

Division Clerk of

Republic of the Philippines Supreme Court Manila Third Division FEB 0 4 2016

# **THIRD DIVISION**

CAMILO SIBAL,

Petitioner,

Respondents.

Present: '

- versus –

G.R. No. 197825

VELASCO, JR., J., *Chairperson*, PERALTA, VILLARAMA, JR., REYES, and JARDELĘZA, *JJ*.

PEDRO BUQUEL, SANTIAGO BUQUEL, JR., ROSALINDA BUQUEL, represented by FRANCISCO BUQUEL,

**Promulgated:** 

January 11, 2016

#### DECISION

## PERALTA, J.:

Before the Court is a Petition for Review under Rule 45 of the Rules of Court which petitioner Camilo Sibal filed, assailing the Decision<sup>1</sup> of the Court of Appeals (*CA*), dated March 16, 2011, and its Resolution<sup>2</sup> dated July 7, 2011 in CA-G.R. SP NO. 104774. The CA affirmed the Decision<sup>3</sup> of the Regional Trial Court (*RTC*) of Tuguegarao City, Cagayan, Branch 02, dated January 5, 2007, in Civil Case No. 6429.

The facts, as gathered from the records, are as follows:

Respondents Pedro Buquel, Santiago Buquel, Jr., Rosalinda Buquel and Francisco Buquel inherited from their parents, Santiago Buquel, Sr. and

Penned by Judge Vilma T. Pauig; id. at 38-40.

Penned by Associate Justice Sesinando E. Villon, with Associate Justices Andres B. Reyes, Jr. (now Presiding Justice) and Elihu A. Ybañez; concurring; *rollo*, pp. 84, 97.
<sup>2</sup> Id. at 109.

Faustina Buquel, a parcel of land consisting of 81,022 sq. m. covered by Original Certificate of Title No. O-725. Sometime in January 1999, petitioner Camilo Sibal and Tobi Mangoba took possession of a portion of the property which belonged to Santiago, Sr. Thereafter, the Buquels made several demands against Sibal and Mangoba for them to vacate and turn over the property, but the latter refused to do so. Hence, they filed a complaint before the Tuguegarao RTC for recovery of possession and damages.

On January 5, 2007, the Tuguegarao RTC ruled in favor of the Buquels, the decretal portion of the Decision provides:

WHEREFORE, in the light of the foregoing, the Court hereby renders judgment in favor of the Plaintiffs Pedro Buquel, Santiago Buquel, Jr., Rosalinda Buquel, and Francisco Buquel as against Defendants Camilo Sibal and Tobi Mangoba ordering:

1. The restoration to Plaintiffs of their peaceful possession of the land in question, specifically on the share of Santiago Buquel, Jr.;

2. The Defendants to pay the plaintiffs the amount of Ten Thousand Pesos for Attorney's Fees; and

3. The Defendants to pay to the Plaintiffs the amount of Fifteen Thousand Pesos as moral and actual damages.

#### SO ORDERED.<sup>4</sup>

Thereafter, said RTC Decision became final and executory; hence, the trial court issued a writ of execution.

On August 8, 2008, Sibal filed a Petition for Annulment of the RTC Decision before the CA, where he raised lack of jurisdiction and extrinsic fraud as grounds. On March 16, 2011, the CA dismissed Sibal's petition, thus:

WHEREFORE, premises considered, the instant petition is hereby **DISMISSED** for lack of merit.

#### SO ORDERED.<sup>5</sup>

Sibal filed a Motion for Reconsideration, but the same was denied. Thus, he filed the instant petition.

Id. at 97. (Emphasis on the original)

*Rollo*, p. 24.

Sibal maintains that the RTC did not acquire jurisdiction over the case and that the Buquels were guilty of extrinsic fraud.

### The petition is devoid of merit.

Sibal contends that the RTC Decision should be annulled on the ground that the RTC never acquired jurisdiction over the case as the complaint filed merely alleged that the value of the subject property is  $\pm 51,190.00$ , without, however, categorically mentioning its assessed value, and only the real property tax order of payment was attached to the complaint and not the tax declaration that would determine the assessed value of the property. But, upon review of the records, the Court notes that the Real Property Tax Order of Payment No. 091-05713-03 dated November 24, 2002, or "Exhibit C," shows that the amount of  $\pm 51,190.00$  is truly the assessed value of the property, which fact Sibal failed to refute.

A petition for annulment of judgment is a remedy in equity so exceptional in nature that it may be availed of only if the judgment, final order, or final resolution sought to be annulled was rendered by a court lacking jurisdiction or through extrinsic fraud, and only when other remedies are wanting.<sup>6</sup> In the present case, Sibal was able to avail of other remedies when he filed before the RTC a motion to quash the writ of execution and a motion to annul judgment.

