

THIRD DIVISION

[G.R. No. 142401, August 20, 2001]

**ANDREW TAN, PETITIONER, VS. COURT OF APPEALS AND WU
SEN WOEI, RESPONDENTS**

DECISION

PANGANIBAN, J.:

Under the doctrine of conclusiveness of judgment, facts and issues actually and directly resolved in a former suit cannot again be raised in any future case between the same parties, even if the latter suit may involve a different cause of action.^[1]

Statement of the Case

Through a Petition^[2] for Review under Rule 45 of the Rules of Court, Andrew Tan challenges the January 10, 2000 Decision^[3] rendered by the Court of Appeals^[4] (CA) in CA-GR CV No. 58086 and its March 8, 2000 Resolution^[5] denying reconsideration. The dispositive portion of the assailed Decision reads as follows:

"WHEREFORE, the appealed judgment is REVERSED and SET ASIDE and a new one is entered, ordering the defendant-appellee to pay appellant the balance of \$45,000.00 or the equivalent thereof in Philippine currency at the rate of exchange prevailing at the time of payment, with legal interest thereon from September 1987 until fully paid. With costs against the defendant-appellee."^[6]

The Facts

The undisputed facts are summarized by the Court of Appeals as follows:

"Plaintiff-appellant [respondent herein], a Taiwanese national, and defendant-appellee [petitioner herein], a Filipino, first met in Taiwan sometime in August 1987 through Kua Bei Tiu, defendant's sister-in-law. Defendant proposed that plaintiff invest money in the hatchery business he had started, and plaintiff parted with the amount of \$80,000.00 or its equivalent of P1,650,700.00. Repaid only [in] the amount of \$10,000.00, plaintiff-appellant lodged a complaint before the National Bureau of Investigation (NBI) to recover the balance of \$70,000.00. Before the NBI, defendant Andrew Tan and his sister Helen Go signed a Joint Affidavit of Undertaking stating as follows:

`WE, HELEN GO and ANDREW TAN, both of legal age, brother and sister and both married, presently residing at No. 1427 Sto. Sepulcro St., Paco, Manila and A.T. Commercial, A.B. Fernandez Avenue, East Dagupan City, respectively, after having been duly sworn to in accordance with law do hereby depose and undertake to perform the following:

`That I, ANDREW TAN is indebted to WU SEN WOEI, a Taiwanese national residing at 12 Lane, 194, 6th Floor, Sing Tien Road, Kuehsiung, Taiwan in the total amount of SEVENTY THOUSAND U.S. DOLLARS (\$70,000.00);

`That we, brother and sister, acknowledge the said amount as a just and valid obligation and therefore undertake to pay the same under the following terms which is in accordance with our present financial capacity;

`Within one (1) week from the date of this affidavit, we bind ourselves to pay WU SEN WOEI the amount of TWENTY THOUSAND U.S. DOLLARS (\$20,000.00) Cash;

`Every month thereafter, or starting August 1990, we bind ourselves to pay WU SEN WOEI the amount of TEN THOUSAND U.S. DOLLARS (\$10,000.00), for the month of September 1990, TEN THOUSAND U.S. DOLLARS (\$10,000.00), for the month of October 1990, TEN THOUSAND U.S. DOLLARS (\$10,000.00), for the month of November 1990, TEN THOUSAND U.S. DOLLARS (\$10,000.00), and for the month of DECEMBER, 1990, TEN THOUSAND U.S. DOLLARS (\$10,000.00) and then all our indebtedness to WU SEN WOEI would be totally paid, all in cash;

`That we agree that the place of payment should be the NBI office before Atty. VICTOR BESSAT so that this undertaking would be fully complied with;

`After we have fully complied with the terms of this Affidavit of Undertaking, WU SEN WOEI should also return to us all the documents in his possession in connection with this indebtedness.

`That we are executing this joint affidavit of undertaking in order to amicably settle this obligation of ANDREW TAN to WU SEN WOEI;

`IN WITNESS WHEREOF, we have hereunto set our hands this 19th day of July 1990, at the Office of the National Bureau of Investigation, Taft Avenue, Manila.

(Sgd.) HELEN (Sgd.) Illegible
GO

MRS. HELEN MR. ANDREW TAN
GO

GUARANTOR:

(Sgd.) Illegible
MR. BENJAMIN GO

WITNESSES:

(Sgd.) Illegible (Sgd.) Illegible
ATTY. ERIC WU SEN WOEI'
QUINTOS

(Exh. `6',
Record, p.
317)

"Defendant claims that he was coerced into signing the above Undertaking. He then assailed the validity of said Undertaking in Civil Case No. D-9864 entitled `Andrew Tan, plaintiff vs. Wu Sen Woei, represented by Raul Estrella, Attorney-in-Fact, John Doe and Paul Doe, defendants-appellees' which he filed before the Regional Trial Court of Dagupan City, Branch 43. The RTC found Tan's and Go's consent to the Undertaking as vitiated and rendered judgment declaring the Undertaking as a nullity. The decision was appealed to this Court in CA- G.R. CV No. 47880. This Court through its Fourth Division in a Decision dated October 3, 1997 reversed and set aside the appealed judgment, and dismissed Andrew Tan's complaint. (Rollo, pp. 67-75)

"In the meantime, based on the Undertaking, herein plaintiff-appellant Wu Sen Woei was further able to collect \$25,000.00, leaving a balance of \$45,000.00 (Complaint, par. 8, Record, p. 3) Hence he filed the instant suit docketed as Civil Case No. 91-55981 to collect the said balance of \$45,000.00 plus interest and attorney's fees, alleging in his Complaint that defendant had defrauded him by not actually investing the money into the hatchery business."^[7]

Ruling of the Court of Appeals

The Court of Appeals held in its Decision that, based on the doctrine of conclusiveness of judgment, Tan's claim that the Affidavit of Undertaking had been executed under duress was rendered ineffective by the ruling in CA-GR CV No. 47880. The CA had ruled therein that the said Affidavit was an admission against interest, a clear acknowledgement by Tan of his obligation to Wu Sen Woei. Thus, the appellate court deemed it pointless to determine whether there was, instead, a consummated partnership between the two parties.