



Republic of the Philippines
Supreme Court
 Manila

SUPREME COURT OF THE PHILIPPINES
 PUBLIC INFORMATION OFFICE

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SECOND DIVISION

PEOPLE OF THE PHILIPPINES,
 Plaintiff-Appellee,

G.R. No. 225960

- versus -

Present:

CECILLE AMARA
@ CECILLE ALAMA,
@ CECILLE ALMA-TAIRI,
@ LORIE REMUDO,
JOSE L. CENTENO,
ADORA CENTENO,
CRISTY CELIS and
BERNARDINO NAVALLO,
 Accused,

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

JOSE L. CENTENO,****
 Accused-Appellant.

Promulgated:

OCT 13 2021

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DECISION

GAERLAN, J.:

Before this Court is an appeal pursuant to Section 13(c), Rule 124 of the Rules of Court as amended, from the Decision¹ dated February 27, 2015 of the Court of Appeals (CA) in CA-G.R. CR-HC No. 06475. The CA affirmed the Decision² of the Regional Trial Court (RTC) of Manila, Branch 8, in Criminal Case Nos. 08-259342 to 55, finding accused-appellant Jose L. Centeno (accused-appellant) guilty beyond reasonable doubt of two (2) counts of violation of Section 6, in relation to Section 7, of Republic Act (R.A.) No. 8042 or Syndicated Illegal Recruitment, and three (3) counts of the crime of Estafa under Article 315, paragraph 2(a) of the Revised Penal Code (RPC) of the Philippines.

The accused-appellant, Cecille Amara @ Cecille Alama/Cecille Alma-Tairi/Lorie Remudo (Amara), Adora Centeno (Centeno), Cristy Celis, and

* On official leave.

** Per Special Order No. 2846 dated October 6, 2021.

*** Designated additional Member per Raffle dated October 6, 2021, on official leave.

**** Also referred to as Jose Centeno, Jr. in some parts of the *rollo*.

¹ *Rollo*, pp. 2-20; penned by Associate Justice Franchito N. Diamante with Associate Justices Japar B. Dimaampao (now a Member of this Court) and Carmelita Salandanan Manahan, concurring.

² CA *rollo*, pp. 43-95; rendered by Presiding Judge Felixberto T. Olalia, Jr.

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Bernardino Navallo, were charged with two (2) counts of Syndicated and Large Scale Illegal Recruitment allegedly committed as follows:

Criminal Case No. 08-259342

That in or about the period comprised between December 2005 and June 2006, inclusive, in the City of Manila, Philippines, the said accused, conspiring and confederating together and helping one another and representing themselves to have the capacity to contract, enlist and transport Filipino workers for employment abroad, did then and there willfully and unlawfully, for a fee, recruit and promise job placement to DANILO PACTOL Y JALALON, ELIZABETH CASTILLO Y ALCANTARA, DAISY TACDOC Y PICOL, LUTHER ULMO Y CORTE, NELSON CORTEZ Y NARTE, REVILLA BUENDIA Y TINARIFE, TERESITA JOCSON Y SUNIGA, LEMINA NARCISA Y BALAJADIA, WILSON WYCOCO Y TEODORO, ALEX VERDILLO Y VICQUERRA, IAN SAMANIEGO Y DE JESUS without first having secured the required license or authority from the Department of Labor and Employment and charge or accept directly or indirectly from said complainants the total amount of P854,540.00 as placement fees in connection with their overseas employment, which amounts are in excess or greater than those specified in the schedule of allowable fees prescribed by the POEA and without valid reasons failed to actually deploy them and continuously fail to reimburse expenses incurred by them in connection with their documentation and processing for purposes of their deployment.

Contrary to law.³

The Information in Criminal Case No. 08-259343 is similarly worded except that the private offended party therein is Ruben B. Salvatierra (Salvatierra) and the amount involved is ₱95,000.00.⁴

On the basis of twelve (12) Informations, the accused-appellant, Amara, and Centeno were also charged with the crime of Estafa under Article 315, paragraph 2(a). The accusatory portions of the Informations are identical except with respect to the date of commission, private offended parties, the work for which they have been recruited, and the amount involved. In essence, they alleged the crime to have been committed as follows:

That in or about the period comprised between December 27, 2005 and May 22, 2006, inclusive, in the City of Manila, Philippines, the said accused, conspiring and confederating together and helping one another, did then and there willfully, unlawfully and feloniously defraud [RUBEN B. SALVATIERRA] in the following manner, to wit: the said accused by

³ *Rollo*, pp. 3-4.

