

EN BANC

HON. PATRICIA A. STO. TOMAS, G.R. No. 152642
ROSALINDA BALDOZ and
LUCITA LAZO,

Petitioners, Present:

- versus -

SERENO, C.J.,
CARPIO,
VELASCO, JR.,
LEONARDO-DE CASTRO,
BRION,
PERALTA,
BERSAMIN,
DEL CASTILLO,
ABAD,
VILLARAMA, JR.,
PEREZ,
MENDOZA,
REYES, and
PERLAS-BERNABE, JJ.

REY SALAC, WILLIE D. ESPIRITU,
MARIO MONTENEGRO, DODGIE
BELONIO, LOLIT SALINEL and
BUDDY BONNEVIE,

Respondents.

X ----- X

HON. PATRICIA A. STO. TOMAS, G.R. No. 152710
in her capacity as Secretary of
Department of Labor and Employment
(DOLE), HON. ROSALINDA D.
BALDOZ, in her capacity as
Administrator, Philippine Overseas
Employment Administration (POEA),
and the PHILIPPINE OVERSEAS
EMPLOYMENT ADMINISTRATION
GOVERNING BOARD,

Petitioners,

- versus -

HON. JOSE G. PANEDA, in his capacity as the Presiding Judge of Branch 220, Quezon City, **ASIAN RECRUITMENT COUNCIL PHILIPPINE CHAPTER, INC. (ARCOPHIL)**, for itself and in behalf of its members: **WORLDCARE PHILIPPINES SERVIZO INTERNATIONALE, INC., STEADFAST INTERNATIONAL RECRUITMENT CORP., VERDANT MANPOWER MOBILIZATION CORP., BRENT OVERSEAS PERSONNEL, INC., ARL MANPOWER SERVICES, INC., DAHLZEN INTERNATIONAL SERVICES, INC., INTERWORLD PLACEMENT CENTER, INC., LAKAS TAO CONTRACT SERVICES LTD. CO., SSC MULTI-SERVICES, DMJ INTERNATIONAL, and MIP INTERNATIONAL MANPOWER SERVICES**, represented by its proprietress, **MARCELINA I. PAGSIBIGAN**,

Respondents.

X ----- X

REPUBLIC OF THE PHILIPPINES, G.R. No. 167590
represented by the **HONORABLE EXECUTIVE SECRETARY, the HONORABLE SECRETARY OF LABOR AND EMPLOYMENT (DOLE), the PHILIPPINE OVERSEAS EMPLOYMENT ADMINISTRATION (POEA), the OVERSEAS WORKERS WELFARE ADMINISTRATION (OWWA), the LABOR ARBITERS OF THE NATIONAL LABOR RELATIONS COMMISSION (NLRC), the HONORABLE SECRETARY OF JUSTICE, the HONORABLE SECRETARY OF FOREIGN AFFAIRS and the COMMISSION ON AUDIT (COA)**,

Petitioners,

- versus -

**PHILIPPINE ASSOCIATION OF
SERVICE EXPORTERS, INC. (PASEI),**
Respondent.

X ----- X

**BECMEN SERVICE EXPORTER
AND PROMOTION, INC.,**
Petitioner,

G.R. Nos. 182978-79

- versus -

**SPOUSES SIMPLICIO AND MILA
CUARESMA (for and in behalf of
daughter, Jasmin G. Cuaresma),
WHITE FALCON SERVICES, INC.,
and JAIME ORTIZ (President of
White Falcon Services, Inc.),**
Respondents.

X ----- X

**SPOUSES SIMPLICIO AND MILA
CUARESMA (for and in behalf of
deceased daughter, Jasmin G. Cuaresma),**
Petitioners,

G.R. Nos. 184298-99

- versus -

**WHITE FALCON SERVICES, INC.
and BECMEN SERVICES EXPORTER
AND PROMOTION, INC.,**
Respondents.

Promulgated:

NOVEMBER 13, 2012

X ----- X

DECISION

ABAD, J.:

These consolidated cases pertain to the constitutionality of certain provisions of Republic Act 8042, otherwise known as the *Migrant Workers and Overseas Filipinos Act of 1995*.

