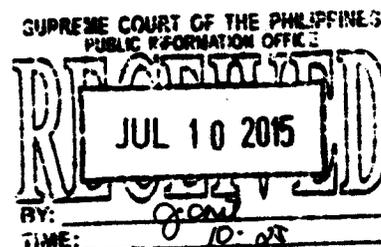




Republic of the Philippines
Supreme Court
Baguio City

FIRST DIVISION

NOTICE



Sirs/Mesdames:

Please take notice that the Court, First Division, issued a Resolution dated April 20, 2015 which reads as follows:

“G.R. No. 166345 - NORMA LOYOLA, Petitioner, v. PEOPLE OF THE PHILLIPINES AND GLICERIA DE LEON, Respondents.

The petitioner appeals the decision promulgated on July 30, 2004,¹ whereby the Court of Appeals (CA) affirmed the adverse judgment dated May 30, 2001 rendered by the Regional Trial Court, Branch 253, in Las Piñas City (RTC)² upholding her conviction for 16 counts of a violation of *Batas Pambansa Bilang 22 (Bouncing Checks Law)* handed down on September 22, 1999 by the Metropolitan Trial Court, Branch 79, in Las Piñas City (MeTC).³

It appears that in 1991, the petitioner, who was in dire financial straits, was introduced by her sister to complainant Gliceria De Leon, a person engaged in the business of lending money; that on several instances, the petitioner borrowed money from De Leon, for which she issued postdated checks as collateral;⁴ that in 1993, the petitioner again borrowed ₱100,000.00 from De Leon, and later on ₱50,000.00 each on two other occasions in the same year; that the payments were again secured by several postdated checks issued by the petitioner;⁵ that on due dates of the

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¹ *Rollo*, pp. 53-60; penned by Associate Justice Bienvenido L. Reyes (now a Member of the Court), with Associate Justice Eugenio S. Labitoria (retired) and Associate Justice Rosalinda Asuncion-Vicente (retired) concurring.

² *Id.* at 109-111; penned by Presiding Judge Jose F. Caoibes, Jr.

³ *Id.* at 84-87; penned by Presiding Judge Pio M. Pasia.

⁴ *Id.* at 53-54.

⁵ *Id.* at 54.

loans, De Leon deposited the checks, but only some were cleared while the rest were dishonored;⁶ that in July 1994, De Leon told the petitioner that her account would have to be restructured; that to signify their conformity to the restructured loan, the petitioner and her husband signed a document to that effect; and that the petitioner issued postdated checks to guarantee the payment of her debts, which checks were the subject of the criminal charges, as follows:

Bank	Check No.	Date	Amount (₱)
Premiere Bank	010735	July 17, 1994	17,527.00
Premiere Bank	010736	July 24, 1994	17,527.00
Premiere Bank	010737	July 31, 1994	17,527.00
Premiere Bank	010738	August 7, 1994	17,527.00
Premiere Bank	010739	August 14, 1994	17,527.00
Premiere Bank	010740	August 21, 1994	17,527.00
Premiere Bank	010741	August 28, 1994	17,527.00
Premiere Bank	010743	September 11, 1994	17,527.00
Premiere Bank	010747	September 15, 1994	20,000.00
Premiere Bank	010744	September 18, 1994	17,527.00
Premiere Bank	010745	September 25, 1994	17,527.00
Premiere Bank	010748	September 30, 1994	20,000.00
Premiere Bank	010746	October 2, 1994	7,512.00
Premiere Bank	148624	October 7, 1994	205,720.00
Premiere Bank	010749	October 15, 1994	20,000.00
Premiere Bank	010750	October 30, 1994	20,000.00

After the aforesaid checks were all dishonored for the reason that the drawer's account had already been closed, De Leon made several demands for the petitioner to pay the amounts of the dishonored checks, but the demands went unheeded. Hence, De Leon initiated the criminal cases for violation of B.P. Blg. 22,⁷ the informations for which were ultimately filed in the MeTC charging the petitioner with 16 counts of the violation.

After trial, the MeTC rendered its joint decision, decreeing:

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⁶ Id.

⁷ Id. at 55.

WHEREFORE, the Court finds and declares the accused guilty beyond reasonable doubt, of the offense of Violation of BP #22, sixteen (16) counts, and hereby sentences the accused to pay fine equivalent to the face value of each checks (sic) but not exceeding Two Hundred Thousand Pesos [P200,000.00] and to pay the private complainant the total amount of the subject checks; and to pay the costs of suit.

SO ORDERED.⁸

On appeal, the RTC upheld the conviction of the petitioner, disposing:

WHEREFORE, premises considered, the appealed Joint Decision rendered by the trial court in the above-captioned cases is AFFIRMED *in toto*.