Moreover, parties aggrieved by final judgments, orders or resolutions cannot be allowed to easily and readily abuse a petition for annulment of judgment. Thus, the Court has instituted safeguards by limiting the grounds for annulment to lack of jurisdiction and extrinsic fraud, and by prescribing in Section 1 of Rule 47 of the Rules of Court that the petitioner should show that the ordinary remedies of new trial, appeal, petition for relief or other appropriate remedies are no longer available without fault on the part of the petitioner. A petition for annulment that ignores or disregards any of the safeguards cannot prosper.<sup>7</sup>

Further, it must be emphasized that not every kind of fraud justifies the action of annulment of judgment. Only extrinsic fraud does. According to *Cosmic Lumber Corporation v. Court of Appeals*,<sup>8</sup> fraud is extrinsic when the unsuccessful party has been prevented from fully exhibiting his case, by fraud or deception practiced on him by his opponent, as by keeping him away from court, a false promise of a compromise; or where the defendant never had knowledge of the suit, being kept in ignorance by the acts of the

Pinausukan Seafood House Roxas Boulevard, Inc. v. FEBTC, now BPI, G.R. No. 159926, January 20, 2014, 714 SCRA 226, 240.
Id.

<sup>332</sup> Phil. 948, 961-962 (1996).

4

plaintiff; or where an attorney fraudulently or without authority connives at his defeat; these and similar cases which show that there has never been a real contest in the trial or hearing of the case are reasons for which a new suit may be sustained to set aside and annul the former judgment and open the case for a new and fair hearing.

As a ground for annulment of judgment, extrinsic fraud must arise from an act of the adverse party, and the fraud must be of such nature as to have deprived the petitioner of its day in court. The fraud is not extrinsic if the act was committed by the petitioner's own counsel.<sup>9</sup>

The case at bar is closely similar to, if not the same with the case of Pinausukan Seafood House v. FEBTC.<sup>10</sup> In this case, the Court noticed that the petition's own language mentioned mistake and gross negligence on the part of petitioner's own counsel. The petition even suggested that the negligence of its counsel may constitute professional misconduct. The Court then ruled that such neglect of counsel, even if it were true, was not tantamount to extrinsic fraud because it did not emanate from any act of FEBTC as the prevailing party, and did not occur outside the trial of the case. What is certain, for purposes of application of Rule 47, is that mistake and gross negligence cannot be equated to the extrinsic fraud under Rule 47. By its very nature, extrinsic fraud relates to a cause that is collateral in character, *i.e.*, it relates to any fraudulent act of the prevailing party in litigation which is committed outside of the trial of the case, where the defeated party has been prevented from presenting fully his side of the cause, by fraud or deception practiced on him by his opponent. And even in the presence of fraud, annulment will not lie unless the fraud is committed by the adverse party, not by one's own lawyer. In the latter case, the remedy of the client is to proceed against his own lawyer and not to re-litigate the case where judgment had been rendered.

Sibal asserts that the negligence of his former counsel in handling his defense during the proceedings in Civil Case No. 6429 resulted in violation of his right to due process. He claims that his counsel's inexcusable negligence denied him of his day in court. However, he admitted that he attended only one stage of the proceedings below, which was the preliminary conference. He was not aware of the subsequent proceedings as he was totally dependent on his former counsel and would merely wait for the latter to notify him if his attendance would be required. There was likewise no indication that his counsel was in fact in cahoots with the Buquels to obtain the assailed judgment. Sibal must therefore bear the unfortunate consequences of his actions. As a litigant, he should not have entirely left the case in his counsel's hands, for he had the continuing duty to keep himself abreast of the developments, if only to protect his own interest

1

<sup>9</sup> 10

*Pinausukan Seafood House v. FEBTC, supra* note 6, at 249. *Supra* note 6.

in the litigation. He could have discharged said duty by keeping in regular touch with his counsel, but he failed to do so.<sup>11</sup>

WHEREFORE, the petition is **DENIED**. The Decision of the Court of Appeals dated March 16, 2011 and its Resolution dated July 7, 2011 in CA-G.R. SP No. 104774 are hereby **AFFIRMED**.

SO ORDERED.

DIOSDADO M. PERALTA Associate Justice

WE CONCUR:

PRESBITERO/J. VELASCO, JR.

Associate Justice Chairperson

N S. VILLARAMA JR. Associate Justice

BIENVENIDO L. REYES

Associate Justice

FRANCIS H

Associate Justice

## ATTESTATION

I attest 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.

> PRESBITERO J. VELASCO, JR. Associate Justice Chairperson, Third Division

*Id.* at 250.

11

## CERTIFICATION

6

.

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, 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.

monkan

MARIA LOURDES P. A. SERENO Chief Justice

CERTIFIED TRUE COPY ILFREDO V. LAPI **X**AN Division Clerk of Court Third FEB sion 042016