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Respondent.

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Respondents.

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**SPOUSES SIMPLICIO AND MILA
CUARESMA (for and in behalf of
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Petitioners,

G.R. Nos. 184298-99

- versus -

**WHITE FALCON SERVICES, INC.
and BECMEN SERVICES EXPORTER
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Respondents.

Promulgated:

X ----- X

DECISION

ABAD, J.:

These consolidated cases pertain to the constitutionality of certain provisions of Republic Act 8042, otherwise known as the *Migrant Workers and Overseas Filipinos Act of 1995*.

The Facts and the Case

On June 7, 1995 Congress enacted Republic Act (R.A.) 8042 or the Migrant Workers and Overseas Filipinos Act of 1995 that, for among other purposes, sets the Government's policies on overseas employment and establishes a higher standard of protection and promotion of the welfare of migrant workers, their families, and overseas Filipinos in distress.

G.R. 152642 and G.R. 152710

(Constitutionality of Sections 29 and 30, R.A. 8042)

Sections 29 and 30 of the Act¹ commanded the Department of Labor and Employment (DOLE) to begin deregulating within one year of its passage the business of handling the recruitment and migration of overseas Filipino workers and phase out within five years the regulatory functions of the Philippine Overseas Employment Administration (POEA).

On January 8, 2002 respondents Rey Salac, Willie D. Espiritu, Mario Montenegro, Dodgie Belonio, Lolit Salinel, and Buddy Bonnevie (Salac, *et al.*) filed a petition for *certiorari*, prohibition and *mandamus* with application for temporary restraining order (TRO) and preliminary injunction against petitioners, the DOLE Secretary, the POEA Administrator, and the Technical Education and Skills Development Authority (TESDA) Secretary-General before the Regional Trial Court (RTC) of Quezon City, Branch 96.²

¹ SEC. 29. COMPREHENSIVE DEREGULATION PLAN ON RECRUITMENT ACTIVITIES. – Pursuant to a progressive policy of deregulation whereby the migration of workers becomes strictly a matter between the worker and his foreign employer, the DOLE within one (1) year from the effectivity of this Act, is hereby mandated to formulate a five-year comprehensive deregulation plan on recruitment activities taking into account labor market trends, economic conditions of the country and emerging circumstances which may affect the welfare of migrant workers.

SEC. 30. GRADUAL PHASE-OUT OF REGULATORY FUNCTIONS. – Within a period of five (5) years from the effectivity of this Act, the DOLE shall phase-out the regulatory functions of the POEA pursuant to the objectives of deregulation.

² Docketed as Civil Case Q-02-45907.

Salac, *et al.* sought to: **1)** nullify DOLE Department Order 10 (DOLE DO 10) and POEA Memorandum Circular 15 (POEA MC 15); **2)** prohibit the DOLE, POEA, and TESDA from implementing the same and from further issuing rules and regulations that would regulate the recruitment and placement of overseas Filipino workers (OFWs); and **3)** also enjoin them to comply with the policy of deregulation mandated under Sections 29 and 30 of Republic Act 8042.

On March 20, 2002 the Quezon City RTC granted Salac, *et al.*'s petition and ordered the government agencies mentioned to deregulate the recruitment and placement of OFWs.³ The RTC also annulled DOLE DO 10, POEA MC 15, and all other orders, circulars and issuances that are inconsistent with the policy of deregulation under R.A. 8042.

Prompted by the RTC's above actions, the government officials concerned filed the present petition in G.R. 152642 seeking to annul the RTC's decision and have the same enjoined pending action on the petition.

On April 17, 2002 the Philippine Association of Service Exporters, Inc. intervened in the case before the Court, claiming that the RTC March 20, 2002 Decision gravely affected them since it paralyzed the deployment abroad of OFWs and performing artists. The Confederated Association of Licensed Entertainment Agencies, Incorporated (CALEA) intervened for the same purpose.⁴

On May 23, 2002 the Court⁵ issued a TRO in the case, enjoining the Quezon City RTC, Branch 96, from enforcing its decision.

