SUPREME COURT OF THE PHILIPPINES





# Dominica

## SECOND DIVISION

GERRY S. FEGARIDO and G.R. No. 240066 LINALIE A. MILAN,

Petitioners,

Present:

-versus-

LEONEN, *J., Chairperson*, LAZARO-JAVIER\*, LOPEZ, M., LOPEZ, J., and KHO, JR., *JJ*.

ALMARINA<sup>1</sup> S. ALCANTARA, **CYNTHIA** A. DE VERA, YOLANDA A. TAYAG, CRISTY SUSAN A. DE GUZMAN, JESSIE S. ALCANTARA, EMILIE VELANCIO, **JUDITH** RAGUINGAN, **CHARLIE** ALCANTARA, all suing as heirs of their deceased mother CRISTINAS. ALCANTARA (victim), and all represented by their attorney-infact and co-plaintiff, CHARLIE S. ALCANTARA,

Respondents.

Promulgated:

DECISION

### LEONEN, J.:

In negligence cases, the aggrieved party may file an independent civil action for damages based on quasi-delict separately from a criminal action for

Almarina is sometimes spelled as "Almira" in the *rollo*.

On official leave.

imprudence. This civil action may proceed simultaneously with the criminal action and requires only preponderance of evidence. Nevertheless, the aggrieved party may recover damages only once based on the same act or omission.<sup>2</sup>

This Court resolves a Petition for Review on Certiorari<sup>3</sup> assailing the Decision<sup>4</sup> and Resolution<sup>5</sup> of the Court of Appeals, which affirmed the Regional Trial Court's Decision<sup>6</sup> finding Gerry S. Fegarido (Fegarido) and Linalie A. Milan (Milan) solidarily liable for damages.

At around 6:30 p.m. on October 15, 2008, Cristina S. Alcantara (Alcantara) figured in a vehicular crash while crossing the road on 25th Street, East Bajac-Bajac, Olongapo City. She was hit by a public utility jeepney driven by Fegarido, who was making a left turn toward 25th Street. The impact threw Cristina off a few meters away before hitting the pavement. She was rushed to the hospital to be treated for physical injuries, but was declared braindead and died three days later.

Fegarido was charged with reckless imprudence resulting in homicide in an amended Information filed before the Municipal Trial Court in Cities.<sup>9</sup>

Meanwhile, the heirs of Cristina S. Alcantara filed before the Regional Trial Court a Complaint for damages with prayer for the issuance of a writ of preliminary injunction/temporary restraining order<sup>10</sup> not only against Fegarido, but also Milan, the registered owner of the jeepney.<sup>11</sup>

In its June 19, 2012 Decision,<sup>12</sup> the Municipal Trial Court in Cities acquitted Fegarido of the crime charged. It found that the evidence on record was insufficient to prove with moral certainty that Fegarido recklessly drove the jeepney.<sup>13</sup>

<sup>&</sup>lt;sup>2</sup> Casupanan v. Laroya, 436 Phil. 582, 600–601 (2002) [Per J. Carpio, Third Division].

<sup>&</sup>lt;sup>3</sup> Rollo, pp. 10–32.

Id. at 48–60. The October 13, 2017 Decision was penned by Associate Justice Leoncia Real-Dimagiba and concurred in by Associate Justices Apolinario D. Bruselas, Jr. and Henri Jean Paul B. Inting (now a member of this Court) of the Twelfth Division, Court of Appeals, Manila.

Id. at 34–36. The May 4, 2018 Resolution was penned by Associate Justice Apolinario D. Bruselas, Jr. and concurred in by Associate Justices Romeo F. Barza and Henri Jean Paul B. Inting (now a member of this Court) of the Special Former Twelfth Division, Court of Appeals, Manila.

Id. at 62–66-A. The March 9, 2015 Decision was penned by Judge Raymond C. Viray of the Regional Trial Court of Olongapo City, Branch 75.

<sup>&</sup>lt;sup>7</sup> Id. at 49.

<sup>8</sup> Id.

<sup>&</sup>lt;sup>9</sup> Id. at 50.