⁴ *CA rollo*, pp. 44-45.

means of false manifestations and fraudulent representations which they made to said [Ruben B. Salvatierra], prior to and even simultaneous with the commission of the fraud, to the effect that they have the power and capacity to recruit and employ the latter to work in [Canada as waiter] and could facilitate the processing of the pertinent papers if given the necessary amount to meet the requirements thereof, induced and succeeding in inducing said [Ruben B. Salvatierra] to give and deliver, as in fact, he gave and delivered to said accused the amount of [P95,000.00] on the strength of said manifestations and representations, said accused well knowing that the same were false and fraudulent and were made solely for the purpose of obtaining, as in fact, they did not obtain the said amount of [P95,000.00,] which amount once in their possession, with intent to defraud, they willfully, unlawfully and feloniously misappropriated, misapplied and converted the same to their own personal use and benefit, to the damage and prejudice of said [Ruben S. Salvatierra] in the aforesaid amount of [P95,000.00], Philippine Currency.⁵

Of those charged, only the accused-appellant was arrested. When arraigned, he entered a plea of not guilty. After pre-trial, trial on the merits ensued.⁶

The prosecution presented as witnesses private complainants: Elizabeth Castillo (Castillo), Revilla Tinarife Buendia (Buendia), and Salvatierra. It also presented the testimony of Johnson L. Bolivar, Labor Employment Officer of the Philippine Overseas Employment Administration (POEA Officer Bolivar).⁷

Salvatierra testified that sometime in 2005, he went to the office of Frontline Manpower Resources & Placement Company in Ermita, Manila, to apply for work overseas. Therein, he met Centeno and Amara who informed him that the company could send people abroad as contract workers. Amara told Salvatierra that he was qualified to work in Canada and was advised to undergo medical examination and submit the necessary requirements.⁸

Salvatierra affirmed that the accused-appellant assisted and provided him with information relating to the application process. In fact, Salvatierra narrated that it was the accused-appellant who told him to pay the medical fee of ₱5,000.00 to Jomelyn Ouano, the manpower company's finance manager. However, he principally transacted with Amara, who later instructed him to pay ₱95,000.00 as placement fee, inclusive of the medical fee he had already paid. Salvatierra was able to pay the fee in full, which he satisfied through installment. Salvatierra further averred that he was assured

⁵ *Rollo*, p. 4.

⁶ *Id.* at 5.

⁷ *Id.*

⁸ *Id.*

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by the accused-appellant that he was included in the first batch of employees to be deployed or, at the latest, he would be scheduled to leave on August 16, 2006. However, in a later meeting, the accused-appellant informed Salvatierra and the other applicants that there would be changes in the deployment schedule, but promised that should it later be cancelled, their money would be returned. Nonetheless, the company reneged on its commitment.⁹

The testimony of Salvatierra was corroborated on its material points by prosecution witnesses Castillo and Buendia. Castillo was recruited to work as a caregiver in Canada for which she paid a total amount of ₱95,000.00 as placement fee; whereas Buendia applied for the position of chambermaid in Australia for which she paid ₱75,000.000 as processing fee.¹⁰ Similar to what happened to Salvatierra, Castillo and Buendia were promised to be deployed on August 16, 2006 and August 24, 2006, respectively. The initial schedule was moved to later dates but were eventually cancelled.¹¹

Finally, the last witness for the prosecution, POEA Officer Bolivar attested on the basis of the Certification issued by Noriel P. Devanadera, Director IV of the Licensing and Regulation Office of the POEA, that neither the manpower company nor the accused-appellant was licensed to recruit workers for overseas employment.¹²

For its part, the defense presented as its only witness, the accused-appellant.