In a parallel case, on February 12, 2002 respondents Asian Recruitment Council Philippine Chapter, Inc. and others (Arcophil, *et al.*)

³ *Rollo* (G.R. 152642), pp. 70-82.

⁴ *Id.* at 210-297.

⁵ *Id.* at 845-849.

filed a petition for *certiorari* and prohibition with application for TRO and preliminary injunction against the DOLE Secretary, the POEA Administrator, and the TESDA Director-General,⁶ before the RTC of Quezon City, Branch 220, to enjoin the latter from implementing the *2002 Rules and Regulations Governing the Recruitment and Employment of Overseas Workers* and to cease and desist from issuing other orders, circulars, and policies that tend to regulate the recruitment and placement of OFWs in violation of the policy of deregulation provided in Sections 29 and 30 of R.A. 8042.

On March 12, 2002 the Quezon City RTC rendered an Order, granting the petition and enjoining the government agencies involved from exercising regulatory functions over the recruitment and placement of OFWs. This prompted the DOLE Secretary, the POEA Administrator, and the TESDA Director-General to file the present action in G.R. 152710. As in G.R. 152642, the Court issued on May 23, 2002 a TRO enjoining the Quezon City RTC, Branch 220 from enforcing its decision.

On December 4, 2008, however, the Republic informed⁷ the Court that on April 10, 2007 former President Gloria Macapagal-Arroyo signed into law R.A. 9422⁸ which expressly repealed Sections 29 and 30 of R.A. 8042 and adopted the policy of close government regulation of the recruitment and deployment of OFWs. R.A. 9422 pertinently provides:

x x x x

SEC. 1. Section 23, paragraph (b.1) of Republic Act No. 8042, otherwise known as the “Migrant Workers and Overseas Filipinos Act of 1995” is hereby amended to read as follows:

(b.1) Philippine Overseas Employment Administration – The Administration shall regulate private sector participation in the recruitment

⁶ Filed on February 12, 2002, docketed as Civil Case Q-02-46127 before RTC Branch 220 of Quezon City.

⁷ Manifestation and Motion, *rollo* (G.R. 152642), pp. 1338-1359.

⁸ An Act to Strengthen the Regulatory Functions of the Philippine Overseas Employment Administration (POEA), Amending for this Purpose Republic Act 8042, otherwise known as the “Migrant Workers and Overseas Filipinos Act of 1995.”

and overseas placement of workers by setting up a licensing and registration system. It shall also formulate and implement, in coordination with appropriate entities concerned, when necessary, a system for promoting and monitoring the overseas employment of Filipino workers taking into consideration their welfare and the domestic manpower requirements.

In addition to its powers and functions, the administration shall inform migrant workers not only of their rights as workers but also of their rights as human beings, instruct and guide the workers how to assert their rights and provide the available mechanism to redress violation of their rights.

In the recruitment and placement of workers to service the requirements for trained and competent Filipino workers of foreign governments and their instrumentalities, and such other employers as public interests may require, the administration shall deploy only to countries where the Philippines has concluded bilateral labor agreements or arrangements: *Provided*, That such countries shall guarantee to protect the rights of Filipino migrant workers; and: *Provided, further*, That such countries shall observe and/or comply with the international laws and standards for migrant workers.

SEC. 2. Section 29 of the same law is hereby repealed.

SEC. 3. Section 30 of the same law is also hereby repealed.

X X X X

On August 20, 2009 respondents Salac, *et al.* told the Court in G.R. 152642 that they agree⁹ with the Republic's view that the repeal of Sections 29 and 30 of R.A. 8042 renders the issues they raised by their action moot and academic. The Court has no reason to disagree. Consequently, the two cases, G.R. 152642 and 152710, should be dismissed for being moot and academic.

G.R. 167590

(Constitutionality of Sections 6, 7, and 9 of R.A. 8042)

On August 21, 1995 respondent Philippine Association of Service Exporters, Inc. (PASEI) filed a petition for declaratory relief and prohibition with prayer for issuance of TRO and writ of preliminary injunction before the RTC of Manila, seeking to annul Sections 6, 7, and 9 of R.A. 8042 for

⁹ Reply, *rollo* (G.R. 152642), pp. 1392-1395.

being unconstitutional. (PASEI also sought to annul a portion of Section 10 but the Court will take up this point later together with a related case.)

