

Republic of the Philippines Supreme Court Manila

SECOND DIVISION

OLIVIA D. LEONES,

G.R. No. 204105

Petitioner,

Present:

HON. CARLITO CORPUZ. IN

- versus -

PERLAS-BERNABE, S.A.J.,* HERNANDO, J., Acting Chairperson,** INTING, GAERLAN, and DIMAAMPAO, J.J.

HIS CAPACITY AS PRESIDING JUDGE OF BRANCH 27, REGIONAL TRIAL COURT, CITY OF SAN FERNANDO, LA UNION, AND HON. MINDA FONTANILLA, IN HER CAPACITY AS MUNICIPAL MAYOR OF BACNOTAN, LA UNION,

Promulgated: NOV 1 7 2021

Respondents.

DECISION

HERNANDO, J.:

This is a petition for *certiorari* and prohibition¹ against the September 12, 2012 Order² rendered by Hon. Carlito A. Corpuz (Corpuz) as Presiding Judge of the Regional Trial Court (RTC), Branch 27, City of San Fernando, La Union in Special Civil Action No. 007-11. Subject of the case is the construction and

¹ Rollo, pp. 39-50.

^{*} On official leave.

^{**} Per Special Order No. 2855 dated November 16, 2021.

² Id. at 39-47.

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execution of a compromise agreement rooted from a government employee's claim for payment of her Representation and Transportation Allowances $(RATA)^3$

The Antecedents:

In February 1994, petitioner Olivia D. Leones (Leones) was appointed municipal treasurer of the Municipality of Bacnotan, La Union (Municipality of Bacnotan). In December 1996, she was temporarily detailed to the Office of the Provincial Treasurer of La Union. During Leones' stint in the Provincial Treasurer's Office, she was not paid her RATA.4

Leones sued for mandamus⁵ before the regional trial courts of San Fernando, La Union against the officers of the Municipality of Bacnotan. The suit, however, was dismissed⁶ for non-exhaustion of administrative remedies. The Court of Appeals (CA) affirmed7 the dismissal, and such dismissal became final and executory⁸ in 2003.

Leones thereafter wrote the Department of Budget and Management (DBM) requesting an opinion on her entitlement to the RATA sought.9 Emilia T. Boncodin (Boncodin), then DBM Secretary, responded that Leones was entitled to RATA, but only for the fiscal year of 1999.10

Unsatified, Leones filed a petition for certiorari¹¹ before the CA. She sought to compel Boncodin and respondent herein, Ma. Minda Fontanilla (Minda Fontanilla), then Municipal Mayor of Bacnotan, La Union, to pay her RATA.

In its May 24, 2005 Decision,12 the CA ordered Boncodin and Minda Fontanilla to pay Leones' RATA "from December 1996 up to the present or during the entire period of her reassignment"¹³ in the Office of the Provincial Treasurer of La Union. This Court affirmed the CA's Decision in G.R. No. 169726.14 This Court's Decision became final and executory on August 6, 2010^{15}

Leones' RATA, however, remained unnaid,

^s Id.

⁹ Id.

- ¹⁰ Id. at 52-59.
- ¹³ Id. at 58.
- ¹⁴ Id. at 77.

³ Id. at 5.

⁴ Id. at 9-10.
⁵ Records, p. 392.
⁶ Id.

⁷ Id.

¹⁰ Rollo, p. 54. 11 Id. at 55.

¹⁵ Id. at 79

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She again filed a petition for *mandamus*¹⁶ against Rufino Fontanilla, incumbent mayor of the Municipality of Bacnotan at the time, before the RTC, Branch 27, City of San Fernando, La Union. This *mandamus* case was docketed as Special Civil Action (SCA) No. 007-11.