<sup>&</sup>lt;sup>10</sup> Id. at 67–72.

<sup>11</sup> Id. at 50

Id. at 186–197. The Decision was penned by Judge Tomas Eduardo B. Maddela III of the Municipal Trial Court in Cities, Olongapo City, Branch 5.

<sup>&</sup>lt;sup>13</sup> Id. at 194.

Meanwhile, the Regional Trial Court rendered a Decision<sup>14</sup> in the civil action for damages on March 9, 2015, finding Fegarido and Alcantara solidarily liable to Alcantara's heirs. It disposed of the case in this wise:

WHEREFORE, judgment is rendered in favor of the plaintiffs. The defendants are ordered to pay plaintiffs solidarily the amount[s] of:

- 1. Php138,591.00 as actual damages;
- 2. Php100,000.00 as moral damages;
- 3. Php50,000.00 as exemplary damages;
- 4. Php40,000.00 as attorney's fees & litigation expenses; and
- 5. The cost of the suit.

Defendants['] counterclaim is dismissed; while plaintiff's application for a writ of preliminary injunction is denied.

SO DECIDED.15

In so ruling, the Regional Trial Court relied on the witnesses' narration of the events and found that Fegarido negligently operated the jeepney causing Cristina's death. It likewise held Milan vicariously liable after she failed to exercise the required diligence in the selection and supervision of her employees. It found that Milan had entrusted her legal duties to her husband, Nestor, who testified that he tested Fegarido's driving skills only once. <sup>16</sup>

Fegarido and Milan appealed before the Court of Appeals.<sup>17</sup>

In its October 13, 2017 Decision,<sup>18</sup> the Court of Appeals affirmed the Regional Trial Court Decision finding Fegarido and Milan solidarily liable for damages.<sup>19</sup> It ruled that Fegarido's acquittal in the criminal case for the prosecution's failure to prove his criminal liability with moral certainty did not preclude a finding of liability for damages based on negligence. It stressed that the pieces of evidence weighted against Fegarido, when taken together, established his negligence based on quasi-delict.<sup>20</sup>

As to Milan's liability, the Court of Appeals similarly decreed that she failed to exercise the due diligence required by law when she entrusted her legal duties in the selection and supervision of her employee to her husband.<sup>21</sup>

Fegarido and Milan moved for reconsideration, but their Motion<sup>22</sup> was

<sup>&</sup>lt;sup>14</sup> Id. at 62–66-A.

<sup>15</sup> Id. at 66-A.

<sup>&</sup>lt;sup>16</sup> Id. at 66.

<sup>&</sup>lt;sup>17</sup> Id. at 49.

<sup>&</sup>lt;sup>18</sup> Id. at 48–60.

<sup>&</sup>lt;sup>19</sup> Id. at 59.

<sup>&</sup>lt;sup>20</sup> Id. at 55.

<sup>&</sup>lt;sup>21</sup> Id. at 57.

<sup>&</sup>lt;sup>22</sup> Id. at 38–46.

denied in a May 4, 2018 Resolution.<sup>23</sup>

Dissatisfied, Fegarido and Milan filed the Petition for Review on Certiorari<sup>24</sup> before this Court against the heirs of Alcantara.

Petitioners argue that the Regional Trial Court erred in declaring Fegarido negligent. They maintain that Fegarido was acquitted in the criminal case after not being found negligent, thus negating any basis for liability.<sup>25</sup>

Petitioners likewise contend that the Regional Trial Court's ruling "was based on presumptions without any factual basis." They stress that respondents' witnesses never testified that petitioner Fegarido drove the vehicle in a negligent and reckless manner. The Regional Trial Court merely inferred that since Fegarido had to deliberately step hard on the gas, the jeepney he was driving was moving too fast.<sup>27</sup>

In their Comment,<sup>28</sup> respondents aver that petitioners cannot use Fegarido's acquittal to escape liability. They maintain that under the law, the aggrieved party in a negligence case can choose to enforce the erring party's civil liability through a separate civil action for damages, where they only need preponderance of evidence—which, respondents insist, was met by the pieces of evidence they presented.<sup>29</sup>

For this Court's resolution are the following issues:

First, whether or not the Court of Appeals erred in affirming the Regional Trial Court Decision finding petitioner Gerry S. Fegarido liable for negligence;

Second, whether or not the Court of Appeals erred in affirming the Regional Trial Court Decision finding petitioner Linalie A. Milan vicariously liable for petitioner Gerry S. Fegarido's supposed negligence; and

Finally, whether or not the Court of Appeals erred in ordering petitioners to pay actual, moral, and exemplary damages, and attorney's fees and litigation expenses.