Section 6 defines the crime of “illegal recruitment” and enumerates the acts constituting the same. Section 7 provides the penalties for prohibited acts. Thus:

SEC. 6. *Definition.* – For purposes of this Act, illegal recruitment shall mean any act of canvassing, enlisting, contracting, transporting, utilizing, hiring, procuring workers and includes referring, contract services, promising or advertising for employment abroad, whether for profit or not, when undertaken by a non-license or non-holder of authority contemplated under Article 13(f) of Presidential Decree No. 442, as amended, otherwise known as the Labor Code of the Philippines: *Provided*, That such non-license or non-holder, who, in any manner, offers or promises for a fee employment abroad to two or more persons shall be deemed so engaged. It shall likewise include the following acts, whether committed by any person, whether a non-licensee, non-holder, licensee or holder of authority:

X X X X

SEC. 7. *Penalties.* –

(a) Any person found guilty of illegal recruitment shall suffer the penalty of imprisonment of not less than six (6) years and one (1) day but not more than twelve (12) years and a fine not less than two hundred thousand pesos (₱200,000.00) nor more than five hundred thousand pesos (₱500,000.00).

(b) The penalty of life imprisonment and a fine of not less than five hundred thousand pesos (₱500,000.00) nor more than one million pesos (₱1,000,000.00) shall be imposed if illegal recruitment constitutes economic sabotage as defined herein.

Provided, however, That the maximum penalty shall be imposed if the person illegally recruited is less than eighteen (18) years of age or committed by a non-licensee or non-holder of authority.¹⁰

Finally, Section 9 of R.A. 8042 allowed the filing of criminal actions arising from “illegal recruitment” before the RTC of the province or city where the offense was committed or where the offended party actually resides at the time of the commission of the offense.

¹⁰ Section 7 was subsequently amended to increase both the durations of imprisonment and the amounts of the fines.

The RTC of Manila declared Section 6 unconstitutional after hearing on the ground that its definition of “illegal recruitment” is vague as it fails to distinguish between licensed and non-licensed recruiters¹¹ and for that reason gives undue advantage to the non-licensed recruiters in violation of the right to equal protection of those that operate with government licenses or authorities.

But “illegal recruitment” as defined in Section 6 is clear and unambiguous and, contrary to the RTC’s finding, actually makes a distinction between licensed and non-licensed recruiters. By its terms, persons who engage in “canvassing, enlisting, contracting, transporting, utilizing, hiring, or procuring workers” without the appropriate government license or authority are guilty of illegal recruitment whether or not they commit the wrongful acts enumerated in that section. On the other hand, recruiters who engage in the canvassing, enlisting, etc. of OFWs, although with the appropriate government license or authority, are guilty of illegal recruitment only if they commit any of the wrongful acts enumerated in Section 6.

The Manila RTC also declared Section 7 unconstitutional on the ground that its sweeping application of the penalties failed to make any distinction as to the seriousness of the act committed for the application of the penalty imposed on such violation. As an example, said the trial court, the mere failure to render a report under Section 6(h) or obstructing the inspection by the Labor Department under Section 6(g) are penalized by imprisonment for six years and one day and a minimum fine of ₱200,000.00 but which could unreasonably go even as high as life imprisonment if committed by at least three persons.

¹¹ A non-licensee or non-holder of authority means any person, corporation or entity which has not been issued a valid license or authority to engage in recruitment and placement by the Secretary of Labor, or whose license or authority has been suspended, revoked or cancelled by the POEA or the Secretary (*People v. Engr. Diaz*, 328 Phil. 794, 806 [1996]).

