



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

**MALAYAN
COMPANY, INC.,**

INSURANCE

G.R. No. 203060

Petitioner,

Present:

- versus -

LEONEN, J.,

Chairperson,

HERNANDO,

INTING,

DELOS SANTOS, and

LOPEZ, J. Y., *JJ.*

**STRONGHOLD
COMPANY, INC., and RICO J.
PABLO,**

Respondents.

Promulgated:

June 28, 2021

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DECISION

HERNANDO, J.:

This Petition for Review on *Certiorari*¹ assails the March 21, 2012 Decision² and August 13, 2012 Resolution³ of the Court of Appeals (CA) in CA-G.R. SP No. 114414, which reversed and set aside the May 21, 2009 Resolution,⁴ November 17, 2009 Order,⁵ and May 25, 2010 Ruling⁶ of the Insurance Commission (IC).

¹ *Rollo*, pp. 6-40. Filed on October 8, 2012.

² Id. at 42-52. Penned by Associate Justice Agnes Reyes-Carpio and concurred in by Associate Justices Jose C. Reyes, Jr. and Priscilla J. Baltazar-Padilla (now retired Members of this Court).

³ Id. at 54-56. Id.

⁴ Id. at 98-103. Penned by Insurance Commissioner Eduardo T. Malinis.

⁵ Id. at 113-114.

⁶ Id. at 159-160. Penned by Insurance Commissioner Santiago Javier Ranada.

The Factual Antecedents:

Petitioner Malayan Insurance Company, Inc. (Malayan) is a corporation organized and existing under Philippine laws, and is engaged in the business of motor vehicle insurance, among others. Respondent Stronghold Insurance Company, Inc. (Stronghold) is also a corporation organized and existing under Philippine laws, and is engaged in the business of non-life insurance.

This case arose from a letter⁷ dated October 3, 2008 sent by respondent Rico J. Pablo (Pablo) to the IC, requesting for assistance in the determination of the amounts Malayan and Stronghold must reimburse to him.

The facts are undisputed. Pablo obtained a Compulsory Third Party Liability (CTPL) insurance for his newly-acquired vehicle, a 2007 Mitsubishi Adventure GLX Diesel Wagon, from Stronghold.⁸ The policy is under Certificate of Cover No. 380623, effective from January 16, 2007 to January 16, 2010.⁹ The limit of the CTPL insurance coverage is ₱100,000.00. The policy also contained a schedule of indemnities.¹⁰ Insurance Memorandum Circular No. 4-2006¹¹ (IMC No. 4-2006) is the most recent issuance at that time that sets the limits for third party liability and indemnities in settlement of claims under compulsory motor vehicle liability insurance (CMVLI) policies.

Pablo also obtained an Excess Cover for Third Party Bodily and Death Liability from Malayan for the same vehicle, as indicated in Private Vehicle Policy No. PV-0159-200880003.¹² The amount of the excess coverage is ₱200,000.00.¹³

In 2008, during the effectivity of the two policies, Pablo, while driving the insured vehicle, sideswiped a six-year-old pedestrian¹⁴ who sustained bodily injuries and was brought to the hospital for treatment.¹⁵ Pablo claimed that he incurred hospital and medical expenses in the amount of ₱100,318.08 for the treatment of the pedestrian.¹⁶ As a result, he filed third party liability claims for reimbursement with both Stronghold and Malayan.¹⁷

⁷ Id. at 84.

⁸ Id. at 43.

⁹ Id. at 43, 125-126.

¹⁰ Id. at 43.

¹¹ Insurance Memorandum Circular No. 4-2006, Compulsory Motor Vehicle Liability Insurance (CMVLI) Coverage, July 26, 2006.

¹² *Rollo*, pp. 10-11, 43, 187.

¹³ Id. at 43.

¹⁴ Id.

¹⁵ Id.

¹⁶ Id.

¹⁷ Id.

Stronghold computed its liability based on the schedule of indemnities provided in the CTPL insurance policy, and arrived at the amount of ₱29,000.00.¹⁸ The excess of ₱71,318.08 (out of the total amount of ₱100,318.08) was not covered or in excess of the limits in the schedule of indemnities, and should be shouldered by Malayan pursuant to the excess coverage.¹⁹

Malayan, however, would not agree to pay this excess.²⁰

To resolve the dispute, Pablo sought the assistance of the IC through a letter dated October 3, 2008.²¹ Proceedings thus ensued. The insurance companies filed their respective position papers.