SO ORDERED.⁹

The petitioner appealed to the CA, contending:

- I. THE RTC GRAVELY ERRED IN AFFIRMING THE TRIAL COURT'S FINDING OF GUILT OF PETITIONER OF SIXTEEN COUNTS OF VIOLATION OF BATAS PAMBANSA BLG. 22 DESPITE THE FAILURE OF THE PROSECUTION TO PROVE ALL THE ELEMENTS OF THE OFFENSES CHARGED.
- II. THE RTC GRAVELY ERRED IN AFFIRMING THE TRIAL COURT'S FINDING THAT THE SUBJECT CHECKS ARE SUPPORTED BY VALUABLE CONSIDERATION NOTWITHSTANDING THE FULL PAYMENT OF THE LOAN AND THE FACT THAT THE INTERESTS CHARGED BY RESPONDENT WERE NOT BASED ON ANY WRITTEN STIPULATION BETWEEN THE PARTIES AND ARE UNCONSCIONABLE, AND THEREFORE, NULL AND VOID.
- III. THE RTC GRAVELY ERRED IN SUSTAINING THE CONVICTION OF THE PETITIONER BASED ON THE HIGHLY INCONSISTENT AND INCREDIBLE TESTIMONY OF RESPONDENT.¹⁰

As stated, the CA affirmed the RTC's judgment.¹¹

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⁸ Supra note 3, at 87.

⁹ Supra note 2, at 111.

¹⁰ Id. at 128.

¹¹ Supra note 1.

Hence, this appeal by petition for review, with the petitioner insisting that the Prosecution did not prove that the checks had been issued for valuable consideration;¹² that the highly inconsistent and incredible testimony of complainant De Leon raised reasonable doubt about her guilt;¹³ and that the CA manifestly overlooked facts or circumstances of substance and value in upholding the restructuring agreement, and in finding her to be estopped from questioning the interests charged by the complainant despite the invalidity of the interest charges for not being based on any written stipulation between the parties and despite being unconscionable; and that under the premises the factual findings by the CA ought to be subjected to review and reversal.¹⁴

The Office of the Solicitor General countered that the Prosecution's testimonial and documentary evidence proved all the elements of the violation of B.P. Blg. 22.¹⁵

Ruling of the Court

The appeal lacks merit.

The anchor of the petitioner's defense is that the checks subject of the informations did not issue upon valuable consideration, it being her chief contention that she should not be charged for interest in the absence of a written stipulation or agreement to that effect. She insisted that she and her husband had been made to sign in blank the restructuring agreement that included the interest charges.

In rejecting the petitioner's defense, the CA aptly declared in the assailed judgment:

The elements under which the offense under the Bouncing Checks Law is committed are: (1) the making, drawing and issuance of any check to apply for account or for value; (2) the knowledge of the maker, drawer or issuer that at the time of issue he does not have sufficient funds in or credit with the drawee bank for the payment of such check in full upon its presentment; and (3) the subsequent dishonor of the check by the drawee bank for insufficiency of funds or credit or dishonor for the same reason had not the drawer, without any valid cause, ordered the bank to stop payment. x x x

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¹² Id. at 20.

¹³ Id. at 20-21.

¹⁴ Id. at 21.

¹⁵ Id. at 192-205.

The three elements enumerated above are doubtless present in the instant case. As may be gleaned from the records, the petitioner drew several checks in payment of a loan which she acknowledges as still owing to the private respondent. Incidentally, the petitioner should be deemed estopped from further contesting the charge of interest upon her debt inasmuch as she herself consented to the recomputed loan, inclusive of the interest, as evidenced by the written deed showing the restructured loan to which she and her husband, without force, signified their conformity in writing. (Original Records, p. 20) Corollarily, We are not inclined to accede to the petitioner's assertion that what they were made to sign was a blank document only. For sure, the act of signing blank deeds does not sit well with the character of the petitioner who, after all, is not a novice to the entrepreneurial world and is presumably possessed of ample business prudence or at the very least, common sense. The subject checks eventually bounced when presented by the private respondent due to "DAIF/closed account," and in this regard, it should be stressed that a drawer's knowledge of insufficiency of funds in the bank is presumed from the very dishonor of his check.

We should perhaps reiterate that the gravamen of the offense punished under BP 22 is the act of making or issuing a worthless check or a check that is dishonored upon its presentment for payment. The law has made the mere act of issuing a bad check *malum prohibitum*, an act proscribed by the legislature for being deemed pernicious and inimical to public welfare. (People vs. Reyes, 228 SCRA 13) Considering the rule in *mala prohibita* cases, the only inquiry is whether the law has been breached. Criminal intent becomes unnecessary where the acts are prohibited for reason of public policy, and the defenses of good faith and absence of criminal intent are unavailing (Cueme vs. People, 334 SCRA 795).

x x x x

Neither may the petitioner rely on her theory that she should be acquitted on the ground that the checks she issued are not supported by valuable consideration as they, allegedly, represent merely the interests charged upon her principal obligation. This to us is a very convenient excuse, invoked in utter disregard of the deleterious effects of circulating bad checks in commercial channels. As a substitute to legal currency, the value of checks could not be undermined and trifled with by anybody without impunity.

