

TWELFTH DIVISION

[CA–G.R. SP No. 133611, June 26, 2014]

JEROME P. DELOSO, PETITIONER, VS. HON. JOSE G. PANEDA, IN HIS CAPACITY AS ACTING PRESIDING JUDGE OF BRANCH 95 OF THE REGIONAL TRIAL COURT OF QUEZON CITY AND MELCHOR C. LIGGAYU, RESPONDENTS.

D E C I S I O N

DICDICAN, J.:

Before us is a Petition for *Certiorari*^[1] filed by herein petitioner Jerome P. Deloso ("petitioner") pursuant to Rule 65 of the 1997 Revised Rules of Court seeking to annul and set aside the Order^[2] that was issued by public respondent Judge Henri Jean-Paul B. Inting ("public respondent judge") of Branch 95 of the Regional Trial Court of the National Capital Judicial Region in Quezon City ("trial court") dated August 30, 2012 in Civil Case No. Q-08-63267 ("first assailed order") which, *inter alia*, denied the motion to dismiss the complaint for enforcement of trust obligations that was filed by herein private respondent Melchor C. Liggayu ("private respondent") against the petitioner. Likewise assailed in the instant petition is the subsequent Order^[3] of the trial court dated September 30, 2013 which denied the motion for reconsideration of the August 30, 2012 Order that was issued by the said court for lack of merit ("second assailed order").

The material and relevant facts of the case, as culled from the record, are as follows:

The instant case stemmed from a Complaint^[4] for enforcement of trust obligations, injunction and damages that was filed by the herein private respondent against the petitioner, along with Jorge G. Gonzales, Sr. ("Gonzales, Sr."), David Gonzales ("Gonzales") and OceanaGold (Philippines), Inc. ("OceanaGold Phils.") in the trial court on August 26, 2008. In the said complaint, the private respondent averred that he was a geologist and a mining engineer by profession, having served as a geologist at the Bureau of Mines from the years 1959 until 1971 or until such time when he was employed by Mancopper Mining Corporation ("Mancopper") as the head of its exploration department. Eventually, after his retirement from Mancopper, the private respondent joined Placer Pacific Exploration Philippines ("Placer Pacific") as a property acquisition manager and, later on, as a consultant.

Thus, armed with technical knowledge, expertise and experience, the private respondent conducted a review and analysis of the geology and mineral occurrences and distribution along the boundaries of Quirino, Nueva Vizcaya and Isabela provinces ("Didipio area"). He then identified the aforesaid area as a possible emerging mineral district and, starting in the year 1983, the private respondent caused the registration of fourteen (14) mining claims covering One Thousand One Hundred Thirty Four (1,134) hectares of the Didipio area with the Bureau of Mines.

However, in order to avoid suspicion of impropriety or conflict of interest with his mining company employer at that time, the private respondent caused the registration of the mining claims in the names of herein petitioner, Gonzales, and Gonzales, Sr. In other words, the mining claims were registered in the names of the latter as mere trustees and for the benefit of the private respondent who was the real and beneficial owner thereof. In turn, private respondent agreed to pay Gonzales, Sr. a certain percentage of the income from the Didipio area.

The private respondent then looked for possible investors or business partners for the exploration, development and production of the Didipio area. As a result of the efforts of the private respondent, the latter claimed that a letter of intent (LOI) was entered into among Gonzales, Sr., International Nobel Metals Exploration, Ltd. ("Inmex") and Geophilippines, Inc. ("Geophilippines") on May 14, 1987. Later on, an agreement was entered into among the same parties on February 28, 1989 where the exploration period was extended for another three (3) years ("1989 Agreement"). Pursuant to the aforesaid LOI and the 1989 Agreement, Gonzales, Sr. received the payments from the said corporations and held the said payments in trust and for the benefit of the private respondent.

On March 9, 1991, an addendum contract was executed by the same parties to the LOI with Aumex Philippines, Inc. ("Aumex") and Arimco Mining Company ("Arimco"). Subsequently, Arimco merged with Climax Mining, Ltd. and, finally, with OceanaGold Corporation. The latter became the surviving entity and continued with the exploration of the Didipio area through its subsidiary, OceanaGold Phils.

Having retired from active mining exploration work, the private respondent demanded from herein petitioner, Gonzales, Sr. and Gonzales the reconveyance and registration of his ownership interests and benefits under the mining claims on the Didipio area. Moreover, the private respondent demanded for an accounting and remittance of all the income which the petitioner, Gonzales, Sr. and Gonzales received under the LOI and the 1989 Agreement.^[5] The aforementioned demand, however, went unheeded. Likewise, the private respondent notified OceanaGold and OceanaGold Phils. that he was the true and beneficial owner of the mining claims involving the Didipio area and that herein petitioner, Gonzales, Sr. and Gonzales were his mere trustees. Thus, the private respondent demanded that OceanaGold Phils refrain and desist from making any further payments to, or otherwise dealing with, the aforesaid trustees.^[6]

The foregoing antecedents then prompted herein private respondent to file a civil case for reconveyance in the trial court against herein petitioner and the other trustees praying that the latter be ordered to reconvey the mining claims covering the Didipio area in his favor as the real and beneficial owner thereof and to cause the transfer and registration of the subject mining claims under the name of the private respondent. The said case was docketed as Civil Case No. 08-63267.