Ruling of the Insurance Commission:

In its May 21, 2009 Resolution,²² the IC ruled in favor of Malayan. It ordered Stronghold to pay Pablo the amount of ₱100,000.00, and Malayan to pay the amount of only ₱318.08.²³ The IC applied the case of *Western Guaranty Corporation v. Court of Appeals*²⁴ (*Western Guaranty*), and ruled that “the enumerations of bodily injuries provided for in the Schedule of Indemnities in the policy and the corresponding amount of reimbursement provided therein would not serve as a limitation on the amount to be recovered x x x as long as the amount claimed would not exceed the amount of insurance coverage and the expenses were incurred for the hospitalization and medication of the victim[’]s injury.”²⁵ It further ruled that the schedule of indemnities in Stronghold’s policy is contrary to *Western Guaranty*.²⁶

The dispositive portion of the May 21, 2009 Resolution of the IC reads:

PREMISES CONSIDERED, Stronghold Insurance Company will reimburse the assured [sic] the amount of P100,000.00 which is the extent of the CTPL cover whereas, Malayan Insurance Company will pay the amount of P318.08.

SO ORDERED.²⁷

¹⁸ Id. at 43-44.

¹⁹ Id. at 44.

²⁰ Id.

²¹ Id.

²² Id. at 98-103.

²³ Id. at 103.

²⁴ 265 Phil. 687 (1990).

²⁵ *Rollo*, p. 102.

²⁶ Id.

²⁷ Id. at 103.

Stronghold moved for reconsideration of the Resolution which was denied by the IC in its November 17, 2009 Order.²⁸ It, however, modified its May 21, 2009 Resolution. The IC ordered the amendment of the Schedule of Indemnities in Stronghold's policy (Certificate of Cover No. 380623) to conform with the ruling in *Western Guaranty*. It also deleted the first paragraph of the last page of its Resolution and added the phrase "as their liability under the EXCESS BODILY INJURY COVERAGE of the policy" in the dispositive portion.²⁹

Stronghold filed a Clarificatory Motion with Second Motion for Reconsideration assailing the November 17, 2009 Order of the IC. This was denied by the IC in its May 25, 2010 Ruling.³⁰

Aggrieved, Stronghold filed a Petition for Review before the CA.

Ruling of the Court of Appeals:

In its March 21, 2012 Decision,³¹ the appellate court reversed and set aside the orders of the IC, and ordered Stronghold and Malayan to reimburse Pablo the amounts of ₱42,714.83 and ₱57,603.25, respectively.³² It ruled that *Western Guaranty* is applicable to the instant case, hence, Stronghold can be held liable for any and all kinds of damages necessary to discharge the liability of the insured to a third-party accident victim.³³

On Stronghold's contention that *Western Guaranty* is no longer controlling because it was superseded by the case of *Government Service Insurance System v. Court of Appeals*³⁴ (*GSIS*) that ruled that "the insurer could be held liable only up to the extent of what was provided for by the contract of insurance in accordance with the CMVLI law,"³⁵ the appellate court held that there is no conflict between the two cases: in *GSIS*, there was no determination that the policy therein contained the same all-encompassing clause embodied in the policy in *Western Guaranty*.³⁶ The appellate court found that the IC misinterpreted *Western Guaranty* in disregarding the Schedule of Indemnities and declaring Stronghold liable for the full amount of ₱100,000.00. It struck down the IC's finding that the Schedule of Indemnities is contrary to *Western Guaranty* as that case did not rule that such is illegal or contrary to law.³⁷

²⁸ Id. at 113-114.

²⁹ Id.

³⁰ Id. at 159-160.

³¹ Id. at 42-52.

³² Id. at 52.

³³ Id. at 49.

³⁴ 368 Phil. 36 (1999).

³⁵ Id. at 46.

³⁶ *Rollo*, pp. 49-50.

³⁷ Id. at 50-51.

The appellate court effectively interpreted this Court's ruling in *Western Guaranty* in stating that:

x x x In other words, the limit of liability of the insurance company with regard to the items listed under the Schedule of Indemnities is the limit provided thereunder; while its limit of liability regarding other kinds of damages, not listed under the said Schedule is the total amount of its insurance coverage.³⁸

With this, it held that Stronghold's schedule of indemnities is in accordance with law.³⁹ The limits indicated with regard to the items listed therein should be observed, and any excess should be shouldered by Malayan.⁴⁰ The dispositive portion of the CA Decision reads:

WHEREFORE, premises considered, the assailed Resolution, Order[,] and Ruling of the Insurance Commissioner are hereby **REVERSED** and **SET ASIDE**. Petitioner Stronghold Insurance Company and respondent Malayan Insurance Company are hereby **ORDERED** to reimburse respondent Rico J. Pablo the amount[s] of Php42,714.83 and Php57,603.25, respectively.

