

# Republic of the Philippines Supreme Court Manila

# THIRD DIVISION

SPOUSES RICARDO TAYAMEN, JR. and CARMELITA TAYAMEN.

G.R. No. 246986

GESMUNDO, C.J.,

Chairperson,

DELOS SANTOS, JJ.

LEONEN, J.,

HERNANDO,

INTING, and

Present:

Petitioners.

- versus -

Promulgated:

**PEOPLE OF THE PHILIPPINES,** *Respondent.*  April 28, 2021

## DECISION

## **DELOS SANTOS**, J.:

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 November 6, 2018 and the Resolution<sup>3</sup> dated May 7, 2019 of the Court of Appeals (CA) in CA-GR. CR No. 41396, which affirmed the Decision<sup>4</sup> dated November 29, 2017 and the Resolution<sup>5</sup> dated March 6, 2018 of the Regional Trial Court (RTC) of Manila, Branch 16 finding Spouses Ricardo Tayamen, Jr. (Ricardo) and Carmelita Tayamen (Carmelita; collectively, petitioners) guilty beyond reasonable doubt of the crime of Estafa.

<sup>\*</sup> Designated as additional member in lieu of Associate Justice Jhosep Y. Lopez per Raffle dated February 17, 2021.

<sup>&</sup>lt;sup>1</sup> *Rollo*, pp. 3-17.

<sup>&</sup>lt;sup>2</sup> Id. at 19-38. Penned by Associate Justice Amy C. Lazaro-Javier (now a Member of the Court), with Associate Justices Rosmari D. Carandang (now a Member of the Court) and Jhosep Y. Lopez (now a Member of the Court), concurring.

<sup>&</sup>lt;sup>3</sup> Id. at 42-43. Penned by Associate Justice Jhosep Y. Lopez (now a Member of the Court), with Associate Justices Mariflor Punzalan-Castillo and Franchito N. Diamante, concurring.

<sup>&</sup>lt;sup>4</sup> Id. at 57-64. Penned by Presiding Judge Janice R. Yulo-Antero.

<sup>&</sup>lt;sup>5</sup> Id. at 65-71.

## The Facts

In an Information<sup>6</sup> dated December 3, 2013, the Senior Assistant City Prosecutor of Manila charged petitioners with the crime of Estafa defined and penalized under Article 316 (2) of the Revised Penal Code (RPC). The accusatory portion reads:

That on or about the 29<sup>th</sup> day February, 2012, in the City of Manila, Philippines, the said accused, conspiring and confederating together and mutually helping each other, did then and there willfully, unlawfully and feloniously defraud MA. MILDRED G. BANGIT in the following manner, to wit: by disposing/conveying a parcel of land containing an area of One Hundred Twenty [120] square meters located at Block 12, Lot 9, Phase 3, Robinsons Vineyard, Bo. Palapala, Dasmarinas, Municipality of Cavite covered by TCT-1028878 of the Registry of Deeds of Cavite City in favor of one Margarito G. Pacia for the amount of Php800,000.00, pursuant to a Deed of Absolute Sale entered in the Notarial Register of Atty. Wilfredo A. Ruiz, Notary Public of and in the City of Cavite, as Doc. No. 230; Page No. 46; Book No. II and Series of 201, which Deed of Absolute Sale was duly registered with the Registry of Deeds for the issuance of now TCT-057-2012011098 in the name of Margarito G. Pacia by the Register of Deeds of Cavite, said accused knowing fully well that they had previously encumbered the said property by way of another deed of sale dated March 16, 2011 in favor of said Ma. Mildred G. Bangit for and in consideration of Php800,000.00 which was also entered in the Notarial Registry of Notary Public Segundino C. Ching of and for the City of Pasig as Doc. No. 05, Page no. 1 Book No. XXXII and Series of 2011, to the damage and prejudice of the said Ma. Mildred G. Bangit in the said amount of Php800,000.00, Philippine Currency.