Proposals for amicable settlement ensued.¹⁷ The case ended in a compromise between Leones and Mayor Rufino Fontanilla (Compromise Agreement).¹⁸ The Compromise Agreement¹⁹ dated May 30, 2011 set out their stipulations as follows:

WITH UTMOST DEFERENCE TO THE HONORABLE COURT, [Leones] and [Mayor Rufino Fontanilla] hereby submits for approval of the Honorable Court the herein under Compromise Agreement to amicably settle the above entitled case, and for this purpose, most respectfully state that:

1. [Mayor Rufino Fontanilla] agrees to pay [Leones] the total amount of ONE MILLION FIFTY FIVE THOUSAND AND ONE HUNDRED NINE PESOS (PHP 1,055,109) representing [Leones'] unpaid [RATA] for the period of January 1997 until May 2011;

2. Said amount shall be paid by [Mayor Rufino Fontanilla] to [Leones] in Full on or before the 30th day of June 2011;

3. The RATA of [Leones] starting from June 2011 shall be given to her on a monthly basis until the date she retires;

4. [Leones], upon fulfillment of the above conditions, shall obligate herself to retire from her position on May 31, 2012;

5. Upon full payment of the accumulated RATA as above-mentioned, [Leones] shall move for the dismissal of [this case].

IN WITNESS WHEREOF, the parties, this 30th day of May 2011, have hereto mutually and voluntarily agreed to abide with the terms and conditions of this agreement for the consideration and approval of the Honorable Court.

[Signed] [Signed] OLIVIA L. LEONES HON. RUFINO FONTANILLA Petitioner In His Capacity as Municipal Mayor of Bacnotan, La Union Respondent²⁰

The RTC issued a Judgment²¹ on compromise on June 23, 2011 (Compromise Judgment). Its dispositive portion states:

¹⁶ Id. at 83-86.

¹⁷ ld. at 87-88.

¹⁸ Id. at 92-93.

¹⁹ Id.

²⁰ Id.

²¹ Id. at 94.

WHEREFORE, premises considered, this Court hereby orders the respondent Municipality of Bacnotan La Union thru its Hon. Mayor Rufino Fontanilla,

1. To deliver and pay the amount of P745,609.00 to petitioner Olivia [D]. Leones as partial payment of her claim;

2. To deliver the amount of P309,500.00 to the Clerk of Court of the Regional Trial Court, San Fernando City, La Union, in its name and in trust to be litigated on and disposed of by this Honorable Court between Atty. Josephine Ducusin^[22] and Petitioner after hearing the issue on Attorney's lien on August 3, 2011 at 1:30 in the afternoon.

3. To comply with par. 3, 4 and 5 of the Compromise Agreement specifically the payment of the RATA of Petitioner from June 2011 until May 31. 2012 when she retires.

SO ORDERED.23

On May 31, 2012, the Municipality of Bacnotan completed its payments to Leones.²⁴

On June 15, 2012, Leones learned that she was dropped from the payrolls of the Municipality of Bacnotan effective May 31, 2012. She was also told to stop reporting for work.²⁵ She wrote the Office of the Municipal Mayor of Bacnotan and the Office of the Provincial Treasurer. Leones sought to verify if she had indeed been unilaterally dropped from the payrolls, which she asserted was tantamount to illegal dismissal from employment.²⁶

On June 19, 2012, the Office of the Municipal Mayor of Bacnotan, through then incumbent mayor Minda Fontanilla, replied to Leones' letter and emphasized the provisions under the compromise agreement.²⁷ Mayor Minda Fontanilla also expressed that if ever Leones has been dropped from the payrolls, such will not be a unilateral act of the Municipality of Bacnotan, nor will it constitute illegal dismissal as Leones had claimed.²⁸

Also on June 19, 2012, the Office of the Provincial Treasurer, through Provincial Treasurer Francis R. E. Estigoy (Estigoy), responded to Leones. Estigoy wrote that he had endorsed Leones' query to the Bureau of Local Government Finance of the Department of Finance (BLGF-DOF) but was yet to receive a reply. As Leones undertook to retire from her position on May 31, 2012 in the compromise agreement, Estigoy did not see Leones' fitness to continue reporting to work in the Office of the Provincial Treasurer. Estigoy also stated that the Office of the Provincial Treasurer was not in any position to

²² Former counsel for petitioner in Special Civil Action No. 007-11.

²³ *Rollo*, p. 94.