The accused-appellant narrated that he was invited by Amara, the president of Frontline Manpower Resources & Placement Company to join the agency for a monthly salary of ₱30,000.00, plus USD100.00 commission for every applicant he recruited for overseas deployment. The accused-appellant claimed that while he was named as the business partner of Amara in the Memorandum of Agreement, he was in reality merely an employee as he neither shared in nor contributed to the company's capital.¹³

The accused-appellant admitted that Amara assigned him to register the manpower company with the Securities and Exchange Commission. The accused-appellant was also sent by Amara to Malaysia to secure 100 job orders, which was required for POEA licensing. When he returned, he found

⁹ Id. at 5-6.

¹⁰ Id. at 6-9.

¹¹ Id. at 7-8.

¹² Id. at 8.

¹³ Id. at 8-9.

the manpower office empty and in disarray. People who flocked outside the area approached and asked him as to the whereabouts of Amara. The accused-appellant denied any involvement in the hiring and recruitment of workers abroad, arguing that he was not even allowed to talk to the applicants. As well, the accused-appellant claimed that during his employment in the company, he did not receive the agreed salary and commission.¹⁴

On September 18, 2013, the RTC Manila, Branch 8, rendered its Decision,¹⁵ the dispositive portion of which reads:

WHEREFORE, premises considered, this Court finds accused JOSE CENTENO in:

1. Criminal Case No. 08-259342, for illegal Recruitment committed by a syndicate and in a large scale, **GUILTY beyond reasonable doubt of the crime of Violation of Art. 38 (a) P.D. No. 1412, amending certain provisions of Book I, P.D. No. 442, otherwise known as the New Labor Code of the Philippines, in relation to Article 13 (b) and (c) of said Code, as further amended by P.D. Nos. 1693, and 1920, as further amended by R.A. 8042 committed by a syndicate** and hereby sentences him to suffer the penalty of life imprisonment and pay a fine of P100,000.00;

2. Criminal Case No. 08-259343, **GUILTY beyond reasonable doubt of the crime of Violation of Art. 38 (a) P.D. No. 1412, amending certain provisions of Book I, P.D. No. 442, otherwise known as the New Labor Code of the Philippines, in relation to Article 13 (b) and (c) of said Code, as further amended by P.D. Nos. 1693, and 1920, as further amended by R.A. 8042 committed by a syndicate** and hereby sentences him to suffer the penalty of life imprisonment and pay a fine of P100,000.00;

3. Criminal Case No. 08-259344, **GUILTY beyond reasonable doubt of the crime of Estafa under Article 315, par. 2 (a) of the Revised Penal Code**, and sentences him to suffer the penalty of four (4) years and two (2) months of *prision correccional* as minimum to fifteen (15) years of *reclusion temporal* as maximum, and to indemnify complainant Ruben Salvatierra in the amount of Php95,000.00 as actual damages, with legal interest from the date of filing of this criminal case until the amount shall have been fully paid.

4. Criminal Case No. 08-259346, **GUILTY beyond reasonable doubt of the crime of Estafa under Article 315, par. 2 (a) of the Revised Penal Code**, and sentences him to suffer the penalty of four (4) years and two (2) months of *prision correccional* as minimum to fifteen (15) years of *reclusion temporal* as maximum, and to indemnify complainant Elizabeth Castillo in the amount of Php95,000.00 as actual

¹⁴ Id. at 9.

¹⁵ Supra note 2.

damages, with legal interest from the date of filing of this criminal case until the amount shall have been fully paid.

5. Criminal Case No. 08-259351, **GUILTY beyond reasonable doubt of the crime of Estafa under Article 315, par. 2 (a) of the Revised Penal Code**, and sentences him to suffer the penalty of four (4) years and two (2) months of *prision correccional* as minimum to eleven (11) years of *prision mayor* as maximum, and to indemnify complainant Revilla Buendia in the amount of Php70,000.00 as actual damages, with legal interest from the date of filing of this criminal case until the amount shall have been fully paid.

6. As to Criminal Case Nos. 08-259345, 08-259347 to 08-259350 and 08-259352 to 08-259355 **for the crime of Estafa under Article 315, par. 2 (a) of the Revised Penal Code**, wherein accused Jose Centeno is a co-accused, the same are **DISMISSED**, for failure of the prosecution to prosecute and to prove the guilt of the accused beyond reasonable doubt.