Contrary to law.<sup>7</sup>

Upon arraignment, petitioners pleaded not guilty to the offense charged. After the pre-trial conference, trial on the merits then ensued.<sup>8</sup>

#### Version of the Prosecution

On March 16, 2011, petitioners sold to private complainant Ma. Mildred G. Bangit (Bangit) for ₱800,000.00 a 120-square meter parcel of land (subject property) located in Barangay Palapala, Dasmariñas, Cavite, then covered by Transfer Certificate of Title (TCT) No. T-1028878.<sup>9</sup>

Despite full payment of the purchase price, petitioners failed to surrender the title to Bangit. Due to Bangit's repeated demands, petitioners

<sup>&</sup>lt;sup>6</sup> Id. at 44-45.

<sup>&</sup>lt;sup>7</sup> Id. at 44.

<sup>&</sup>lt;sup>8</sup> Id. at 21.

<sup>&</sup>lt;sup>9</sup> Id. at 52.

issued an undertaking dated December 22, 2011 to turn over the title to Bangit. Still, petitioners reneged on their promise.<sup>10</sup>

Upon inquiry with the Registry of Deeds of Cavite, Bangit discovered that petitioners had subsequently sold the subject parcel of land to Spouses Margarito and Virginia Pacia (Spouses Pacia) on February 29, 2012. Aggrieved, Bangit demanded the return of the  $\mathbb{P}800,000.00$  from petitioners. Upon failure of petitioners to return the purchase price, Bangit filed a complaint for Estafa against them.<sup>11</sup>

The parties entered into a settlement which covered the obligation subject of this case as well as the other loans obtained by petitioners from Bangit. Upon the issuance of several checks by Carmelita, Bangit issued an Affidavit of Desistance and the case for Estafa was dismissed. However, the checks issued as payments were dishonored prompting Bangit to revive the case of Estafa against petitioners.<sup>12</sup>

# Version of the Defense

Petitioners admitted to knowing Bangit and acknowledged that they have previous loans obtained from her. However, petitioners alleged that the Deed of Sale in favor of Bangit and the Deed of Absolute Sale in favor of Spouses Pacia were both falsified. The Officers of the Clerk of Court of the RTCs of Manila and Trece Martirez issued certifications stating that the two deeds of sale were not among those notarized documents submitted to their offices by the notaries public concerned: Atty. Ronald Segundino C. Ching and Atty. Wilfredo A. Ruiz, respectively.<sup>13</sup>

Petitioners likewise denied the due execution of the promissory notes and certifications and that they were merely coerced to execute the same to acknowledge their obligation to Bangit. Carmelita acknowledged the Manifestation purporting to reflect the terms of the parties' agreement before the Office of the City Prosecutor, however, she denied the alterations and markings reflected therein.<sup>14</sup>

#### The Ruling of the MeTC

In a Decision<sup>15</sup> dated April 7, 2017, the Metropolitan Trial Court of Manila (MeTC), Branch 5, found petitioners guilty beyond reasonable doubt

<sup>&</sup>lt;sup>10</sup> Id. at 21-22.

<sup>&</sup>lt;sup>11</sup> Id. at 22.

<sup>&</sup>lt;sup>12</sup> Id. at 52-53.

<sup>&</sup>lt;sup>13</sup> Id. at 23-24.

<sup>&</sup>lt;sup>14</sup> Id. at 53.

<sup>&</sup>lt;sup>5</sup> Id. at 51-56. Penned by Judge Ihmie Michiko C. Gacad-Presto.

of the crime of Estafa. The MeTC held that: (a) all the elements of Estafa defined and penalized under Article 316 (2) of the RPC were duly established and proven in this case; (b) the execution of the Manifestation is an acknowledgment of the sale of the subject property as well as the existing obligations of petitioners with Bangit; (c) while petitioners deny the signatures appearing in both Deeds, no evidence to support the allegation of forgery were presented; and (d) assuming that indeed the Deed of Sale with Spouses Pacia is a falsified document, petitioners nevertheless admitted that they mortgaged the subject property to Spouses Pacia despite having already sold the property to Bangit.<sup>16</sup>

