



Republic of the Philippines  
**Supreme Court**  
Manila

SUPREME COURT OF THE PHILIPPINES  
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**FIRST DIVISION**

**JULIUS R. USON,**

*Petitioner,*

**G.R. No. 253149**

Present:

**GESMUNDO, C.J.,**  
*Chairperson,*

**HERNANDO,  
ZALAMEDA,  
ROSARIO,\* and  
MARQUEZ, JJ.**

- versus -

**PLDT EMPLOYEES CREDIT  
COOPERATIVE, NOEL P.  
SANTOS, JESUS L. SIY,  
MIGUEL B. DAWIS, and  
SERGIO P. NAVARRA,**

*Respondents.*

Promulgated:

**FEB 08 2023**

*Promulgated*

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**DECISION**

**HERNANDO, J.:**

Through this Petition for Review on *Certiorari*<sup>1</sup> under Rule 45 of the Rules of Court, petitioner Julius R. Uson (Uson) seeks a reversal of the December 4, 2019 Decision<sup>2</sup> and the June 11, 2020 Resolution<sup>3</sup> of the Court of Appeals (CA) in the consolidated cases of CA-G.R. SP No. 156766 and CA-

\* On official leave.

<sup>1</sup> *Rollo*, pp. 3-33.

<sup>2</sup> *Id.* at 34-46. Penned by Associate Justice Manuel M. Barrios and concurred in by Associate Justices Rafael Antonio M. Santos and Tita Marilyn B. Payoyo-Villordon.

<sup>3</sup> *Id.* at 47-50. Penned by Associate Justice Manuel M. Barrios and concurred in by Associate Justices Rafael Antonio M. Santos and Tita Marilyn B. Payoyo-Villordon.

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G.R. SP No. 158246. The CA reversed the April 30, 2018 Decision<sup>4</sup> of the National Labor Relations Commission (NLRC) on the ground of lack of jurisdiction, without prejudice to its re-filing in the proper forum. The CA ruled that Uson, as General Manager of PLDT Employees Credit Cooperative (PECCI), is a cooperative officer and his dismissal from PECCI is an intra-cooperative dispute.

### The Facts

Uson was the General Manager of PECCI before his alleged dismissal on April 21, 2017.<sup>5</sup> The records show that Uson was an active member of PECCI since 1981 and held various positions therein.<sup>6</sup> He was committee secretary and director before his appointment as General Manager.<sup>7</sup>

Respondent PECCI is a cooperative registered with the Cooperative Development Authority (CDA) and established and existing under the laws of the Republic of the Philippines.<sup>8</sup> Noel P. Santos (Santos), Jesus L. Siy (Siy), Miguel B. Dawis (Dawis), and Sergio P. Navarra (Navarra) are the incumbent directors of PECCI.<sup>9</sup>

The pertinent facts are as follows:

On October 10, 2013, PECCI's Board of Directors passed Board Resolution No. SB 2013-NB-10 (1)-31<sup>10</sup> appointing Uson as Acting General Manager.<sup>11</sup> The relevant portions of the board resolution state:

**WHEREAS**, the Board of Directors of [PECCI] discussed, among others, the need to designate, [Uson], as Acting General Manager until the hiring/appointment of a regular General Manager;

**WHEREAS**, upon motion for approval which was duly seconded and there being no objection, the Board of Directors of [PECCI] approved and authorized the designation of [Uson] as Acting General Manager until the hiring/appointment of a regular General Manager;

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<sup>4</sup> Id. at 169-195. Penned by Commissioner Erlinda T. Agus, concurred in by Presiding Commissioner Gregorio O. Bilog III, and dissented in by Commissioner Dominador B. Medroso, Jr.

<sup>5</sup> *Rollo*, p. 37.

<sup>6</sup> Id.

<sup>7</sup> Id.

<sup>8</sup> Id.

<sup>9</sup> Id. at 70.

<sup>10</sup> Id. at 78.

<sup>11</sup> Id. at 37.