SO ORDERED.⁴¹

This time, both insurance companies moved for reconsideration, but the appellate court denied both motions and affirmed its previous Decision in its August 13, 2012 Resolution.⁴²

Malayan now comes to this Court assailing the appellate court's Decision and Resolution. Malayan initially asked for time to file the instant Petition, which was eventually filed on October 8, 2012.⁴³

³⁸ Id. at 51.

³⁹ Id.

⁴⁰ Id.

⁴¹ Id. at 52.

⁴² Id. at 54-56. The relevant portion of the August 13, 2012 CA Resolution reads:

At this point, We believe that it is proper to reiterate the rules explicitly or implicitly mentioned in Our Decision for the proper guidance of the parties, *viz*:

1. The limit of liability of the insurance company with regard to the items listed under the Schedule of Indemnities is the limit provided thereunder. Otherwise, the said schedule is useless.
2. Covered items exceeding the amount of the allowable reimbursement as provided in the Schedule of Indemnities is for the account of the provider of Excess Cover for Third Party Bodily Injury and Death Liability.
3. The limit of liability of the insurance company with regard to non-covered items, otherwise known as other damages, is the total amount of its insurance coverage.
4. Non-covered items exceeding the total amount of the insurance coverage of the original insurer shall be for the account of the provider of Excess Cover for Third Party Bodily Injury and Death Liability. (Id. at 55)

⁴³ Id. at 3-4, 6-40.

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Arguments of Malayan:

Malayan argues that the CA ruling is contrary to *Western Guaranty* and to the basic concept of Excess Insurance Coverage.⁴⁴ Malayan posits that the appellate court's ruling contravenes the construction given by the IC to limits of liability in CTPL policies.⁴⁵ It reiterates the IC Resolution that the Schedule of Indemnities does not limit the amount to be recovered as long as the claim would not exceed the amount of the coverage.⁴⁶ Malayan also draws strength from IMC No. 4-2006 in arguing that the provision on "Schedule of Indemnities" does not explicitly provide that the stated amounts therein constitute limits for the items listed therein.⁴⁷ The ₱100,000.00 limit of Stronghold's liability should first be exhausted before it could be held liable under the Excess Coverage Policy.⁴⁸ It can be inferred that Malayan's contention is that before the excess coverage insurer could be held liable, the overall limit must be applied to the excess still remaining after applying the per item limit provided in the Schedule of Indemnities. Stated differently, the amounts in excess of the limits per item provided in the schedule of indemnities should also be subjected to the overall limit in the policy. Only then could the excess coverage insurer be held liable.

Lastly, Malayan avers that the CA gravely erred in entertaining Stronghold's Petition for Review as it was filed beyond the reglementary period.⁴⁹ Stronghold filed a second Motion for Reconsideration, which is prohibited by the Rules of Court, hence, the reglementary period for appeal started to run from Stronghold's receipt of the November 17, 2009 Order denying the first Motion for Reconsideration.⁵⁰ In sum, Malayan prays for the reinstatement of the rulings of the IC.

Contentions of Stronghold:

In its Comment,⁵¹ Stronghold argues that the CA is correct in ruling that insurance companies are required to pay only with respect to the items in the Schedule of Indemnity and only up to the limits specified therein.⁵² It, however, maintains that *Western Guaranty* is not applicable to the policy in issue, thus, the limits in the Schedule of Indemnities should be strictly applied.⁵³ It argues that *GSIS* is the applicable case—where the claim of an insured is limited by the Schedule of Indemnities.⁵⁴ Therefore, Stronghold

⁴⁴ Id. at 17-29.

⁴⁵ Id. at 19.

⁴⁶ Id. at 20.

⁴⁷ Id. at 20-21.

⁴⁸ Id. at 27-28.

⁴⁹ Id. at 29.

⁵⁰ Id. at 29-34.

⁵¹ Id. at 201-214.

⁵² Id. at 203.

⁵³ Id. at 204.