#### The *fallo* of the MeTC Decision reads as follows:

WHEREFORE, this Court hereby finds accused RICARDO TAYAMEN, JR. and CARMELITA TAYAMEN GUILTY beyond reasonable doubt of the crime of Estafa penalized under Article 316 (2) of the Revised Penal Code and hereby sentences them to serve the penalty of imprisonment of [two (2)] months and one (1) day to three (3) months of *arresto mayor* in its minimum and medium periods and for each accused to pay the FINE of Eight Hundred Thousand Pesos (Php800,000.00), with subsidiary imprisonment in case of insolvency or failure to pay the fine.

The accused are further ordered to jointly and severally pay private complainant Ma. Mildred G. Bangit the amount of Eight Hundred Thousand Pesos (Php800,000.00) representing the consideration for the sale.

SO ORDERED.<sup>17</sup>

#### The Ruling of the RTC

On appeal, the RTC dismissed the appeal and affirmed the findings of the MeTC in the Decision<sup>18</sup> dated November 29, 2017. The RTC held that petitioners were duly apprised of the charge against them and due process were fully accorded to them. Thus, petitioners cannot raise the insufficiency of the Information for the first time on appeal. Moreover, the RTC opined that petitioners' defenses of denial and forgery cannot be given credence considering that there was no evidence presented to support the alleged forgery and that their defense of denial was likewise unsubstantiated with clear and convincing evidence.<sup>19</sup>

The dispositive portion of the RTC Decision is hereby reproduced, thus:

<sup>&</sup>lt;sup>16</sup> Id. at 54-56.

<sup>&</sup>lt;sup>17</sup> Id. at 56.

<sup>&</sup>lt;sup>18</sup> Id. at 57-64.

<sup>&</sup>lt;sup>19</sup> Id. at 60-64.

WHEREFORE, the instant appeal is **DISMISSED** for failure to sufficiently show reversible error in the assailed decision.

The assailed Decision dated 07 April 2017 is hereby AFFIRMED.

#### SO ORDERED.<sup>20</sup>

The RTC likewise denied petitioners' motion for reconsideration in its Resolution<sup>21</sup> dated March 6, 2018.

## The Ruling of the CA

Not in conformity with the Decision of the RTC, petitioners sought refuge before the CA *via* a petition for review under Rule 42 of the Rules of Court insisting on their innocence and assailing the sufficiency of the Information. Petitioners assert that the Information filed against them were fatally defective due to its failure to state all the elements of the crime of Estafa under Article 316 (2) of the RPC, particularly, that there was an express representation by petitioners that the real property was free from encumbrance. Petitioners also reiterated their claim that the subject Deeds of Sale were spurious.<sup>22</sup> The prosecution, on the other hand, claimed that the law on Estafa does not distinguish whether the deceit was committed during the first or subsequent disposition of the same real property.<sup>23</sup>

In a Decision<sup>24</sup> dated November 6, 2018, the CA dismissed the petition and upheld the conviction of petitioners based on the following grounds: (a) the validity of the Information should be assailed by filing a motion to quash the Information before arraignment and, having failed to question the same before the MeTC, petitioners are deemed to have waived any alleged defects in the Information; (b) the crime of Estafa was proven beyond reasonable doubt; (c) anent the defense of forgery, mere variance of signatures is not conclusive proof of forgery; (d) the Manifestation entered into by the parties before the Office of the City Prosecutor is a form of compromise, which is deemed an implied admission of guilt; and (e) the misrepresentation of petitioners, either in the Deed of Sale or in the Real Estate Mortgage, makes petitioners liable for Estafa.<sup>25</sup>

The *fallo* of the now assailed CA Decision reads as follows:

- <sup>22</sup> Id. at 25-26.
- <sup>23</sup> Id. at 29.
- <sup>24</sup> Id. at 19-38.
- <sup>25</sup> Id. at 29-36.

