



Republic of the Philippines
Supreme Court
Manila.

THIRD DIVISION

ANTONIO M. MAGTALAS,
Petitioner,

G.R. No. 193451

Present:

- versus -

VELASCO, JR., J., *Chairperson,*
PERALTA,
VILLARAMA, JR.,
REYES, and
JARDELEZA, JJ.

ISIDORO A. ANTE, RAUL C.
ADDATU, NICANOR B.
PADILLA, JR., DANTE Y.
CEÑIDO, and RHAMIR C.
DALIOAN,

Promulgated:

January 28, 2015

Respondents.

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DECISION

VILLARAMA, JR., J.:

At bar is a petition¹ for review on certiorari of the Decision² dated June 22, 2010 and the Resolution³ dated August 11, 2010 of the Court of Appeals (CA) in the consolidated petitions docketed as CA-G.R. SP No. 107029 and CA-G.R. SP No. 107316, which affirmed the assailed Resolutions⁴ of the National Labor Relations Commission (NLRC). The NLRC Resolutions dismissed the appeal filed by petitioner Antonio M. Magtalas (Magtalas) and Philippine School of Business Administration (PSBA), et al. in NLRC NCR Case No. 00-04-03133-06 for failure to perfect such appeal under Sections 4 and 6 of the NLRC Rules of Procedure.

Petitioner Magtalas is the Certified Public Accountant (CPA) Review Director of the CPA Review Center of the Philippine School of Business Administration-Manila (PSBA-Manila). He was impleaded in this case in his official capacity.⁵

¹ Rollo, pp. 9-40.

² Id. at 42-55. Penned by Associate Justice Sesinando E. Villon with Associate Justices Marlene Gonzales-Sison and Amy C. Lazaro-Javier concurring.

³ Id. at 57-57-A.

⁴ Id. at 114-121, 143-146. Dated June 25, 2008 and November 25, 2008.

⁵ Id. at 12.

PSBA is a corporation duly organized and existing under Philippine laws. It is engaged in business as an educational institution and offers review classes to candidates for the CPA Licensure Examinations.⁶

Respondents Isidoro A. Ante, Raul C. Addatu, Nicanor B. Padilla, Jr., Dante Y. Ceñido and Rhamir C. Dalioan were engaged by PSBA-Manila as professional reviewers at its CPA Review Center and were paid on an hourly basis. However, for the school year 2005-2006, they were not given any review load.⁷ Respondents then sent a letter to the President of PSBA-Manila, Jose F. Peralta (Peralta), requesting for the payment of termination or retirement benefits for failure of PSBA-Manila to give them review load for the said school year. Petitioner and Peralta sent respondents individual replies stating that they were not entitled to retirement or termination benefits because they do not have an employer-employee relationship, but a professional-client relationship.⁸

Consequently, respondents filed a complaint for constructive illegal dismissal, non-payment of overtime pay, holiday pay, premium for holiday pay, vacation and sick leave pay, 13th month pay, separation pay and retirement benefits, as well as for moral, exemplary, actual, nominal and temperate damages and attorney's fees⁹ against PSBA-Manila, Peralta and herein petitioner with the Labor Arbitration Branch of the NLRC.

In a Decision¹⁰ dated October 9, 2007, Labor Arbiter Fe Superiaso-Cellan found petitioner, PSBA-Manila and the other persons named in the complaint liable for illegal dismissal. Finding that respondents are regular employees of PSBA-Manila, the Labor Arbiter ordered PSBA-Manila, Peralta and petitioner to pay respondents back wages, separation pay and other benefits and damages.

In a Memorandum on Appeal¹¹ dated November 9, 2007, petitioner Magtalas alone filed with the NLRC a **separate** appeal with a simultaneous Motion to Reduce Bond.¹² Petitioner deposited only ₱100,000.00 as cash bond, with motion to reduce bond due to his incapacity of posting either a cash bond equivalent to the monetary award to respondents amounting to around ₱10,250,000.00 or the ₱600,000.00 premium of a surety bond for such amount.

PSBA-Manila and Peralta, on the other hand, separately posted a cash bond of ₱50,000.00 with Motion to Reduce Bond.