⁵⁴ Id. at 207-209.

could not be held liable for damages in excess of those stated in the Schedule of Indemnities, and it should only be liable in the amount of ₱29,000.00, with the excess in the amount of ₱71,318.08 for the account of Malayan.⁵⁵

Stronghold adds that the purpose of the Excess Third Party Bodily Injury Cover is to answer for liability not covered or in excess of the amounts provided in the schedule of indemnities in the CTPL; the CTPL overall limit need not be exhausted before the excess coverage insurer could be held liable.⁵⁶ On the issue of belated filing of the petition before the CA, Stronghold posits that Malayan failed to raise this issue earlier before the IC or the CA.⁵⁷ Such ground, therefore, has been waived, and is merely an afterthought.⁵⁸ To add, Stronghold points out that the IC modified the original ruling (May 21, 2009 Resolution) in promulgating the second ruling (November 17, 2009 Order), allowing the filing of a second motion for reconsideration to assail the modified resolution.⁵⁹ Stronghold prays that it be made to pay the amount of ₱29,000.00 only and for Malayan to pay ₱71,318.08.⁶⁰

As for Pablo, the Court dispensed with the filing of his comment in its Resolution dated July 24, 2017.⁶¹

In its Reply,⁶² Malayan reiterated its arguments in its Petition.

Issue

Considering the foregoing, the issue for the resolution of this Court is the extent of liability of Stronghold pursuant to the insurance policy it issued. Resulting from this would be the amount of Malayan's liability, which is the excess not covered by Stronghold's policy.

Our Ruling

There is no merit in the Petition. The Court affirms the findings of the CA, with the modification that the amounts payable to Pablo shall be subject to legal interest.

The purpose of CMVLI is to provide compensation for the death or bodily injuries suffered by innocent third parties or passengers as a result of

⁵⁵ Id. at 208.

⁵⁶ Id. at 210-211.

⁵⁷ Id. at 211.

⁵⁸ Id.

⁵⁹ Id. at 211-212.

⁶⁰ Id. at 212.

⁶¹ Id. at 250.

⁶² Id. at 254-257.

the negligent operation and use of motor vehicles.⁶³ The victims or their dependents are assured of immediate financial assistance, regardless of the financial capacity of motor vehicle owners.⁶⁴

With the different interpretations of *Western Guaranty*, it is necessary to revisit the case. Both the appellate court and IC used the case as basis in their respective rulings. The parties have likewise argued on its applicability.

In *Western Guaranty*,⁶⁵ a pedestrian was hit by a passenger bus that was insured with Western Guaranty Corporation. The policy provided that the company's liability in cases of death, injury, or damage to property of any party shall not exceed the limits of liability set forth, and that the payment per victim in any one accident shall not exceed the limits indicated in the Schedule of Indemnities provided for excluding additional medical or burial expenses that might have been incurred.⁶⁶ The pedestrian filed a complaint for damages against the bus company, which in turn filed a third-party complaint against petitioner therein. The Regional Trial Court ruled in favor of the pedestrian and ordered the payment of actual damages, compensation for loss of earning capacity, moral damages, and attorney's fees.⁶⁷ On appeal, the CA affirmed the trial court's ruling in its entirety. Petitioner therein further appealed to this Court and contended that as the schedule therein limits the amount payable for certain kinds of expenses, that schedule should be read as

⁶³ *Tiu v. Arriesgado*, 481 Phil. 1, 28 (2004).

⁶⁴ *Id.*

⁶⁵ *Supra* note 24.

⁶⁶ *Rollo*, pp. 125-126, 181-186. The policy in *Western Guaranty* (as cited verbatim therein) states:
Section 1. *Liability to the Public* — Company will, *subject to the Limits of Liability, pay all sums necessary to discharge liability of the insured* in respect of —

(a) death of or bodily injury to or damage to property of any passenger as defined herein.

(b) *death of or bodily injury or damage to property of any THIRD PARTY* as defined herein *in any accident caused by or arising out of the use of the Schedule Vehicle*, provided that the liability shall have first been determined. In no case, however, shall the Company's total payment under both Section I and Section II combined exceed the Limits of Liability set forth herein. *With respect to death of or bodily injury to any third party or passenger, the company's payment per victim in any one accident shall not exceed the limits indicated in the Schedule of Indemnities provided for in this policy* excluding the cost of additional medicines, and such other burial and funeral expenses that might have been incurred.
(Emphasis supplied therein; *Western Guaranty*, *supra* note 24, at 688-689).