7. As to the accused Cecille Amara, Adora Centeno, Cristy Celis and Bernardino Navallo who were not arraigned in Court, said Criminal Case Nos. 08-259342 to 08-259355, are **ARCHIVED**.

which penalties to be served successively in accordance with Article 70 of the Revised Penal Code.

Being a detention prisoner, the said accused is entitled to the full time of the period of his detention during the pendency of this case under the condition set forth in Article 29 of the Revised Penal Code.

SO ORDERED.¹⁶ (Emphasis in the original)

The accused-appellant appealed to the CA, which rendered the herein assailed Decision¹⁷ affirming the RTC Decision, *viz.*:

WHEREFORE, the instant appeal is DENIED. The September 18, 2013 Decision of the Manila Regional Trial Court, Branch 8, in Criminal Case Nos. 08-259342 to 55, is hereby AFFIRMED WITH MODIFICATION in that the amount of fine is increased to Php 500,000.00 each in Criminal Case Nos. 08-259342 and 08-259343 and that accused-appellant Centeno is hereby sentenced to suffer the penalty of four (4) years and two (2) months of *prision correccional* as minimum to twelve (12) years of *prision mayor* as maximum in Criminal case No. 08-259351.

SO ORDERED.¹⁸

¹⁶ CA *rollo*, pp. 92-95.

¹⁷ *Rollo*, pp. 2-20.

¹⁸ *Id.* at 19-20.

Thus, this appeal, wherein both parties manifested that they would no longer submit supplemental briefs considering that they had already exhaustively discussed the issues in their briefs before the CA.¹⁹

There is **no merit** in the appeal.

An examination of the records of this case reveals that there is no reason to disturb the factual findings and conclusion of law reached by the CA. Thus, the Court affirms the same, except with respect to the penalty for the crime of Estafa which must be modified in view of R.A. No. 10951.

Under relevant laws, Illegal Recruitment is committed by persons who, without authority from the government, *give the impression* that they have the power to send workers abroad for employment purposes.²⁰ The offense may be committed by either license or non-license holders. Non-license holders are liable by the simple act of engaging in recruitment and placement activities, while license holders may also be held liable for committing the acts prohibited under Section 6 of R.A. No. 8042 or the Migrant Workers and Overseas Filipinos Act of 1995.²¹

Illegal Recruitment committed by a *syndicate*, requires the presence of the following elements:

(a) the offender does not have the valid license or authority required by law to engage in recruitment and placement of workers; (b) the offender undertakes any of the “recruitment and placement” activities defined in Article 13(b) of the Labor Code, or engages in any of the prohibited practices enumerated under now Section 6 of RA 8042; and (c) the illegal recruitment is “carried out by a group of three or more persons conspiring and/or confederating with one another in carrying out any unlawful or illegal transaction, enterprise or scheme.”²²

On the other hand, Illegal Recruitment is committed in *large scale* when the same is committed against three or more persons individually or as a group.²³

Tested against this case, the Court finds all the elements of the offense of Syndicated Illegal Recruitment committed in Large Scale to be present. It is undisputed that Frontline Manpower Resources & Placement Company

¹⁹ Id. at 20-41, 43-96.

²⁰ *People v. Sison*, 816 Phil. 8, 22 (2017), citing *People v. Arnaiz*, 769 Phil. 526, 533 (2015).

²¹ Id.

²² Id. at 23.

²³ Section 6, Migrant Workers and Overseas Filipino Act of 1995, Republic Act No. 8042.

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has no license or authority to engage in the recruitment and placement of workers. This is evidenced by the certification issued by the POEA, which document was identified by POEA Officer Bolivar.

The second and third elements are likewise present. As they are related, they will be discussed jointly.

The term “recruitment and placement” is defined under Article 13(b) of the Labor Code of the Philippines as:

(b) “Recruitment and placement” refers to any act of canvassing, enlisting, contracting, transporting, utilizing, hiring, or procuring workers, and includes referrals, contract services, promising or advertising for employment, locally or abroad, whether for profit or not. Provided, That any person or entity which, in any manner, offers or promises for a fee employment to two or more persons shall be deemed engaged in recruitment and placement.

