



REPUBLIC OF THE PHILIPPINES  
SUPREME COURT  
Manila

SECOND DIVISION

**NOTICE**

Sirs/Mesdames:

*Please take notice that the Court, Second Division, issued a Resolution dated **26 April 2021** which reads as follows:*

**“G.R. No. 255179 (Lucrecia H. Caparuso, substituted by her heirs, namely: Melissa de Sierra, Alfredo Santiago, Maribel Santiago, Jessie Santiago, Erwin Santiago and Marylyn Rivas v. Imelda U. Oliveron). –**

The Court resolves to **GRANT** the motion for substitution and to amend caption dated January 21, 2021 of the Public Attorney’s Office, stating that counsel inadvertently failed to change the caption of the instant case in order to implead the heirs of petitioner Lucrecia H. Caparuso, as she died on March 23, 2020; that in the records of the Regional Trial Court and the Metropolitan Trial Court, the name of petitioner is indicated as “Lucrecia H. Caparuso,” however, her name in the death certificate appears as “Lucrecia C. Santiago,” thereby manifesting that the names “Lucrecia H. Caparuso” and “Lucrecia Caparuso Santiago” pertain to one and the same person; and that petitioner is survived by her children namely: Melissa de Sierra, Alfredo Santiago, Maribel Santiago, Jessie Santiago, Erwin Santiago and Marylyn Rivas who are presently residing at c/o Vita Badayos, 4927 Lanzones Street, Valenzuela Ext., V. Mapa Street, Sta. Mesa, Manila and praying that petitioner be substituted by the above-named representatives and that the caption of the instant case be amended to include the heirs of petitioner.

The Court resolves to deny the petition for failure to sufficiently show that the Court of Appeals committed reversible error in rendering its assailed dispositions as to otherwise warrant the Court’s exercise of its discretionary appellate jurisdiction.

The arguments raised by petitioners are a mere rehash of those already raised before and sufficiently passed upon by the trial courts and the Court of Appeals. More, petitioners raise a factual issue, *i.e.*, whether or not her signature was forged, which requires a review of the evidence on record, hence, beyond this Court's jurisdiction under the present petition for review on *certiorari*.<sup>1</sup>

At any rate, we are in accord with the rulings of the Regional Trial Court and the Court of Appeals, the *Kasunduan* revealed that respondent Imelda U. Oliveron had the right to collect the principal loan obligation of ₱300,000. Evidently, the inclusion of the phrase "*hanggat di na ibabalik ang halagang ₱300,000.00*" in the *Kasunduan* reveals that the parties intended for respondent to collect the principal loan obligation. There is no compelling reason to overturn said findings.

Anent the monetary interest, while the parties are free to stipulate their preferred rate, courts are allowed to equitably temper interest rates that are found to be excessive, iniquitous, unconscionable, or exorbitant, such as stipulated interest of three percent (3%) per month or higher. In such cases, the unconscionable interest rate is nullified and deemed not written in the contract. Nevertheless, the parties' agreement on the payment of interest on the principal loan obligation still subsists. The interest rate to be imposed shall then be the legal interest rate prevailing at the time the agreement was entered into.<sup>2</sup>

Here, the stipulated interest rate is seven percent (7%) per month, thus, the same must be struck down for being unconscionable. Considering the parties entered into the *Kasunduan* on September 13, 2013, the said stipulated interest rate must then be substituted with the legal rate of interest of six percent (6%) *per annum* consistent with *Nacar v. Gallery Frames*.<sup>3</sup>

Finally, the Court of Appeals correctly deleted the award of attorney's fees. The general rule is that attorney's fees cannot be recovered as part of damages because of the policy that no premium should be placed on the right to litigate. The power of the court to award attorney's fees under Article 2208 of the Civil Code demands factual, legal, and equitable justification.<sup>4</sup> Here, there is no such justification for the award of attorney's fees.

**WHEREFORE**, the petition is **DENIED**. The Decision dated March 5, 2020 and the Resolution dated November 9, 2020 of the Court of Appeals in CA-G.R. SP No. 162442 are **AFFIRMED with MODIFICATION**.

Petitioner Lucretia H. Caparuso is **ORDERED** to **PAY** respondent Imelda U. Oliveron:

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<sup>1</sup> *Carbonell v. Carbonell-Mendes*, 762 Phil. 529, 536 (2015).

<sup>2</sup> *Isla v. Estorga*, G.R. No. 233974, July 2, 2018, 869 SCRA 410, 418.

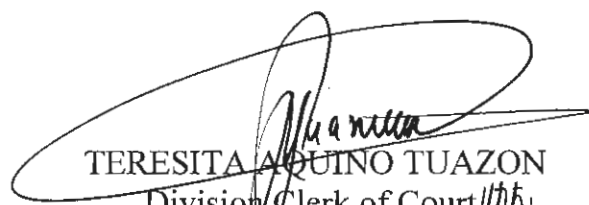
<sup>3</sup> 716 Phil. 267 (2013).

<sup>4</sup> *Delos Santos v. Abejon*, 807 Phil. 720, 735-736 (2017).

- 1) ₱300,000.00 representing the principal loan obligation;
- 2) Legal interest on the principal loan obligation at the rate of six percent (6%) *per annum* from February 17, 2015 until finality of this Resolution; and
- 3) Legal interest on the total monetary award at the rate of six percent (6%) *per annum* from finality of this Resolution until fully paid.

**SO ORDERED.**” (Rosario, *J.*, no part due to prior action in the Court of Appeals; Delos Santos, *J.*, designated additional member per Raffle dated March 8, 2021; J. Lopez, *J.*, designated additional member per Special Order No. 2822 dated April 7, 2021).

By authority of the Court:

  
 TERESITA AQUINO TUAZON  
 Division Clerk of Court  
 7 MAY 2021 5/21

\*PUBLIC ATTORNEY’S OFFICE (reg)  
Special & Appealed Cases Service  
Department of Justice  
5<sup>th</sup> Floor, PAO-DOJ Agencies Building  
NIA Road corner East Avenue  
Diliman, 1104 Quezon City

\*RANDY SERRANO LAW OFFICE (reg)  
Counsel for Respondent  
No. 353 AJ Building, 2<sup>nd</sup> Floor  
A. Mabini St., 1400 Caloocan City

HON. PRESIDING JUDGE (reg)  
Regional Trial Court, Branch 121  
Caloocan City  
(Crim. Case No. 25239)

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Ma. Orosa Street  
Ermita, 1000 Manila  
CA-G.R. SP No. 162442

\*with copy of CA Decision dated 5 March 2020  
*Please notify the Court of any change in your address.*  
GR255179. 04/26/2021A(30)URES