⁶ Id.

⁷ Id. at 12-13.

⁸ Id. at 13-14.

⁹ Id. at 59.

¹⁰ Id. at 59-83.

¹¹ Id. at 87-108.

¹² Id. at 110-112.

In the assailed Resolution dated June 25, 2008, the NLRC jointly resolved and dismissed the separate appeals of petitioner Magtalas on one hand, and PSBA-Manila and Peralta on the other, on the ground of non-perfection. It held that the cash bonds posted by the separate appeals of petitioner, as well as PSBA-Manila and Peralta, were not reasonable amounts, and did not interrupt the running of the period to perfect an appeal. The NLRC ruled, *viz.*:

WHEREFORE, premises considered, the appeals are **DISMISSED** for non-perfection. The assailed decision dated October 09, 2007 is hereby **AFFIRMED** and rendered **FINAL** and **EXECUTORY**. The motions to reduce bond are **DENIED** for lack of merit.

SO ORDERED.¹³

Petitioner moved for reconsideration,¹⁴ but the motion was denied in a Resolution dated November 25, 2008 for lack of merit, *viz.*:

WHEREFORE, in light of the foregoing, the Motion for Reconsideration is hereby **DENIED** for lack of merit. No further Motions shall be entertained.

SO ORDERED.¹⁵

Petitioner then filed a Petition for Certiorari¹⁶ – separately from PSBA-Manila and Peralta – with the CA. The petition filed by Magtalas was docketed as CA-G.R. SP No. 107316, while PSBA-Manila and Peralta’s petition was docketed as CA-G.R. SP No. 107029. Herein respondents subsequently moved to consolidate the petitions. The appellate court granted the motion.

In the assailed Decision promulgated on June 22, 2010, the CA affirmed the ruling of the NLRC and dismissed the consolidated petitions, *viz.*:

WHEREFORE, finding no grave abuse of discretion amounting to lack or excess of jurisdiction on the part of public respondent National Labor Relations Commission, Sixth Division, the assailed Resolutions dated June 25, 2008 and November 25, 2008 issued in NLRC LAC No. 12-003259-07, which dismissed the appeal filed by petitioners in NLRC NCR Case No. 00-04-03133-06 for failure to perfect the same pursuant to Sections 4 and 6 of the NLRC Rules of Procedure, are hereby **AFFIRMED**. The consolidated petitions for certiorari docketed as CA-G.R. SP No. 107029 and CA-G.R. SP No. 107316 are hereby **DISMISSED**.

SO ORDERED.¹⁷

¹³ Id. at 121.

¹⁴ Id. at 122-141.

¹⁵ Id. at 145.

¹⁶ Id. at 147-175.

¹⁷ Id. at 54.

Petitioner Magtalas sought reconsideration in a motion¹⁸ dated July 15, 2010, but the motion was denied by the appellate court in its Resolution dated August 11, 2010, *viz.*:

WHEREFORE, the instant Motions for Reconsideration are **DENIED** for lack of merit.

SO ORDERED.¹⁹

Petitioner Magtalas seeks recourse to this Court *via* the instant petition for review filed on October 8, 2010 and assigned this docket number. The instant petition assails the dismissal of his appeal by the NLRC due to his failure to post a sufficient bond. Petitioner also reiterates his argument that he is not covered by the rule of the NLRC on appeal bonds because he was not the employer of respondents. He also questions the findings of the NLRC that respondents were regular employees of PSBA-Manila and that they were illegally dismissed.

PSBA-Manila and Peralta, for their part, separately filed an appeal from the same CA decision with this Court. The petitions were docketed as G.R. Nos. 193438 and 194184 which were raffled off to the Second Division. The instant petition, however, was not consolidated with these two cases under the Second Division.