The Petition is denied.

<sup>&</sup>lt;sup>23</sup> Id. at 34–36.

<sup>&</sup>lt;sup>24</sup> Id. at 10–32.

<sup>&</sup>lt;sup>25</sup> Id. at 20.

<sup>&</sup>lt;sup>26</sup> Id. at 19.

<sup>&</sup>lt;sup>27</sup> Id. at 19–20.

<sup>&</sup>lt;sup>28</sup> Id. at 160–185.

<sup>&</sup>lt;sup>29</sup> Id. at 175–176.

I

The issue of whether petitioners acted negligently is a question of fact beyond the ambit of a Rule 45 petition.<sup>30</sup> This Court is not a trier of facts.<sup>31</sup> It need not reassess or reevaluate the evidence presented by the parties, especially when the findings of both the Regional Trial Court and the Court of Appeals are similar as to petitioners' negligence.<sup>32</sup> In *Torres v. People*:<sup>33</sup>

It is a fundamental rule that only questions of law may be raised in a petition for review on certiorari under Rule 45. The factual findings of the trial court, especially when affirmed by the Court of Appeals, are generally binding and conclusive on this Court. This Court is not a trier of facts. It is not duty-bound to analyze, review, and weigh the evidence all over again in the absence of any showing of any arbitrariness, capriciousness, or palpable error. A departure from the general rule may only be warranted in cases where the findings of fact of the Court of Appeals are contrary to the findings of the trial court or when these are unsupported by the evidence on record.<sup>34</sup> (Citations omitted)

In this case, both the Regional Trial Court and the Court of Appeals found that petitioner Fegarido's gross negligence in operating the jeepney was the proximate cause of Alcantara's death. They relied on the testimonies of the following witnesses, which, when taken together, sufficiently proved his negligence:

- a) Testimony of Joe Barnes, a traffic enforcer of the Olongapo City Traffic Management & Public Safety Office who was at duty at the time of the incident. He gave the go signal to the vehicles to turn left to the 25<sup>th</sup> [S]treet, when he suddenly heard the screeching sound of a vehicle on sudden break. He checked the vehicle and found a person lying on the pavement and personally rushed the victim to the hospital.<sup>35</sup>
- b) Dr. Rolando Ortiz, the physician who examined the victim stated that the patient sustained mostly head injuries consistent with the vehicular accident.<sup>36</sup>
- c) Marcelino Menor[,] Jr., the security guard on duty at the Landbank branch located at 25<sup>th</sup> [S]treet East Bajac-Bajac, Olongapo City, stated that he saw a woman bumped by a brown passenger jeepney which was later on discovered to be the subject vehicle driven by Fegarido. He saw how the victim was hit on the left side of the jeep, the part where the reserved tire was. She was about to cross the street when the jeep sideswept [sic] her. The jeep was running fast because it was turning

<sup>&</sup>lt;sup>30</sup> Yambao v. Zuñiga, 463 Phil. 650, 657 (2003) [Per J. Quisumbing, Second Division].

Pascual v. Burgos, 776 Phil. 167, 182 (2016) [Per J. Leonen, Second Division].

R Transport Corporation v. Yu, 754 Phil. 110, 116 (2015) [Per J. Peralta, Third Division].

<sup>803</sup> Phil. 480 (2017) [Per J. Leonen, Second Division].

<sup>&</sup>lt;sup>34</sup> Id. at 487.

<sup>&</sup>lt;sup>35</sup> *Rollo*, p. 55.

