



REPUBLIC OF THE PHILIPPINES  
SUPREME COURT  
Manila

SECOND DIVISION

**NOTICE**

Sirs/Mesdames:

*Please take notice that the Court, Second Division, issued a Resolution dated **07 October 2020** which reads as follows:*

“**G.R. No. 252988** (*Diane G. De Leon v. Broadwater Marine Australia, Inc.*). – The Court **NOTES** the Manifestation dated August 27, 2020 of counsel for petitioner Diane G. De Leon (petitioner), sincerely apologizing for having inadvertently failed to attach the first page of the certified true copy of the Decision of the Regional Trial Court (RTC) of Quezon City, Branch 87 attached as Annex “C” to the petition, and submitting the said first page.

This is a Petition for Review on *Certiorari*<sup>1</sup> under Rule 45 of the Rules of Court assailing the Decision<sup>2</sup> dated July 19, 2019 and the Resolution<sup>3</sup> dated March 6, 2020 of the Court of Appeals (CA) in CA-G.R. CV No. 111159, which affirmed the Decision<sup>4</sup> dated January 31, 2018 of the RTC in Civil Case No. Q-12-71953 that dismissed the Complaint for Rescission of Contract and Damages filed by petitioner against Broadwater Marine Australia, Inc. (respondent).

The petition has no merit.

*We* find no reason to disturb the factual findings and legal conclusions of the CA which affirmed the RTC’s Decision dated January 31, 2018.

The issues raised by petitioner before this Court were mere reiterations of her arguments before the lower court and were already exhaustively discussed by the CA in the assailed rulings. Hence, petitioner failed to raise any new issue or argument which will merit a review of the appellate court’s findings.

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<sup>1</sup> *Rollo*, pp. 3-28.

<sup>2</sup> Penned by Associate Justice Ramon A. Cruz, with Associate Justices Mariflor P. Punzalan Castillo and Gabriel T. Robeniol concurring, *id.* at 29-43.

<sup>3</sup> *Id.* at 45-46.

<sup>4</sup> Rendered by Presiding Judge Aurora A. Hernandez-Calledo; *id.* at 47-56.

More importantly, the issues raised by petitioner in her petition are factual in nature which can no longer be the subject of a Rule 45 petition. It is well-settled that the factual findings of the trial court, as affirmed by the CA, are accorded great respect and even finality by the courts.<sup>5</sup>

In the present case, both the RTC and the CA uniformly found that there was an absence of substantial breach on the part of respondent that will warrant rescission. Thus, petitioner failed to discharge her burden of showing that a substantial breach, not a mere casual breach, of their contract, was committed.

In reciprocal obligations, either party may rescind – or more appropriately resolve – the contract upon the other party's substantial breach of the obligation/s he had assumed thereunder.<sup>6</sup> This is expressly provided for in Article 1191 of the Civil Code which states:

Art. 1191. The power to rescind obligations is implied in reciprocal ones, in case one of the obligors should not comply with what is incumbent upon him.

The injured party may choose between the fulfillment and the rescission of the obligation, with the payment of damages in either case. He may also seek rescission, even after he has chosen fulfillment, if the latter should become impossible.

The court shall decree the rescission claimed, unless there be just cause authorizing the fixing of a period.

This is understood to be without prejudice to the rights of third persons who have acquired the thing, in accordance with Articles 1385 and 1388 and the Mortgage Law.<sup>7</sup>

The Court finds that petitioner is unable to prove the presence of any possible oversight that would create doubt on the finding of fact of the RTC and the CA. The Court's review of the evidence on record will show that there was an absence of substantial breach that would validate a rescission of the subject contract.

In *Municipality of Dasmariñas v. Campos*,<sup>8</sup> the Court held:

Axiomatically, the general rule is that rescission will not be permitted for a slight or casual breach of the contract, but only for such breaches as are so substantial and fundamental as to defeat the object of the parties in making the agreement. Substantial breaches, unlike slight or casual breaches of contract, are fundamental breaches that defeat the object of the parties in entering into an agreement, and the question of whether the breach is slight or substantial is largely determined by the attendant circumstances.

<sup>5</sup> See *Saluday v. People*, G.R. No. 215305, April 3, 2018, 860 SCRA 231, 244.

<sup>6</sup> See *Golden Valley Exploration, Inc. v. Pinkian Mining Company*, 736 Phil. 230, 236 (2014).

<sup>7</sup> *Nolasco v. Cuerpo*, 775 Phil. 410, 415 (2015).

<sup>8</sup> *Municipality of Dasmariñas v. Campos*, G.R. Nos. 232675 & 233078, July 17, 2019.

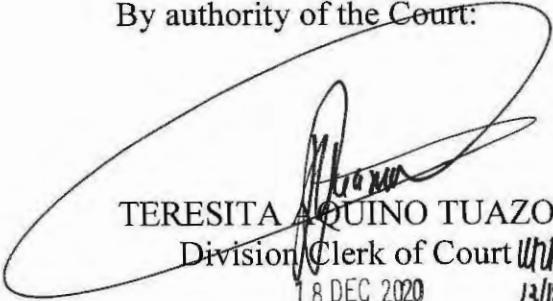
Petitioner failed to present evidence to establish her claim by the amount of evidence required by law in civil cases, which is preponderance of evidence, that there was indeed substantial breach committed by the respondent of its obligations under their verbal agreement.

In light of the foregoing, the Court rules that the CA did not commit a reversible error in affirming the RTC's Decision.

**WHEREFORE**, the Court resolves to **DENY** the instant Petition and **AFFIRM** the Decision dated July 19, 2019 and the Resolution dated March 6, 2020 of the Court of Appeals in CA-G.R. CV No. 111159 which affirmed the Decision dated January 31, 2018 of the Regional Trial Court of Quezon City, Branch 87, in Civil Case No. Q-12-71953.

**SO ORDERED.**" (*Baltazar-Padilla, J., on leave.*)

By authority of the Court:

  
 TERESITA AQUINO TUAZON  
 Division Clerk of Court  
 18 DEC 2020 12/18

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HON. PRESIDING JUDGE (reg)  
 Regional Trial Court, Branch 87  
 Quezon City  
 (Civil Case No. Q-12-71953)

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*Please notify the Court of any change in your address.*  
 GR252988. 10/07/2020(186)URES