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**NOW, THEREFORE**, Be it resolved, as it is hereby resolved, approving and authorizing the designation of [Uson], as Acting General Manager of the [PECCI] until the hiring/appointment of a regular General Manager.<sup>12</sup>

Uson's appointment as General Manager was formalized on May 19, 2014.<sup>13</sup> His appointment is embodied in Board Resolution No. 6<sup>th</sup> SB 2014-05(4)-17,<sup>14</sup> which reads:

**WHEREAS**, the Board of Directors of [PECCI] discussed, among others, the request of the Acting General Manager, [Uson] for regularization as PECCI employee holding the position of General Manager;

**WHEREAS**, after due discussion and deliberation and upon motion for approval which was duly seconded and there being no objection, the Board of Directors of [PECCI] approved and authorized the hiring of [Uson] as regular employee and simultaneous reappointment as General Manager of the [PECCI];

**NOW, THEREFORE**, Be it resolved, as it is hereby resolved, approving and authorizing the hiring of [Uson] as regular employee and simultaneous reappointment as General Manager of the [PECCI];

**Resolved further**, as it is further resolved, that this shall be effective on May 22, 2014.<sup>15</sup>

On May 21, 2014, PECCI released a Management Advisory<sup>16</sup> that announced Uson's promotion as General Manager.<sup>17</sup> Uson's tenure as General Manager began on May 22, 2014.<sup>18</sup> His appointment was ratified by the PECCI Representative Assembly on March 28, 2015.<sup>19</sup>

Through Board Resolution No. 32<sup>nd</sup> SB 2017-04 (02)-23<sup>20</sup> dated April 17, 2017, the PECCI Board of Directors declared as vacant all appointive positions in the cooperative, including Uson's position as General Manager.<sup>21</sup> This contentious board resolution was approved by majority of the incumbent directors.<sup>22</sup> The relevant portions of the board resolution provide:

**WHEREAS**, it is necessary that all appointive positions of the [PECCI] should enjoy the utmost trust and confidence of the new Board;

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<sup>12</sup> Id. at 78.

<sup>13</sup> Id. at 37.

<sup>14</sup> Id. at 59.

<sup>15</sup> Id.

<sup>16</sup> Id. at 65.

<sup>17</sup> Id. at 101.

<sup>18</sup> Id. at 65.

<sup>19</sup> Id. at 37.

<sup>20</sup> Id. at 66.

<sup>21</sup> Id. at 37.

<sup>22</sup> Id. at 66.

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**WHEREAS**, in order to give the new Board the free hand to select appointive officers whom they can work with, it is necessary to declare all appointive positions including the position of the General Manager, Board Secretary, Treasurer and all appointive committees vacant;

**NOW, THEREFORE**, after discussions and upon motion duly made, seconded and carried, the Board approved and adopted the following resolution:

**“RESOLVED, that the Board of Directors of PECCI hereby approves that all appointive positions including the offices of the General Manager, Board Secretary, Treasurer and the different appointive committees vacant.”<sup>23</sup>**

Thus, on April 20, 2017, a Letter<sup>24</sup> was sent to Uson requiring him to turn over all of PECCI’s properties which were in his possession or control.<sup>25</sup> Thereafter, a Memorandum<sup>26</sup> naming Santos, Siy, Dawis, and Navarra as the newly appointed directors of PECCI was circulated.

Aggrieved, on May 30, 2017, Uson filed a Complaint<sup>27</sup> for illegal dismissal, among others, before the Labor Arbiter (LA). In his Position Paper,<sup>28</sup> Uson argued that he was a regular employee of PECCI and that he was illegally dismissed.<sup>29</sup> For this reason, Uson prayed for reinstatement with backwages and benefits.<sup>30</sup> Uson also demanded damages from Santos, Siy, Dawis, and Navarra.<sup>31</sup>

In their Position Paper,<sup>32</sup> PECCI argued that Uson was a cooperative officer of PECCI and that there existed an intra-cooperative dispute, which is a matter that should be adjudicated by CDA.<sup>33</sup> PECCI invoked the application of Republic Act No. (RA) 9520<sup>34</sup> or the Philippine Cooperative Development Code of 2008, as amended (Cooperative Code).

