

CHANROBLES PUBLISHING COMPANY

SUPREME COURT  
SECOND DIVISION

PACIFIC LIFE ASSURANCE  
CORPORATION, doing business under  
the name and style of "PACIFIC  
MEMORIAL PLAN",

*Petitioner,*

-versus-

G.R. No. 122839  
November 20, 1998

CONCORDIA, FRANKLIN, NORMAN,  
NELSON and EMIL, all surnamed  
SISON,

*Respondents.*

X-----X

D E C I S I O N

MENDOZA, J.:

This is a Petition for Review of two Resolutions<sup>[1]</sup> of the Court of Appeals in CA-G.R. CV No. 46538, dated September 19, 1995 and November 17, 1995, the first one dismissing petitioner's appeal and the second denying reconsideration.

The facts are as follows.

In Civil Case No. 86-38526 of the Regional Trial Court of Manila, Branch 24, judgment was rendered on April 24, 1992 in favor of private respondents Concordia, Franklin, Norman, Nelson, and Emil, all surnamed Sison, ordering herein petitioner Pacific Life Assurance Corporation (hereafter referred to as Pacific Life) to pay the former actual and moral damages. The dispositive portion of the trial court's decision reads:

The court therefore decides in favor of the plaintiff as against the defendant and awards the plaintiff the amount of Twenty Two Thousand Pesos actual damages representing funeral expenses incurred by the plaintiff for the funeral and memorial services and burial expenses of Emilio Sison, the amount of Thirty Nine Thousand Six Hundred Twenty Eight Pesos actual expenses of litigation including filing fees, cost of the transcript, transportation, hotel expenses and allowances of the counsel for the plaintiff and the amount of Thirty Thousand Pesos by way of attorney's fees and One Hundred Thousand Pesos as moral damages, together with the interest thereon from the date of the filing of the complaint until full payment of the same, costs against the defendant.<sup>[2]</sup>

A copy of the decision was received by Pacific Life on May 6, 1992.<sup>[3]</sup> On May 18, 1992, it filed a notice of appeal. On the other hand, private respondents, the Sisons, filed a motion for reconsideration to which Pacific Life filed an opposition.<sup>[4]</sup> In its Order, dated March 11, 1993, the court a quo granted private respondents' motion for reconsideration and modified its decision with respect to the award of damages and the amounts thereof. The dispositive portion of its modified decision reads:

Considering all the foregoing, the court hereby grants the motion for reconsideration of the plaintiffs and hereby modifies its decision with respect to the amount payable by the defendant to the plaintiffs, and orders the defendant to pay plaintiffs the following amounts:

1. P22,000.00 actual damages representing funeral expenses incurred by the plaintiffs for the funeral and memorial services of Emilio Sison;

2. The amount of P59,154.00 representing actual expenses of litigation including filing fees, costs of transcripts, transportation and hotel expenses and allowances of counsel;
3. P76,000.00 actual expenses for attorney's fees;
4. P200,000.00 by way of moral damages; and
5. P100,000.00 by way of exemplary damages.<sup>[5]</sup>

Petitioner received a copy of the modified decision on March 29, 1993. A copy was likewise served on the private respondents on March 15, 1993.<sup>[6]</sup> On March 26, 1993, respondents appealed from the Decision of April 24, 1992 as modified by the March 11, 1993 Decision.<sup>[7]</sup> Petitioner did not appeal from the amended decision.

On April 20, 1993, while the appeal was pending, private respondents filed a motion for the execution of the decision, which the trial court granted. Petitioner elevated the matter to the Court of Appeals through a special civil action for certiorari (CA-GR SP No. 33414) and succeeded in having the writ of execution annulled.

Meantime, the Clerk of the Court of Appeals, acting on the separate notices of appeal filed by the parties, notified them that the record of the case had been received and required them to pay the docket fees and to file their respective appellant's briefs.

