



Republic of the Philippines  
Supreme Court  
Manila

SUPREME COURT OF THE PHILIPPINES  
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**THIRD DIVISION**

**RENATO C. TACIS and  
DIONICIO LAMIS III,**  
*Petitioners,*

**G.R. No. 234575**

Present:

-versus -

LEONEN, *J.*  
*Chairperson,*  
HERNANDO,  
CARANDANG,\*  
LAZARO-JAVIER,\*\*  
ROSARIO,\*\*\* *JJ.*

**SHIELDS SECURITY  
SERVICES, INC., TERESITA  
SOLIMAN, President and  
DIONEFEL MORANTE, General  
Manager,**

*Respondents.*

Promulgated:

July 7, 2021

MSPDC/BoH

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**DECISION**

**HERNANDO, J.:**

At bar is a Petition for Review on *Certiorari*<sup>1</sup> assailing the April 20, 2017 Decision<sup>2</sup> and September 26, 2017 Resolution<sup>3</sup> rendered by the Court of Appeals (CA) in CA-G.R. S.P. No. 140513, a labor dismissal suit.

\* Designated additional member per raffle dated May 26, 2021 vice *J. Jhosep Y. Lopez* who recused himself due to prior action in the Court of Appeals.

\*\* Designated additional member per July 31, 2019 raffle vice *J. Henri Jean Paul B. Inting* who recused for having concurred in the assailed Decision and Resolution of the Court of Appeals.

\*\*\* Per Special Order No. 2833 dated June 29, 2021.

<sup>1</sup> *Rollo*, pp. 12-35.

<sup>2</sup> *Id.* at 226-233. Penned by Associate Justice Leoncia Real-Dimagiba and concurred in by Associate Justices Ramon R. Garcia and Henri Jean Paul B. Inting (now a Member of this Court).

<sup>3</sup> *Id.* at 241-242.

**The Facts:**

Petitioners Renato C. Tacis (Tacis) and Dionicio Lamis III (Lamis), along with complainant Moises C. Diw-al, filed a complaint<sup>4</sup> for illegal dismissal, with claims for payment of full backwages, separation pay in lieu of reinstatement and salary differentials against respondents.<sup>5</sup>

Respondent Shields Security Services, Inc. (Company) is a domestic corporation engaged in security services. Individual respondents Teresita Soliman (Soliman) and Dionefel Morante (Morante) are being sued in their capacities as the company's President and General Manager, respectively.<sup>6</sup>

Petitioners Tacis and Lamis alleged that they were hired as security guards on April 4, 2007 and May 1, 2012, respectively. They were assigned at Texas Instruments, Inc. (Texas Instruments) located in Loakan Road, Baguio City and were then receiving a daily wage of ₱280.00.<sup>7</sup>

Sometime in November 2013, the Company deployed more or less 15 new security guards at Texas Instruments and instructed petitioners to train the new recruits for three days.<sup>8</sup> However, on November 29, 2013, Morante informed petitioners that the old security guards of Texas, including herein petitioners, were relieved and terminated from service and that the 15 new hires will replace them as per the client's (Texas Instruments) request.<sup>9</sup> Morante then gave petitioners checks representing their "retirement pay" and advised them that the other benefits due them such as 13<sup>th</sup> month pay and last salary shall be given upon their return to Manila.<sup>10</sup>

The petitioners objected to their severance arguing that there was no valid ground for their dismissal as they did not commit any infraction during their employment with the Company.<sup>11</sup> In order to appease petitioners, Morante made a commitment to transfer them to Soliman Security Services (Soliman Security), a sister company of Shields Security effective January to February 2014. Morante even made petitioners fill out application forms for their eventual transfer to Soliman Security.<sup>12</sup>

Convinced that they would be absorbed by Soliman Security, petitioners submitted their respective resignation letters and quitclaims<sup>13</sup> as

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<sup>4</sup> Id. at 63-64.

<sup>5</sup> Id.

<sup>6</sup> Id. at 13.

<sup>7</sup> Id. at 14.

<sup>8</sup> Id. at 227.

<sup>9</sup> Id.

<sup>10</sup> Id. at 14-15.

<sup>11</sup> Id. at 227.

<sup>12</sup> Id. at 15.