As correctly found by the CA, the accused-appellant is deemed to have engaged in recruitment and placement when he made representations to private complainants Salvatierra, Castillo, and Buendia that the company had the capacity to deploy them for work abroad after they had completed the required process which includes the full payment of placement fee. To be sure, this element does not entail proof that each of the offender directly participated in every act of “recruitment or placement,” when a conspiracy is established. It is sufficient that they acted in concert pursuant to the same objective.²⁴ For this purpose, the Court quotes with approval the factual finding of the CA constitutive of this element:

Stated in greater detail, the following acts were, to Us, constitutive of the accused-appellant’s engagement in illegal recruitment activities, viz: a) accused-appellant’s misrepresentation that they were representing an agency in Australia which is why they were looking for chambermaids to be deployed in that country; b) accused-appellant’s direct hand in the processing of application for work abroad of private complainants which, as testified to by complainant Salvatierra, includes giving instructions on how to go about the application, particularly to whom the payment for the said application must be made; c) accused-appellant’s giving of details anent the departure schedule of the applicants plus the promise to return their money in the event that they will not be deployed; d) accused-appellant’s statement that the applicants already have a Pre-Departure Orientation Seminar, as testified to by complainant Castillo d) accused-appellant’s presence and participation in the meetings held at the Frontline Agency with respect to the application of the complainants; and, e) accused-appellant’s issuance of a Certification dated June 9, 2006 attesting

²⁴ *People v. Sison*, supra note 20.

to the fact that complainant Buendia was given a slot for chambermaid bound for Australia.²⁵ (Citations omitted)

The acts of the accused-appellant and those who comprise the manpower company show a common purpose and a concerted action. Each of them performed a part in the application and deployment process, which then gave the private complainants the impression that the manpower company is able to and has the capacity to deploy workers abroad. Since it was proven that the accused-appellant, along with at least two (2) others, conspired together to perform the act of Illegal Recruitment, the offense is considered done by a syndicate. As there are at least three (3) private offended parties against which the same has been committed, the Illegal Recruitment is likewise considered to be committed in large scale.

Illegal Recruitment committed by a syndicate or in large scale constitutes economic sabotage,²⁶ the penalty for which is set forth under Section 7(b) of R.A. No. 8042,²⁷ then in force at the time the crime was committed:

(b) The penalty of life imprisonment and a fine of not less than five hundred thousand pesos (P500,000.00) nor more than one million pesos (P1,000,000.00) shall be imposed if illegal recruitment constitutes economic sabotage as defined herein.

Considering that the penalty imposed by the CA is in accordance with the foregoing, the Court sees no reason to disturb the same.

The Court likewise affirms the accused-appellant's conviction of the crime of Estafa.

It has previously been ruled that the same acts may serve as basis for the conviction of a person both of Illegal Recruitment and Estafa under Article 315 paragraph 2(a) of the RPC. The conviction of one does not bar the other. They are independent offenses and the result of one does not affect the other.²⁸

The elements of Estafa by deceit as defined under Article 315 paragraph 2(a) are as follows:

²⁵ *Rollo*, p. 15.

²⁶ Section 2, Migrant Workers and Overseas Filipino Act of 1995, Republic Act No. 8042.

²⁷ A precursor to Republic Act No. 10022.

²⁸ *People v. Daud, et al.*, 734 Phil. 698 (2014).

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(a) that there must be a false pretense or fraudulent representation as to his power, influence, qualifications, property, credit, agency, business or imaginary transactions; (b) that such false pretense or fraudulent representation was made or executed prior to or simultaneously with the commission of the fraud; (c) that the offended party relied on the false pretense, fraudulent act, or fraudulent means and was induced to part with his money or property; and (d) that, as a result thereof, the offended party suffered damage.²⁹

All these elements are present in the case at bar. As aforesaid, the accused-appellant, together with the other accused, misrepresented to the private complainants that the manpower company to which they were connected had the capacity to deploy them for work overseas. As a result of which, the private complainants paid the corresponding placement fees for the processing of their supposed applications. Ultimately, however, none of the private complainants were deployed, and the money they had paid remained unreturned, to their damage and prejudice.

While the Court affirms the conviction for Estafa, the penalty imposed must however be revisited in view of R.A. No. 10951. Section 100 of the same law provides that it shall have retroactive effect insofar as it is favorable to the accused.