### **Ruling of the Labor Arbiter**

Assuming jurisdiction over the Complaint, the LA rendered a Decision<sup>35</sup> dated September 30, 2017. The LA ruled that: (1) Uson, as General Manager of

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<sup>23</sup> Id.

<sup>24</sup> Id. at 67.

<sup>25</sup> Id. at 37.

<sup>26</sup> Id. at 82.

<sup>27</sup> Id. at 100.

<sup>28</sup> Id. at 51-67.

<sup>29</sup> Id. at 53-56.

<sup>30</sup> Id. at 58.

<sup>31</sup> Id.

<sup>32</sup> Id. at 68-84.

<sup>33</sup> Id. at 73.

<sup>34</sup> Entitled “AN ACT AMENDING THE COOPERATIVE CODE OF THE PHILIPPINES TO BE KNOWN AS THE ‘PHILIPPINE COOPERATIVE CODE OF 2008.’” Approved: February 17, 2009.

<sup>35</sup> *Rollo*, pp. 98-109. Penned by Labor Arbiter Clarissa G. Beltran-Lerios.

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PECCI, was a regular employee;<sup>36</sup> (2) as a regular employee, Uson was illegally dismissed from employment when the directors passed Board Resolution No. 32<sup>nd</sup> SB 2017-04 (02)-23;<sup>37</sup> and (3) consequently, Uson was entitled to separation pay in lieu of reinstatement, in addition to backwages.<sup>38</sup>

Hence, the dispositive portion of the LA's Decision states:

**WHEREFORE**, premises considered, judgment is hereby rendered [finding] [sic] [Uson] to have been illegally dismissed.

Accordingly, [PECCI] is hereby found liable and ordered to pay [Uson] the amount of Five Hundred Fifty-Two Thousand pesos (P552,000.00) representing his backwages and separation pay in lieu of reinstatement.

All other claims not herein otherwise awarded are DISMISSED for lack of merit.

**SO ORDERED.**<sup>39</sup>

Uson and PECCI separately appealed to the NLRC assailing the LA's Decision.<sup>40</sup>

Uson lodged a partial appeal<sup>41</sup> seeking payment of monetary claims and his reinstatement as General Manager, among others.<sup>42</sup> On the other hand, in PECCI's appeal,<sup>43</sup> PECCI reiterated that the NLRC had no jurisdiction over the intra-cooperative dispute between Uson and the incumbent directors of PECCI.<sup>44</sup>

### **Ruling of the National Labor Relations Commission**

The NLRC, in its Decision<sup>45</sup> dated April 30, 2018, partly granted Uson's petition and modified the monetary award due to him. However, the NLRC dismissed PECCI's appeal for lack of merit and asserted its jurisdiction. Thus, the dispositive portion of the NLRC's Decision reads:

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<sup>36</sup> Id. at 104.

<sup>37</sup> Id. at 105-106.

<sup>38</sup> Id. at 106-108.

<sup>39</sup> Id. at 108-109.

<sup>40</sup> Id. at 110-158; 159-167.

<sup>41</sup> Id. at 110-158.

<sup>42</sup> Id. at 110.

<sup>43</sup> Id. at 110-158; 159-167.

<sup>44</sup> Id. at 162-164.

<sup>45</sup> Id. at 168-195.

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**WHEREFORE**, premises considered, the appeal of [PECCI] is **DISMISSED** for lack of merit.

The partial appeal of [Uson] is **PARTLY GRANTED**. As recomputed, the total award due to [Uson] as of the date of this Decision is **One Million One Hundred Ninety Five [sic] Thousand Four Hundred Twenty Five [sic] Pesos (₱1,195,425.00)**.

**SO ORDERED.**<sup>46</sup>

PECCI filed a Motion for Reconsideration<sup>47</sup> dated May 17, 2018. However, in a Resolution<sup>48</sup> dated July 4, 2018, the NLRC denied the motion for lack of merit.