<sup>13</sup> Id. at 227.

pre-requisites for their receipt of cash benefits, e.g. separation pay, 13<sup>th</sup> month pay, service incentive leave pay, cash bond, uniform allowance and last salary.<sup>14</sup>

However, upon inquiry of Tacis as to the status of their transfer to Soliman Security sometime in January 2014, Morante informed him that there was no vacancy at Soliman Security. This prompted petitioners to file the instant complaint<sup>15</sup> before the National Labor Relations Commission (NLRC) Regional Arbitration Branch in Baguio City.<sup>16</sup>

On the other hand, respondents belied petitioners' claim of illegal dismissal. They averred that petitioners voluntarily resigned from their employment as evidenced by their individual handwritten resignation letters which were duly accepted by the Company. In fact, they were given the option to go to Manila for their next assignment but they opted to resign.<sup>17</sup>

In addition, petitioners were already paid their separation benefits and in return, they have executed a Quitclaim, Release and Waiver<sup>18</sup> therefor. Moreover, petitioners processed the documents required of resigning employees such as their exit interview, company clearance and information sheets.<sup>19</sup>

Anent petitioners' claim for refund of the salary deductions made for the death mutual aid program of the Company, respondents countered that the same had been voluntarily agreed upon by petitioners when they signed a Statement of Understanding and Participation in the said program, authorizing automatic deduction from their salary of death contribution during paydays.<sup>20</sup>

Respondents further prayed that Soliman be dropped from the case as she was not in any way connected to the Company.<sup>21</sup>

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

On August 22, 2014, Labor Arbiter Monroe C. Tabinan (LA) rendered a Decision,<sup>22</sup> finding that petitioners were constructively dismissed. The decretal portion of the LA's Decision reads:

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<sup>14</sup> Id. at 15.

<sup>15</sup> Id. at 63-64.

<sup>16</sup> Id. at 15-16.

<sup>17</sup> Id. at 16.

<sup>18</sup> Id. at 143-149.

<sup>19</sup> Id.

<sup>20</sup> Id.

<sup>21</sup> Id.

<sup>22</sup> Id. at 155-164.

WHEREFORE, premises all considered, judgment is hereby rendered ordering respondents jointly and severally liable to:

(1) pay separation pay of each complainant at one (1) month pay for every year of service [minus what were given to them in advance] in the amount of P38,558.13;

(2) pay complainants full backwages (less labor standard benefits such as 13<sup>th</sup> month pays awarded earlier by respondents) from the time there were illegally dismissed up to the finality of the judgment or decision in the amount of P207,361.56;

(3) refund amounts deducted as "mutual aid fund" in the amount of P5,670.00;

(4) pay complainants attorney's fees (success fee) at 10% of the total monetary award to be recovered in the amount of P25,158.97.

(5) TOTAL ----- (P276,748.66)

The computation of the foregoing is made an integral of this Decision.

All other claims are dismissed.

**SO ORDERED.**<sup>23</sup>

The LA held that there was no valid cause for petitioners' dismissal. Respondents' claim that it was the request of their client Texas Instruments to replace petitioners was not substantiated at all. No request to this effect was presented by respondents to prove this claim. Neither did respondents prove that petitioners were no longer efficient and effective in their jobs to justify their replacement.<sup>24</sup>

The LA further held that the promise of Morante to transfer petitioners to Soliman Security which never came true was a dismissal in disguise. In reality, it was a constructive dismissal. The LA also stressed that the resignation letters submitted by petitioners to the Company were pro-forma, thus, were involuntary, and that petitioners were tricked into executing the same in exchange for their monetary claims.<sup>25</sup>

The arbiter then concluded that the act of the Company in replacing petitioners who were then already its regular employees, without just or authorized cause, was a clear act of illegal dismissal.<sup>26</sup>

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<sup>23</sup> Id. at 163.

<sup>24</sup> Id. at 160.

<sup>25</sup> Id. at 159.

<sup>26</sup> Id. at 162.

