

## THIRD DIVISION

[ G. R. NO. 148235, August 11, 2005 ]

**ROSALINA TAGLE, PETITIONER, VS. COURT OF APPEALS, FAST INTERNATIONAL CORPORATION AND/OR KUO TUNG YU HUANG, RESPONDENTS.**

### D E C I S I O N

**CARPIO MORALES, J.:**

Wilfredo P. Tagle, husband of petitioner Rosalina Tagle, was recruited by respondent Fast International Corporation (FIC), a corporation organized under the laws of the Republic of the Philippines, to work as fisherman at Taiwan for its principal, respondent Kuo Tung Yu Huang.

On May 9, 1995, Wilfredo Tagle and respondent Kuo Tung Yu Huang concluded an employment contract<sup>[1]</sup> for one (1) year, extendible for another year upon mutual agreement of the parties.

During the duration of the contract or on November 12, 1995, the fishing vessel boarded by Wilfredo Tagle in Taiwan collided with another and thereafter sank. Despite efforts to look for Tagle's *corpus*, the same proved futile. He was, therefore, presumed dead.

His widow, herein petitioner, thus filed a claim for death benefits with respondent FIC. The claim was approved and Philippine Prudential Life Insurance Co., Inc., the local insurer of FIC, issued a check in the amount of P650,000.00. Upon receipt by petitioner of the check, she accomplished on March 8, 1996 a Release, Waiver and Quitclaim<sup>[2]</sup> reading:

For and in consideration of the payment of the sum of PESOS: SIX HUNDRED FIFTY THOUSAND PESOS (P650,000.00) representing

Philippine Prudential Life Inc. Co., Inc.  
**Cert./Policy No. GART-743**

receipt of which is hereby acknowledged, I, ROSALINA C. TAGLE of legal age, Filipino and a resident of Sariaya, Quezon, for myself and on behalf of my legitimate children/grandchildren/relatives/husband/wife, my heirs, assigns and successors in interest, do hereby release and discharge the Philippine Prudential Life Ins. Co., Inc., **and all other persons having interest therein and thereby** from all **claims, demands, causes of action**, etc., and all such other claims, demands, causes of action, etc., **that may arise therefrom and/or incidentally connected therewith.**

I hereby warrant that this Quitclaim may be pleaded as an **absolute bar to any suit** that either is now pending or may be henceforth prosecuted concerning matters referred to in the preceding paragraph. And in connection herewith, I promise to defend the right and to answer all costs of suits, of the Philippine Prudential Life Insurance Co., Inc., and all other persons having interest therein or thereby.

I further hereby warrant that I fully understand the terms and conditions of this Quitclaim, that the effects hereof had been explained to me in the language/dialect I understand, and that I have executed this document voluntarily and of my free will and that I was not under fraud, mistake, undue influence, intimidation, violence or any other vice or consent." (Emphasis and underscoring supplied)

Petitioner, however, subsequently filed before the National Labor Relations Commission (NLRC), National Capital Region, a complaint for additional "labor insurance" in the amount of NT\$300,000.00, invoking Article II, Section 10 of the employment contract reading:

10.Compensation and Benefits: If after repatriation, the FISHERMAN still requires medical attention for work connected illness, he shall be so provided at cost to the EMPLOYER. The Employer shall pay the FISHERMAN 100% of his basic wages from the time he leaves the vessel for medical treatment until he is declared fit to work or the degree of permanent disability has been assessed by company-physician, but in no case shall this period exceed 120 days.

Benefits for the FISHERMAN include compensation for service connected illness/injuries or death in accordance with social insurance laws and other pertinent provisions of the Taiwan Labor Law. Additional insurance coverage are in accordance with the POEA Standards for overseas fishermen. Additional Labor Insurance shall be provided to the FISHERMAN by the EMPLOYER with a limit of NT\$300,000.00 per person (or its equivalent) for accident insurance covering fishermen regardless of whether accident occurred within and/or beyond work hours.

In case of permanent total or partial disability of the FISHERMAN during the term of employment caused by either injury or illness, the FISHERMAN shall be compensated according to POEA Standard. The computation of the total permanent/partial disability of the FISHERMAN caused by injury sustained within a war zone area shall be based in the computation rate payable for death within the war zone area per POEA Standard.<sup>[3]</sup> (Underscoring supplied)

On motion of FIC, the Labor Arbiter, by Order of September 19, 1996,<sup>[4]</sup> dismissed the complaint of petitioner on the ground that by her prior execution of the Release, Waiver and Quitclaim she is barred from filing any subsequent action against FIC.

Petitioner appealed to the National Labor Relations Commission (NLRC).

By Resolution promulgated on July 20, 1998,<sup>[5]</sup> the NLRC dismissed petitioner's appeal and affirmed the Labor Arbiter's decision.

In affirming the Labor Arbiter's decision, the NLRC held

x x x

Records of this case show that respondent recruitment agency (FAST) is the Policy Holder of the aforesaid Insurance Policy of the deceased fisherman (Annex "A" of Complainants' Manifestation and Comment/Opposition). Its purpose therefore of insuring the decedent is not hard to discern i.e., to **insulate itself from any eventuality which may arise during the effectivity of the employment contract** for which the services of the deceased fisherman was contracted. Nothing on record would indicate that the P650,000.00 paid by Philippine Prudential Life Insurance Co. Inc. under Cert./Policy No. GART-743 is **separate and distinct** from the obligation of the respondent FAST and its principal (Huo Tung Yu Huang) arising from the employment contract. A careful reading and scrutiny of the particular provision of the employment contract now at issue simply provides that in addition to the benefits already mentioned, the Employer is mandated to provide the fisherman insurance coverage for accident in an amount not to exceed NT\$300,000.00 per person. Considering that the risk insured against had happened, the insurance proceeds which was even more than double the amount of the policy was paid to herein complainant-appellant. On the basis of the complainant's-appellant's receipt of said insurance proceeds. Release Waiver and Quitclaim was executed in respondent's favor. We are therefore in full accord with the Labor Arbiter a quo that **this release and quitclaim forever barred the filing of any subsequent action against respondent.**

x x x<sup>[6]</sup> (Emphasis and underscoring supplied)

Petitioner's Motion for Reconsideration of the NLRC Resolution having been denied by Resolution of September 11, 1998,<sup>[7]</sup> she elevated the case to this Court via Petition for Certiorari filed on December 15, 1998, docketed as G.R. No. 136416.<sup>[8]</sup>

By Resolution of February 3, 1999,<sup>[9]</sup> this Court, consistent with its pronouncement in *St. Martin Funeral Home v. NLRC et al.*,<sup>[10]</sup> referred petitioner's petition bearing docket G.R. No. 136416 to the Court of Appeals (CA) for appropriate action and disposition.

In her original Petition for Certiorari, petitioner proffered as sole issue

WHETHER OR NOT THE RELEASE, WAIVER AND QUITCLAIM EXECUTED BY THE PETITIONER INCLUDED THE ADDITIONAL LABOR INSURANCE SHE IS ENTITLED TO AS PROVIDED FOR IN SECTION 10, ARTICLE II OF HER DECEASED HUSBAND'S EMPLOYMENT CONTRACT.