Both petitioner and respondents paid the required docket fees. Petitioner filed its appellant's brief on July 10, 1995.<sup>[8]</sup> On the other hand, private respondents, instead of filing a brief, withdrew their appeal<sup>[9]</sup> and instead moved to dismiss the appeal of petitioner on the ground that the latter had not appealed from the modified decision dated March 11, 1993.<sup>[10]</sup> Petitioner opposed the motion.<sup>[11]</sup> Private respondents in turn filed a reply.<sup>[12]</sup>

In its questioned resolution, the Court of Appeals granted private respondent's motion and dismissed the appeal of petitioner Pacific

Life. Petitioner filed a motion for reconsideration but this was denied. Hence, this petition.

Petitioner contends:

I

THE HONORABLE COURT OF APPEALS ERRED IN RULING THAT THE ORDER OF MARCH 11, 1993 COMPLETELY SUPERSEDED THE DECISION OF APRIL 24, 1992.

II

THE HONORABLE COURT OF APPEALS ERRED IN DISMISSING PACIFIC PLANS' APPEAL CONSIDERING THAT:

- A. ON ITS FACE, THE APPEAL IS IMPRESSED WITH MERIT, HENCE PACIFIC PLANS SHOULD NOT BE DEPRIVED OF ITS RIGHT TO APPEAL ONLY BECAUSE OF A STRINGENT APPLICATION OF THE RULES, RATHER, THE APPEAL MUST BE DECIDED ON THE MERITS.
- B. PACIFIC PLANS HAD FILED ITS NOTICE OF APPEAL, HENCE, THERE IS NO INDICATION THAT IT INTENDED TO WAIVE ITS RIGHT TO APPEAL.
- C. THERE BEING NO VESTED RIGHT IN A WRONG JUDGMENT, PACIFIC SHOULD NOT BE DEPRIVED OF ITS RIGHT TO APPEAL ONLY BECAUSE OF A STRINGENT APPLICATION OF THE RULES OF COURT.

The question is whether petitioner should have filed another notice of appeal when the original decision of April 24, 1992, from which it had appealed, was modified on March 11, 1993.

In dismissing the appeal of petitioner, the Court of Appeals ruled:

In the instant case, the court of origin made a review of the decision of April 24, 1992, together with the evidence presented by both parties, and then modified said decision with respect to the amount payable by the defendant-appellant to plaintiffs-appellants, which to Us is substantial in nature.

All told, We find that the amended decision of March 11, 1993 has completely superseded the original decision on April 24, 1992. Defendant-appellant, as earlier found, did not take an appeal from the amended decision of March 11, 1993.

Consequently, the Appellant's Brief filed by the defendant-appellant on July 10, 1995 (p. 73, Rollo) shall have to be expunged from the record of this case.<sup>[13]</sup>

We hold that petitioner did not have to file another notice of appeal, having given notice of its intention to appeal the original decision.

To be sure, the trial court's order of March 11, 1993 substantially amended the original decision of April 24, 1992.<sup>[14]</sup> But petitioner's failure to appeal from that order did not render its prior appeal from the original decision ineffective. Both the April 24, 1992 and March 11, 1993 judgments of the trial court ordered petitioner to pay damages to respondents although in different amounts, P171,828.00 and P457,154.00, respectively. It is also undisputed that petitioner seasonably appealed from the original judgment on May 18, 1992. Since the decision, as modified by the order of March 11, 1993, more than doubled petitioner's liability, there is no reason to believe that petitioner's failure to appeal therefrom in any way indicated its acceptance thereof.

The record shows that petitioner was not at all tardy in pursuing its appeal from the original decision of April 24, 1992. Upon its receipt of the notice from the Clerk of Court of the Court of Appeals, it filed its appellant's brief on July 10, 1995.

The conclusion of the Court of Appeals would have been proper had the order of March 11, 1993 reduced petitioner's liability or had petitioner not taken a prior appeal. But since the decision as modified substantially increased petitioner's liability, the logical inference is

that petitioner would all the more want to appeal from the decision as modified. To deny petitioner's appeal on the sole ground that it failed to file another notice of appeal in order to signify its objection to the modified decision would be to put a premium on technicalities at the expense of a just resolution of the case.