**Ruling of the National Labor Relations Commission (NLRC):**

On appeal before the NLRC, respondents reiterated that petitioners voluntarily resigned from their employment.<sup>27</sup>

On November 10, 2014, the NLRC reversed the LA Decision finding that petitioners' resignation was voluntary as shown by their expression of gratitude and appreciation to the Company for the opportunity given to them. Further, the quitclaim and waiver executed by petitioners confirmed their resignation from the company. There was no showing that petitioners were compelled to sign the same or that they did not fully understand the consequences of signing a quitclaim.<sup>28</sup>

Contrary to petitioners' assertion that they were made to fill out application forms for their transfer to Soliman Security, the NLRC found that the same were not application forms but Information Sheets for resigned guards. Having resigned from their employment, petitioners needed to re-apply and fill out application forms, which they failed to do.<sup>29</sup>

The NLRC further rejected the LA's order of refund of petitioners' death mutual aid contributions for being erroneous. It held that the said deductions were authorized by petitioners as evidenced by the "Statement of Understanding and Participation in the Company Death Mutual Aid Program" individually signed by petitioners. Thus, there was no basis for the refund of the said contributions.<sup>30</sup>

The dispositive portion of the NLRC Decision reads as follows:

**WHEREFORE**, premises considered, the appealed decision of the Labor Arbiter is hereby ordered REVERSED and SET ASIDE.

Conformably, a new decision is hereby entered DISMISSING the above-entitled complaint for lack of merit.

**SO ORDERED.**<sup>31</sup>

Petitioners filed a Motion for Reconsideration<sup>32</sup> which was, however, denied in the NLRC Resolution<sup>33</sup> dated March 16, 2015.

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<sup>27</sup> Id. at 173.

<sup>28</sup> Id. at 189-199.

<sup>29</sup> Id. at 192.

<sup>30</sup> Id. at 192-193.

<sup>31</sup> Id. at 193.

<sup>32</sup> Id. at 195-200.

<sup>33</sup> Id. at 202-204.

**Ruling of the Court of Appeals:**

Aggrieved, petitioners filed a Petition for *Certiorari*<sup>34</sup> before the CA ascribing upon the NLRC grave abuse of discretion amounting to lack or excess of jurisdiction when it held that no illegal dismissal took place and that petitioners voluntarily resigned from the Company. Petitioners lamented that they were deceived by respondents into resigning in exchange for their monetary benefits and upon the false representation that they would be transferred to Soliman Security.<sup>35</sup>

On April 20, 2017, the CA rendered the assailed Decision denying the Petition for *Certiorari* filed by petitioners, the *fallo* of which reads:

**WHEREFORE**, foregoing considered, petition is **DENIED**. The Decision and Resolution of the National Labor Relations Commission in NLRC Case No. RAB-CAR-03-0124-14 dated November 10, 2014 and March 16, 2015, respectively, are hereby **AFFIRMED**.

**SO ORDERED.**<sup>36</sup>

The CA concluded that petitioners failed to substantiate their claim of vitiated consent. Other than their respective affidavits, no controverting evidence was adduced by petitioners to refute the fact that they voluntarily filed their respective resignation letters with the Company and that the same were accepted by respondents. The appellate court further emphasized that petitioners processed the documents to be accomplished by resigning employees and they were paid their separation and other monetary benefits. Petitioners did not question the reasonableness of the amount given by the Company and in fact executed a quitclaim and waiver therefor without evidence of force and intimidation employed by the Company. Thus, the appellate court upheld petitioners' resignation and quitclaim as valid and binding.<sup>37</sup>

Petitioners' motion for reconsideration<sup>38</sup> was denied<sup>39</sup> hence, the present petition for review on certiorari raising the following issues:

I.

WHETHER THE COURT OF APPEALS GRAVELY ERRED IN AFFIRMING THE DECISION OF THE NATIONAL LABOR RELATIONS COMMISSION THAT THE PETITIONERS WERE NOT ILLEGALLY DISMISSED.

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<sup>34</sup> Id. at 38-57.

<sup>35</sup> CA *rollo*, pp. 9-19.

<sup>36</sup> *Rollo*, unpaginated.

<sup>37</sup> Id. at 230-unpaginated.

<sup>38</sup> Id. at 233-238.

<sup>39</sup> Id. at 241-242.

## II.

WHETHER THE COURT OF APPEALS GRAVELY ERRED IN AFFIRMING THE DECISION OF THE NATIONAL LABOR RELATIONS COMMISSION THAT THE PETITIONERS ARE NOT ENTITLED TO THEIR MONETARY CLAIMS.<sup>40</sup>

Petitioners maintain that their severance from employment was involuntary amounting to constructive dismissal. They insist that they were compelled to tender their individual resignation letters accompanied by a quitclaim and release as a condition precedent to their transfer to Soliman Security and claim of monetary benefits. This, according to petitioners, is a clear case of constructive dismissal as they were left with no alternative but to resign.<sup>41</sup>

In their Opposition and Comments,<sup>42</sup> respondents posit that there was no illegal dismissal in the instant case as petitioners voluntarily and knowingly resigned from their employment.