²⁴ Id. at 95-96.

²⁵ Id. at 98.

²⁶ Id.

²⁷ Id. at 99-100.

²⁸ Id. at 100.

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drop her from their payrolls since she was only detailed to such office and she was receiving her salaries and benefits from the Municipality of Bacnotan.²⁹

Estigoy eventually forwarded to Leones the response of the BLGF-DOF to Leones' inquiry. In its letter, the BLGF-DOF opined that the compromise agreement may not be used as basis to declare Leones automatically retired from the service.³⁰ According to the BLGF-DOF, Leones must still take a positive act to effect her optional retirement by submitting a written manifestation of her intent to retire for notation of her local chief executive.³¹

On June 20, 2012, Mayor Rufino Fontanilla, as respondent in Leones' petition for *mandamus* docketed as SCA No. 007-11 before the RTC, filed a motion for issuance of a writ of execution³² of the compromise agreement.

The RTC granted and issued the writ prayed for.³³ The sheriff proceeded to enforce the writ to execute the compromise agreement.³⁴ The sheriff, however, returned the writ, stating that the same had been served but Leones refused to comply.³⁵

Leones thus moved to quash the writ of execution of the compromise agreement (motion to quash).³⁶

She claimed that the compromise judgment was null and void for being contrary to public policy and the writ for its execution was against property and rights exempted from execution.³⁷ She believed that the compromise judgment, by attaching conditions to the payment of Leones' RATA, modified the unconditional decisions of the CA and this Court granting the RATA. Leones likewise stated that the compromise judgment compelled her to voluntarily retire from employment and deprived her of constitutional rights to property and life.³⁸

Mayor Rufino Fontanilla opposed Leones' motion to quash and moved to cite the latter in contempt of court.³⁹

He commented that Leones was not forced to sign the compromise agreement and that she knowingly affixed her conformity thereto. Allegedly, her stubborn refusal to comply and abide by the terms of the compromise

²⁹ Id. at 121.

³⁰ Id. at 120.

³¹ Id.

 ³² Id. at 122-124.
 ³³ Id. at 129.

 ³⁴ Per assailed RTC Order, id. at 39.

³⁵ Id.

³⁶ Id. at 131-138.

³⁷ Id. at 132.

³⁸ Id. at 133-135.

³⁹ Id. at 141-152.

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agreement approved by the court and enforced by a valid writ constituted contempt of court.⁴⁰

Ruling of the Regional Trial Court:

The RTC upheld the June 23, 2011 compromise judgment. It declared that the Court's Decision in G.R. No. 169726 did not constitute *res judicata* in the *mandamus* case that Leones filed against Mayor Rufino Fontanilla in SCA No. 007-11 as the two cases comprehended different parties and prayed for different reliefs. The RTC also held that no public policy was violated when Leones agreed to retire on May 31, 2012 per the compromise agreement, and that public office is not property covered by the constitutional proscription against deprivation of property without due process of law.⁴¹ In its September 12, 2012 Order,⁴² the RTC resolved Leones' motion to quash the writ of execution of the compromise judgment in the following manner:

[Leones] is now hereby ordered to comply as per Compromise Agreement. For any further refusal, this Court will cite her for contempt with the corresponding penalty as warranted by law since the Writ was already served on her. Her continued refusal is contumacious and a ground for citation of contempt if she will continue to refuse compliance with the Compromise Agreement.

Since this is a personal compliance on her part, no one can retire on her behalf. The Local and Provincial Government may take whatever legal course they can also help enforce this order in accordance with law.

In any case, if [Leones] is not already reporting for the Municipality at the Provincial Capitol as relayed to this Court, this citation for contempt may not be necessary but this Order remains to give imprimatur to the Compromise Agreement and considers her deemed dropped from the rolls in implementation of the Compromise Agreement and she is now officially retired and the Motion to Quash the Writ is therefore DENIED.

SO ORDERED.43

Aggrieved by the RTC's ruling, Leones sought recourse⁴⁴ directly to this Court via the instant petition for *certiorari* and prohibition.

