



Republic of the Philippines  
 Supreme Court  
 Manila

SECOND DIVISION

**JANOLINO\* "Noli" C. PALAFOX**  
 represented by his attorney-in-fact,  
**EFRAIM B. ORODIO,**

*Petitioner,*

- versus -

**MS. CHRISTINE B. WANGDALI**  
 and the **RURAL BANK OF TABUK**  
**(KA) INC.,**

*Respondents.*

**G.R. No. 235914**

Present:

**PERLAS-BERNABE, S.A.J.,**  
*Chairperson,*

**HERNANDO,**

**INTING,**

**DELOS SANTOS, and**

**BALTAZAR-PADILLA, JJ.**

Promulgated:

29 JUL 2020

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**DECISION**

**INTING, J.:**

This is a Petition<sup>1</sup> for Review on *Certiorari* under Rule 45 of the Rules of Court seeking to reverse and set aside the Decision<sup>2</sup> dated May 30, 2017 and the Resolution<sup>3</sup> dated October 26, 2017 of the Court of Appeals (CA) in CA-G.R. CV No. 106481. The assailed Decision reversed the Decision<sup>4</sup> dated October 30, 2014 of Branch 25, Regional Trial Court (RTC), Bulanao, Tabuk City, Kalinga.

\* Referred to as Jonolino in some parts of the *rollo*.

<sup>1</sup> *Rollo*, pp. 9-24.

<sup>2</sup> *Id.* at 133-143; penned by Associate Justice Mariflor P. Punzalan Castillo with Associate Justices Florito S. Macalino and Maria Elisa Sempio Diy, concurring.

<sup>3</sup> *Id.* at 165-166.

<sup>4</sup> *Id.* at 124-131; penned by Judge Marcelino K. Wacas.

*The Antecedents*

Janolino “Noli” C. Palafox (Palafox) had in his name a Certificate of Time Deposit (CTD) No. 19265<sup>5</sup> issued by herein respondent, Rural Bank of Tabuk, Inc. (Bank) with maturity date on April 12, 2003.<sup>6</sup>

On June 11, 2003, Palafox went to the Bank to surrender the CTD and claim its value in the amount of ₱1,181,388.99. However, the Bank’s employees refused to give him the value of the CTD and advised him to wait for the Bank Manager, Christine B. Wangdali (Wangdali). She likewise refused to give him the CTD’s value.<sup>7</sup>

On June 12, 2003, Atty. Edgar S. Orro (Atty. Orro), counsel for Palafox, wrote a letter<sup>8</sup> dated June 12, 2003 addressed to Wangdali demanding payment of the value of the CTD. In her reply,<sup>9</sup> Wangdali related that the Bank could not yet act on Palafox’ request as it was under investigation by the Bangko Sentral ng Pilipinas (BSP) on the ground that Palafox might have been a party in defrauding and misappropriation of the Bank’s funds.

Hence, the Complaint<sup>10</sup> for Withdrawal of Deposit and Damages filed by a certain Efraim B. Orodio (Orodio) on behalf of Palafox praying for the payment of the CTD’s value with accrued interests. Orodio was equipped with a Special Power of Attorney<sup>11</sup> (SPA) executed by Palafox authorizing him to institute the instant complaint.

On August 5, 2003, the Bank and Wangdali (collectively, respondents) filed a Motion to Dismiss and argued that the complaint did not state a cause of action because it was not prosecuted by Palafox himself; that Orodio, being an attorney-in-fact, was not the real party in interest to the case who stood to be benefited or injured by the judgment in the case; that although there is a name among the Bank’s depositors similar to that of Palafox, the records of the Bank showed a difference in their signatures. Hence, the Bank asserted that Palafox was an impostor.<sup>12</sup>

<sup>5</sup> *Id.* at 33.

<sup>6</sup> *Id.* at 133-134.

<sup>7</sup> *Id.* at 134.

<sup>8</sup> *Id.* at 34.

<sup>9</sup> See letter dated June 24, 2003, *id.* at 35.

<sup>10</sup> *Id.* at 28-31.

<sup>11</sup> *Id.* at 32.

<sup>12</sup> *Id.* at 134-135.

Further, the respondents alleged that another ground for the dismissal of the complaint was Palafox' noncompliance with the rule on filing a certificate of non-forum shopping as this was executed by Orodio and not by the principal party to the case who had the knowledge of whether or not he had initiated similar actions or proceedings in different agencies.<sup>13</sup>

On October 20, 2003, the RTC of Bulanao, Tabuk City, Kalinga denied the motion to dismiss.<sup>14</sup>

In an Order dated October 7, 2005, the RTC ordered the parties to submit a position paper regarding the preliminary attachment prayed for by Palafox.