An appeal should not be dismissed on a mere technicality.<sup>[15]</sup> All litigants must be afforded the fullest opportunity for the adjudication of their cases on the merits. As we stated in A-One Feeds, Inc. vs. Court of Appeals:

Dismissal of appeals purely on technical grounds is frowned upon and the rules of procedure ought not to be applied in a very rigid, technical sense, for they are adopted to help secure, not override, substantial justice, and thereby defeat their very aims.<sup>[16]</sup>

It is noteworthy that the appeal of petitioner raises in issue the sufficiency and veracity of the evidence of damages presented by respondents in the court a quo. In addition, petitioner raises the defense of good faith, which, if duly substantiated, could defeat the award of exemplary damages given to respondents.<sup>[17]</sup> These considerations, together with the relatively large amount of damages awarded, render a review of the case on the merits imperative.

Neither can it be said that respondents were prejudiced by the failure of petitioner to file an appeal from the modified decision since they themselves took an appeal therefrom. In fact, it was respondents' maneuverings consisting of the withdrawal of their appeal, followed by the filing of a motion to dismiss petitioner's appeal, which brought to the fore the present controversy. In view of this peculiar factual milieu, it is the Court's opinion that a just and fair resolution of the present controversy demands a review of the case on the merits.

The Court of Appeals cited the rulings in Magdalena Estate vs. Caluag<sup>[18]</sup> and Sta. Romana vs. Lacson<sup>[19]</sup> in support of its conclusion that petitioner was under legal obligation to re-take an appeal fifteen days from its receipt of the amended ruling of March 11, 1993. These cases are not in point. In Magdalena Estate, the question was from which date to reckon the period to appeal in case the original decision

is amended. In Sta. Romana, on the other hand, the ruling was that the ten-year period for filing an action to revive a judgment should be counted from the receipt of the copy of the amended judgment. Clearly, in none of these cases did the Court deal with the issue raised here, i.e., whether the aggrieved party has to file a second notice of appeal in the event that the original judgment from which he had already appealed is amended in consequence of a motion filed by the other party.

Our ruling in *Allied Free Workers' Union vs. Estipona*<sup>[20]</sup> is more in point. In that case, the defendant appealed from the decision of the trial court. Subsequently, however, the court amended *motu proprio* its decision and then issued a writ for its execution. On appeal, we reversed and ruled:

A comparison between the two decisions will readily show that the corrections of what His Honor, the respondent judge called "errata and omissions" were not substantial in nature. But even if they were, . . . [I]n view of the fact that the so called Amended Corrected Decision was served upon the parties only after petitioners had already taken all the steps required by law for the purpose of appealing from the decision of December 5, 1960 [the first ruling], no reasonable man would make such a preposterous claim as that advanced by respondents [that petitioner should take an appeal therefrom].<sup>[21]</sup>

**WHEREFORE**, the resolution dated September 14, 1995 and November 17, 1995 of the Court of Appeals are **REVERSED** and this case is **REMANDED** to the latter court for further proceedings in accordance with law.

**SO ORDERED.**

**Melo and Puno, JJ., concur.  
Martinez, J., on official leave.**

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[1] Per Justice Adefuin-de la Cruz, concurred in by Justices Jesus M. Elbinias and Lourdes K. Tayao-Jaguros.

[2] Rollo, pp. 37-38.

- [3] Id., p 38.
  - [4] Id., p. 21.
  - [5] Id., p. 38.
  - [6] Ibid.
  - [7] Rollo, p. 39.
  - [8] Id., p. 37.
  - [9] Id., p. 39.
  - [10] Id., p. 37.
  - [11] Ibid.
  - [12] Ibid.
  - [13] Rollo, p. 41.
  - [14] Aurelio vs. First Nat'l Surety & Ass'n. Co., 103 Phil. 714 (1957).
  - [15] Berkenkotter vs. Court of Appeals, 53 SCRA 228 (1973), Republic vs. Court of Appeals, 83 SCRA 438 (1978); Soriano vs. Court of Appeals, 222 SCRA 453 (1993), Castro vs. Court of Appeals, 123 SCRA 782 (1983).
  - [16] 100 SCRA 591 (1980).
  - [17] National Waterworks and Sewerage Authority vs. Catolico, 19 SCRA 980 (1967).
  - [18] 11 SCRA 333 (1964).
  - [19] 104 SCRA 93 (1981).
  - [20] 17 SCRA 514 (1966).
  - [21] Id., at 519.
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