<sup>&</sup>lt;sup>20</sup> Id. at 64.

<sup>&</sup>lt;sup>21</sup> Id. at 65-71.

ACCORDINGLY, the petition is **DISMISSED**, and the Decision dated November 29, 2017 and Resolution dated March 6, 2018, AFFIRMED.

## SO ORDERED.<sup>26</sup>

Petitioners filed a motion for reconsideration but it was denied by the CA in its Resolution<sup>27</sup> dated May 7, 2019.

Undaunted, petitioners elevated the case before the Court via a Petition for Review on Certiorari under Rule 45 of the Rules of Court

#### The Issues

The core controversies of this case redound to:

- (a) Whether petitioners can still question the sufficiency of the Information on the ground that it failed to charge an offense.
- (b) Whether the CA gravely erred in finding petitioners guilty of the crime of Estafa under Article 316 (2) of the RPC.

## The Court's Ruling

Petitioners contend that the Information filed against them is insufficient as it failed to charge an offense considering that the assailed Information did not allege that there was express representation by petitioners that the real property was free from encumbrance.<sup>28</sup> The prosecution, on the other hand, counter-argued that the defect raised by petitioners is merely a formal defect, which can be rectified by amendment of the Information. The prosecution further contend that petitioners' failure to question the defect of the Information before their arraignment and the fact that they participated in the proceedings before the trial court bar them from raising the issue of the sufficiency of the Information on appeal.<sup>29</sup>

As a general rule, an accused may move for the quashal of an Information before his or her arraignment based on the grounds provided for under Section 3, Rule 117 of the Rules of Court, to wit:

<sup>&</sup>lt;sup>26</sup> Id. at 37-38.

<sup>&</sup>lt;sup>27</sup> Id. at 42-43.

<sup>&</sup>lt;sup>28</sup> Id. at 6-8.

<sup>&</sup>lt;sup>29</sup> Id. at 166-168.

# (a) That the facts charged do not constitute an offense;

- (b) That the court trying the case has no jurisdiction over the offense charged;
- (c) That the court trying the case has no jurisdiction over the person of the accused;
- (d) That the officer who filed the information had no authority to do so;
- (e) That it does not conform substantially to the prescribed form;
- (f) That more than one offense is charged except when a single punishment for various offenses is prescribed by law;
- (g) That the criminal action or liability has been extinguished;
- (h) That it contains averments which, if true, would constitute a legal excuse or justification; and
- (i) That the accused has been previously convicted or acquitted of the offense charged, or the case against him was dismissed or otherwise terminated without his express consent. (Emphasis supplied)

As a general rule, failure to assail the Information before an accused pleads is deemed a waiver of any of his or her objections. However, Section 9, Rule 117 of the Rules of Court provides for some exceptions, *viz*.:

SECTION. 9. Failure to Move to Quash or to Allege Any Ground Therefor. - The failure of the accused to assert any ground of a motion to quash before he pleads to the complaint or information, either because he did not file a motion to quash or failed to allege the same in said motion, shall be deemed a waiver of any objections except those based on the grounds provided for in paragraphs (a), (b), (g), and (i) of section 3 of this Rule. (Emphasis supplied)

Both the RTC and the CA ruled that objections as to matters of form or substance in the Information cannot be made for the first time on appeal. The CA held that petitioners should have moved to quash the Information before their arraignment since the defect can be cured by mere amendment of the subject Information. The CA further held that petitioners were duly apprised of the accusations against them and were accorded opportunity to present countervailing evidence.<sup>30</sup>

<sup>30</sup> Id. at 29-31.

