of reimbursement from White Falcon Services, Inc.

SO ORDERED.^[17]

In the Amended Decision, the Court of Appeals found that although Jasmin's death was compensable, however, there is no evidentiary basis to support an award of actual damages in the amount of US\$80,000.00. Nor may lost earnings be collected, because the same may be charged only against the perpetrator of the crime or quasi-delict. Instead, the appellate court held that Jasmin's beneficiaries should be entitled only to the sum equivalent of the remainder of her 36-month employment contract, or her monthly salary of US\$247.00 multiplied by nineteen (19) months,

with legal interest.

Becmen filed the instant petition for review on certiorari (G.R. Nos. 182978-79). The Cuaremas, on the other hand, moved for a reconsideration of the amended decision, but it was denied. They are now before us via G.R. Nos. 184298-99.

On October 6, 2008, the Court resolved to consolidate G.R. Nos. 184298-99 with G.R. Nos. 182978-79.

In G.R. Nos. 182978-79, Becmen raises the following issues for our resolution:

(THE COURT OF APPEALS) GRAVELY ERRED WHEN IT GAVE MORE CREDENCE AND WEIGHT TO THE AUTOPSY REPORT CONDUCTED BY THE CABANATUAN CITY HEALTH OFFICE THAN THE MEDICAL AND POLICE REPORTS ISSUED BY THE MINISTRY OF HEALTH OF KINGDOM OF SAUDI ARABIA AND AL-BIRK HOSPITAL.

(THE COURT OF APPEALS) GRAVELY ERRED WHEN ON THE BASIS OF THE POSITION PAPERS AND ANNEXES THERETO INCLUDING THE AUTOPSY REPORT, IT CONCLUDED THAT THE DEATH OF JASMIN CUARESMA WAS CAUSED BY CRIMINAL AGGRESSION.

(THE COURT OF APPEALS) GRAVELY ERRED WHEN IT HELD THAT THE DEATH OF JASMIN CUARESMA WAS COMPENSABLE PURSUANT TO THE RULING OF THE SUPREME COURT IN TALLER VS. YNCHAUSTI, G.R. NO. 35741, DECEMBER 20, 1932, WHICH IT FOUND TO BE STILL GOOD LAW.

(THE COURT OF APPEALS) GRAVELY ERRED WHEN IT HELD BECMEN LIABLE FOR THE DEATH OF JASMIN CUARESMA NOTWITHSTANDING ITS ADMISSIONS THAT "IQAMA INSURANCE" WAS A TYPOGRAPHICAL ERROR SINCE "IQAMA" IS NOT AN INSURANCE.

(THE COURT OF APPEALS) GRAVELY ERRED WHEN IT CONCLUDED THAT THE DEATH OF JASMIN WAS WORK RELATED.

(THE COURT OF APPEALS) GRAVELY ERRED WHEN IT HELD BECMEN LIABLE TO JASMIN'S BENEFICIARIES FOR THE REMAINDER OF HER 36-MONTH CONTRACT COMPUTED IN THIS MANNER: MONTHLY SALARY OF US\$246.67 MULTIPLIED BY 19 MONTHS, THE REMAINDER OF THE TERM OF JASMIN'S EMPLOYMENT CONTRACT, IS EQUAL TO US\$4,686.73.

(THE COURT OF APPEALS) GRAVELY ERRED WHEN IT HELD BECMEN LIABLE TO PAY INTEREST AT THE LEGAL RATE FROM THE TIME IT WAS DUE UNTIL FULLY PAID.

(THE COURT OF APPEALS) GRAVELY ERRED WHEN IT HELD BECMEN AND WHITE FALCON JOINTLY AND SEVERALLY LIABLE WITH THE EMPLOYER NOTWITHSTANDING THE ASSUMPTION OF LIABILITY EXECUTED BY WHITE FALCON IN FAVOR OF BECMEN.

On the other hand, in G.R. Nos. 184298-99, the Cuaremas raise the following issues: