



REPUBLIC OF THE PHILIPPINES
SUPREME COURT
Manila

SECOND DIVISION

NOTICE

Sirs/Mesdames:

*Please take notice that the Court, Second Division, issued a Resolution dated **August 3, 2022** which reads as follows:*

“G.R. No. 223031 (*Alexander T. Aguirre, doing business under the name Alexa Trading and Construction v. Rolando Bolano, doing business under the name RGBB Enterprises*). — Rolando Bolano (Rolando) filed against Alexander Aguirre (Alexander) a complaint for sum of money with damages before the Regional Trial Court (RTC) docketed as Q-10-67318.¹ Allegedly, Alexander commissioned Rolando as subcontractor to install streetlights along Commonwealth Avenue, Quezon City for a consideration of ₱1,381,185.71.² Rolando completed the project as evidenced by a Certificate of Final Electrical Inspection.³ Accordingly, Rolando demanded from Alexander the unpaid balance of ₱966,829.99 but was refused.⁴

On the other hand, Alexander explained that the Metropolitan Manila Development Authority (MMDA) awarded to him the project. The construction stopped for various reasons until the MMDA decided to pursue the project through a subcontractor. Thereafter, Rolando submitted an engagement proposal and a bill of quantity for the installation of streetlights.⁵ At the coordination meeting, the parties agreed that Rolando may directly collect the contract price from MMDA by virtue of the proposed deed of assignment. In any event, Rolando has no right to demand payment without proof that the agreed undertakings were completed.⁶

¹ *Rollo*, pp. 66–69.

² *Id.* at 71.

³ *Id.* at 61.

⁴ *Id.* at 62–63.

⁵ *Id.* at 59–60.

⁶ *Id.* at 78–84.

On October 1, 2014, the RTC held Alexander liable to pay the balance of the contract price absent a valid assignment of the project to the MMDA,⁷ thus:

WHEREFORE, premises considered, judgment is hereby rendered in favor of plaintiff Roldan A. Bolano and ordering defendant Alexander T. Aguirre to pay plaintiff as follows:

- 1) The amount of Nine Hundred Sixty[-]Six Thousand Eight Hundred Twenty[-]Nine Pesos and 99 Centavos ([P]966,829.99) at 12% interest *per annum* from March 1, 2010 to June 30, 2013, and at 6% interest *per annum* from July 1, 2013 until the finality of this Decision;
- 2) The amount of [P]100,000 as moral damages;
- 3) The amount of [P]100,000 as exemplary damages; and
- 4) Attorney's fees, in the amount of [P]50,000.00.

SO ORDERED.

Aggrieved, Alexander elevated the case to the Court of Appeals (CA) docketed as CA-G.R. CV No. 103935. On October 16, 2015, the CA affirmed the RTC's findings that Alexander is directly liable to pay Rolando the unpaid project cost. The CA found that Alexander approved Rolando's subcontracting proposal and paid the down payment. Moreover, Rolando's billing statement and demand letter were both addressed to Alexander. Lastly, Alexander did not execute a deed of assignment to the MMDA,⁸ viz.:

First: Appellee's proposal for installation of streetlights along Commonwealth Avenue, Quezon City was addressed to appellant alone, and no other. The name of MMDA was never mentioned in the letter proposal. The proposal which appellant itself approved subsequently became a binding contract between the parties. x x x

Second: A few days after the parties agreed on the project, appellant paid appellee an initial 30% of the project cost or [P]400,000.00. x x x

Third: Appellee's Billing Statement dated March 25, 2009 and Demand Letter dated February 24, 2010 for the balance of the project price were both addressed and sent to appellant.

Fourth: The existence and due execution of Exhibit "C" or Final Inspection of Final/Inspection/Completion was duly proved by appellee's testimonial evidence. x x x

⁷ Id. at 57–58. Penned by Presiding Judge Charito B. Gonzales.

⁸ Id. at 32–43. Penned by Associate Justice Amy C. Lazaro-Javier (now a member of the Court), with the concurrence of Associate Justices Celia C. Librea-Leagogo and Melchor Q.C. Sadang.

Fifth: Appellant's notation on Exhibit "B" viz: "This will serve as the P.O. [a]nd [b]e [u]sed as [s]upporting [d]oc. [t]o [p]roposed Deed of Assignment" was correctly construed by the trial court to be a mere supporting document should the parties later execute an independent and separate contract of assignment. Clearly, at the time the notation was written, there was yet no final contract of assignment to speak of. x x x

Sixth. True, appellee may have been referred as "sub-contractor[""] in some of his own documentary evidence. But the trial court aptly said: "The denomination given by the parties in their contract is not conclusive of the nature of the contents. Contracts are not what the parties may see fit to call them what they really are as determined by the principles of law."