### Our Ruling

The Court denies the Petition.

### Preliminary Matters:

At the outset, it must be emphasized that this Court is not a trier of facts, and it is not its function to examine, review, or evaluate the evidence all over again.<sup>43</sup> A petition for review on *certiorari* under Rule 45 of the Rules of Court should cover only questions of law.<sup>44</sup> In the case at bar, the question of whether petitioners were constructively dismissed from employment is evidently factual because it requires an examination of the evidence on record.

The Court has enumerated several exceptions to this rule: (1) the conclusion is grounded on speculations, surmises or conjectures; (2) the inference is manifestly mistaken, absurd or impossible; (3) there is grave abuse of discretion; (4) the judgment is based on misapprehension of facts; (5) the findings of fact are conflicting; (6) there is no citation of specific evidence on which the factual findings are based; (7) the findings of absence of facts are contradicted by the presence of evidence on record; (8) the findings of the CA are contrary to those of the trial court; (9) the CA manifestly overlooked certain relevant and undisputed facts that, if properly considered, would justify a different conclusion; (10) the findings of the CA are beyond the issues of the case; and (11) such findings are contrary to the admissions of both parties.<sup>45</sup>

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<sup>40</sup> Id. at 20.

<sup>41</sup> Id. at 21-29.

<sup>42</sup> Id. at 250-261.

<sup>43</sup> *Spouses Cabasal v. BPI Family Savings Bank, Inc.*, G.R. No. 233846, November 18, 2020.

<sup>44</sup> *Kumar v. People*, G.R. No. 247661, June 15, 2020.

<sup>45</sup> *Carbonell v. Carbonell-Mendes*, 762 Phil. 529, 537 (2015).

Here, the factual findings of the LA conflict with that of the NLRC and the CA. In particular, the arbiter found facts supporting the conclusion that there was constructive dismissal, while the NLRC and the CA found none. Considering the different findings of fact and conclusions of law of the arbiter and the appellate court, the Court shall entertain this petition, although it involves questions of fact.

**Petitioners' resignation was voluntary; there was no constructive dismissal.**

Constructive dismissal is an involuntary resignation resorted to when continued employment is rendered impossible, unreasonable or unlikely; or when there is a demotion in rank and/or a diminution in pay. It exists when there is a clear act of discrimination, insensibility or disdain by an employer, which makes it unbearable for the employee to continue his/her employment. In cases of constructive dismissal, the impossibility, unreasonableness, or unlikelihood of continued employment leaves an employee with no other viable recourse but to terminate his or her employment.<sup>46</sup>

The test of constructive dismissal is whether a reasonable person in the employee's position would have felt compelled to give up his position under the circumstances.<sup>47</sup> It is an act amounting to dismissal but made to appear as if it were not. It must be noted, however, that bare allegations of constructive dismissal, when uncorroborated by the evidence on record, cannot be given credence.<sup>48</sup>

In contrast:

Resignation is the formal pronouncement or relinquishment of a position or office. It is the voluntary act of an employee who is in a situation where he believes that personal reasons cannot be sacrificed in favor of the exigency of the service, and he has then no other choice but to disassociate himself from employment. The intent to relinquish must concur with the overt act of relinquishment; hence, the acts of the employee before and after the alleged resignation must be considered in determining whether he in fact intended to terminate his employment. In illegal dismissal cases, it is a fundamental rule that when an employer interposes the defense of resignation, on him necessarily rests the burden to prove that the employee indeed voluntarily resigned.<sup>49</sup>

Guided by the foregoing legal precepts, a judicious review of the facts on record will show that the Company was able to show petitioners' voluntary

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<sup>46</sup> *Torreda v. Investment and Capital Corp.*, G.R. No. 229881, September 5, 2018.

<sup>47</sup> *MCMER Corp. v. National Labor Relations Commission*, 735 Phil. 204, 221 (2014).

<sup>48</sup> *Hechanova Bugay Vilchez Lawyers v. Matorre*, 719 Phil. 608, 619 (2013).

<sup>49</sup> *Central Azucarera v. Siason*, 765 Phil. 399, 407 (2015).



resignation. The acts of petitioners before and after the resignation do not show that undue force was exerted upon them.