Apparently, the Manila RTC did not agree that the law can impose such grave penalties upon what it believed were specific acts that were not as condemnable as the others in the lists. But, in fixing uniform penalties for each of the enumerated acts under Section 6, Congress was within its prerogative to determine what individual acts are equally reprehensible, consistent with the State policy of according full protection to labor, and deserving of the same penalties. It is not within the power of the Court to question the wisdom of this kind of choice. Notably, this legislative policy has been further stressed in July 2010 with the enactment of R.A. 10022¹² which increased even more the duration of the penalties of imprisonment and the amounts of fine for the commission of the acts listed under Section 7.

Obviously, in fixing such tough penalties, the law considered the unsettling fact that OFWs must work outside the country's borders and beyond its immediate protection. The law must, therefore, make an effort to somehow protect them from conscienceless individuals within its jurisdiction who, fueled by greed, are willing to ship them out without clear assurance that their contracted principals would treat such OFWs fairly and humanely.

As the Court held in *People v. Ventura*,¹³ the State under its police power “may prescribe such regulations as in its judgment will secure or tend to secure the general welfare of the people, to protect them against the consequence of ignorance and incapacity as well as of deception and fraud.” Police power is “that inherent and plenary power of the State which enables it to prohibit all things hurtful to the comfort, safety, and welfare of society.”¹⁴

¹² An Act Amending Republic Act 8042, Otherwise Known as the Migrant Workers and Overseas Filipinos Act of 1995, as Amended, Further Improving the Standard of Protection and Promotion of the Welfare of Migrant Workers, their Families and Overseas Filipinos in Distress, and For Other Purposes.

¹³ 114 Phil. 162, 167 (1962).

¹⁴ *Rubi v. Provincial Board of Mindoro*, 39 Phil. 660, 708 (1919).

The Manila RTC also invalidated Section 9 of R.A. 8042 on the ground that allowing the offended parties to file the criminal case in their place of residence would negate the general rule on venue of criminal cases which is the place where the crime or any of its essential elements were committed. Venue, said the RTC, is jurisdictional in penal laws and, allowing the filing of criminal actions at the place of residence of the offended parties violates their right to due process. Section 9 provides:

SEC. 9. *Venue.* – A criminal action arising from illegal recruitment as defined herein shall be filed with the Regional Trial Court of the province or city where the offense was committed or where the offended party actually resides at the time of the commission of the offense: *Provided*, That the court where the criminal action is first filed shall acquire jurisdiction to the exclusion of other courts: *Provided, however*, That the aforestated provisions shall also apply to those criminal actions that have already been filed in court at the time of the effectivity of this Act.

But there is nothing arbitrary or unconstitutional in Congress fixing an alternative venue for violations of Section 6 of R.A. 8042 that differs from the venue established by the Rules on Criminal Procedure. Indeed, Section 15(a), Rule 110 of the latter Rules allows exceptions provided by laws. Thus:

SEC. 15. *Place where action is to be instituted.*— (a) **Subject to existing laws**, the criminal action shall be instituted and tried in the court of the municipality or territory where the offense was committed or where any of its essential ingredients occurred. (Emphasis supplied)

X X X X

Section 9 of R.A. 8042, as an exception to the rule on venue of criminal actions is, consistent with that law's declared policy¹⁵ of providing a criminal justice system that protects and serves the best interests of the victims of illegal recruitment.

¹⁵ Par. d and e.

G.R. 167590, G.R. 182978-79,¹⁶ and G.R. 184298-99¹⁷
(Constitutionality of Section 10, last sentence of 2nd paragraph)

G.R. 182978-79 and G.R. 184298-99 are consolidated cases. Respondent spouses Simplicio and Mila Cuaresma (the Cuaresmas) filed a claim for death and insurance benefits and damages against petitioners Becmen Service Exporter and Promotion, Inc. (Becmen) and White Falcon Services, Inc. (White Falcon) for the death of their daughter Jasmin Cuaresma while working as staff nurse in Riyadh, Saudi Arabia.

The Labor Arbiter (LA) dismissed the claim on the ground that the Cuaresmas had already received insurance benefits arising from their daughter's death from the Overseas Workers Welfare Administration (OWWA). The LA also gave due credence to the findings of the Saudi Arabian authorities that Jasmin committed suicide.