For his part, herein petitioner filed a Motion to Dismiss^[7] the complaint based on the following grounds: (a) the complaint stated no cause of action; (b) the claim was unenforceable under the statute of frauds; (c) the claim had already prescribed and is barred by the statutes of limitation; (d) the private respondent had failed to implead the Republic of the Philippines as an indispensable party; (e) the venue was improperly laid; and (f) the private respondent had failed to pay the necessary filing fees, thereby depriving the trial court of jurisdiction over the complaint.

On August 30, 2012, the trial court issued the herein first assailed order denying the motion to dismiss the complaint that was filed by the petitioner. Aggrieved by the foregoing disposition of the public respondent judge, herein petitioner filed a Motion for Reconsideration^[8] of the said August 30, 2012 Order by the trial court. However, in the second assailed Order dated September 30, 2013, the public respondent judge likewise denied the aforementioned motion for reconsideration that was filed by the petitioner for lack of merit.

Hence, the petitioner filed this petition for *certiorari* wherein the petitioner raised the following acts of grave abuse of discretion that were purportedly committed by the public respondent RTC judge:

I.

THE PUBLIC RESPONDENT JUDGE COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR EXCESS OF JURISDICTION IN DENYING THE MOTION TO DISMISS THE COMPLAINT DESPITE THE PRIVATE RESPONDENT'S LACK OF CAUSE OF ACTION.

II.

THE PUBLIC RESPONDENT JUDGE COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR EXCESS OF JURISDICTION IN DENYING THE MOTION TO DISMISS THE COMPLAINT DESPITE THE UNENFORCEABILITY OF THE CLAIM THEREIN UNDER THE STATUTE OF FRAUDS.

III.

THE PUBLIC RESPONDENT JUDGE COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR EXCESS OF JURISDICTION IN DENYING THE MOTION TO DISMISS THE COMPLAINT DESPITE THE FACT THAT THE CLAIM OF THE PRIVATE RESPONDENT HAD ALREADY PRESCRIBED AND IS ALREADY BARRED BY THE STATUTE OF LIMITATIONS.

IV.

THE PUBLIC RESPONDENT JUDGE COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR EXCESS OF JURISDICTION IN DENYING THE MOTION TO DISMISS THE COMPLAINT DESPITE THE FACT THAT THE REPUBLIC OF THE PHILIPPINES HAD NOT BEEN IMPEADED AS AN INDISPENSABLE PARTY.

V.

THE PUBLIC RESPONDENT JUDGE COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR EXCESS OF JURISDICTION IN DENYING THE MOTION TO DISMISS THE COMPLAINT DESPITE THE FACT THAT THE VENUE HAD BEEN IMPROPERLY LAID.

VI.

THE PUBLIC RESPONDENT JUDGE COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR EXCESS OF JURISDICTION IN

DENYING THE MOTION TO DISMISS THE COMPLAINT DESPITE THE FAILURE OF THE PRIVATE RESPONDENT TO PAY THE PROPER DOCKET FEES.

In sum, the sole issue to be resolved by us in the instant petition is whether or not the public respondent judge committed grave abuse of discretion when he denied the motion to dismiss the complaint that was filed by the petitioner. After a careful and judicious scrutiny of the whole matter, together with the applicable laws and jurisprudence in the premises, we find the instant petition to be bereft of merit.

In the instant petition, the petitioner averred that the complaint for reconveyance that was filed by the private respondent against him and his co-defendants in the trial court failed to state a cause of action. According to the petitioner, the LOI was addressed to Jorge Gonzales as the property owner or claimowner of the subject mining claims and there was no mention of the name of the private respondent in the said document. Likewise, the 1989 Agreement referred to Jorge Gonzales as the claimowner of the mining claims without any mention of participation by, or even the name of, the private respondent. The petitioner maintained that the private respondent kept on harping on an alleged trustor-trustee relationship between them but the private respondent nonetheless failed to prove the existence of the said trust. In this regard, the petitioner pointed out that no express trust concerning immovables may be proved by parol evidence. Relative thereto, an express trust which is not embodied in a written document is unenforceable under the statute of frauds.

Moreover, the petitioner contended that, assuming that the complaint stated a cause of action based on an implied trust, the claim of the private respondent would still fail in that there was no clear or unequivocal intention of the parties to create a trust relationship. More importantly, the petitioner submitted that an action to enforce an implied trust prescribes in ten (10) years reckoned from the time of the issuance of the adverse title to the property. In this case, the mining claims were registered in the name of the petitioner as early as in the year 1985. More than twenty three (23) years had already lapsed before the private respondent filed the instant complaint in the trial court and, thus, the said action was already barred by the statute of limitations.

Further, the petitioner asseverated that the subject matter of the complaint involved mining claims and mineral rights which relates to the very first FTAA that was concluded by the Philippine Government pursuant to Philippine laws. Consequently, he insisted that the Republic of the Philippines should have been impleaded as an indispensable party in the case below. Furthermore, the petitioner argued that the venue of the case had been improperly laid in that the Didipio area was located within the boundaries of Quirino, Nueva Vizcaya and Isabela. Since the instant case was an action which affects the title to or possession of real property, the petitioner insisted that the complaint should have been filed in the proper court which had jurisdiction over the area wherein the property involved is situated.

Finally, the petitioner stated that the private respondent failed to pay the proper docket fees in the trial court when the latter filed the instant complaint. According to the petitioner, the private respondent was obliged to pay filing fees based on the amounts that were stated in the contracts or agreements which are now being claimed by the private respondent as the owner of the mining claims. Thus, in the absence of any payment of filing fees for the amounts involved in the subject