Errors Assigned:

Leones ascribes grave abuse of discretion upon the RTC in denying her motion to quash the writ of execution of the compromise agreement based on the following grounds:

⁴⁰ Id. at 142-151.

⁴¹ Id. at 40-47.

⁴² Id. at 39-47.

⁴³ Id. at 46-47.

⁴⁴ Id. at 3-38.

1. That the ruling of the Court in G.R. No. 169726 already constituted *res judicata* in Special Civil Action No. 007-11;⁴⁵

2. That the compromise judgment is null and void as it amended the ruling of the Court in G.R. No. 169726;⁴⁶

- 3. That estoppel cannot operate to grant jurisdiction to a court;⁴⁷ and
- 4. That a court cannot declare Leones as voluntarily retired.⁴⁸

Our Ruling

The petition lacks procedural and substantive merit.

From the regional trial court, Leones skipped the appellate tribunal and proceeded straight to this Court for recourse. This is an open disregard of the hierarchy of courts, a principle in procedure more eloquently discoursed in *Candelaria v. Regional Trial Court, Branch 42, City of San Fernando:*⁴⁹

This Court's original jurisdiction to issue writs of *certiorari* is not exclusive. It is shared by this Court with Regional Trial Courts and with the Court of Appeals. This concurrence of jurisdiction is not, however, to be taken as according to parties seeking any of the writs an absolute, unrestrained freedom of choice of the court to which application therefor will be directed. There is after all a hierarchy of courts. That hierarchy is determinative of the venue of appeals, and also serves as a general determinant of the appropriate forum for petitions for the extraordinary writs. A becoming regard for that judicial hierarchy most certainly indicates that petitions for the issuance of extraordinary writs against first level ("inferior") courts should be filed with the Regional Trial Court, and those against the latter, with the Court of Appeals. A direct invocation of the Supreme Court's original jurisdiction to issue these writs should be allowed only when there are special and important reasons therefor, clearly and specifically set out in the petition. This is [an] established policy. It is a policy necessary to prevent inordinate demands upon the Court's time and attention which are better devoted to those matters within its exclusive jurisdiction, and to prevent further over-crowding of the Court's docket.50

Although this Court has concurrent jurisdiction with the CA in petitions for *certiorari*, a direct resort is allowed only when there are special or compelling reasons that justify the same,⁵¹ to wit:

⁴⁵ Id. at 6.

⁴⁶ Id.

⁴⁷ Id. at 26.

⁴⁸ Id. at 27.

⁴⁹ 379 Phil. 1 (2014).

⁵⁰ Id. at 10-11, citing Rayos v. City of Manila, 678 Phil. 952, 957 (2011).

⁵¹ Saint Mary Crusade to Alleviate Poverty of Brethren Foundation, Inc. v. Riel, 750 Phil. 57, 68 (2015).

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(1)When dictated by the public welfare and the advancement of public policy;

(2) When demanded by the broader interest of justice;

(3)When the challenged orders were patent nullities; or

(4)When analogous exceptional and compelling circumstances called for and justified the immediate and direct handling of the case. 52

Leones' cause against the jurisdiction of the RTC is far too generic, personal, and non-transcendental to fall under any of these four exceptions. Thus, there is no valid reason for her to take this remedial shortcut.

Leones also ignored the qualifying conditions for *certiorari*, *viz*.: (1) one must show that the respondent tribunal, board or officer exercising judicial or quasi-judicial functions has acted without or in excess of their jurisdiction, or with grave abuse of discretion amounting to lack or excess of jurisdiction; and (2) there is no appeal, or any plain, speedy, and adequate remedy in the ordinary course of law.⁵³

While the present petition did allege grave abuse of discretion, it did not demonstrate any act of whimsicality, arbitrariness, or untoward hostility on the part of the RTC judge in denying Leones' motion to quash. Leones failed to prove *res judicata* in this case that would deprive the trial court of jurisdiction and bar its disposition of the motion to quash in SCA No. 007-11. The questioned September 12, 2012 Order, on the other hand, was clearly grounded on law and jurisprudence that were squarely applied to the prevailing facts of the case. Likewise, as earlier mentioned, Leones still had recourse before the CA, and even skipped moving for reconsideration of the assailed Order before the RTC. She did not offer any acceptable justification for this deliberate omission.