*First*, petitioners relinquished their positions when they submitted their individual letters of resignation, which to reiterate, were in their own handwriting. Petitioners admitted having submitted the said letters, albeit, due to an alleged deceitful machination, but which they utterly failed to substantiate for lack of substantial documentary or testimonial evidence.

More importantly, there was no indication in their respective resignation letters that they were unduly influenced or coerced to resign. In fact, the said letters contained words of gratitude which can hardly come from an employee forced to resign.<sup>50</sup> In *Bilbao v. Saudi Arabian Airlines*,<sup>51</sup> the Court found as voluntary the resignation of the complainant, whose clear use of words of appreciation and gratitude negated the notion that she was forced and coerced to resign.

*Second*, petitioners accepted the retirement pay and monetary benefits given them by the Company and executed a Quitclaim, Release and Waiver therefor, as settlement and waiver of any cause of action against respondents. The Court has consistently ruled that “a waiver or quitclaim is a valid and binding agreement between the parties, provided that it constitutes a credible and reasonable settlement, and that the one accomplishing it has done so voluntarily and with a full understanding of its import.”<sup>52</sup> In this case, the NLRC found the monetary benefits received by petitioners in consideration of the quitclaims to be reasonable since petitioners failed to question the same.

Moreover, there was no showing that the quitclaims were procured by respondents through fraud or deceit. Neither was there proof that respondents employed force or duress to compel petitioners to sign the same. Basic is the rule that a mere allegation is not evidence, and he who alleges has the burden of proving his allegation with the requisite quantum of evidence.<sup>53</sup> Absent any extant and clear proof of coercion and deceit allegedly exerted by respondents upon petitioners that led them into signing the quitclaims, it can be concluded that petitioners signed the same of their own accord.

*Third*, the Court finds petitioners’ imputation of bad faith or deceit against respondents untenable.

Bad faith, under the law, does not simply connote bad judgment or negligence. It imports a dishonest purpose or some moral obliquity and

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<sup>50</sup> See *St. Michael Academy v. National Labor Relations Commission*, 354 Phil. 491, 509 (1998).

<sup>51</sup> 678 Phil. 793, 802 (2011).

<sup>52</sup> *Iladan v. La Suerte*, 776 Phil. 591, 601 (2016).

<sup>53</sup> *Spouses Ramos v. Obispo*, 705 Phil. 221, 229 (2013).

conscious doing of a wrong, or a breach of a known duty through some motive or interest or ill will that partakes of the nature of fraud.<sup>54</sup>

It must be noted that the burden of proving bad faith rests on the one alleging it since basic is the principle that good faith is presumed and he who alleges bad faith has the duty to prove the same. Allegations of bad faith and fraud must be proved by clear and convincing evidence.<sup>55</sup>

In this case, petitioners insist that respondents misled them into signing their resignation letters upon the Company's false promise that they would be transferred to Soliman Security.<sup>56</sup> On the other hand, respondents claim that they gave petitioners the option to either be separated with full payment of their benefits or to go to Manila for their next assignment. However, petitioners chose to resign.<sup>57</sup>

At the risk of sounding monotonous, petitioners' voluntary resignation was clearly established by the evidence on record. On the contrary, petitioners' contention that they were induced to resign on account of their eventual transfer to Soliman Security was unsubstantiated. No agreement to this effect was presented by petitioners. Not even a single witness was introduced to corroborate this claim.

*Finally*, it would stand to reason that if respondents indeed promised petitioners that they will be absorbed by Soliman Security, there would have been no need for petitioners to file a resignation letter. Moreover, if respondents truly intended to transfer petitioners to its sister company, why would respondents go through the whole process of paying petitioners their respective retirement and other monetary benefits which obviously entailed unnecessary expenses on their part? This is evidently an expensive move on the part of respondents, which, to our minds, is not only financially burdensome but is also contrary to the aim of a business like theirs which operate to make profit.

On this score, we find the ruling of this Court in the case of *Panasonic v. Peckson*,<sup>58</sup> worth mentioning:

x x x. Also, Peckson's claim that he was put on floating status after he was allegedly instructed to file a resignation letter does not hold water. **It makes no sense for an employee to file a resignation letter solely based on an alleged promise that said employee would be later reinstated by the company. This, especially as Peckson's only proof of said arrangement is the**

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<sup>54</sup> *Leus v. St. Scholastica*, 752 Phil. 186, 219 (2015).