On appeal, however, the National Labor Relations Commission (NLRC) found Becmen and White Falcon jointly and severally liable for Jasmin's death and ordered them to pay the Cuaresmas the amount of US\$113,000.00 as actual damages. The NLRC relied on the Cabanatuan City Health Office's autopsy finding that Jasmin died of criminal violence and rape.

Becmen and White Falcon appealed the NLRC Decision to the Court of Appeals (CA).¹⁸ On June 28, 2006 the CA held Becmen and White Falcon jointly and severally liable with their Saudi Arabian employer for actual damages, with Becmen having a right of reimbursement from White Falcon. Becmen and White Falcon appealed the CA Decision to this Court.

¹⁶ Entitled Becmen Service Exporter and Promotion, Inc. v. Spouses Simplicio and Mila Cuaresma, for and in behalf of their daughter Jasmin G. Cuaresma, et al.

¹⁷ Entitled Spouses Simplicio and Mila Cuaresma, for and in behalf of their deceased daughter Jasmin G. Cuaresma v. White Falcon Services, Inc. and Becmen Services Exporter and Promotion, Inc.

¹⁸ Docketed as CA-G.R. SP 80619 and 81030.

On April 7, 2009 the Court found Jasmin's death not work-related or work-connected since her rape and death did not occur while she was on duty at the hospital or doing acts incidental to her employment. The Court deleted the award of actual damages but ruled that Becmen's corporate directors and officers are solidarily liable with their company for its failure to investigate the true nature of her death. Becmen and White Falcon abandoned their legal, moral, and social duty to assist the Cuasmas in obtaining justice for their daughter. Consequently, the Court held the foreign employer Rajab and Silsilah, White Falcon, Becmen, and the latter's corporate directors and officers jointly and severally liable to the Cuasmas for: **1)** ₱2,500,000.00 as moral damages; **2)** ₱2,500,000.00 as exemplary damages; **3)** attorney's fees of 10% of the total monetary award; and **4)** cost of suit.

On July 16, 2009 the corporate directors and officers of Becmen, namely, Eufrocina Gumabay, Elvira Taguam, Lourdes Bonifacio and Eddie De Guzman (Gumabay, *et al.*) filed a motion for leave to Intervene. They questioned the constitutionality of the last sentence of the second paragraph of Section 10, R.A. 8042 which holds the corporate directors, officers and partners jointly and solidarily liable with their company for money claims filed by OFWs against their employers and the recruitment firms. On September 9, 2009 the Court allowed the intervention and admitted Gumabay, *et al.*'s motion for reconsideration.

The key issue that Gumabay, *et al.* present is *whether or not the 2nd paragraph of Section 10, R.A. 8042, which holds the corporate directors, officers, and partners of recruitment and placement agencies jointly and solidarily liable for money claims and damages that may be adjudged against the latter agencies, is unconstitutional.*

In G.R. 167590 (the PASEI case), the Quezon City RTC held as unconstitutional the last sentence of the 2nd paragraph of Section 10 of R.A.

8042. It pointed out that, absent sufficient proof that the corporate officers and directors of the erring company had knowledge of and allowed the illegal recruitment, making them automatically liable would violate their right to due process of law.

The pertinent portion of Section 10 provides:

SEC. 10. *Money Claims.* – x x x

The liability of the principal/employer and the recruitment/placement agency for any and all claims under this section shall be joint and several. This provision shall be incorporated in the contract for overseas employment and shall be a condition precedent for its approval. The performance bond to be filed by the recruitment/placement agency, as provided by law, shall be answerable for all money claims or damages that may be awarded to the workers. **If the recruitment/placement agency is a juridical being, the corporate officers and directors and partners as the case may be, shall themselves be jointly and solidarily liable with the corporation or partnership for the aforesaid claims and damages.** (Emphasis supplied)

But the Court has already held, pending adjudication of this case, that the liability of corporate directors and officers is not automatic. To make them jointly and solidarily liable with their company, there must be a finding that they were remiss in directing the affairs of that company, such as sponsoring or tolerating the conduct of illegal activities.¹⁹ In the case of Becmen and White Falcon,²⁰ while there is evidence that these companies were at fault in not investigating the cause of Jasmin's death, there is no mention of any evidence in the case against them that intervenors Gumabay, et al., Becmen's corporate officers and directors, were personally involved in their company's particular actions or omissions in Jasmin's case.