Even if We disregard the procedural missteps, the petition must still be dismissed.

The Court's Decision in G.R. No. 169726 did not constitute SCA No. 007-11 as *res judicata*.

Leones claims that the trial court's assailed Order in SCA No. 007-11 is barred by the Court's prior judgment in G.R. No. 169726. The Court disagrees.

⁵² Dy v. Bibat-Palamos, 717 Phil. 776, 783 (2013).

⁵³ Section 1, Rule 65, Rules of Court.

Bar by prior judgment is one of the two facets of *res judicata*. This is embodied in Section 47(b), Rule 39 of the Rules of Court:

SEC. 47. Effect of judgments or final orders. -

The effect of a judgment or final order rendered by a court of the Philippines, having jurisdiction to pronounce the judgment or final order, may be as follows:

 $\mathbf{x} \mathbf{x} \mathbf{x} \mathbf{x}$

(b) In other cases, the judgment or final order is, with respect to the matter directly adjudged or as to any other matter that could have been [missed] in relation thereto, conclusive between the parties and their successors in interest by title subsequent to the commencement of the action or special proceeding, litigating for the same thing and under the same title and in the same capacity; x x x

For *res judicata* to bar a subsequent action, the following elements must be present:

(1) The judgment sought to bar the new action must be final;

(2) The decision must have been rendered by a court having jurisdiction over the subject matter and the parties;

(3) The disposition of the case must be a judgment on the merits; and

(4) There must be as between the first and second action, identity of parties, subject matter, and causes of action.⁵⁴

The first three requisites are established with the finality of the Court's Decision that disposed G.R. No. 169726 on the merits in 2010.

The fourth and the most important element, however, is lacking.

Contrary to the conclusions of the trial court, the parties in G.R. No. 169726 and SCA No. 007-11 are identical. While the respondents in both cases, Minda Fontanilla and Rufino Fontanilla, are not the same persons, both however were sued in their official capacity as mayor of the Municipality of Bacnotan. Both suits also sprouted from one and same event – the non-payment of the RATA pertaining to Leones' employment in the Municipality of Bacnotan.

But the similarities of the two cases end there. G.R. No. 169726 determined the factual and legal bases of Leones' entitlement to payment of

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⁵⁴ Cruz v. Tolentino, 830 Phil. 196, 210-211 (2018).

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her RATA, whereas SCA No. 007-11 is concerned with the manner of execution of the actual payment of the RATA judicially awarded to Leones. With these marked differences in subject matters, the bone of contention in SCA No. 007-11 cannot be deemed to have been already resolved by the final dispositions of the Court in G.R. No. 169726. To consider SCA No. 007-11 as barred by the prior judgment in G.R. No. 169726 will run counter to the very meaning of *res judicata*: "a matter adjudged; a thing judicially acted upon or decided; a thing or matter settled by judgment."55

Since all the requisites of *res judicata* are not obtaining, the same will not deter the proceedings and resolution of SCA No. 007-11 as claimed by Leones.

Incidentally, estoppel has no application here. Leones asserts that she is not estopped to raise jurisdictional issues by the mere fact that she instituted the mandamus case that culminated in the compromise judgment. This assertion is legally sound, but factually and practically groundless. There is no more issue on jurisdiction as it has been established that the RTC properly assumed and exercised jurisdiction over the case in dispute.

The compromise agreement and compromise judgment are valid.

Leones assails as void the compromise agreement between her and Mayor Rufino Fontanilla and the compromise judgment issued by the trial court. According to Leones, the compromise agreement and compromise judgment were null and void for the following reasons: it amended the decision of the Court in G.R. No. 169726 that awarded her RATA without any conditions; the provisions of the compromise agreement required her to give up her employment in exchange for payment of her RATA; there was a consequent violation of her constitutional right to employment as property and its exemption from execution and, thus, contrary to public policy.⁵⁶ The compromise agreement and the writ to execute it, per Leones' allegations, were void for violating public policy and her constitutional rights to employment as "property" and its correlative exemption from execution.⁵⁷

These arguments are baseless and overstretched.

