

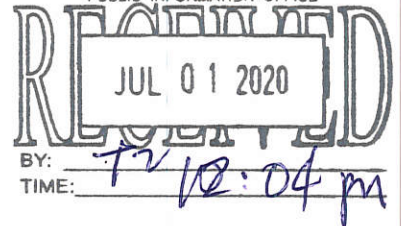


Republic of the Philippines  
Supreme Court  
Manila

FIRST DIVISION

NOTICE

SUPREME COURT OF THE PHILIPPINES  
PUBLIC INFORMATION OFFICE



Sirs/Mesdames:

*Please take notice that the Court, First Division, issued a Resolution dated **March 9, 2020** which reads as follows:*

**“G.R. No. 249813 — SPOUSES MICHAEL JOHN L. MORALES and CLAIRE CARIÑO MORALES,\*** *petitioners, versus AMA RURAL BANK OF MANDALUYONG, INC., respondent.*

After reviewing the instant Petition<sup>1</sup> and its annexes, inclusive of the Court of Appeals’ (CA) assailed Decision<sup>2</sup> dated February 20, 2019 and assailed Resolution<sup>3</sup> dated October 16, 2019, the Court finds that the petitioners Spouses Michael John L. Morales and Claire Cariño Morales (collectively, the petitioners Sps. Morales) failed to present any cogent and convincing argument warranting the reversal of the CA’s assailed Decision and Resolution. There is no reversible error committed by the court *a quo* that warrants the Court’s discretionary exercise of its appellate jurisdiction.

The petitioners Sps. Morales sought to hold respondent AMA Rural Bank of Mandaluyong, Inc. (respondent AMA Rural Bank) liable under an employer’s vicarious liability under Article 2176 of the Civil Code, in relation to Article 2180, which provides that employers shall be liable for the damages caused by their employees acting within the scope of their assigned tasks.

There is no sufficient reason to reverse the factual finding that there was no employer-employee relationship between the driver of

- over – three (3) pages ...

125

\* Also referred to as “Claire Carino Morales” in some parts of the *rollo*.

<sup>1</sup> *Rollo*, pp. 14-25.

<sup>2</sup> *Id.* at 27-39. Penned by Associate Justice Pablito A. Perez, with Associate Justices Celia C. Libre-Leagogo and Samuel H. Gaerlan (now a Member of this Court), concurring.

<sup>3</sup> *Id.* at 47-49.

the Hino Bus, *i.e.*, Ronaldo Ibañez (Ibañez) and respondent AMA Rural Bank, with Ibañez being a mere independent contractor engaged by respondent AMA Rural Bank for the sole purpose of transferring the Hino Bus from Alabang, Muntinlupa City to Pasig City.<sup>4</sup> It is elementary that the Court is not a trier of facts. According to jurisprudence, **if the person hired is a true independent contractor, the person who hired him is not liable under Article 2180.**<sup>5</sup>

In any case, even assuming for the sake of argument that Ibañez was an employee of respondent AMA Rural Bank, the latter would still not be directly liable to the petitioners Sps. Morales. Established jurisprudence holds that **the registered owner of the motor vehicle is the employer of the negligent driver, and the actual employer is considered merely as an agent of such owner.**<sup>6</sup> The petitioners Sps. Morales do not seriously dispute that the registered owner of the Hino Bus that damaged their Mitsubishi Adventure is Honoris Lines, Inc. (HNI) and not respondent AMA Rural Bank. In fact, it is not even disputed by any party that at the time of the incident, respondent AMA Rural Bank was not the owner of the bus; it was a mere mortgagee who repossessed the vehicle. Hence, the proper recourse of the petitioners Sps. Morales was to seek damages from HNI, which was not impleaded in the instant case.

Neither can it be argued that the actuations of Atty. Victor S. Leal and Samuel Gran bound respondent AMA Rural Bank to pay damages in favor of the petitioners Sps. Morales. As correctly explained by the CA:

x x x There is nothing in the records to show that either Gran or Leal [was] duly authorized by their employer to enter into a compromise with the Spouses Morales for and in behalf of AMA [Rural] Bank. There is no document, such as a special power of attorney authorizing them to enter into a compromise. Article 1878 of the Civil Code and Section 23, Rule 138 of the Rules of Court [require] a special authority for lawyers or agents to enter into a compromise for their client's or principal's cause without which the compromise does not bind the client or the principal.<sup>7</sup>

**WHEREFORE**, the Petition is **DENIED** for lack of merit.

- over -

125

<sup>4</sup> Id. at 34-35.


<sup>5</sup> See *Soliman, Jr. v. Judge Tuazon*, 284-A Phil. 474 (1992); and *Pilipinas Shell Petroleum Corp. v. Court of Appeals*, 293 Phil. 416, 424 (1993).

<sup>6</sup> *Equitable Leasing Corporation v. Suyom*, 437 Phil. 244, 252-253 (2002).

<sup>7</sup> *Rollo*, p. 36; citations omitted.

**SO ORDERED.”**

Very truly yours,

  
**LIBRADA C. BUENA**  
 Division Clerk of Court <sup>of Kalik</sup>  
**125**

MC MORALES & ASSOCIATES  
 Counsel for Petitioners  
 Square Bamboo House  
 3<sup>rd</sup> Floor, Block 17 Lot 10, J. Barrera Street  
 Katarungan Village, Poblacion  
 1776 Muntinlupa City

Court of Appeals (x)  
 Manila  
 (CA-G.R. CV No. 106780)

Atty. Virgilio C. Gener, Jr.  
 LEGAL DEPARTMENT  
 Counsel for Respondent  
 AMA Rural Bank of Mandaluyong, Inc.  
 311 Shaw Boulevard  
 1550 Mandaluyong City

The Hon. Presiding Judge  
 Regional Trial Court, Branch 275  
 1740 Las Piñas City  
 (Civil Case No. LP-11-0098)

Public Information Office (x)  
 Library Services (x)  
 Supreme Court  
 (For uploading pursuant to A.M.  
 No. 12-7-1-SC)

Judgment Division (x)  
 Supreme Court



UR