During the pendency of the three petitions, a Release, Waiver, and Quitclaim²⁰ was executed before Labor Arbiter Cellan under docket numbers NLRC LAC No. 12-003259-07 and RAB CASE No. 00-04-03133-06. It was dated and stamp received by the Office of the Labor Arbiter, NLRC-NCR on March 23, 2011. The Release, Waiver, and Quitclaim states, *viz.*:

We, complainants **Isidoro A. Ante, Raul C. Addatu, Nicanor B. Padilla, Jr., Dante Y. Ceñido, and Rhamir C. Dalioan**, after having been duly sworn in accordance with law, hereby depose, state and declare that the judgment award in the above-entitled case is fully satisfied for and in consideration of the negotiated amount of **NINE MILLION PHILIPPINE PESOS (PHP 9,000,000.00)**, receipt in full of which, We hereby acknowledge from Philippine School of Business Administration.

The aforestated negotiated amount is broken down as follows:

Dante Y. Ceñido	PHP 2,395,886.00
Nicanor B. Padilla, Jr.	2,345,845.00
Raul C. Addatu	1,768,509.00
Isidoro A. Ante	1,192[,]942.00
Rhamir C. Dalioan	1,296,818.00
TOTAL AMOUNT	<u>PHP 9,000,000.00</u>

We declare that above-mentioned negotiated amount represents full and final settlement of all Our claims for remuneration, wages and/or

¹⁸ Id. at 176-185.

¹⁹ Id. at 57-A.

²⁰ *Rollo* (G.R. Nos. 193438 & 194148), pp. 341-342. Emphases in the original.

benefits of whatever nature from the said Respondents including those treated in the above-captioned case.

We further declare that We have no other claims, whatsoever, against the Respondents and hereby release and forever discharge said Respondents from any and all claims, demands, causes of action and/or liability of whatever nature arising out of our adjudged employment with them. No further claim, suit or proceeding of whatever nature may be filed in court or agency of the government against the herein Respondents or any person acting in their interest.

Acknowledging that the negotiated amount that We have received was paid pursuant to a judgment award, we undertake to comply with any tax obligation that might be due thereon, should there be any.

IN WITNESS WHEREOF, We, the recipients of the aforementioned negotiated amounts, have hereunto set Our hands on the Release, Waiver and Quitclaim this 23rd day of March, 2011, in Quezon City, Philippines, as follows:

<u>Names and Signatures of Recipients</u>		<u>Valid I.D. No.</u>	<u>Date Issued</u>	<u>Place Issued</u>
Dante Y. Ceñido	SGD.	<u>1957662</u>	<u>9-5-09</u>	<u>Q.C.</u>
Nicano[r] B. Padilla, Jr.	SGD.	<u> </u>	<u> </u>	<u> </u>
Raul C. Addatu	SGD.	<u>97598</u>	<u>11-27-08</u>	<u>Q.C.</u>
Isidoro A. Ante	SGD.	<u> </u>	<u> </u>	<u> </u>
Rhamir C. Dalioan	SGD.	<u> </u>	<u> </u>	<u> </u>

SUBS[C]RIBED AND SWORN to before me on the 23rd day of March, 2011 at Quezon City, Metro – Manila (*sic*), Philippines, and the above enumerated Affiants exhibiting to me their valid I.Ds. with the respective dates and places of issues.

(SGD.)
ATTY. FE S. CELLAN
NOTARY PUBLIC
LABOR ARBITER

In an Addendum (to Release, Waiver and Quitclaim)²¹ dated and stamp received by the Office of the Labor Arbiter, NLRC-NCR on the same day, March 23, 2011, herein respondents further manifested, *viz.*:

We, complainants **Isidoro A. Ante, Raul C. Addatu, Nicanor B. Padilla, Jr., Dante Y. Ceñido and Rhamir C. Dalioan**, after having been duly sworn in accordance with law, hereby depose, state and declare that the negotiated amount of **NINE MILLION PHILIPPINE PESOS (PHP 9,000,000.00)**, in Philippine currency, which we received from Philippine School of Business Administration (**Manila**) and the Release, Waiver and Quitclaim that we executed in consideration thereof, **includes** the release, waiver and quitclaim of any and all claims that We may have against Philippine School of Business Administration, Inc. – **Quezon City**.

We declare that the above mentioned negotiated amount likewise represents full and final settlement of all our claims for remuneration, wages and/or benefits of whatever nature from Philippine School of Business Administration, Inc. – **Quezon City**. We hereby release and forever discharge said Philippine School of Business Administration, Inc.