Judgments, once final and executory, are incontestable and unappealable. The winning litigant receives the right to the favorable awards contained in such executory judgment, and the losing party has to comply with the order of the court that is enforceable by a writ of execution.58

⁵⁵ Monterona v. Coca-Cola Bottlers Philippines, Inc., G.R. No. 209116, January 14, 2019.

 ⁵⁶ *Rollo*, pp. 24-25.
 ⁵⁷ Id. at 25-26.

⁵⁸ Spouses Garcia v. Spouses Soriano, G.R. No. 219431, August 24, 2020.

Rights, however, may be waived or modified through a compromise agreement even after a final judgment has been rendered and already settled the rights of the contracting parties. ⁵⁹ Compromise agreements are known important tools in dispute resolution. To be binding, the compromise must be shown to have been voluntarily, freely and intelligently executed by the parties, who had full knowledge of the judgment.⁶⁰ As with the law on contracts, the compromise must not be contrary to law, morals, good customs and public policy.⁶¹ A compromise agreement must contain the same elements of a valid contract: (1) consent of the parties; (2) object certain that is the subject matter of the compromise; and (3) cause of the obligation established.⁶² Consent is the heart of all contracts: it bears reiterating that it should be given intelligently, freely, and spontaneously,⁶³ otherwise, the contract is voidable.⁶⁴

Both parties here clearly agreed in writing that the unpaid RATA in the amount of P1,055,109.00 shall be paid by the Municipality of Bacnotan to Leones in monthly increments beginning June 2011 until she retires on May 31, 2012. The compromise cannot be said to have been tainted by any defect of will. Fraud, violence, intimidation, undue influence, or coercion applied on any or both of the contracting parties' contractual discretion must be demonstrated by clear and convincing evidence.⁶⁵ Leones had never offered quality proof of, or even slightly alleged, such vices of consent that could affect the validity of the compromise agreement.

Moreover, the law mandates the restoration of the things that have been the subject matter of the annulled contract, with their fruits, the price, and interest.⁶⁶ If the compromise agreement would be annulled, Leones should be aware that she must return what the Municipality of Bacnotan had paid to her in accordance with the compromise agreement. She had long toiled for the payment of her RATA, which she had already received in full from the Municipality of Bacnotan in 2012. A cancellation of the compromise agreement would only render for naught her saga for remuneration that had dragged on for more than a decade. The Court does not see reason or advantage for Leones to insist on the annulment of the compromise agreement.

There is likewise no merit in stating that public employment is a property right. Public office is a public trust. While due process laws and the principle of security of tenure preclude the arbitrary removal of a public officer from his government post, there is no vested right or proprietary claim to public office.

⁵⁹ Id., Magbanua v. Uy, 497 Phil. 511, 525-526 (2005).

⁶⁰ Id.

⁶¹ Id.

⁶² Id.

⁶³ Lim, Jr. v. San, 481 Phil. 421, 427-428 (2004).

⁶⁴ Id. at 428.

⁶⁵ ld.

⁶⁶ Article 1398. Civil Code.

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In any case, Leones was not being made to give up her employment. She is already deemed to have left her post beginning May 31, 2012 per the compromise agreement. What she was being made to do was to comply with her part in the compromise agreement – to *completely and formally* vacate her post in the Municipality of Bacnotan and retire as she had promised. This is more so that it has been granted imprimatur by the courts via the compromise judgment. Central Cement Corporation v. Mines Adjudication Board⁶⁷ enlightens:

When a compromise agreement is given judicial approval, it becomes more than a contract binding upon the parties. Having been sanctioned by the court, it is entered as a determination of a controversy and has the force and effect of a judgment. It is immediately executory and not appealable, except for vices of consent or forgery. The nonfulfillment of its terms and conditions justifies the issuance of a writ of execution; in such an instance, execution becomes a ministerial duty of the court. (Emphasis supplied.)