Uson filed a separate Motion for Reconsideration<sup>49</sup> and argued that a reconsideration of his reinstatement and computation of monetary claims were warranted. Through a Resolution<sup>50</sup> dated September 6, 2018, the NLRC denied the motion for lack of merit.

Aggrieved, both parties sought recourse to the CA.

### **Ruling of the Court of Appeals**

PECCI's appeal was docketed as CA-G.R. SP No. 156766,<sup>51</sup> while Uson's appeal was docketed as CA-G.R. SP No. 158246.<sup>52</sup> Their cases were consolidated in a Resolution<sup>53</sup> dated January 14, 2019.

The CA ruled in favor of PECCI in its Decision<sup>54</sup> dated December 4, 2019. The CA concluded that: (1) the LA and NLRC had no jurisdiction over the dispute; thus, their decisions were void and ineffective. However, proper recourse to CDA was warranted;<sup>55</sup> (2) there was an intra-cooperative dispute between Uson, PECCI, and the incumbent directors;<sup>56</sup> and (3) as a matter of

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<sup>46</sup> Id. at 194-195.

<sup>47</sup> CA *rollo*, vol. 1 (CA-G.R. SP No. 156766), pp. 128-134.

<sup>48</sup> Id. at 44-52. Penned by Commissioner Erlinda T. Agus, concurred in by Presiding Commissioner Gregorio O. Blog III, and dissented in by Commissioner Dominador B. Medroso, Jr.

<sup>49</sup> *Rollo*, pp. 196-200.

<sup>50</sup> Id. at 201-210. Penned by Commissioner Erlinda T. Agus, concurred in by Presiding Commissioner Julia Cecily Coching-Sosito, and dissented in by Commissioner Dominador B. Medroso, Jr.

<sup>51</sup> CA *rollo*, vol. 1 (CA-G.R. SP No. 156766), pp. 3-16.

<sup>52</sup> Id. at 170-172.

<sup>53</sup> Id. at 197-200. Penned by Associate Justice Pedro B. Corales and concurred in by Associate Justices Stephen C. Cruz and Josep Y. Lopez (now a Member of the Court).

<sup>54</sup> *Rollo*, pp. 34-46.

<sup>55</sup> Id. at 40.

<sup>56</sup> Id. at 42.

equity, Uson must return to PECCI any and all amounts that he may have received from the voided judgment award.<sup>57</sup> As a consequence of the CA's Decision, Uson's complaint for illegal dismissal was dismissed.

Hence, the dispositive portion of the CA's Decision reads:

**WHEREFORE**, the foregoing considered, judgment is hereby declared as follows:

(1) In CA G.R. SP No. 156766, the petition is **GRANTED**. The Complaint filed by Uson against PECCI is **DISMISSED** for lack of jurisdiction, without prejudice to the refiling of the action before the proper forum. Uson is directed to return to PECCI any and all amounts that he may have received from PECCI pursuant to the action erroneously filed with the labor tribunal.

(2) In CA G.R. SP No. 158246, the petition is **DENIED**.

**SO ORDERED.**<sup>58</sup>

Uson sought reconsideration of the CA's Decision and reiterated that he was a regular employee of PECCI, whose dismissal was a labor dispute within the jurisdiction of the labor tribunals.<sup>59</sup> However, his Motion for Reconsideration was denied in a Resolution<sup>60</sup> dated June 11, 2020. The CA found no merit in Uson's arguments, including the argument that PECCI was estopped from questioning the jurisdiction of the NLRC.<sup>61</sup>

Aggrieved, Uson brought this present petition<sup>62</sup> before Us. Uson essentially argues that the CA erred in dismissing his petition. Uson maintains that: (1) the NLRC has jurisdiction over an illegal dismissal case, such as in the case at bar;<sup>63</sup> (2) he is a regular employee who was illegally dismissed from employment by PECCI;<sup>64</sup> (3) he is entitled to reinstatement, all the benefits accruing to his position as a regular employee and General Manager, as well as damages and attorney's fees;<sup>65</sup> and, (4) Santos, Diy, Dawis, and Navarra are jointly and personally liable for Uson's bad faith dismissal from employment with PECCI.<sup>66</sup>

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<sup>57</sup> Id. at 45.