The CA sentenced the accused-appellant to suffer the indeterminate two separate prison terms ranging from four (4) years and two (2) months of *prision correccional*, as minimum, to fifteen (15) years of *reclusion temporal*, as maximum, in Criminal Case Nos. 08-259344 and 08-259346; and four (4) years and two (2) months of *prision correccional*, as minimum, to 12 years of *prision mayor*, as maximum, in Criminal Case No. 08-259351.

Section 85 of R.A. No. 10951 amended the penalty for Estafa or swindling committed through false pretenses, *viz.*:

Section 85. Article 315 of the same Act, as amended by Republic Act No. 4885, Presidential Decree No. 1689, and Presidential Decree No. 818, is hereby further amended to read as follows:

Art. 315. Swindling (*estafa*).— Any person who shall defraud another by any of the means mentioned herein below shall be punished by:

x x x x

3rd. The penalty of *arresto mayor* in its maximum period to *prision correccional* in its minimum period, if such amount is over Forty thousand

²⁹ *People v. Sison*, supra note 20 at 23, citing *Suliman v. People*, 747 Phil. 719, 731 (2014).

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pesos (P40,000) but does not exceed One Million two hundred thousand pesos (P1,200,000)

x x x x

With the increase in the threshold amounts, the penalties in Criminal Case Nos. 08-259344 and 08-259346 which involve the amount of ₱95,000.00 each; and Criminal Case No. 08-259351 which involves the amount of ₱70,000.00, have now been reduced and fall under the same paragraph.

In the absence of any modifying circumstance, the maximum penalty should be anywhere within the medium period³⁰ of *arresto mayor* maximum to *prision correccional* minimum; while the minimum penalty should be one degree lower from the prescribed penalty or *arresto mayor* minimum and medium, in any of its period.

Under R.A. No. 10951 therefore, the accused-appellant is liable to suffer the indeterminate penalty of imprisonment anywhere within the range of one (1) month and one (1) day to four (4) months of *arresto mayor* as minimum to one (1) year and one (1) day to one (1) year and eight (8) months of *prision correccional* as maximum. Accordingly, for each count of Estafa, the accused-appellant is sentenced to suffer the indeterminate penalty of imprisonment ranging from four (4) months of *arresto mayor*, as minimum to one (1) year and eight (8) months of *prision correccional*, as maximum.

Finally, the amount paid by the private complainants as placement fees takes the form of actual damages which the accused-appellant must pay. Interestingly, jurisprudence vary with respect to the reckoning point in which the amount of actual damages in the crime of Estafa, shall earn interest. In some analogous cases, the period was determined to run from the time of the filing of the information as the same constitutes judicial demand.³¹ In another group of cases, the payment of interest was ascertained to accrue only from the finality of the Decision until fully paid.³² In this regard, it would be useful to take this opportunity to review these jurisprudence for guidance and uniformity in resolving future cases.

³⁰ REVISED PENAL CODE, Article 64(1)

³¹ *Artates v. People*, G.R. No. 235724, March 11, 2020; *People v. Matheus*, 810 Phil. 626, 638-639 (2017); *People v. Tolentino*, 762 Phil. 592, 615 (2015); *People v. Daud*, supra note 28 at 724, citing *People v. Ballesteros*, 435 Phil. 205, 231-232 (2002).

³² *People v. Dejolde, Jr.*, 824 Phil. 939 (2018); *People v. Dela Cruz*, 811 Phil. 745 (2017); *People v. Sison*, supra note 20; *People v. Solina*, 778 Phil. 207 (2016); *Saingan v. People*, G.R. No. 216765, April 6, 2015.

Nacar v. Gallery Frames,³³ sets the precedent with respect to the imposition of interest in relation to BSP-MB Circular No. 799. By way of guidance, *Nacar* sets forth the following rules:

I. When an obligation, regardless of its source, i.e., law, contracts, quasi-contracts, delicts or quasi-delicts is breached, the contravenor can be held liable for damages. The provisions under Title XVIII on “Damages” of the Civil Code govern in determining the measure of recoverable damages.