²¹ Id. at 343-344. Emphases in the original.

– **Quezon City**, its directors, officers, agents and/or employees from any and all claims, demands, causes of action and/or liability of whatever nature arising out of our employment with them. Henceforth, no further claim, suit or proceeding of whatever nature may be filed in court or agency of the government against said Philippine School of Business Administration, Inc. – **Quezon City** or any person acting in their interest.

IN WITNESS WHEREOF, We, the recipients of the nine million pesos (PHP 9,000,000.00) in Philippine currency of the aforementioned negotiated amounts have hereunto set Our hands on this **ADDENDUM** to Release, Waiver and Quitclaim this 23rd day of March, 2011, in Quezon City, Philippines, as follows:

<u>Names and Signatures</u>		<u>Valid I.D. No.</u>	<u>Date Issued</u>	<u>Place Issued</u>
Dante Y. Ceñido	SGD.	<u>1957662</u>	<u>9-5-09</u>	<u>Q.C.</u>
Nicano[r] B. Padilla, Jr.	SGD.	<u> </u>	<u> </u>	<u> </u>
Raul C. Addatu	SGD.	<u>97598</u>	<u>11-27-08</u>	<u>Q.C.</u>
Isidoro A. Ante	SGD.	<u> </u>	<u> </u>	<u> </u>
Rhamir C. Dalioan	SGD.	<u> </u>	<u> </u>	<u> </u>

SUBS[C]RIBED AND SWORN to before me on the 23rd day of March, 2011 at Quezon City, Metro – Manila (*sic*), Philippines, and the above enumerated Affiants exhibiting to me their valid I.Ds. with the respective dates and places of issues.

(SGD.)
ATTY. FE S. CELLAN
NOTARY PUBLIC
LABOR ARBITER

In view of the execution of the above Release, Waiver, and Quitclaim and the Addendum (to Release, Waiver and Quitclaim) on March 23, 2011, PSBA-Manila and Peralta filed a Manifestation with Motion to Dismiss²² on April 14, 2011. They moved for the dismissal of the petitions docketed under G.R. Nos. 193438 and 194184 due to the execution of these documents.

On June 8, 2011, the Court, acting through the Third Division, issued a Resolution granting the Manifestation with Motion to Dismiss, *viz.*:

Let this case be considered **CLOSED** and **TERMINATED** and the parties be **INFORMED** accordingly.²³

Despite the issuance by the Third Division of the June 8, 2011 Resolution which declared G.R. Nos. 193438 and 194184 closed and terminated, the Court’s First Division issued a Resolution dated August 15, 2011 directing the First Division Clerk of Court to study whether the case at bar – docketed as G.R. No. 193451 – should be consolidated with G.R. Nos. 193438 and 194184, and to make a Report thereon within ten days from receipt of notice.²⁴ It was the First Division that issued the August 15, 2011

²² Id. at 338-340. Dated April 12, 2011.
²³ Id. at 346.
²⁴ *Rollo*, p. 261.

Resolution as this case was transferred from the Third to the First Division in a June 29, 2011 Resolution of this Court.²⁵

In a Memorandum Report²⁶ dated August 24, 2011, the Acting Assistant Division Clerk of Court of the First Division made the following recommendation:

Both G.R. Nos. 193451 and 193438/194184 arose from the same antecedent facts. They also involve essentially the same parties, interrelated issues and similar subject matter.

However, x x x G.R. Nos. 193438/194184 were already closed and terminated. Hence, the consolidation of G.R. No. 193451 with G.R. Nos. 193438/194184 is no longer proper or necessary and will serve no useful purpose.