However, the Court finds merit in petitioners' position considering that pursuant to Section 9, Rule 117 of the Rules of Court: (a) the accused's failure to enter his or her motion to quash before arraignment on the ground that the information failed to charge an offense is not deemed a waiver on the deficiency of the Information; and (b) the accused can still assail the sufficiency of the Information on the ground that it charges no offense even after arraignment.<sup>31</sup>

In other words, petitioners are deemed to have waived only the waivable defects in the Information, which do not include the allegation that the Information failed to charge an offense.<sup>32</sup>

The prosecution likewise bemoaned that petitioners cannot question the defect of the Information for the first time on appeal.<sup>33</sup> Indeed, the records show that petitioners: (1) failed to quash the Information before their arraignment; (2) entered a plea; and (3) actively participated in the proceedings before the RTC. Petitioners only questioned the defect of the Information for the first time on appeal.

The ruling in the case of *Naya v. Sps. Abing*<sup>34</sup> sheds light on this particular issue. The accused in the said case, Orlando P. Naya (Naya), failed to interpose his objections on the defect of the Information. Naya participated in the proceedings before the trial court and presented his defenses and evidence. He was convicted with estafa by the trial court. When the case was elevated *via* Rule 45 before the Court, the issue on whether the Information failed to charge an offense was not an assigned error. In fact, such issue was never raised by Naya before the RTC, the CA and before the Court. Nonetheless, the Court held that an appeal of a criminal case throws a case wide open for review and the appellate court is mandated to rule on any error, whether it is assigned or not. Even if the issue on the insufficiency of the Information was not assigned by Naya, the Court considered and resolved the particular issue.

From the foregoing, it is clear that the issue on the failure of an Information to charge an offense may be raised at any stage of the proceedings and may even be taken up by the Court *motu proprio* on appeal.

The next crucial issue is to determine whether the subject Information indeed failed to charge an offense.

<sup>33</sup> *Rollo*, pp. 166-167.

<sup>&</sup>lt;sup>31</sup> See Herrera v. Court of Appeals, 427 Phil. 576, 588 (2002).

<sup>&</sup>lt;sup>32</sup> See *People v. Solar*, G.R. No. 225595, August 6, 2019.

<sup>&</sup>lt;sup>34</sup> 446 Phil. 484 (2003).

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It is enshrined in the 1987 Philippine Constitution that an accused has the right to be informed of the nature and cause of the accusation against him.<sup>35</sup> In relation thereto, Section 6,<sup>36</sup> Rule 110 of the Rules of Court requires that the acts or omissions complained of as constituting the offense must be alleged in the Information. It is likewise elementary that every element which compose the offense must be duly alleged in the Information. What facts and circumstances are necessary to be alleged in the Information must be determined by reference to the definition and essential elements of the specific crimes.<sup>37</sup>

In this case, for petitioners to be criminally liable for Estafa under Article 316 (2) of the RPC, the prosecution is burdened to allege in the Information and prove the following essential elements of the crime:

- 1. That the thing disposed of be real property.
- 2. That the offender knew that the real property was encumbered, whether the encumbrance is recorded or not.
- 3. That there must be express representation by the offender that the real property is free from encumbrance.
- 4. That the act of disposing of the real property be made to the damage of another.<sup>38</sup>

Hence, in order to validly charge petitioners with the crime of Estafa under Article 316 (2) of the RPC, it is imperative that the Information must allege and contain specifically that petitioners made an express representation in the deed of conveyance that the subject real property is free from any encumbrance. Article 316 (2) of the RPC does not prohibit the sale of an encumbered real property. Criminal liability is brought about by the deceit in the selling of the property where the seller expressly represented that such real property is free from any encumbrance.<sup>39</sup>

<sup>37</sup> Garcia v. People, 457 Phil. 713, 720 (2003).

<sup>39</sup> Id.

<sup>&</sup>lt;sup>35</sup> Constitution, Art. III, Sec. 14 (2):

<sup>(2)</sup> In all criminal prosecutions, the accused shall be presumed innocent until the contrary is proved, and shall enjoy the right to be heard by himself and counsel, to be informed of the nature and cause of the accusation against him, to have a speedy, impartial, and public trial, to meet the witnesses face to face, and to have compulsory process to secure the attendance of witnesses and the production of evidence in his behalf. However, after arraignment, trial may proceed notwithstanding the absence of the accused provided that he has been duly notified and his failure to appear is unjustifiable.

<sup>&</sup>lt;sup>36</sup> Rules of Court, Rule 110, Sec. 6:

SECTION 6. Sufficiency of Complaint or Information. — A complaint or information is sufficient if it states the name of the accused; the designation of the offense given by the statute; the acts or omissions complained of as constituting the offense; the name of the offended party; the approximate date of the commission of the offense; and the place where the offense was committed.

<sup>&</sup>lt;sup>38</sup> Naya v. Sps. Abing, supra note 34, at 494.

A cursory reading of the questioned Information would readily show that there was no allegation that petitioners made an express representation in the second Deed of Sale with Margarito G. Pacia that the subject real property is free from any encumbrance.

In the case of *Naya*, Naya sold a property to Spouses Abing and the parties executed a contract to sell. After two (2) years, Naya sold the same property to William Po. Upon learning that Naya sold the same property to William Po, Spouses Abing filed a case of Estafa defined under Article 316 (2) of the RPC. The Court acquitted Naya based on the fact that the Information failed to charge an offense, regardless if such defect was not objected to by Naya before his arraignment nor was the issue raised on appeal. The Information failed to indicate that Naya expressly represented that the property was free from any encumbrance. The Court ratiocinated in this manner:

The real nature of the crime charged is determined by the facts alleged in the Information and not by the title or designation of the offense contained in the caption of the Information. It is fundamental that every element of which the offense is comprised must be alleged in the Information. What facts and circumstances are necessary to be alleged in the Information must be determined by reference to the definition and the essential elements of the specific crimes.

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However, there is no allegation in the Information that petitioner expressly represented in the sale of the subject property to William Po that the said property was free from any encumbrance. Irrefragably, then, petitioner was not charged with *estafa* under Article 316, paragraph 2 of the Revised Penal Code. Hence, the trial court committed a reversible error in finding petitioner guilty beyond reasonable doubt of *estafa* under said provision and that the Court of Appeals likewise erred in affirming the decision of the trial court on appeal.<sup>40</sup>

In *Estrellado-Mainar v. People*,<sup>41</sup> the Court applied the ruling in *Naya* and acquitted the accused on the ground that there has been no allegation in the Information that the accused made an express representation that the property sold is free from any encumbrance. A perusal of the Agreement to Buy and Sell did not also contain any representation by the accused that the property being sold was free from any encumbrance.

It bears stressing that a person cannot be convicted of a crime not charged in the body of the Information. Hence, the MeTC committed reversible error in convicting petitioners of the crime of Estafa under Article

<sup>&</sup>lt;sup>40</sup> Id. at 493-495.

<sup>&</sup>lt;sup>41</sup> 765 Phil. 21 (2015).

316 (2) of the RPC and the RTC and the CA likewise erred in affirming the ruling of the MeTC.

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Prescinding from the foregoing, the findings of the CA are reversed and petitioners are acquitted of the crime of Estafa on the ground that the Information failed to charge an offense.

The award of civil liability ex contractu cannot be awarded in a criminal case where the elements of the crime were not duly proven.

The CA, in concurrence with the ruling of the RTC and the MeTC, affirmed the award of  $\mathbb{P}800,000.00$ , representing the consideration for the sale of the subject property based on their findings that petitioners were guilty of Estafa. The award by the CA and the trial court was in the nature of civil liability *ex delicto*. However, with the present findings that there is no crime of Estafa, the Court shall determine if the award of civil liability is still proper.