The respondents filed their Position Paper with prayer to retain the deposit. Petitioner Palafox, on the other hand, did not file a position paper. Thus, invoking Section 3, Rule 17 of the Rules of Court, the respondents filed another motion to dismiss arguing that petitioner Palafox failed to comply with the RTC's Order to file a position paper, a justifiable ground to cause the dismissal of the complaint.<sup>15</sup>

The RTC granted the respondents' prayer to retain the deposit, but denied the motion to dismiss as it saw the need to proceed with the trial of the case.<sup>16</sup>

The respondents then filed an Answer with Counterclaim reiterating, among others, that the complaint did not have a cause of action because Palafox was a nominal depositor who did not actually own the deposit; that the CTD was a renewal certificate and the history of the deposit revealed that the CTD originated from two deposit accounts, to wit: (1) the first account covered by the Certificate of Deposit No. 17575 was opened by a certain Rachel Orodio, the former general manager of the Bank, and renewed under the name "N. Palafox by Rachel B. Orodio"; and (2) the second account covered by the Certificate of Deposit No. 17575 was opened in the name of Noli

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<sup>13</sup> *Id.* at 135.

<sup>14</sup> *Id.*

<sup>15</sup> *Id.* at 135-136.

<sup>16</sup> *Id.* at 136.

Palafox; that the money used to open the account was the proceeds of a simulated loan which Rachel Orodio granted to petitioner Palafox; that Rachel Orodio only used Palafox as a dummy and used the latter's name to appear in the CTD, a violation of the Anti-Money Laundering Act;<sup>17</sup> and for that reason, the matter was reported to the Anti-Money Laundering Council.<sup>18</sup>

Trial on the merits ensued.

Orodio was the only one who testified in court for Palafox. On the other hand, the respondents failed to present their witnesses.

While the case was pending before the RTC, the respondents filed a petition for review with the CA assailing the RTC's Resolution<sup>19</sup> dated October 12, 2015 that denied their second motion to dismiss. However, the CA denied the petition and ruled that the dismissal under Section 3, Rule 17 of the Rules of Court was the trial court's discretion; and that the RTC did not commit grave abuse of discretion in denying the respondents' second motion to dismiss. The respondents sought for the Court's review. The Court denied it.<sup>20</sup>

On October 30, 2014, the RTC issued the Decision<sup>21</sup> granting the relief prayed for by Palafox for failure of the respondents to rebut Palafox's allegations and documentary evidence. The dispositive portion of the Decision reads:

ACCORDINGLY, judgment is hereby rendered in favor of the plaintiff, and:

1. For this Court to issue a writ of preliminary mandatory injunction for the release of the face value of the CTD to the plaintiff;
2. To compel the defendants to pay the plaintiff certificate of time deposit (CTD) including all accrued interest therein;
3. To indemnify defendants in solidum to pay the following amounts:

<sup>17</sup> Republic Act No. (RA) 9160, as amended by RA 9194.

<sup>18</sup> *Rollo*, p. 136

<sup>19</sup> *Id.* at 121-123.

<sup>20</sup> *Id.* at 137.

<sup>21</sup> *Id.* at 75-82.

a. Thirty thousand (P30,000.00) Pesos for exemplary damages;

b. Ten Thousand (P10,000.00) Pesos for actual expenses and another Thirty Thousand (P30,000.00) Pesos for litigation expenses;

c. Forty Thousand (P40,000.00) Pesos as attorney's fees; and

d. Cost of the suit.

SO ORDERED.<sup>22</sup>

Feeling aggrieved, the respondents filed an appeal on the RTC Decision.

#### *The Ruling of the CA*

On May 30, 2017, the CA rendered the assailed Decision<sup>23</sup> finding merit on the respondents' appeal. It ruled that Palafox failed to overcome the burden of proving his entitlement to the value of the CTD and the other reliefs prayed for in the complaint. Hence, the CA reversed the findings of the RTC.

Petitioner filed a Motion for Reconsideration.<sup>24</sup> On October 26, 2017 the CA rendered the assailed Resolution<sup>25</sup> denying it.

Hence, the present petition.

In the petition, Palafox raised the following errors of law, to wit:

1. THE [CA] COMMITTED SERIOUS ERRORS OF LAW AND JURISPRUDENCE IN RULING THAT PETITIONER IS THE [sic] NOT THE PERSON "NOLI PALAFOX" NAMED IN CERTIFICATE OF TIME DEPOSIT NO. 19265;

<sup>22</sup> *Id.* at 130-131.