<sup>58</sup> Id. at 45-46.

<sup>59</sup> Id. at 49.

<sup>60</sup> Id. at 47-50.

<sup>61</sup> Id. at 49.

<sup>62</sup> Id. at 3-33.

<sup>63</sup> Id. at 11-19.

<sup>64</sup> Id. at 6-10.

<sup>65</sup> Id. at 19-29.

<sup>66</sup> Id. at 27-29.

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### Issue

The issue before this Court is whether the present case is an intra-cooperative dispute within the jurisdiction of the CDA or an ordinary legal dispute that the labor tribunals may properly take cognizance of.

### Our Ruling

We deny the petition. A complaint for illegal dismissal filed by a cooperative officer is an intra-cooperative dispute, which is within the jurisdiction of the CDA.

Uson insists that the case at bar involves the illegal dismissal of a regular employee. There is no merit in his argument. As correctly ruled by the CA, Uson is a cooperative officer and his dismissal from PECCI is an intra-cooperative dispute.<sup>67</sup> Consequently, there is no necessity to discuss the other issues raised by Uson.

### **Intra-cooperative disputes are within the jurisdiction of the CDA under the Cooperative Code and the CDA Charter**

PECCI is a cooperative that is registered with the CDA and existing under the laws of the Republic of the Philippines. The Cooperative Code is the law that governs cooperatives. Therefore, the Cooperative Code applies to PECCI, its officers, members, and any inter-cooperative dispute that may arise.

A cooperative is defined as “an autonomous and duly registered association of persons, with a common bond of interest, who have voluntarily joined together to achieve their social, economic, and cultural needs and aspirations x x x.”<sup>68</sup> With its own juridical entity, a cooperative exercises cooperative powers vested by law.<sup>69</sup> To realize its objectives and goals as a cooperative, the cooperative is empowered to organize and manage its affairs through its own board of directors, members, and officers.

Cooperative officers are expressly provided under the Cooperative Code. Thus, an “officer” includes the members of the board of directors, the position of a general manager, as well as members holding other positions defined by a cooperative’s by-laws, among others. Article 5 of the Cooperative Code expressly states:

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<sup>67</sup> Id. at 42.

<sup>68</sup> COOPERATIVE CODE, Chapter I, Article 3.

<sup>69</sup> COOPERATIVE CODE, Chapter II, Article 9.

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ART. 5. *Definition of Terms.* — The following terms shall mean:

x x x x

“(11) Officers of the Cooperatives — shall include the members of the board of directors, members of the different committees created by the general assembly, general manager or chief executive officer, secretary, treasurer and members holding other positions as may be provided for in their bylaws;<sup>70</sup>

A cooperative officer is elected or appointed by the cooperative’s board of directors in accordance with their by-laws. All cooperative officers are entitled to security of tenure. Art. 42 of the Cooperative Code explicitly provides:

ART. 42. *Office of the Cooperative.* — **The board of directors shall elect from among themselves the chairperson and vice-chairperson, and elect or appoint other officers of the cooperative from outside of the board in accordance with their bylaws. All officers shall serve during good behavior and shall not be removed except for cause after due hearing.** Loss of confidence shall not be a valid ground for removal unless evidenced by acts or omission causing loss of confidence in the honesty and integrity of such officer. No two (2) or more persons with relationships up to the third civil degree of consanguinity or affinity nor shall any person engaged in a business similar to that of the cooperative nor who in any other manner has interests in conflict with the cooperative shall serve as an appointive officer.<sup>71</sup> (Emphasis supplied)

In case there are disputes among members, officers, directors, committee members, and intra-cooperative disputes, all such disputes are required to undergo the modes of settlement or dispute resolution outlined in the Cooperative Code. Art. 137 provides:

ART. 137. *Settlement of Disputes, Conciliation, and Mediation Proceedings.* — Disputes among members, officers, directors, and committee members, and intra-cooperative, inter-cooperative, intra-federation or inter-federation disputes shall, as far as practicable, be settled amicably in accordance with the conciliation or mediation mechanisms embodied in the bylaws of cooperatives and in such other applicable laws.