The rule in ascertaining civil liabilities in Estafa cases has been divergent in the past years. In *People v. Pantig*<sup>42</sup> and *People v. Singson*,<sup>43</sup> the Court held that whenever the elements of Estafa were not duly proven, any civil liability arising from the Estafa cannot be awarded in the criminal case because the civil liability arising from the contract is not civil liability *ex delicto*. However, in *Eusebio-Calderon v. People*<sup>44</sup> and *People v. Cuyugan*,<sup>45</sup> the Court declared that despite the acquittal of the accused for failure of the prosecution to prove fraud or deceit, the accused may still be held civilly liable for the delivery of a personal property made pursuant to a contract. The Court, in the case of *Dy v. People*,<sup>46</sup> settled this contentious matter and upheld the rulings in the cases of *Pantig* and *Singson*. The Court declared that:

Our law states that every person criminally liable for a felony is also civilly liable. This civil liability *ex delicto* may be recovered through a civil action which, under our Rules of Court, is deemed instituted with the criminal action. While they are actions mandatorily fused, they are, in truth, separate actions whose existences are not dependent on each other. Thus, civil liability *ex delicto* survives an acquittal in a criminal case for failure to prove guilt beyond reasonable doubt. However, the Rules of

- <sup>45</sup> 440 Phil. 637 (2002).
- <sup>46</sup> 792 Phil. 672 (2016).

<sup>&</sup>lt;sup>42</sup> 97 Phil. 748 (1955).

<sup>&</sup>lt;sup>43</sup> 290 Phil. 9 (1992).

<sup>44 484</sup> Phil. 87 (2004).

Court limits this mandatory fusion to a civil action for the recovery of civil liability *ex delicto*. It, by no means, includes a civil liability arising from a different source of obligation, as in the case of a contract. Where the civil liability is *ex contractu*, the court hearing the criminal case has no authority to award damages.

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When the court finds that the source of obligation is in fact, a contract, as in a contract of loan, it takes a position completely inconsistent with the presence of *estafa*. In *estafa*, a person parts with his money because of abuse of confidence or deceit. In a contract, a person willingly binds himself or herself to give something or to render some service. In *estafa*, the accused's failure to account for the property received amounts to criminal fraud. In a contract, a party's failure to comply with his obligation is only a contractual breach. Thus, any finding that the source of obligation is a contract negates *estafa*. The finding, in turn, means that there is no civil liability *ex delicto*. Thus, the rulings in the foregoing cases are consistent with the concept of fused civil and criminal actions, and the different sources of obligations under our laws.<sup>47</sup>

In the present case, there was no crime of Estafa. Thus, there is no delict. Consequently, the award of a civil liability *ex delicto* cannot be imposed. Since the civil liability arises from another source of obligation, in this case a contract, a separate civil action must be instituted by Bangit to claim such civil liability *ex contractu*. As such, the award of civil liability is deleted without prejudice to the filing of a separate civil action which may be filed to claim civil liability arising from the contract subject to the rules on prescription.

WHEREFORE, the Petition for Review on *Certiorari* is **GRANTED IN PART**. The Decision dated November 6, 2018 and the Resolution dated May 7, 2019 of the Court of Appeals in CA-GR. CR No. 41396 are **REVERSED AND SET ASIDE**. Petitioners Spouses Ricardo Tayamen, Jr. and Carmelita Tayamen are **ACQUITTED** of the crime of other forms of swindling or Estafa under Article 316 (2) of the Revised Penal Code. If detained, they are ordered immediately **RELEASED**, unless confined for any other lawful cause. If bail bond has been paid, said amount is ordered immediately **RETURNED**.

Likewise, the award of civil indemnity *ex delicto* is **DELETED** without prejudice to the filing of a separate civil action to claim civil liability *ex contractu* subject to the rules on prescription.

SO ORDERED.

EDGARDO L. DELOS SANTOS Associate Justice

WE CONCUR:

Л**NDO** Chief Justice

MARVIC MARIO VICTOR F. LEONEN

LARVIC MARIO VICTOR F. LEONE Associate Justice Chairperson

RAMO PANIL HERNANDO Associate Justice

NPAUL B. INTING HENRI 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.

ANARVIC MARIO VICTOR F. LEONEN

Associate Justice Chairperson, Third Division

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# 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.

G. GESMUNDO Chief Justice