<sup>&</sup>lt;sup>36</sup> Id. at 56.

on the corner.<sup>37</sup>

Likewise based on the testimony of Joe Barnes, the traffic enforcer, the Regional Trial Court observed the following:

One, Fegarido's jeep was on full stop along Rizal Avenue awaiting Barnes' signal to execute a left turn towards 25<sup>th</sup> Street. That means his gear must be either on neutral position; or if he was stepping on the brakes and clutch, the jeep must be on its 1<sup>st</sup> gear. Either way, a jeep or any manually operated vehicle on 1<sup>st</sup> gear is not expected to run fast outright unless the driver deliberately stepped hard on the gas. And this is more likely what happened. The court was not apprised why Fegarido must be in a hurry to turn left to 25<sup>th</sup> Street, but at any rate it is undeniable that the jeep roared fast ("pina-arangkada") as can be gleaned from the second detail of Barnes' testimony. Two, Barnes said at the moment Cristina was side swept [sic] by the jeep, he heard a screeching sound. That means Fegarido stepped hard on the brakes. And the only explanation he had to step hard on it coming from a full stop position was because he was moving fast.<sup>38</sup>

Based on this, it can be inferred that at the time of the incident, the jeepney was being driven fast from the time it made a left turn toward 25<sup>th</sup> Street up to the moment it hit the victim. The screeching sound the jeepney made when it abruptly stopped after the incident, and Alcantara being thrown off a few meters away, prove that petitioner Fegarido was making a left turn swiftly and negligently. This is bolstered by the personal account of Marcelino Menor, Jr., the security guard who saw the jeepney moving fast while turning the corner, sideswiping Alcantara.

Neither can petitioner Fegarido's acquittal in the criminal case relieve him and petitioner Milan from civil liability.

Settled is the rule that the accused's acquittal, "even if based on a finding that [they are] not guilty, does not carry with it the extinction of the civil liability based on quasi[-]delict." This is based on the theory that a single act or omission causing injury to another creates two kinds of liability: (1) civil liability *ex delicto*; and (2) civil liability *quasi delicto*. The aggrieved party may choose to enforce either liability against the erring party, subject only to the prohibition against double recovery of damages under Article 2177 of the Civil Code. In *Safeguard Security Agency, Inc. v. Tangco*:41

<sup>37</sup> Id.

<sup>40</sup> Rafael Reyes Trucking Corporation v. People, 386 Phil. 41, 57 (2000) [Per J. Pardo, En Banc]. CIVIL CODE, art. 2177 states:

540 Phil. 86 (2006) [Per J. Austria-Martinez, First Division].

Heirs of Guaring, Jr. v. Court of Appeals, 336 Phil. 274, 279 (1997) [Per J. Mendoza, Second Division].

Article 2177. Responsibility for fault or negligence under the preceding article is entirely separate and distinct from the civil liability arising from negligence under the Penal Code. But the plaintiff cannot recover damages twice for the same act or omission of the defendant. (n)

An act or omission causing damage to another may give rise to two separate civil liabilities on the part of the offender, *i.e.*, (1) civil liability ex delicto, under Article 100 of the Revised Penal Code; and (2) independent civil liabilities, such as those (a) not arising from an act or omission complained of as a felony, *e.g.*, *culpa contractual* or obligations arising from law under Article 31 of the Civil Code, intentional torts under Articles 32 and 34, and *culpa aquiliana* under Article 2176 of the Civil Code; or (b) where the injured party is granted a right to file an action independent and distinct from the criminal action under Article 33 of the Civil Code. Either of these liabilities may be enforced against the offender subject to the caveat under Article 2177 of the Civil Code that the offended party cannot recover damages twice for the same act or omission or under both causes. <sup>42</sup> (Citation omitted)