Leones herself volunteered to retire on May 31, 2012.

Still bent on the quashal of the writ of execution, Leones argues that she was forcibly retired by the provisions of the compromise agreement sought to be executed by the Municipality of Bacnotan and, hence, she was illegally dismissed from public service.⁶⁸

Her claims still hold no perceivable merit.

A public servant reaches retireable age at 60 years old. Retirement from government at this point is discretionary and optional: the public employee may choose to continue to work until the age of 65 years when, as a general rule, one becomes compulsorily retired from public service.⁶⁹

Leones took the option to retire at age 60 when she signed the compromise agreement. She practically filed her retirement application in advance at the moment she affixed her signature on the agreement stipulating it. Its actual filing was reduced to a mere formality. More importantly, Leones *herself* lobbied for her optional retirement. The Court highlights the written proposal for amicable settlement before the RTC⁷⁰ submitted by Leones, in which she sought to include the following stipulations:

^{67 566} Phil. 275, 295-296 (2008), citing Magbanua v. Uy, supra note 59.

⁶⁸ Rollo, pp. 27-29.

⁶⁹ Aniñon v. Government Service Insurance System, G.R. No. 190410, April 10, 2019.

⁷⁰ Dated March 29, 2011, supra note 17.

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Comes now [Leones] through undersigned counsel unto this Honorable Court hereby most respectfully proposes the following for the amicable settlement of this case:

1. That [Leones] shall already retire from the service effective 13 May 2012, on the date of her sixtleth (60th) birthday;

2. x x x

3. That she will already go on indefinite leave starting 1 January 2012 until the date of her actual retirement of 13 May 2012;

4. That she will no longer be required to report for work at the Office of the Municipal Treasurer in Bacnotan, La Union between now and 31 December 2011, but will instead be allowed to continue reporting at the Office of the Provincial Treasurer at the Provincial Capitol of La Union until she goes on leave and ultimately retires;

x x x (Emphasis supplied.)⁷¹

Having bound herself to retire on May 31, 2012, the compromise agreement cannot be deemed to have been crafted one-sidedly against Leones. She was never coaxed or unjustly coerced into this promise that she expressly offered. To suddenly decry illegal dismissal when the Municipality of Bacnotan required her to cease reporting for work and dropped her name from the payroll after May 31, 2012 impairs the compromise agreement that she freely and voluntarily entered with Mayor Rufino Fontanilla on behalf of the Municipality of Bacnotan.

Leones cannot violate the compromise agreement and at the same time expect the full abidance of the Municipality of Bacnotan. Nonetheless, the Municipality of Bacnotan had already paid Leones' RATA in full. Leones had completely reaped her gains from the compromise. Having knowingly and willfully set her hand onto the clear terms of the compromise agreement that she herself had written and benefitted from, her compliance thereto is fully enjoined.

WHEREFORE, the petition is DENIED. The assailed September 12, 2012 Order of the Regional Trial Court, Branch 27 of the City of San Fernando, La Union is AFFIRMED. Olivia D. Leones is DIRECTED to fully and completely VACATE her public post and employment in the Municipality of Bacnotan, La Union and RETIRE from public service as stipulated in the compromise agreement dated May 30, 2011 and judicially approved by the Regional Trial Court, Branch 27 of the City of San Fernando, La Union per its Judgment by compromise dated June 23, 2011 in Special Civil Action Case No. 007-11.

⁷¹ *Rollo*, p. 87.

SO ORDERED.

RAMON PAUL L. HERNANDO

Associate Justice Acting Chairperson

WE CONCUR:

On official leave. ESTELA M. PERLAS-BERNABE Senior Associate Justice

HENRI INTING Associate Justice

SAMUEL H. GAERLAN

Associate Justice

R B. DIMAAMPAO Associate Justice

ATTESTATION

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

RAMON NDO ULL.HERN

Associate Justice Acting Chairperson

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Acting Chairperson's Attestation, I certify that the conclusions in the above Decision were reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

GESMUNDO hief Justice