<sup>23</sup> *Id.* at 133-143.

<sup>24</sup> *Id.* at 144-150.

<sup>25</sup> *Id.* at 165-166.

2. THE [CA] COMMITTED SERIOUS ERRORS OF LAW AND JURISPRUDENCE IN ALLOWING A CHANGE OF THEORY BY THE PRIVATE RESPONDENTS ON APPEAL.<sup>26</sup>

*Our Ruling*

The petition is denied.

The Court is not a trier of facts. As a rule, the jurisdiction of the Court in a petition for review on *certiorari* under Rule 45 of the Revised Rules of Court is limited to reviewing only errors of law, not of fact, unless the factual findings complained of are completely devoid of support from the evidence on record, or the assailed judgment is based on a gross misapprehension of facts.<sup>27</sup>

Like all other general rules, this also admits of exceptions which have already expanded over time.<sup>28</sup> As enumerated in *Pascual v. Burgos, et al.*,<sup>29</sup> there are 10 recognized exceptions<sup>30</sup> laid down in *Medina v. Mayor Asistio, Jr.*,<sup>31</sup> which are as follows:

(1) When the conclusion is a finding grounded entirely on speculation, surmises or conjectures; (2) When the inference made is manifestly mistaken, absurd or impossible; (3) Where there is a grave abuse of discretion; (4) When the judgment is based on a misapprehension of facts; (5) When the findings of fact are conflicting; (6) When the Court of Appeals, in making its findings, went beyond the issues of the case and the same is contrary to the admissions of both appellant and appellee; (7) The findings of the Court of Appeals are contrary to those of the trial court; (8) When the findings of fact are conclusions without citation of specific evidence on which they are based; (9) When the facts set forth in the petition as well as in the petitioners' main and reply briefs are not disputed by the respondents; and (10) The finding of fact of the Court of Appeals is premised on the supposed absence of evidence and is contradicted by the evidence on record.<sup>32</sup>

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<sup>26</sup> *Id.* at 16.

<sup>27</sup> *Fuji Television Network, Inc. v. Espiritu*, 749 Phil. 388, 416 (2014), citing *Meralco Industrial v. National Labor Relations Commission*, 572 Phil. 94, 117 (2008).

<sup>28</sup> *Duty Paid Import Co., Inc. v. Landbank of the Philippines*, G.R. No. 238258, December 10, 2019, 776 Phil. 167 (2016).

<sup>29</sup> *Id.* at 182-183.

<sup>30</sup> *Id.* at 182-183.

<sup>31</sup> 269 Phil. 225 (1990).

<sup>32</sup> *Id.* at 232. Citations omitted.

However, none of the above-mentioned exceptions exists in this case. Thus, the Court finds no cogent reason to depart from the findings of fact and conclusions of law of the appellate court, more so, when these are supported by substantial evidence.<sup>33</sup>

A judicious perusal of the petition shows that Palafox raises issues which are a mere rehash of what were already raised before the appellate court. Whether or not Palafox is the person "Noli Palafox" named in the CTD No. 19265, and whether or not there was a change of theory by the respondents on appeal, are clearly questions of facts which have all been settled by the appellate court.

Even when the Court is to consider the facts as alleged by Palafox, the Court will reach to the same conclusion that he failed to prove his claims against the respondents. Palafox failed to establish his case by preponderance of evidence.<sup>34</sup> In other words, he failed to meet the required quantum of evidence to establish his identity and his ownership over CTD No. 19265.

Basic is the evidentiary rule that he who alleges a fact bears the burden of proof.<sup>35</sup> In civil cases, it is the plaintiff who has the burden of proof and who is required to establish his case by preponderance of evidence;<sup>36</sup> that the pieces of evidence must be credible, admissible, and sufficient to meet the quantum of evidence required in proving his claims as the extent of the relief to be granted can only be as much as has been alleged and proved during trial while satisfying the quantum of evidence required in a case.

In the present case, even if Palafox presented his evidence *ex parte*, the fact remains that he failed to prove his identity and ownership over the CTD No. 19265.

<sup>33</sup> *CIR v. Embroidery and Garments Industries (Phil.), Inc.*, 364 Phil. 541, 546 (1999). Citations omitted.