Seventh: The testimony of appellant's lone witness, Eddie A. Corpuz leaves much to be desired. The trial court found his testimony to be biased, he being appellant's employee. Too, he is at best incompetent to testify on matters affecting the transaction which took place even before he commenced working with appellant. x x x

x x x x

ACCORDINGLY, the appeal is **DENIED** and Decision dated October 1, 2014, **AFFIRMED**.

Alexander sought reconsideration but was denied.⁹ Hence, this recourse. Alexander maintains that he is not directly liable under the contract and that Rolando has no right to demand the payment since the project was not yet completed.¹⁰

The petition is unmeritorious.

Alexander questions the CA and the RTC's appreciation of the evidence on the existence of the supposed deed of assignment and the completion of the project. These are factual issues beyond the ambit of the Court's jurisdiction in a petition for review on *certiorari*. It is not the Court's task to go over the proofs presented below to ascertain if they were appreciated and weighed correctly, most especially when the CA and the RTC speak as one in their findings.¹¹ While it is widely held that this rule of limited jurisdiction admits to exceptions, none exists in the instant case. At any rate, even if this Court decides the issue, the petition would still be denied.

A contract is a meeting of the minds between two persons whereby one binds themselves, with respect to the other, to give something or to render some service.¹² If the contract is reduced into writing, it is considered as

⁹ Id. at 44.

¹⁰ Id. at 22-28.

¹¹ *Gatan v. Vinarao*, 820 Phil. 257, 267 (2017); *Pascual v. Burgos, et al.*, 776 Phil. 167, 184 (2016).

¹² Article 1305, New Civil Code.

containing all the terms agreed upon and is presumed to set out the true covenant of the parties.¹³

Here, the CA and the RTC both ruled that a valid contract exists between Alexander and Rolando. First, Alexander and Rolando manifested their consent when they freely and voluntarily signed the bill of quantity and the engagement proposal. Second, the object of the contract is the installation of streetlights. Third, Alexander and Rolando agreed to the project cost of ₱1,381,185.71. Corollarily, obligations arising from contracts have the force of law between the contracting parties and should be complied with in good faith.¹⁴

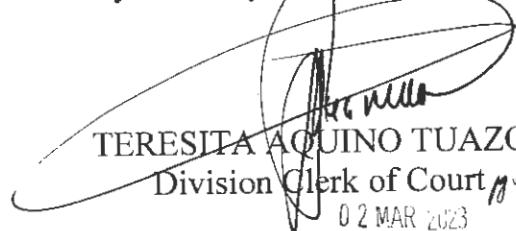
Contrary to Alexander's theory, the contract is binding only between him and Rolando and not the MMDA. The facts reveal that Alexander delivered ₱400,000.00 to Rolando as down payment. Rolando's correspondences were all addressed to Alexander and not the MMDA. Moreover, the note in the bill of quantity that "[t]his will serve as the P.O. And Be Used as Supporting Doc. To Proposed Deed of Assignment" shows that Alexander has not yet executed a deed of assignment in favor of the MMDA.

Lastly, Alexander's contention that the project was not yet completed is specious. The final billing and Certificate of Final Electrical Inspection are preponderant evidence of the project completion. These documents are vital evidence of commercial transactions and are written memorials as to the consummation of the contract.¹⁵ In stark contrast, Alexander did not present counter evidence to dispute these documents.¹⁶

FOR THESE REASONS, the petition is **DENIED**. The Court of Appeal's Decision dated October 16, 2015 and Resolution dated February 19, 2016 in CA-G.R. CV No. 103935 are **AFFIRMED**.

SO ORDERED." (Kho, Jr., *J.*, on leave; Lazaro-Javier, *J.*, inhibited from the case; Inting, *J.*, designated additional member per Raffle dated December 9, 2020)

By authority of the Court:


TERESITA AQUINO TUAZON
Division Clerk of Court
02 MAR 2023

¹³ *BA Finance Corp. v. Intermediate Appellate Court*, 291 Phil. 265, 280 (1993).

¹⁴ Article 1159, New Civil Code.

¹⁵ *Seaoil Petroleum Corporation v. Autocorp Group*, 590 Phil. 410, 419 (2008).

¹⁶ *Rollo*, p. 123.

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HON. PRESIDING JUDGE (reg)
Regional Trial Court, Branch 80
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(Civil Case No. Q-10-67318)

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Please notify the Court of any change in your address.
GR223031. 08/03/2022(103)URES *ps/v*