<sup>55</sup> *Id.*

<sup>56</sup> *Rollo*, p. 21.

<sup>57</sup> *Id.* at 256-257.

<sup>58</sup> G.R. No. 206316, March 20, 2019.

**conversation he had with management, which, again, is supported by nothing but his bare testimony.** (Emphasis supplied)

While the Court recognizes the rule that in illegal dismissal cases, the employer bears the burden of proving that the termination was for a valid or authorized cause,<sup>59</sup> in the present case, however, the facts and evidence do not establish a prima facie case that petitioners were dismissed from employment. Settled is the rule that before the employer must bear the burden of proving that the dismissal was legal, the employee must first establish by substantial evidence the fact of his dismissal from service. Logically, if there is no dismissal, then there can be no question as to its legality or illegality. Bare allegations of constructive dismissal, when uncorroborated by the evidence on record, cannot be given credence.<sup>60</sup>

As a final note, the Court's ratiocination in *Doble v. ABB, Inc.*,<sup>61</sup> bears reiteration, viz.:

Even if the option to resign originated from the employer, what is important for resignation to be deemed voluntary is that the employee's intent to relinquish must concur with the overt act of relinquishment. x x x. After considering the acts of Doble before and after his resignation, the Court is convinced of Doble's clear intention to sever his employment with ABB, Inc.<sup>62</sup>

Similarly, petitioners' voluntary resignation coupled by their execution of quitclaims and the processing of the documents required from resigning employees such as the exit interview, company clearance and information sheets indubitably show their intent to relinquish voluntarily their employment with the Company.

In sum, we agree with the NLRC and the CA that no constructive dismissal took place in the instant case. As shown above, petitioners failed to substantiate their claims of constructive dismissal for there was no proof that their resignation letters were tainted with deceit and bad faith, as they strongly claim.

**WHEREFORE**, the Petition is hereby **DENIED**. The assailed April 20, 2017 Decision and September 26, 2017 Resolution of the Court of Appeals are **AFFIRMED**. Petitioners' complaint for illegal dismissal, with claims for payment of full backwages, separation pay in lieu of reinstatement and salary differentials is **DISMISSED** for lack of merit.

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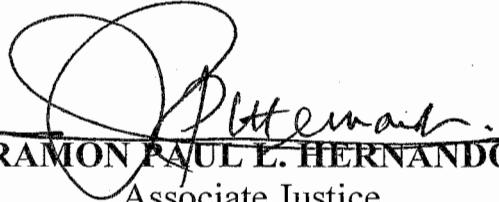
<sup>59</sup> *Jarabelo v. Household Goods Patrons, Inc.*, G.R. No. 223163, December 2, 2020.

<sup>60</sup> See *Philippine Rural Reconstruction Movement v. Pulgar*, 637 Phil. 244, 256 (2010).


<sup>61</sup> 810 Phil. 210 (2017).


<sup>62</sup> *Id.* at 233-234.

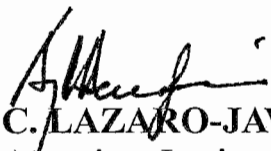
**SO ORDERED.**


  
**RAMON PAUL L. HERNANDO**  
Associate Justice

WE CONCUR:

  
**MARVIC M. V. F. LEONEN**  
Associate Justice  
Chairperson

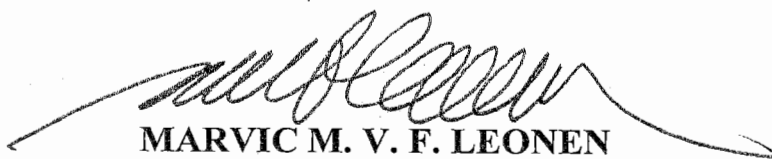
  
**ROSMARI D. CARANDANG**  
Associate Justice

  
**AMY C. LAZARO-JAVIER**  
Associate Justice

  
**RICARDO R. ROSARIO**  
Associate Justice

**ATTESTATION**

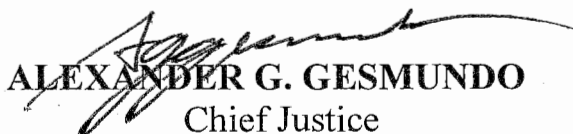
I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



**MARVIC M. V. F. LEONEN**  
Associate Justice  
Chairperson

**CERTIFICATION**

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.



**ALEXANDER G. GESMUNDO**  
Chief Justice