II. With regard particularly to an **award of interest in the concept of actual and compensatory damages**, the rate of interest, as well as the accrual thereof, is imposed, as follows:

1. When the obligation is breached, and it consists in the payment of a sum of money, i.e., a **loan or forbearance of money**, the interest due should be that which may have been stipulated in writing. Furthermore, the interest due shall itself earn legal interest from the time it is **judicially demanded**. In the absence of stipulation, the rate of interest shall be 6% per annum to be computed from default, i.e., from judicial or extrajudicial demand under and subject to the provisions of Article 1169 of the Civil Code.
2. When an obligation, **not constituting a loan or forbearance of money**, is breached, an interest on the amount of damages awarded may be imposed at the discretion of the court at the rate of 6% per annum. No interest, however, shall be adjudged on unliquidated claims or damages, except when or until the demand can be established with reasonable certainty. Accordingly, where the **demand is established with reasonable certainty, the interest shall begin to run from the time the claim is made judicially or extrajudicially** (Art. 1169, Civil Code), but when such certainty **cannot be so reasonably established** at the time the demand is made, the interest shall begin to run only **from the date the judgment of the court is made** (at which time the quantification of damages may be deemed to have been reasonably ascertained). The actual base for the computation of legal interest shall, in any case, be on the amount finally adjudged.
3. When the judgment of the court awarding a sum of money becomes final and executory, the rate of legal interest, whether the case falls under paragraph 1 or paragraph 2, above, shall be 6% per annum from such finality until its satisfaction, this interim period being deemed to be by then an equivalent to a forbearance of credit.

³³ 716 Phil. 267 (2013).

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And, in addition to the above, judgments that have become final and executory prior to July 1, 2013, shall not be disturbed and shall continue to be implemented applying the rate of interest fixed therein.³⁴

From the foregoing, the first question that must be answered in determining the time from which to reckon interest on actual damages is whether the obligation constitutes a “loan or forbearance of money.” Along this line, it is important to mention that the varied nature of underlying transactions in the crime of *Estafa* makes it impossible to standardize the reckoning period from which interest is to run on actual damages.

Forbearance is defined as a contractual obligation “whereby a lender or creditor has refrained during a given period from requiring the borrower or debtor to repay the loan or debt then due and payable.”³⁵ It refers —

to arrangements other than loan agreements, where a person acquiesces to the temporary use of his money, goods or credits pending the happening of certain events or fulfilment of certain conditions. Consequently, if those conditions are breached, said person is entitled not only to the return of the principal amount paid, but also to compensation for the use of his money which would be the same rate of legal interest applicable to a loan since the use or deprivation of funds therein is similar to a loan.³⁶

In the crime of *Estafa*, the determination of whether or not it involves “forbearance” depends on its manner of commission. Thus, where the transaction from which actual damages arose involves the performance of a particular form of service such as in construction contracts, messengerial services, delivery of goods, contract of carriage, and trucking agreements, jurisprudence dictates that the said arrangements do not partake of loan or forbearance of money.³⁷

Applied in this case, the payment of placement fee is not a loan or forbearance of money³⁸ as it is in consideration of the performance of a

³⁴ Id. at 282-283.

³⁵ *Federal Builders, Inc. v. Foundation Specialists, Inc.*, 742 Phil. 433 (2014).

³⁶ Id. at 447-448.

³⁷ Id., citing *Hanjin Heavy Industries and Construction Co., Ltd. v. Dynamic Planners and Construction Corp.*, 576 Phil. 502, 537 (2008); *J Plus Asia Development Corporation v. Utility Assurance Corporation*, 712 Phil. 587, 610 (2013); *Philippine Charter Insurance Corporation v. Central Colleges of the Philippines, et al.*, 682 Phil. 507, 525 (2012); *Radio Communications of the Philippines, Inc. v. Court of Appeals*, 522 Phil. 267 (2006); *San Fernando Regala Trading, Inc. v. Cargill Philippines, Inc.*, 719 Phil. 256 (2013); *Bataan Seedling Association, Inc. v. Republic of the Philippines*, 433 Phil. 79 (2002); *International Container Terminal Services, Inc. v. FGU Insurance Corporation*, 604 Phil. 380 (2009); *Air France Philippines/KLM Air France v. John Anthony De Camilis*, 618 Phil. 698 (2009); *Asian Terminals, Inc. v. Philam Insurance Co., Inc. (Now Chartis Philippines Insurance, Inc.)*, 715 Phil. 78 (2013); *Swift Foods, Inc. v. Spouses Mateo*, 673 Phil. 26 (2011).

