



Republic of the Philippines  
**Supreme Court**  
Manila

**THIRD DIVISION**

**NOTICE**

Sirs/Mesdames:

*Please take notice that the Court, Third Division, issued a Resolution dated **January 11, 2023**, which reads as follows:*

**“G.R. No. 227148 - RADIOWEALTH FINANCE COMPANY, INC., Petitioner, v. ROMMEL G. ORANDE and RAZEL D. ORANDE, Respondents.**

This is a direct recourse to the Court from the Regional Trial Court of San Mateo, Rizal, Branch 75 (RTC), through a Petition for Review on *Certiorari*<sup>1</sup> under Rule 45 of the Rules of Court filed by the petitioner Radiowealth Finance Company Inc. (RFCI) to reverse the Amended Order,<sup>2</sup> dated July 21, 2016, and the corollary Order,<sup>3</sup> dated September 1, 2016, of the RTC in Civil Case No. 2817-15 SM. The RTC dismissed RFCI’s Complaint for Sum of Money against the respondents Rommel G. Orande and Razel D. Orande (collectively, the **Orandes**) on the ground of lack of jurisdiction.

*The Facts*

Petitioner RFCI is a domestic financing corporation duly organized and existing under the laws of the Philippines, with principal address at 7th Floor, DMG Center, DM Guevara Street, Mandaluyong City. On the other hand, the Orandes both maintain residence in Imus, Cavite.<sup>4</sup>

In its Complaint,<sup>5</sup> dated October 18, 2015, RFCI alleged that on July 31, 2013, it extended a loan to the Orandes, as evidenced by a Promissory Note,<sup>6</sup> in the amount of PHP 1,281,276.00 payable in 36 equal monthly installments of PHP 35,591.00, which was secured by a Chattel Mortgage<sup>7</sup> constituted on a vehicle, an Isuzu Tractor, owned by the Orandes. Notably, the Promissory Note states that “[a]ny action to enforce payment of any

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<sup>1</sup> *Rollo*, pp. 10-21.

<sup>2</sup> *Id.* at 23-24. Penned by Presiding Judge Beatrice A. Caunan-Medina.

<sup>3</sup> *Id.* at 25.

<sup>4</sup> *Id.* at 12.

<sup>5</sup> *Id.* at 28-33.

<sup>6</sup> *Id.* at 38-39.

<sup>7</sup> *Id.* at 40-41.

sums due under this Note shall exclusively be brought in the proper court within [the] National Capital Judicial Region or in any place where Radiowealth Finance Company, Inc. has a branch/office, as (sic) its sole option.”<sup>8</sup>

Due to the Orandes’ default, RFCI demanded payment of the entire remaining balance of the loan, which was at PHP812,285.47 as of April 27, 2015, excluding penalty charges.<sup>9</sup> As the demand went unheeded, RFCI filed a Complaint for Sum of Money and Damages with Application for Writ of Replevin with the RTC.<sup>10</sup> It alleged that it has a branch or office in San Mateo, Rizal.<sup>11</sup>

### *The Ruling of the RTC*

In an Order,<sup>12</sup> dated March 28, 2016, the RTC issued a Writ of Replevin due to the Orandes’ continued failure and refusal to pay their monetary obligations to RFCI and/or to surrender the subject vehicle for foreclosure proceedings.

However, in an Amended Order,<sup>13</sup> dated July 21, 2016, the RTC recalled and set aside the Writ of Replevin, and ordered the dismissal of the Complaint on the ground of lack of jurisdiction. Citing Section 2, Rule 4 of the 1997 Rules of Civil Procedure, it ruled that since neither RFCI nor the Orandes reside within its jurisdiction, which is either San Mateo or Rodriguez, Rizal, it has no jurisdiction over any of the party-litigants, warranting the dismissal of the Complaint.<sup>14</sup>

Aggrieved, RFCI filed a Motion for Reconsideration,<sup>15</sup> arguing that the RTC of San Mateo, Rizal has jurisdiction over the case. It pointed out that the sum of money involved, amounting to PHP 812,285.47, is well within the jurisdiction of the RTC. It further argued that the venue is also proper considering the stipulation in the promissory note.<sup>16</sup>

In an Order,<sup>17</sup> dated September 1, 2016, the RTC reiterated its earlier ruling and denied RFCI’s Motion for Reconsideration. Hence, this Petition.