The conciliation and mediation committee of the cooperative shall facilitate the amicable settlement of intra-cooperative disputes and disputes among members, officers, directors, and committee members.

Should such conciliation or mediation proceedings fail, the matter shall be settled through voluntary arbitration: Provided, however, That before any party can validly file a complaint with the [CDA] for voluntary arbitration, it must first secure a certification from its conciliation and mediation committee and from the cooperative union or federation to which it belongs that despite all efforts to settle the issues, the same have failed.

<sup>70</sup> COOPERATIVE CODE, Chapter I, Article 5.

<sup>71</sup> COOPERATIVE CODE, Chapter IV, Article 42.

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The jurisdiction of the voluntary arbitrators shall be exclusive and original and their decisions shall be appealable to the Office of the President. The Authority shall issue and adopt the proper rules of procedure governing arbitration as the primary and exclusive mode for dispute resolution in accordance with the Alternative Dispute Resolution Act of 2004.

For this purpose, the [CDA] shall constitute a list of qualified arbitrators.<sup>72</sup>

Based on the foregoing, intra-cooperative disputes are generally settled through the conciliation or mediation mechanisms embodied in the by-laws of cooperatives and in applicable laws. However, when conciliation or mediation proceedings fail, the matter must be settled through voluntary arbitration with the CDA. It is therefore clear that intra-cooperative disputes must undergo the mechanisms under the law for proper resolution.

In fact, RA 11364,<sup>73</sup> or the Cooperative Development Authority Charter of 2019 (CDA Charter), further strengthens the mechanisms laid down in the Cooperative Code. Under the CDA Charter, CDA is mandated to “hear and decide x x x intra-cooperative disputes, controversies and/or conflicts x x x: *Provided*, That all decisions of the [CDA] are appealable directly to the [CA].”<sup>74</sup>

Thus, intra-cooperative disputes involving members or officers of a cooperative must be resolved through the dispute resolution mechanisms under the Cooperative Code and are within the jurisdiction of the CDA.

**In the case at bar, Uson is a cooperative officer whose dismissal is an intra-cooperative dispute**

Contrary to Uson’s arguments, he is a cooperative officer whose dismissal is an intra-cooperative dispute. Therefore, We rule that the arguments posited by Uson are bereft of merit.

Uson incorrectly argues that the CA erred in applying the cases of *Tabang v. National Labor Relations Commissions*<sup>75</sup> (*Tabang*), *Ellao v. Batangas I Electric Cooperative Inc. (BATELEC I)*<sup>76</sup> (*Ellao*), and *Malcaba v. ProHealth Pharma Philippines, Inc.*<sup>77</sup> (*Malcaba*). Based on Our judicious review of these

<sup>72</sup> COOPERATIVE CODE, Chapter XVIII, Article 137.

<sup>73</sup> Entitled “AN ACT REORGANIZING AND STRENGTHENING THE COOPERATIVE DEVELOPMENT AUTHORITY, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 6939, CREATING THE COOPERATIVE DEVELOPMENT AUTHORITY.” Approved: August 8, 2019.

<sup>74</sup> REPUBLIC ACT NO. 11364 (2019), SECTION 4 (T).

<sup>75</sup> 334 Phil. 424 (1997).

<sup>76</sup> 835 Phil. 914 (2018).

<sup>77</sup> 832 Phil. 460 (2018).

cases, We find that *Tabang*, *Ellao*, and *Malcaba* are relevant to the case at bar.