Under pain of being repetitive, what the law punishes is the mere issuance of a bouncing check itself and not the purpose for which the check was issued nor the terms and conditions relating to its issuance – to determine the purpose as well as the terms and conditions for which checks are issued will greatly erode the faith the public reposes in the stability and commercial value of checks as currency substitutes, and bring about havoc in the trading and banking communities x x x.

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As the High Court has long enunciated, the effects of the issuance of a worthless check transcend the private interests of the parties directly involved in the transaction and touch the interest of the community at large. The mischief it creates is not only a wrong to the payee and holder but also an injury to the public. The harmful practice of putting valueless commercial papers (sic) in circulation, multiplied a thousand fold, can very well pollute the channels of trade and commerce, injure the banking system and eventually hurt the welfare of society and the public interest x x x.¹⁶

We agree with the CA's foregoing declarations. The consideration for the checks was fully established because the petitioner did not dispute her unpaid obligation in favor of the complainant. It was wrong for her to deny her criminal liability under B.P. Blg. 22 on that basis. Moreover, her chief contention is legally unsound. Section 24 of the *Negotiable Instruments Law* provides that negotiable instruments like checks are deemed *prima facie* to be issued for a valuable consideration; and that every person whose signature appears thereon becomes a party thereto for value. Considering that she did not proffer any evidence to rebut the presumption by showing that the checks were drawn without valuable consideration, it behooves the Court to affirm her conviction for 16 counts of violation of B.P. Blg. 22.

The petitioner could not also shield herself from criminal liability for issuing the dishonored checks on the ground that her obligations included interest charges that had not been expressly agreed upon in writing. She could not deny that she had issued the dishonored checks in payment of the restructured obligations. Given her express consent to the restructuring, which included the interests that had by then accrued, she could no longer justifiably assail her liability for such interest charges.

Worth stressing is that the gravamen of the offenses charged and established is the act of making or issuing a worthless check or a check that is dishonored upon its presentation for payment. What the law punishes is not the non-payment of an obligation, because the law has not been enacted to coerce a debtor to pay his debt. The thrust of the law is to prohibit, under pain of penal sanctions, the making of worthless checks and putting them in circulation, a practice that produces deleterious effects on the public interest. As such, B.P. Blg. 22 punishes the act not as an offense against property, but as an offense against public order. Clearly, the mere act of issuing a worthless check is *malum prohibitum*.¹⁷

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¹⁶ Id. at 57-59.

¹⁷ *Ambito v. People*, G.R. No. 127327, February 13, 2009, 579 SCRA 69, 90-91.

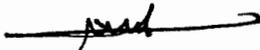
The MeTC as the trial court had factual basis in holding her criminally liable. The RTC and the CA upheld the factual findings of the trial court. By virtue of its not being a trier of facts, the Court must of necessity affirm the findings of fact by the trial court, whose assessment of the facts and the demeanor of witnesses is conclusive and binding once affirmed by the RTC and the CA. The only time that the Court may deal with factual issues is when the appellant convincingly shows a clear error in the appreciation of such facts by the trial and the reviewing courts. Here, the petitioner failed to do so.

WHEREFORE, the Court **AFFIRMS** the decision promulgated on July 30, 2004; and **ORDERS** the petitioner to pay the costs of suit.

The letter dated February 6, 2015 of Renato M. Sister, Assistant Chief, Judicial Records Division, Court of Appeals, Manila, transmitting the Court of Appeals rollo consisting of 161 pages and one (1) folder of original records, and the letter dated February 9, 2015 of Atty. Leamor Batiles Garcia, Branch Clerk of Court, Regional Trial Court, Branch 253, Las Piñas City, stating that Criminal Case No. 94-10722 does not exist in their records and requesting for more information about the case or to allow their process server to view the rollo to determine the case number and other pertinent details, are both **NOTED**, and Atty. Garcia is hereby **INFORMED** that the correct Criminal Case No. is 00-0021-36.

SO ORDERED.”

Very truly yours,


EDGAR O. ARICHETA
Division Clerk of Court *pk 6/10*
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GIMENEZ LAW OFFICES
Counsel for Petitioner
Suite 2311, Cityland 10, Tower 2
6817 H.V. Dela Costa Sr. cor.
Ayala Ave. 1226 Makati City

Court of Appeals (x)
Manila
(CA-G.R. CR No. 27441)

The Solicitor General (x)
Makati City

Ms. Gliceria De Leon
Private Respondent
Blk. 9, Lot 15, Camia St.
T.S. Cruz Subd., Almanza 2
1740 Las Piñas City

The Hon. Presiding Judge
Regional Trial Court, Br. 253
Las Piñas City 1740
(Crim. Case No. 00-0021-36)

The Hon. Presiding Judge
Metropolitan Trial Court, Br. 79
Las Piñas City 1740
(Crim. Case Nos. 25050-60)

Atty. Leamor Batiles Garcia
Branch Clerk of Court
Regional Trial Court, Br. 253
1740 Las Piñas City

Mr. Renato M. Sister (x)
Asst. Chief, Judicial Records Division
Court of Appeals
Manila

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Judgment Division (x)
Supreme Court

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