⁶⁷ The dispositive portion of the Regional Trial Court's decision assailed in *Western Guaranty* (as reproduced in the case) states:

WHEREFORE, judgment is hereby rendered in favor of plaintiff and against the defendants, ordering the latter to pay the former, jointly and severally, and for the third-party defendant to pay to the plaintiff, by way of contribution, indemnity or subrogation whatever amount may be left unpaid by the defendant De Dios Transportation Company, Inc. to the extent of not more than P50,000.00, as follows:

a) the sum of P2,776.00 as actual damages representing doctor' fees, hospitalization and medicines;
b) the sum of P1,500.00 by way of compensation for loss of earning during plaintiff's incapacity to work;
c) the sum of P10,000.00 as and by way of moral damages;
d) the sum of P10,000.00 as and by way of attorney's fees; and
e) the cost of suit (*Western Guaranty*, *supra* note 24, at 689).

excluding liability for any other type of expense or damage or loss even though actually sustained or incurred by the third-party victim.

The Court ruled against petitioner insurance provider, the relevant portions of which provide, to wit:

Firstly, the Schedule of Indemnities does not purport to restrict the kinds of damages that may be awarded against Western once liability has arisen. Section 1, quoted above, does refer to certain “Limits of Liability” which in the case of the third[-]party liability section of the Master Policy, is apparently P50,000.00 per person per accident. Within this over-all quantitative limit, all kinds of damages allowable by law — “actual or compensatory damages”; “moral damages”; “nominal damages”; “temperate or moderate damages”; “liquidated damages”; and “exemplary damages” — may be awarded by a competent court against the insurer once liability is shown to have arisen, and the essential requisites or conditions for grant of each species of damages are present. It appears to us self-evident that the Schedule of Indemnities was not intended to be an enumeration, much less a closed enumeration, of the specific kinds of damages which may be awarded under the Master Policy Western has issued. Accordingly[,] we agree with the Court of Appeals that:

“ . . . we cannot agree with the movant that the schedule was meant to be an exclusive enumeration of the nature of the damages for which it would be liable under its policy. As we see it, the schedule was merely meant to set limits to the amounts the movant would be liable for in cases of 'claims for death, bodily injuries of, professional services and hospital charges, for services rendered to traffic accident victims,' and not necessarily exclude claims against the insurance policy for other kinds of damages, such as those in question.”

Secondly, the reading urged by Western of the Schedule of Indemnities comes too close to working fraud upon both the insured and the third[-]party beneficiary of Section 1, quoted above. For Western's reading would drastically and without warning limit the otherwise unlimited (save for the over-all quantitative limit of liability of P50,000.00 per person per accident) and comprehensive scope of liability assumed by the insurer Western under Section 1: “all sums necessary to discharge liability of the insured in respect of [bodily injury to a third party].” This result — which is not essentially different from taking away with the left hand what had been given with the right hand — we must avoid as obviously repugnant to public policy. If what Western now urges is what Western intended to achieve by its Schedule of Indemnities, it was incumbent upon Western to use language far more specific and precise than that used in fact by Western, so that the insured, and potential purchasers of its Master Policy, and the Office of the Insurance Commissioner, may be properly informed and act accordingly.⁶⁸

The Court ruled that the schedule does not restrict the kinds of damages that petitioner therein may be made to pay as long as liability is shown to have arisen and the requisites for each kind of damages are present. The schedule is not an enumeration of the specific kinds of damages that may be awarded. Its purpose was to set limits to the amounts the insurance company would be

⁶⁸ *Western Guaranty Corporation v. Court of Appeals*, supra note 24, at 693-694. Citations omitted.

liable for in cases of “claims for death, bodily injuries of, professional services and hospital charges, for services rendered to traffic accident victims”; it does not limit or exclude claims for other kinds of damages. The Court added that petitioner therein should have used a more specific and precise language to reflect its intentions as presented in its arguments.

In other words, *Western Guaranty* clarifies the applicability of the limits provided in the Schedule of Indemnities to injuries listed therein and allows claims for other kinds of damages not otherwise indicated in the schedule against CMVLI policy providers, as long as liability is established and the requisites for the kind of damages claimed are present.