<sup>34</sup> x x x In civil cases, the party having the burden of proof must establish his case by a preponderance of evidence. "Preponderance of evidence" is the weight, credit, and value of the aggregate evidence on either side and is usually considered synonymous with the term "greater weight of the evidence" or "greater weight of the credible evidence." "Preponderance of evidence" is a phrase that, in the last analysis, means probability of the truth. It is evidence that is more convincing to the court as worthy of belief than that which is offered in opposition thereto. *Heirs of Jose Lim v. Lim*, 628 Phil. 40, 48 (2010).

<sup>35</sup> *Duty Paid Import Co., Inc. v. Landbank of the Philippines*, *supra* note 28, citing *Lim v. Equitable PCI Bank*, 724 Phil. 453, 454 (2014).

<sup>36</sup> See *Heirs of Jose Lim v. Lim*, *supra* note 34.

Verily, the Court adopts the findings of fact and conclusions of law of the CA Decision in ruling that Palafox failed to prove the existence of the first element of a cause of action, *i.e.*, his right to the relief prayed for.<sup>37</sup>

The case stemmed from a complaint for withdrawal of deposit with damages. The CTD subject of this case is named under "Noli Palafox." Hence, the CTD and all the rights appertaining thereto belong to a certain "Noli Palafox." However, the complaint was instituted by Orodio in the name of Palafox. The appellate court stressed that Palafox did not explain to the court the variance in the names;<sup>38</sup> that he did not produce evidence to prove that Palafox and Noli Palafox are one and the same person, or that Palafox uses, and is also known as Noli.<sup>39</sup>

The Court hereby quotes the CA; thus:

The rule on the use of names is that no one shall represent himself in any public or private transaction without stating or affixing his real or original name and all names or aliases or pseudonym he is or may have been authorized to use. If plaintiff-appellee Jonolino Palafox was indeed the same person as Noli Palafox, the CTD should not have been made payable to Noli Palafox, rather, to Jonolino "Noli" Palafox.

Plaintiff-appellee's failure to establish the identity of Noli Palafox is especially suspicious in light of the fact that Jonolino Palafox never appeared before the RTC to participate in the proceedings. The testimonial evidence for the plaintiff was the testimony of lone witness Orodio, who had no personal knowledge regarding the CTD in question, and the time deposit account. Orodio had no personal knowledge as to whether Jonolino Palafox actually went to the bank to withdraw the amount. All that Orodio knew about the case was what Palafox allegedly instructed him to do. To aggravate the matter, the instructions were not relayed directly from Palafox to Orodio, but from Palafox to Orodio's mother, who in turn relayed the instructions to Orodio.

Even Orodio's authority to institute the case on behalf of Palafox is dubious. The Special Power of Attorney allegedly executed by Palafox in favor of Orodio did not have convincing evidence of

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<sup>37</sup> *Rollo*, p. 140.

<sup>38</sup> *Id.* at 141.

<sup>39</sup> *Id.*



Palafox's identity. There was no identification card attached to the document. At best, a community tax certificate number was indicated below Palafox's name. Even Palafox's signature was not indubitably indicative of identity, because plaintiff-appellee did not attach any other document which could have corroborated that the identity of Palafox the account owner, and Palafox the principal in the SPA, were the same.<sup>40</sup>

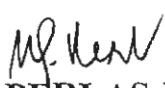
**WHEREFORE**, the petition is **DENIED**. The Decision dated May 30, 2017 and the Resolution dated October 26, 2017 of the Court of Appeals in CA-G.R. No. CV No. 106481 are **AFFIRMED**.

**SO ORDERED.**

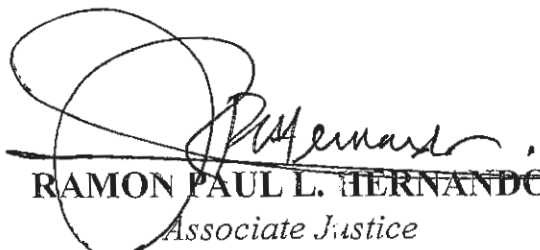


**HENRI JEAN PAUL B. INTING**  
*Associate Justice*

WE CONCUR:



**ESTELA M. PERLAS-BERNABE**  
*Senior Associate Justice*  
*Chairperson*



**RAMON PAUL L. HERNANDO**  
*Associate Justice*



**EDGARDO L. DELOS SANTOS**  
*Associate Justice*




**PRECILLA J. BALTAZAR-PADILLA**  
*Associate Justice*

<sup>40</sup> *Id.* at 141-142.

**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.

  
**ESTELA M. PERLAS-BERNABE**  
*Senior 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.

  
**DIOSDADO M. PERALTA**  
*Chief Justice*

*PI*