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<sup>8</sup> *Id.* at 39.

<sup>9</sup> *Id.* at 30.

<sup>10</sup> *Id.* at 28-33.

<sup>11</sup> *Id.* at 29.

<sup>12</sup> *Id.* at 44.

<sup>13</sup> *Id.* at 23-24.

<sup>14</sup> *Id.*

<sup>15</sup> *Id.* at 45-48.

<sup>16</sup> *Id.* at 46.

<sup>17</sup> *Id.* at 25.

### *The Issue*

Did the RTC correctly dismiss RFCI's Complaint on the ground of lack of jurisdiction?

### *The Ruling of the Court*

The Petition is meritorious.

At the outset, the Court finds the direct recourse to it via this Rule 45 Petition for Review on *Certiorari* from the challenged Orders of the RTC justified. It is recognized under Rule 45 that an appeal from the trial court's decision may be undertaken through a Petition for Review on *Certiorari* directly filed with the Court where only questions of law are raised.<sup>18</sup>

A question of law exists when there is doubt as to what the law is on a certain state of facts. It must not involve an examination of the probative value of the evidence.<sup>19</sup>

The Petition only involves a question of law, as framed in the above issue, *i.e.*, "Did the RTC correctly dismiss RFCI's Complaint on the ground of lack of jurisdiction?" and thus, a proper subject of a Petition for Review on *Certiorari* under Rule 45.

### *The RTC had jurisdiction over the Complaint*

As provided for in Section 19 (8) of Batas Pambansa Blg. 129, as amended by Republic Act (R.A.) No. 7691:<sup>20</sup>

Section 19. *Jurisdiction in civil cases* – Regional Trial Courts shall exercise exclusive original jurisdiction:

xxx xxx xxx

(8) In all other cases in which the demand, exclusive of interest, damages of whatever kind, attorney's fees, litigation expenses, and costs or the value of the property in controversy exceeds One hundred thousand pesos (P100,000.00) or, in such other cases in Metro Manila, where the demand, exclusive of the abovementioned items, exceeds Two hundred thousand pesos (P200,000.00).

This was amended by Section 5 of R.A. No. 7691, which reads:

Sec. 5. After five (5) years from the effectivity of this Act, the jurisdictional amounts mentioned in Sec. 19(3), (4), and (8); and Sec.

<sup>18</sup> *Tiña v. Sta Clara Estate, Inc.*, 932 Phil. 340, 347 (2020).

<sup>19</sup> *Korea Trade Insurance Corp., v. Atty. Palanca*, G.R. No. 215959, December 7, 2021.

<sup>20</sup> THE JUDICIARY REORGANIZATION ACT OF 1980. Approved on August 14, 1981.

33(1) of Batas Pambansa Blg. 129 as amended by this Act, shall be adjusted to Two hundred thousand pesos (₱200,000.00). Five (5) years thereafter, such jurisdictional amounts shall be adjusted further to Three hundred thousand pesos (₱300,000.00): Provided, however, That in the case of Metro Manila, the abovementioned jurisdictional amounts shall be adjusted after five (5) years from the effectivity of this Act to Four hundred thousand pesos (₱400,000.00).

From the foregoing, it is clear that the case is within the jurisdiction of the RTC. Thus, it erred in dismissing RFCI's Complaint *motu proprio* on the ground of lack of jurisdiction.

As correctly argued by RFCI, the RTC was evidently confused and failed to distinguish between jurisdiction and venue. Jurisdiction is defined as the power and authority of a court to try, hear, and decide a case. In order for the court to have authority to dispose of the case on the merits, it must acquire among others, jurisdiction over the subject matter, which is conferred by law.<sup>20</sup> On the other hand, venue refers to the place where a civil action may be tried. It essentially concerns a rule of procedure which looks primarily at the convenience of the litigants, and can be subject of agreement by the parties.<sup>21</sup> Thus, unlike jurisdiction, venue may be waived provided that it does not cause the parties inconvenience.<sup>22</sup>

Rule 4 of the Rules of Court provides the rule on venue in civil actions:

Rule 4  
Venue of Actions

x x x x

Section 2. *Venue of personal actions.* — All other actions **may** be commenced and tried where the plaintiff or any of the principal plaintiffs resides, or where the defendant or any of the principal defendants resides, or in the case of a non-resident defendant where he may be found, at the election of the plaintiff.

x x x x

Section 4. *When Rule not applicable.* — This Rule shall not apply – (a) in those cases where a specific rule or law provides otherwise; or (b) **Where the parties have validly agreed in writing before the filing of the action on the exclusive venue thereof.**<sup>23</sup>

Clearly, agreements on venue are explicitly allowed. Parties may by stipulation waive the legal venue and such waiver is valid and effective

<sup>20</sup> *City of Iloilo v. Philippine Ports Authority*, G.R. No. 233861, January 12, 2021.

<sup>21</sup> *Gumabon v. Larin*, 422 Phil. 222, 229 (2001).

<sup>22</sup> *Radiowealth Finance Company, Inc., v. Nolasco*, 799 Phil. 598, 604 (2016).

<sup>23</sup> Emphasis supplied.

being merely a personal privilege, which is not contrary to public policy or prejudicial to third persons.<sup>24</sup>

In this case, since it was established that the parties stipulated on the exclusive venue, as found in the Promissory Note, RFCI's filing of the case in San Mateo Rizal, where it maintains a branch, is proper and should have been respected by the RTC.

Finally, it is well settled that the RTC may not *motu proprio* dismiss a case on the ground of improper venue. Without an objection at the earliest opportunity, as in a motion to dismiss or in the answer, it is a ground for dismissal that is deemed waived.<sup>25</sup>

As cited in *Cabrera v. The Philippine Statistics Authority*,<sup>27</sup> the Court has explained that:

**Dismissing the complaint on the ground of improper venue is certainly not the appropriate course of action at this stage of the proceeding, particularly as venue, in inferior courts as well as in the Courts of First Instance (now RTC), may be waived expressly or impliedly.** Where defendant fails to challenge timely the venue in a motion to dismiss as provided by Section 4 of Rule 4 of the Rules of Court, and allows the trial to be held and a decision to be rendered, he cannot on appeal or in a special action be permitted to challenge belatedly the wrong venue, which is deemed waived.

**Thus, unless and until the defendant objects to the venue in a motion to dismiss, the venue cannot be truly said to have been improperly laid, as for all practical intents and purposes, the venue, though technically wrong, may be acceptable to the parties for whose convenience the rules on venue had been devised.** The trial court cannot pre-empt the defendant's prerogative to object to the improper laying of the venue by *motu proprio* dismissing the case.<sup>26</sup>

**WHEREFORE**, the Petition for Review filed by Radiowealth Finance Company, Inc. is **GRANTED**. The Amended Order, dated July 21, 2016, and the Order, dated September 1, 2016, of the Regional Trial Court of San Mateo, Rizal, Branch 75, are **REVERSED**. Civil Case No. 2817-15 SM is ordered **REINSTATED**. The Regional Trial Court of San Mateo, Rizal, Branch 75 is ordered to proceed with dispatch in the resolution of the case on the merits.

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<sup>24</sup> *Unimasters Conglomeration, Inc. v. Court of Appeals*, 335 Phil. 414, 424 (1997).

<sup>25</sup> *City of Iloilo v. Philippine Ports Authority*, *supra*.

<sup>27</sup> 903 Phil. 50, 58.

<sup>26</sup> Emphasis supplied.

**SO ORDERED.”**

By authority of the Court:

*Misael D C Batt*  
**MISAELO DOMINGO C. BATTUNG III**  
*Division Clerk of Court JB 3/10/23*

Atty. Alquin Bugarin Manguera  
Counsel for Petitioner  
Unit 707 Tower 1, Mezza Residences  
Aurora Blvd. cor. Araneta Avenue  
1100 Quezon City

Messrs. Rommel G. Orande & Razel D. Orande  
Respondents  
1119 Kagitingan St., Brgy. 38  
1012 Tondo, Manila

The Presiding Judge  
REGIONAL TRIAL COURT  
Branch 75, San Mateo  
1850 Rizal  
(RTC CV 2817-15 SM)

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**G.R. No. 227148**

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