Similarly, in Elcano v. Hill:<sup>43</sup>

[A] separate civil action lies against the offender in a criminal act, whether or not he is criminally prosecuted and found guilty or acquitted, provided that the offended party is not allowed, if he is actually charged also criminally, to recover damages on both scores, and would be entitled in such eventuality only to the bigger award of the two, assuming the awards made in the two cases vary. In other words, the extinction of civil liability referred to in Par. (e) of Section 3, Rule 111, refers exclusively to civil liability founded on Article 100 of the Revised Penal Code, whereas the civil liability for the same act considered as a quasi-delict only and not as a crime is not extinguished even by a declaration in the criminal case that the criminal act charged has not happened or has not been committed by the accused.<sup>44</sup> (Emphasis supplied, citations omitted)

In *Philippine Rabbit Bus Lines, Inc. v. People*,<sup>45</sup> this Court said that under the Rules of Criminal Procedure, only civil liability arising from the crime charged is deemed instituted in the criminal action:

At the outset, we must explain that the 2000 Rules of Criminal Procedure has clarified what civil actions are deemed instituted in a criminal prosecution.

Section 1 of Rule 111 of the current Rules of Criminal Procedure provides:

"When a criminal action is instituted, the civil action for the recovery of civil liability arising from the offense charged shall be deemed instituted with the criminal action unless the offended party waives the civil action, reserves the right to institute it separately or institutes the civil action prior to the criminal action.

<sup>42</sup> Id. at 98.

44 Id. at 471.

<sup>43 167</sup> Phil. 462 (1977) [Per J. Barredo, Second Division].

<sup>&</sup>lt;sup>45</sup> 471 Phil. 415 (2004) [Per J. Panganiban, First Division].

Only the civil liability of the accused arising from the crime charged is deemed impliedly instituted in a criminal action; that is, unless the offended party waives the civil action, reserves the right to institute it separately, or institutes it prior to the criminal action. Hence, the subsidiary civil liability of the employer under Article 103 of the Revised Penal Code may be enforced by execution on the basis of the judgment of conviction meted out to the employee.

It is clear that the 2000 Rules deleted the requirement of reserving independent civil actions and allowed these to proceed separately from criminal actions. Thus, the civil actions referred to in Articles 32, 33, 34 and 2176 of the Civil Code shall remain "separate, distinct and independent" of any criminal prosecution based on the same act. Here are some direct consequences of such revision and omission:

- 1. The right to bring the foregoing actions based on the Civil Code need not be reserved in the criminal prosecution, since they are not deemed included therein.
- 2. The institution or the waiver of the right to file a separate civil action arising from the crime charged does not extinguish the right to bring such action.
- 3. The only limitation is that the offended party cannot recover more than once for the same act or omission.

What is deemed instituted in every criminal prosecution is the civil liability arising from the crime or delict per se (civil liability ex delicto), but not those liabilities arising from quasi-delicts, contracts or quasi-contracts. In fact, even if a civil action is filed separately, the *ex delicto* civil liability in the criminal prosecution remains, and the offended party may — subject to the control of the prosecutor — still intervene in the criminal action, in order to protect the remaining civil interest therein.

This discussion is completely in accord with the Revised Penal Code, which states that "[e]very person criminally liable for a felony is also civilly liable." (Citations omitted)

To repeat, an independent civil action, such as that based on quasi-delict under Article 2176 of the Civil Code, no longer requires a prior reservation to be made before it can proceed independently and be tried simultaneously with its concomitant criminal action.

Thus, here, the independent civil action for damages filed by respondents shall proceed regardless of Fegarido's acquittal in the criminal case. It can be prosecuted independently of the criminal action and requires only preponderance of evidence.<sup>47</sup>

Preponderance of evidence means "that the evidence as a whole

<sup>6</sup> Id. at 429–432.

<sup>&</sup>lt;sup>47</sup> Casupanan v. Laroya, 436 Phil. 582, 596–598 (2002) [Per J. Carpio, Third Division].

adduced by one side is superior to that of the other."48 In Sabellina v. Buray:49

Preponderance of evidence simply means evidence that is of greater weight or more convincing than what is offered against it. In determining where the preponderance of evidence lies, the court may consider all the facts and circumstances of the case, such as: the witnesses' demeanor, their intelligence, their means and opportunity of knowing the facts to which they are testifying, the nature of the facts to which they testify, the probability or improbability of their testimony, their interest or want of interest, and their personal credibility so far as it may legitimately appear to the court. <sup>50</sup> (Citations omitted)