In *Tabang*, *Ellao*, and *Malcaba*, a corporate or cooperative officer claimed to be illegally dismissed from employment and filed their respective complaints before the labor tribunals. As a matter of fact, one of the arguments raised in *Malcaba* is whether the labor tribunal has jurisdiction over an illegal dismissal case filed by a high-ranking corporate officer who is also a regular employee.<sup>78</sup> However, We consistently ruled that the dismissal of a corporate or cooperative officer is an intra-corporate or intra-cooperative dispute which is beyond the jurisdiction of the labor tribunals.

We find no cogent reason to depart from Our previous rulings.

Our pronouncement in *Ellao*<sup>79</sup> finds suitable application in the case at bar. In *Ellao*, Ellao was appointed as General Manager of the cooperative. Ellao committed irregularities while in office and was terminated from employment through a board resolution. Ellao then filed a complaint for illegal dismissal before the labor tribunals, which assumed jurisdiction over the case. However, the CA reversed the respective decisions of the labor tribunals. When the case was elevated to this Court, We ruled that “[c]omplaints for illegal dismissal filed by a cooperative officer constitute an intra-cooperative controversy, x x x.”<sup>80</sup>

By jurisprudence, termination disputes involving corporate or cooperative officers are treated differently from illegal dismissal cases brought by ordinary employees.<sup>81</sup> In *Tabang*,<sup>82</sup> We differentiated between an “officer” and an “employee” in the following manner:

It has been held that an “office” is created by the charter of the corporation and the officer is elected by the directors or stockholders. On the other hand, an “employee” usually occupies no office and generally is employed not by action of the directors or stockholders but by the managing officer of the corporation who also determines the compensation to be paid to such employee.<sup>83</sup>

Thus, to be considered a cooperative officer, the following must concur: (1) the office must be created by the charter to the by-laws of the cooperative; and (2) the officer must be elected by the board of directors.<sup>84</sup> In the case at bar, Uson is a cooperative officer because his position of General Manager was

<sup>78</sup> Id. at 471.

<sup>79</sup> *Ellao v. Batangas I Electric Cooperative Inc.*, supra.

<sup>80</sup> Id. at 924.

<sup>81</sup> Id. at 926.

<sup>82</sup> *Tabang v. National Labor Relations Commission*, supra.

<sup>83</sup> Id. at 429.

<sup>84</sup> *Rollo*, p. 42, citing *Malcaba v. ProHealth Pharma Philippines, Inc.*, supra at 483.

created by the by-laws of PECCI and he was elected as General Manager by the PECCI Board of Directors. Consequently, Uson's dismissal from office is an intra-cooperative dispute which is beyond the jurisdiction of the labor tribunals.

No less than PECCI's own By-Laws expressly provide that a General Manager is an officer of PECCI. It likewise provides that PECCI's Board of Directors has the power to appoint the General Manager to a full-time position and to fix the General Manager's compensation and tenure. The relevant section of the PECCI By-Laws states:

Section 2. Qualification and Appointment of Officers of the Cooperative.  
**The Board of Directors shall appoint a full time General Manager**, who is not a member of the Board of Directors, and shall fix his/her compensation and tenure.<sup>85</sup> (Emphasis supplied)

Moreover, Uson was appointed as General Manager by PECCI's Board of Directors through Board Resolution No. 6<sup>th</sup> SB 2014-05(4)-17, which reads:

NOW, THEREFORE, Be it resolved, as it is hereby resolved, approving and authorizing **the hiring of [Uson] as a regular employee and simultaneous reappointment as General Manager of [PECCI]**,<sup>86</sup> (Emphasis supplied)

Uson admits that the position of General Manager is among those listed in PECCI's By-Laws.<sup>87</sup> He likewise admits that he was appointed by PECCI's Board of Directors.<sup>88</sup> Nevertheless, Uson argues that the phrase "regular employee and simultaneous reappointment as General Manager" confers upon him the status of both a regular employee and cooperative officer.<sup>89</sup> To support his argument, he cites the whereas clauses of various PECCI board resolutions without harmonizing it with the mandate of the very same board resolutions.<sup>90</sup> The interpretation of Uson is absurd.

