



REPUBLIC OF THE PHILIPPINES
SUPREME COURT
Manila

SECOND DIVISION

NOTICE

Sirs/Mesdames:

*Please take notice that the Court, Second Division, issued a Resolution dated **09 November 2020** which reads as follows:*

“G.R. No. 228013 (*Ricardo N. Oabel v. Manuel S. Enverga University Foundation, Dra. Benilda Villenas,* C/M Ronaldo Banagan, and Violeta Salapare*).

Solidary liability exists when the obligation expressly so states, when the law so provides, or when the obligation so requires.¹ In *MAM Realty Devt. Corp. v. NLRC*,² the Court ruled that corporate directors and officers may incur solidary liability with the corporation for dismissing an employee with malice or bad faith, thus:

x x x A corporation, being a juridical entity, may act only through its directors, officers and employees. Obligations incurred by them, acting as such corporate agents, are not theirs but the direct accountabilities of the corporation they represent. True, solidary liabilities may at times be incurred but only when exceptional circumstances warrant such as, generally, in the following cases:

1. When directors and trustees or, in appropriate cases, the officers of a corporation —
 - (a) vote for or assent to *patently* unlawful acts of the corporation;
 - (b) act in *bad faith* or with *gross negligence* in directing the corporate affairs;
 - (c) are guilty of *conflict of interest* to the prejudice of the corporation, its stockholders or members, and other persons.

* “Villegas” in some parts of the *rollo*.

¹ *Alba v. Yupangco*, 636 Phil. 514, 519 (2010).

² 314 Phil. 838 (1995).

2. When a director or officer has consented to the issuance of *watered stock* or who, having knowledge thereof, did not forthwith file with the corporate secretary his written objection thereto.
3. When a director, trustee or officer has contractually agreed or stipulated to hold himself personally and solidarily liable with the Corporation.
4. When a director, trustee or officer is made, by specific provision of law, personally liable for his corporate action.

In labor cases, for instance, the Court has held corporate directors and officers solidarily liable with the corporation for the termination of employment of employees done with malice or in bad faith.³ (Emphasis supplied; citations omitted.)

In *Beltran v. AMA Computer College-Biñan/AMA Education System*,⁴ the Court ruled that to hold a director or officer personally liable for corporate obligations, two requisites must be satisfied: (1) complainant must allege that the director or officer assented to patently unlawful acts of the corporation, or that the officer was guilty of gross negligence or bad faith; and (2) complainant must clearly and convincingly prove such unlawful acts, negligence or bad faith. In that case, we held the school liable and not the school officers and employee, *i.e.*, chairman, school director, and payroll manager, in the absence of any evidence of their personal participation, bad faith, and malice

Here, there is no indication that Ricardo Oabel's (Oabel) dismissal was effected with malice or bad faith on the part of Dra. Benilda Villenas (Dra. Villenas), the Vice President for Administration of Manuel S. Enverga University Foundation (MSEUF), Dean Ronaldo Banagan (Dean Banagan) of the Maritime Studies (MS) Department, and Ms. Violeta Salapare (Ms. Salapare), Secretary of the MS Department. As the CA aptly observed, it was Oabel, at his own instance, who opted to stop teaching even before the expiration of his probationary period, and no discrimination may be imputed against MSEUF and/or its officers/employees when his teaching load was reduced, thus:

However, what is peculiar in this case is the admitted fact that Oabel, *by himself*, stopped teaching in February 2012, or even before the expiration of the three-year or six (6) consecutive semesters probationary period. Oabel insists that he ceased teaching because he felt discriminated against by MSEUF for having been given a fewer teaching load which led to a lower salary and diminution of his benefits. This, according to him, amounted to constructive dismissal.

x x x x

³ *Id.* at 844-845.

⁴ G.R. No. 223795, April 3, 2019.

While Oabel's teaching load was reduced to fourteen (14) units, there is no showing that Oabel took active measures to protest the same. In fact, Oabel *continued teaching* in the second semester of the school year 2011-2012 albeit stopping soon after the midterm examinations. Again, this discontinuance in employment was not initiated by MSEUF but by Oabel himself allegedly due to his feelings of humiliation and deception.

Even when Oabel already imputes discrimination against MSEUF for giving him a reduced teaching load, it is only when MSEUF failed to give him any teaching load for June 2012 did he decry illegal dismissal.

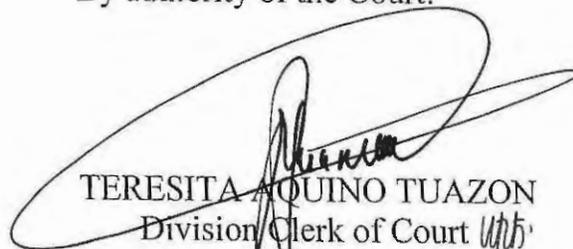
Moreover, We find justified MSEUF's grant of a lesser teaching load to Oabel as the Contract of Special Employment clearly obligates Oabel to obtain his Master's Degree in three (3) years time, otherwise, he will be the last priority in the distribution of teaching assignment among those who are appointed. This, to Our mind, is not discrimination but rather a valid exercise of management prerogative.⁵ (Italics in the original; citation omitted.)

Finally, Oabel failed to present proof other than his self-serving allegations to show that Dra. Villenas, Dean Banagan, and Ms. Salapare singled him out from the other faculty members or that they subjected him to arbitrary treatment. In sum, the corporate officers and employees cannot be held solidarily liable with MSEUF for Oabel's monetary awards.

FOR THESE REASONS, the petition is **DENIED**.

SO ORDERED." (Rosario, J., designated additional Member *per* Special Order No. 2797 dated November 5, 2020.)

By authority of the Court:


TERESITA AQUINO TUAZON
Division Clerk of Court *Utib*
03 FEB 2021 2/3

⁵ *Rollo*, p. 45.

Resolution

4

G.R. No. 228013
January 09, 2020

MR. RICARDO N. OABEL (reg)
Petitioner
103 C.M. Recto Street
Tayabas City, 4327 Quezon Province

MR. ALBERTO C. ENVERGA (reg)
Representative of Private Respondent
Yale St. University Village Subdivision
Brgy. Ibabang Dupay, 4301 Lucena City
Quezon Province

NATIONAL LABOR RELATIONS
COMMISSION (reg)
PPSTA Building, Banawe Street
corner Quezon Boulevard
1100 Quezon City
(NLRC Lac No. 07-002255-13)

JUDGMENT DIVISION (x)
Supreme Court, Manila

PUBLIC INFORMATION OFFICE (x)
LIBRARY SERVICES (x)
[For uploading pursuant to A.M. No. 12-7-1-SC]

OFFICE OF THE CHIEF ATTORNEY (x)
OFFICE OF THE REPORTER (x)
Supreme Court, Manila

COURT OF APPEALS (x)
Ma. Orosa Street
Ermita, 1000 Manila
CA-G.R. SP No. 133881

Please notify the Court of any change in your address.
GR228013. 11/09/2020(99)URES

1/9