



Republic of the Philippines
Supreme Court
Baguio City

THIRD DIVISION

NOTICE

Sirs/Mesdames

Please take notice that the Court, Third Division, issued a Resolution dated April 24, 2023, which reads as follows:

G.R. No. 259661 – INSULAR OIL CORPORATION, petitioner, versus QUALIZEN CONSTRUCTION CORPORATION and UCPB GENERAL INSURANCE COMPANY, INC. (now COCOGEN INSURANCE, INC.), respondents.

In line with the case of *Global Medical Center of Laguna, Inc. v. Ross Systems International, Inc.*,¹ the Court resolves to decide this case based only on questions of law. Considering the allegations, issues and arguments adduced in the Petition for Review on *Certiorari* assailing the Final Award,² dated February 22, 2022, of the Construction Industry Arbitration Commission (CIAC) in CIAC Case No. 33-2021, the Court **RESOLVES** to **DENY** the Petition for failure to sufficiently show any reversible error in the assailed Final Award to warrant the exercise of this Court's discretionary appellate jurisdiction.

The Final Award of the CIAC is **AFFIRMED with MODIFICATION** in that, the award of exemplary damages to respondent Qualizen Construction Corporation is reduced to ₱1,000,000.00 considering the purpose of exemplary damages is not reparation but more for example and correction. Thus, the Court finds as follows:

1. Qualizen Construction Corporation shall return to petitioner Insular Oil Corporation the amount of ₱2,721,067.48 as remaining balance of the down payment;
2. Insular Oil Corporation shall pay Qualizen Construction Corporation the amounts of ₱1,000,000.00 as exemplary damages and ₱3,000,000 as attorney's fee;

¹ G.R. No. 230112, May 11, 2021.

² *Rollo*, pp. 130-159. Signed by Chairman Demetrio C. Custodio, Jr. and Members James S. Villafranca and Ramon L. Abiera.

3. Insular Oil Corporation shall pay respondent UCPB General Insurance Company, Inc. (now Cocogen Insurance, Inc.) the amount of ₱400,000.00 as attorney's fee;
4. The claims of Insular Oil Corporation for liquidated damages, loss of business profit, attorney's fee and interest are denied; and
5. The claims of UCPB General Insurance Company, Inc. (now Cocogen Insurance, Inc.) for moral and exemplary damages are denied.

The parties shall shoulder their respective shares in the Arbitration Fee as stated in the Terms of Reference.

Upon the Award becoming final, interest at the rate of six percent (6%) *per annum* shall be further paid on the outstanding amount until full payment thereof shall have been paid.

SO ORDERED.

By authority of the Court:

Misla Debat
MISAELO DOMINGO C. BATTUNG III
Division Clerk of Court
SEP 21 11:41:23

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