We construe the phrase "regular employee and simultaneous reappointment as General Manager" to mean that Uson was appointed as a full-time General Manager. The nomenclature distinction between "regular" and "acting" reveals that the PECCI Board of Directors distinguished between Uson's appointment as General Manager from his initial appointment to the same position in an acting capacity.

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<sup>85</sup> Id. at 42.

<sup>86</sup> Id. at 59.

<sup>87</sup> Id. at 7.

<sup>88</sup> Id.

<sup>89</sup> Id. at 10.

<sup>90</sup> Id. at 8.

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While We generally accord respect to the findings of labor tribunals who are experts on labor matters, the case at bar clearly does not involve a labor matter. We quote with approval the disposition of the CA, which states:

By reason of the board resolution, [NLRC] erroneously deemed Uson as an ordinary employee of PECCI and necessarily, that his position as General Manager cannot be separate and distinct from his employment status. The NLRC deduced that Uson's employment status is tied to his position as a General Manager since he would no longer be performing any tasks or functions for the cooperative after his dismissal. **This reasoning is flawed. [NLRC] completely ignored and failed to address the fact that the position of General Manager is specifically identified as an officer in the By-Laws of the cooperative. For this reason, it should not have even entertained the question of whether or not Uson is a regular employee since his removal pertains to his position as a cooperative officer. The case is not a labor dispute that can be entertained by the [LA] or of the NLRC.** x x x<sup>91</sup> (Emphasis supplied)

Therefore, based on the foregoing, We rule that the dismissal of Uson is an intra-cooperative dispute, which is within the jurisdiction of the CDA.

Considering that the labor tribunals were without ample jurisdiction to take cognizance of Uson's complaint for illegal dismissal, their respective rulings are void and ineffective. Consistent with *Malcaba*, the adjudication of his money claims before the labor tribunals is likewise void for lack of jurisdiction.<sup>92</sup> Thus, as a matter of equity, Uson must return the monetary sums erroneously awarded to him. This Court's dismissal of Uson's petition, however, is without prejudice to his filing of the appropriate case in the proper forum.

**WHEREFORE**, the petition is **DENIED**. The December 4, 2019 Decision and the June 11, 2020 Resolution of the Court of Appeals in CA-G.R. SP No. 156766 and CA-G.R. SP No. 158246, finding that the National Labor Relations Commission had no jurisdiction to adjudicate Julius R. Uson's claims, are **AFFIRMED**. Julius R. Uson is further ordered to **RETURN** to PLDT Employees Credit Cooperative any and all amounts that he may have received from PLDT Employees Credit Cooperative, pursuant to the action erroneously filed with the National Labor Relations Commission. This shall be without prejudice to the filling of the appropriate case before the proper forum.

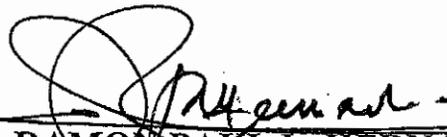
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<sup>91</sup> Id. at 43.

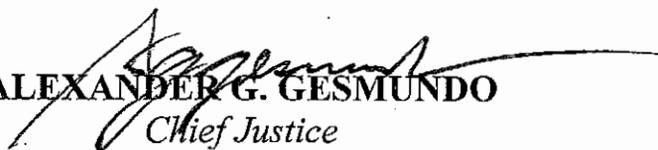
<sup>92</sup> *Malcaba v. ProHealth Pharma Philippines, Inc.*, supra note 77, at 486.

W

**SO ORDERED.**

  
**RAMON PAUL L. HERNANDO**  
*Associate Justice*

WE CONCUR:

  
**ALEXANDER G. GESMUNDO**  
*Chief Justice*  
*Chairperson*

  
**RODIL N. ZALAMEDA**  
*Associate Justice*

(On official leave)  
**RICARDO R. ROSARIO**  
*Associate Justice*

  
**JOSE MIDAS P. MARQUEZ**  
*Associate Justice*

## CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, 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.

  
ALEXANDER G. GESMUNDO  
*Chief Justice*