As a final note, 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. The rule is settled that every statute has in its favor the

¹⁹ *MAM Realty Development Corp. v. National Labor Relations Commission*, 314 Phil. 838, 845 (1995).

²⁰ G.R. 182978-79 and G.R. 184298-99.


presumption of constitutionality. The Court cannot inquire into the wisdom or expediency of the laws enacted by the Legislative Department. Hence, in the absence of a clear and unmistakable case that the statute is unconstitutional, the Court must uphold its validity.

WHEREFORE, in G.R. 152642 and 152710, the Court **DISMISSES** the petitions for having become moot and academic.

In G.R. 167590, the Court **SETS ASIDE** the Decision of the Regional Trial Court of Manila dated December 8, 2004 and **DECLARES** Sections 6, 7, and 9 of Republic Act 8042 valid and constitutional.

In G.R. 182978-79 and G.R. 184298-99 as well as in G.R. 167590, the Court **HOLDS** the last sentence of the second paragraph of Section 10 of Republic Act 8042 valid and constitutional. The Court, however, **RECONSIDERS and SETS ASIDE** the portion of its Decision in G.R. 182978-79 and G.R. 184298-99 that held intervenors Eufrocina Gumabay, Elvira Taguam, Lourdes Bonifacio, and Eddie De Guzman jointly and solidarily liable with respondent Becmen Services Exporter and Promotion, Inc. to spouses Simplicio and Mila Cuaresma for lack of a finding in those cases that such intervenors had a part in the act or omission imputed to their corporation.

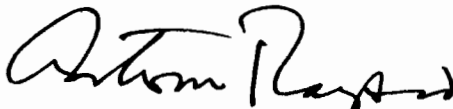
SO ORDERED.


ROBERTO A. ABAD
Associate Justice

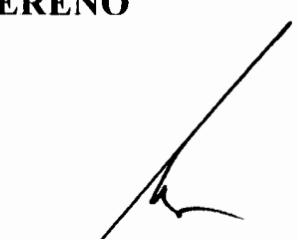
WE CONCUR:




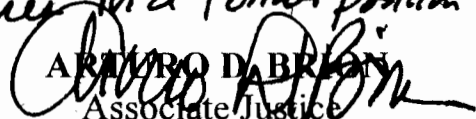
MARIA LOURDES P. A. SERENO
Chief Justice

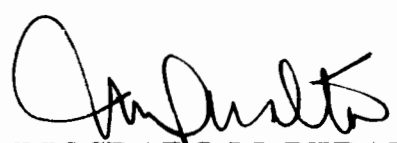


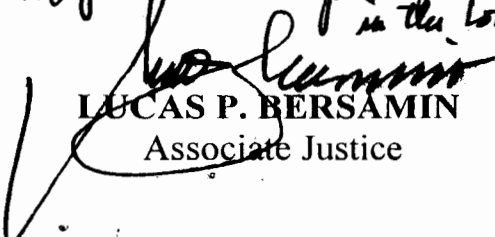
ANTONIO T. CARPIO
Associate Justice


PRESBITERO J. VELASCO, JR.
Associate Justice



TERESITA J. LEONARDO-DE CASTRO
Associate Justice

No part due to prior participation in related cases in a former position

ARTURO D. BRION
Associate Justice


DIOSDADO M. PERALTA
Associate Justice

No part due to prior participation in the lower court

LUCAS P. BERSAMIN
Associate Justice


MARIANO C. DEL CASTILLO
Associate Justice



MARTIN S. VILLARAMA, JR.
Associate Justice


JOSE PORTUGAL PEREZ
Associate Justice

No part

JOSE CATRAL MENDOZA
Associate Justice


BIENVENIDO L. REYES
Associate Justice


ESTELA M. PERLAS-BERNABE
Associate Justice

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, it is hereby certified that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court.



MARIA LOURDES P. A. SERENO
Chief Justice