On the other hand, to convict in a criminal case, the prosecution must prove the accused's guilt beyond reasonable doubt. This quantum of evidence does not require absolute certainty, but must nonetheless produce in the court's mind a moral certainty of guilt. In the event of doubt, the accused must be acquitted. 51 *Macayan, Jr. v. People* 52 teaches:

This rule places upon the prosecution the task of establishing the guilt of an accused, relying on the strength of its own evidence, and not banking on the weakness of the defense of an accused. Requiring proof beyond reasonable doubt finds basis not only in the due process clause of the Constitution, but similarly, in the right of an accused to be "presumed innocent until the contrary is proved." "Undoubtedly, it is the constitutional presumption of innocence that lays such burden upon the prosecution." Should the prosecution fail to discharge its burden, it follows, as a matter of course, that an accused must be acquitted. <sup>53</sup> (Citations omitted)

In a criminal case, the private complainants' interest is limited to the civil liability arising from the criminal action, their role being limited to being prosecution witnesses, since it is the State that is considered the offended party.<sup>54</sup> But in a civil case like the present one, the plaintiffs are the heirs of the deceased, some of whom may not have initiated the criminal case.

Here, contrary to petitioners' argument, while the Municipal Trial Court in Cities acquitted petitioner Fegarido, it did not discount the possibility that he acted negligently. It merely ruled that it could not ascertain with moral certainty the reckless manner by which he drove the jeepney, ultimately killing Alcantara:

Prosecution witnesses, Marcelino Menor, Jr., security guard of

Sapu-an v. Court of Appeals, 289 Phil. 319, 325 (1992) [Per J. Cruz, First Division].

<sup>&</sup>lt;sup>49</sup> 768 Phil. 224 (2015) [Per J. Brion, Second Division].

<sup>&</sup>lt;sup>50</sup> Id, at 233.

People v. Lumikid, G.R. No. 242695, June 23, 2020, <a href="https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/66284">https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/66284</a> [Per C.J. Peralta, First Division].

<sup>&</sup>lt;sup>52</sup> 756 Phil. 202 (2015) [Per J. Leonen, Second Division].

<sup>&</sup>lt;sup>53</sup> Id. at 213.

<sup>&</sup>lt;sup>54</sup> Yokohama Tire Philippines, Inc., v. Reyes, G.R. No. 236686, February 5, 2020, <a href="https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/65964">https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/65964</a>> [Per C.J. Peralta, First Division].

Landbank, and Jomarie Barnes, traffic enforcer of Olongapo City, identified the accused in open court and were in accord that the latter was the driver of the passenger jeepney that hit and bumped the victim. However, the Court could not ascertain with moral certainty from their testimonies the reckless manner by which the accused drove the said vehicle on October 18, 2009.

On the other hand, the accused never denied that he was the driver of the passenger j[eep]ney at the time of the accident. However, there is no direct evidence on record that would warrant accused's recklessness in driving his vehicle that look the life of the victim. . . . The testimonies of prosecution witnesses Marcelino Menor, Jr. and Traffic Enforcer Barnes as well as the traffic sketch report corroborate accused's account of the incident, hence, acquittal of accused's criminal liability in this case is inevitable. <sup>55</sup>

Moreover, despite petitioner Fegarido's acquittal, the Municipal Trial Court in Cities decreed that the prosecution established by preponderance of evidence that petitioner Fegarido was negligent in driving the vehicle:

While this Court exonerates the accused of the crime imputed against him, the Court finds him civilly liable to the heirs of the victim. The accused's admission, the prosecution witnesses' declaration in open court that the former was the driver of the passenger j[eep]ney that bumped the victim and the presentation of the death certificate of the victim find the existence of a preponderance of evidence that the accused was negligent in driving his vehicle on October 15, 2008.<sup>56</sup>

Accordingly, there is no cogent reason to reverse the findings of the Regional Trial Court, as affirmed by the Court of Appeals.