Accordingly, it is respectfully recommended that G.R. No. 193451 be not consolidated with G.R. Nos. 193438/194184.²⁷

The instant case is a **separate appeal** filed by petitioner Magtalas seeking recourse from the appellate court's Decision over an appeal originating from the same complaint²⁸ filed by herein respondents against PSBA-Manila, Peralta and petitioner himself with the Labor Arbitration Branch of the NLRC under the consolidated cases of G.R. Nos. 193438 and 194184. While the instant petition was not consolidated with G.R. Nos. 193438 and 194184 – either on motion of both parties or by this Court *motu proprio* – a perusal of the Release, Waiver, and Quitclaim and the Addendum (to Release, Waiver and Quitclaim) executed on March 23, 2011 between the same parties has clearly operated to **fully and finally settle** all of herein respondents' claims for remuneration, wages and/or benefits of whatever nature from the PSBA, its directors, officers, agents and/or employees from any and all claims, demands, causes of action and/or liability of whatever nature arising out of respondents' employment with them. The Addendum further stated that "x x x no further claim, suit or proceeding of whatever nature may be filed in court or agency of the government against said Philippine School of Business Administration, Inc. – **Quezon City** or any person acting in their interest."²⁹

In the case at bar, petitioner Magtalas was impleaded in the original complaint in his official capacity as then Review Director of the CPA Review Center of PSBA-Manila. The Release, Waiver, and Quitclaim and the Addendum (to Release, Waiver and Quitclaim) with the negotiated amount of Nine Million Philippine Pesos (PHP 9,000,000.00) was signed by **all** five of the respondents in this case as full and final settlement of all of

²⁵ Id. at 260.

²⁶ Id. at 263-264.

²⁷ Id. at 264.

²⁸ Complaint for constructive illegal dismissal, non-payment of overtime pay, holiday pay, premium for holiday pay, vacation and sick leave pay, 13th month pay, separation pay and retirement benefits, as well as for moral, exemplary, actual, nominal and temperate damages and attorney's fees.

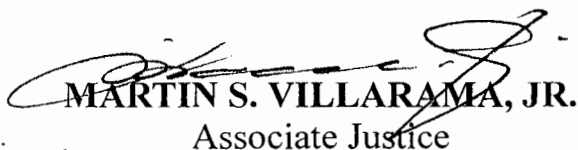
²⁹ Supra note 21, at 343.

their claims for remuneration, wages and/or benefits of whatever nature from PSBA and its directors, officers, agents and/or employees – clearly including herein petitioner. The Release, Waiver, and Quitclaim and the Addendum (to Release, Waiver and Quitclaim) executed on March 23, 2011 has now therefore rendered this case moot and academic. To be sure, not one of the respondents herein has assailed the validity and enforceability of the two documents executed on March 23, 2011 – either in this petition or in the consolidated cases of G.R. Nos. 193438 and 194184. None of the respondents also filed any opposition when PSBA-Manila and Peralta filed a Manifestation with Motion to Dismiss on April 14, 2011 for the dismissal of the consolidated petitions docketed under G.R. Nos. 193438 and 194184 in view of the execution of both documents pertaining to the release, waiver and quitclaim. Further, there was no opposition from respondents when the Third Division of the Court issued a Resolution on June 8, 2011 granting such motion to dismiss.


WHEREFORE, in view of the foregoing considerations and the Resolution issued by the Court on June 8, 2011 which considered the consolidated cases under G.R. Nos. 193438 and 194184 closed and terminated, the present petition is **DENIED** on the ground of mootness.

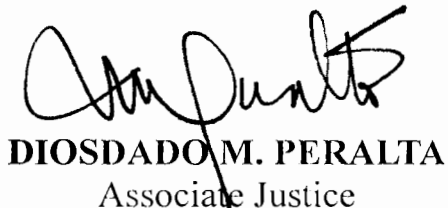
No pronouncement as to costs.

SO ORDERED.


MARTIN S. VILLARAMA, JR.
Associate Justice

WE CONCUR:


PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson



DIOSDADO M. PERALTA
Associate Justice


BIENVENIDO L. REYES
Associate Justice


FRANCIS H. JARDELEZA
Associate Justice

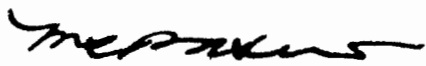
ATTESTATION

I attest 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's Division.


PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson, Third Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the 1987 Constitution and the Division Chairperson's Attestation, I certify 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's Division.


MARIA LOURDES P. A. SERENO
Chief Justice