In the instant case, the CA did not err in applying *Western Guaranty*. Upon examination of Stronghold’s policy in the instant case, the Court finds that the appellate court is correct in finding that the subject policy is similar—and in fact identical—with the policy in *Western Guaranty*. The salient portion of Stronghold’s policy states:

Section I – Liability to the Public

The Company will, subject to the Limits of Liability, pay all sums necessary to discharge liability of the insured in respect of bodily injury and/or death to any THIRD PARTY, in an accident caused by or arising out of the use of the Scheduled Vehicle, provided that the insured’s liability shall have first been determined. In no case, however, shall the Company’s total payment under both Section I and Section II combined exceed the Limits of Liability set forth herein. With respect to bodily injury and/or death to any party, the [C]ompany’s payment per victim in any one accident shall not exceed the limits indicated in the Schedule of Indemnities provided for in this policy.⁶⁹

It is clear that Stronghold’s policy is identical with the assailed policy in *Western Guaranty*.⁷⁰ It must be noted, however, that the issues in *Western Guaranty* and in the instant case are at variance. But, this Court nonetheless upholds the CA’s finding on the applicability of limits in CTPL policies. As the appellate court have held, the limit of liability with regard to the items listed in the Schedule of Indemnities is the amount provided therein; the limit of liability with regard to other kinds of damages not listed in the same Schedule of Indemnities is the total amount of insurance coverage. It then follows that the amounts in excess of the limits of liability in the schedule for items listed therein are not covered by the total coverage. Such excess is already for the personal account of the insured or an excess coverage provider. This interpretation upholds the purpose of indicating limits of liability on the specific injuries listed in the schedule.

⁶⁹ *Rollo*, pp. 49, 182.

⁷⁰ See note 66 for information on the assailed policy in *Western Guaranty*.

Therefore, Stronghold's liability with regard to injuries provided in its policy's Schedule of Indemnities is subject to the limits provided therein. Any excess will not be for its account, and will be for the account of the excess coverage provider—Malayan in this case. As found by the CA, Stronghold is liable in the amount of ₱42,714.83; Malayan, on the other hand, is liable in the amount of ₱57,603.25.

The Court, however, imposes legal interest on the amounts to be paid by the insurance companies to Pablo. Pursuant to *Nacar v. Gallery Frames*,⁷¹ legal interest should be imposed as follows: (a) 12% per *annum* from October 3, 2008, the date of extrajudicial demand, until June 30, 2013; and (b) 6% per *annum* from July 1, 2013 until full payment thereof.

As to Stronghold's contention that *GSIS* is the applicable case, the Court agrees with the CA that it is not the applicable case. The insurance policy therein is different from the policy in *Western Guaranty* (and Stronghold's policy in the instant case). There was no determination that the policy in *GSIS* contained the same wording and all-encompassing clause embodied in the policy assailed in *Western Guaranty*. Moreover, the issues in *GSIS* are different from *Western Guaranty* and the instant case; in *GSIS*, the issues pertained to the insurer's solidary liability with the insured, and the prescription of an action to file an insurance claim.⁷²

As regards the issue of Stronghold's filing of a second motion for reconsideration in the IC, the Court finds that the November 17, 2009 Resolution (second issuance) of the IC, which ordered the amendment of the schedule of indemnities in Stronghold's policy, is an amended decision. It added a new undertaking on Stronghold's part. The filing of a second motion for reconsideration to assail an amended decision of an administrative agency or tribunal is permissible.⁷³ Hence, the Court finds no procedural infirmity in this instance.

WHEREFORE, the Petition is **DENIED**. The March 21, 2012 Decision and August 13, 2012 Resolution of the Court of Appeals in CA-G.R. SP No. 114414 are **AFFIRMED** with **MODIFICATION** that the respective amounts payable by respondent Stronghold Insurance Company, Inc. and petitioner Malayan Insurance Company, Inc. to respondent Rico J. Pablo shall be subjected to legal interest as follows: (a) 12% per *annum* from October 3, 2008, the date of extrajudicial demand, until June 30, 2013; and (b) 6% per *annum* from July 1, 2013 until full payment thereof.

⁷¹ 716 Phil. 267, 281-283 (2013).

⁷² *Government Service Insurance System v. Court of Appeals*, supra note 34, at 44.

⁷³ See *Solidbank Corporation v. Court of Appeals*, 774 Phil. 211, 225-226 (2015) citing *Planters Development Bank v. Spouses Lopez*, 720 Phil. 426, 438-440 (2013).

SO ORDERED.


RAMON PAUL L. HERNANDO
Associate Justice

WE CONCUR:


MARVIC M.V.F. LEONEN
Associate Justice
Chairperson


HENRI JEAN PAUL B. INTING
Associate Justice


EDGARDO L. DELOS SANTOS
Associate Justice


JHOSEP V. LOPEZ
Associate Justice

ATTESTATION

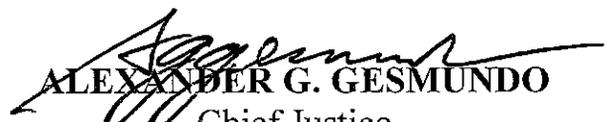
I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



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