 $\mathbf{II}$ 

Article 2180 of the Civil Code provides that "[e]mployers shall be liable for the damages caused by their employees . . . acting within the scope of their assigned tasks[.]"<sup>57</sup> As this Court has said, "[o]nce negligence on the part of the employee is established, a presumption instantly arises that the employer was negligent in the selection and/or supervision of said employee."<sup>58</sup> The

<sup>&</sup>lt;sup>55</sup> Rollo, pp. 194–196.

<sup>&</sup>lt;sup>56</sup> Id. at 196–197.

CIVIL CODE, art. 2180 states:

Article 2180. The obligation imposed by article 2176 is demandable not only for one's own acts or omissions, but also for those of persons for whom one is responsible.

Employers shall be liable for the damages caused by their employees and household helpers acting within the scope of their assigned tasks, even though the former are not engaged in any business or industry.

The responsibility treated of in this article shall cease when the persons herein mentioned prove that they observed all the diligence of a good father of a family to prevent damage.

Lampesa v. De Vera, Jr., 569 Phil. 14, 20–21 (2008) [Per J. Quisumbing, Second Division].

employer may refute this presumption by presenting adequate evidence that they exercised the diligence of a good father of a family in the selection and supervision of their employee.<sup>59</sup>

A review of the records reveals that petitioner Milan, the registered owner of the jeepney, had never personally vetted petitioner Fegarido when he was applying as driver. She delegated her legal duties to her husband Nestor, who admitted having tested Fegarido's driving skill only once. Nestor likewise testified that he never experienced riding with Fegarido as the driver. Moreover, Fegarido was required to submit only clearances from the police and the National Bureau of Investigation, but was not required to undergo a medical, physiological, or even drug test. A series of the registered owner.

Petitioner Milan failed to exercise the diligence that the law requires of her in selecting and supervising her employees. Nestor's testimony confirms the insufficient screening process petitioner Fegarido had gone through before being employed. Accordingly, this Court affirms the Court of Appeals' ruling that she is vicariously liable for Alcantara's death, and must solidarily pay with petitioner Fegarido the liabilities they owe respondents.

#### III

We likewise affirm the damages awarded by the Court of Appeals.

Actual or compensatory damages are "compensation for an injury that will put the injured party in the position where it was before the injury. They pertain to such injuries or losses that are actually sustained and susceptible of measurement." They are "awarded in satisfaction of, or in recompense for, loss or injury sustained."

Under the law, "[i]n crimes and quasi-delicts, the defendant shall be liable for all damages which are the natural and probable consequences of the act or omission complained of[,]"<sup>64</sup> which may include damages for loss of earning capacity.<sup>65</sup>

<sup>59</sup> Id. at 21.

60 *Rollo*, p. 66.

<sup>51</sup> Id. at 57.

62 Manila Electric Corporation v. Castillo, 701 Phil. 416, 438 (2013) [Per J. Villarama, Jr., First Division].

63 Mendoza v. Spouses Gomez, 736 Phil. 460, 479 (2014) [Per J. Perez, Second Division].

64 CIVIL CODE, art. 2202 states: Article 2202. In crimes and quasi-delicts, the defendant shall be liable for all damages which are the natural and probable consequences of the act or omission complained of. It is not necessary that such damages have been foreseen or could have reasonably been foreseen by the defendant.

<sup>65</sup> CIVIL CODE, art. 2205 states:

Article 2205. Damages may be recovered:

(1) For loss or impairment of earning capacity in cases of temporary or permanent personal injury;

(2) For injury to the plaintiff's business standing or commercial credit.

To justify an award of actual damages, the claimant is duty bound to substantiate their claim by presenting competent proof of the actual amount of loss. 66 In Viron Transportation Company, Inc. v. Delos Santos: 67

Actual damages, to be recoverable, must not only be capable of proof, but must actually be proved with a reasonable degree of certainty. Courts cannot simply rely on speculation, conjecture or guesswork in determining the fact and amount of damages. To justify an award of actual damages, there must be competent proof of the actual amount of loss, credence can be given only to claims which are duly supported by receipts.<sup>68</sup> (Citations omitted)

Particularly on the required proof of loss of earning capacity, this Court has held that either or both testimonial and documentary evidence may be presented to establish the deceased's income.<sup>69</sup>

In this case, other than the expenses incurred by respondents for the alleged hospitalization, medical, funeral, and transportation, no other evidence was presented to prove Alcantara's earning capacity. In their Complaint, respondents prayed for damages worth ₱350,000.00 for the expenses they allegedly incurred. The Regional Trial Court instead awarded ₱138,591.00 as actual damages, based on the receipts respondents presented during trial.<sup>71</sup> Thus, the Court of Appeals committed no reversible error when it affirmed the award of actual damages to respondents.

The award of moral damages is likewise proper.

"Moral damages are awarded to enable the injured party to obtain means, diversions or amusements that will serve to alleviate the moral suffering he has undergone, by reason of the defendant's culpable action."72 They are granted to "compensate the claimant for [their] actual injury, and not to penalize the wrongdoer."73

Unlike actual damages, moral damages may be granted even without proof of pecuniary loss, as long as it is established that the offender's act caused the complainant's injury.74

399 Phil. 243 (2000) [Per J. Gonzaga-Reyes, Third Division].

Id. at 255.

Rollo, p. 70.

Mendoza v. Spouses Gomez, 736 Phil. 460, 480 (2014) [Per J. Perez, Second Division].

Caravan Travel and Tours International, Inc. v. Abejar, 780 Phil. 509, 548 (2016) [Per J. Leonen,

Viron Transportation Co., Inc. v. Delos Santos, 399 Phil. 243, 255 (2000) [Per J. Gonzaga-Reyes, Third Division].

Torreon v. Aparra, Jr., 822 Phil. 561, 583-585 (2017) [Per J. Leonen, Third Division].

Second Division]. 2019, April 213023, No. G.R. Tulfo, <a href="https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/65234">https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/65234</a> [Per J. Leonen, Third Division].

There is no doubt here that respondents have undergone emotional pain and mental anguish with the death of their loved one. Alcantara's untimely demise undeniably caused them pain. To alleviate their suffering, this Court affirms the award of damages worth \$\mathbb{P}100,000.00.

This Court likewise sustains the award of exemplary damages.

In cases involving vehicular crashes, courts award exemplary damages as a means of molding "behavior that has socially deleterious consequences," so as to serve as an example or warning for the public good.<sup>75</sup>

Petitioners here are a public utility driver and an operator who are duty bound "to exercise extraordinary degree of diligence for the safety of the travelling public and their passengers." To ensure that public utility drivers and operators will refrain from disregarding their duty to the public, the award of exemplary damages worth \$\mathbb{P}\$50,000.00 is in order.

Finally, due to the prolonged litigation of this dispute, attorney's fees and litigation expenses worth ₱40,000.00 are awarded to respondents.

WHEREFORE, the Petition is **DENIED**. The October 13, 2017 Decision and May 4, 2018 Resolution of the Court of Appeals in C.A.-G.R. CV No. 105000 are **AFFIRMED**.

Petitioners Gerry S. Fegarido and Linalie A. Milan are solidarily liable to pay respondents-heirs of Cristina S. Alcantara the following:

- 1. Actual damages worth ₱138,591.00;
- 2. Moral damages worth ₱100,000.00;
- 3. Exemplary damages worth ₱50,000.00; and
- 4. Attorney's fees and litigation expenses worth ₱40,000.00.

The total amount shall earn legal interest at the rate of 6% per annum from the finality of this Decision until full payment.<sup>77</sup>

C M.V.F. LEONEN

Associate Justice

SO ORDERED.

Kierulf v. Court of Appeals, 336 Phil. 414, 428 (1997) [Per J. Panganiban, Third Division].

Nacar v. Gallery Frames, 716 Phil. 267 (2013) [Per J. Peralta, En Banc].

WE CONCUR:

# On official leave AMY C. LAZARO-JAVIER Associate Justice

Associate Justice

JHOSEP Y. COPEZ
Associate Justice

ANTONIO T. KHO, JR 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.

MARVICM.V.F. LEO
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