³⁸ Cf. *People v. Dejolde*, supra note 31 at 946-947; *People v. Bayker*, 780 Phil. 489, 496 (2016).

service, that is the deployment of the private complainants for work abroad.³⁹ With this, the interest commenced to run from the time of demand as the claim is “reasonably certain.” Herein, there is no contest as to the amount paid for by the private complainants as placement fees which they claim and allege in their complaint. Consequently, the interest on this amount is reckoned from the time of judicial demand⁴⁰ or the filing of the Informations on February 11, 2008.⁴¹ Following the Court’s ruling in *Nacar*,⁴² interest is imposed upon the placement fees at the rate of twelve percent (12%) *per annum* from February 11, 2008 until June 30, 2013, and six percent (6%) *per annum* from July 1, 2013 until the finality of this Decision. Thereafter, the total amount shall also earn interest at the rate of six percent (6%) *per annum* until full payment, as the interim period constitutes a forbearance of credit.⁴³

Where, however, the transaction is not a loan or forbearance of money, but the amount involved is disputed or otherwise cannot be easily determined through mathematical computation, and definitively ascertained only after trial, interest imposed on actual damages shall commence only from the finality of the court’s decision until fully paid.⁴⁴

WHEREFORE, in view of the foregoing, the appeal is hereby **DISMISSED**. The Decision dated February 27, 2015 of the Court of Appeals in CA-G.R. CR-HC No. 06475 is hereby **AFFIRMED with MODIFICATION**, as follows:

Accused-appellant Jose L. Centeno is found **GUILTY** beyond reasonable doubt:

a. In Criminal Case No. 08-259342 for Illegal Recruitment constituting economic sabotage, as defined and penalized under Sections 6 and 7(b) of the Migrant Workers and Overseas Filipino Act of 1995, for which he is sentenced to suffer the penalty of life imprisonment and to pay a fine of ₱500,000.00.

b. In Criminal Case No. 08-259343 for Illegal Recruitment constituting economic sabotage, as defined and penalized under Sections 6 and 7(b) of the Migrant Workers and Overseas Filipino Act of 1995 for which he is sentenced to suffer the penalty of life imprisonment and to pay a fine of ₱500,000.00.

³⁹ See *Cosme, Jr. v. People*, 538 Phil. 52 (2006). *Contra People v. Billaber*, 465 Phil. 726 (2004).

⁴⁰ *Supra* note 31; *Contra People v. Dejolde, Jr.*, *supra* note 32; *People v. Solina*, *supra* note 32.

⁴¹ Records, 52-62.

⁴² *Supra* note 33.

⁴³ *Id.*

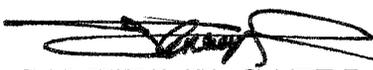
⁴⁴ See *Lim, Jr. v. Lintag*, G.R. No. 234405, December 9, 2020; *People v. Dela Cruz*, *supra* note 32.

c. In Criminal Case No. 08-259344, for the crime of Estafa, as defined and penalized under Article 315, paragraph 2(a) for which he is sentenced to suffer the indeterminate penalty of imprisonment ranging from four (4) months of *arresto mayor*, as minimum to one (1) year and eight (8) months of *prision correccional*, as maximum. He is also ordered to pay the private complainant Ruben Salvatierra actual damages in the amount of ₱95,000.00, with legal interest at the rate of twelve percent (12%) *per annum* from February 11, 2008 until June 30, 2013, and six percent (6%) *per annum* from July 1, 2013 until the finality of this Decision. The total amount shall thereafter earn interest at the rate of six percent (6%) *per annum* until full payment.

d. In Criminal Case No. 08-259346, for the crime of Estafa, as defined and penalized under Article 315, paragraph 2(a) for which he is sentenced to suffer the indeterminate penalty of imprisonment ranging from four (4) months of *arresto mayor*, as minimum to one (1) year and eight (8) months of *prision correccional*, as maximum. He is also ordered to pay the private complainant Elizabeth Castillo actual damages in the amount of ₱95,000.00, with legal interest at the rate of twelve percent (12%) *per annum* from February 11, 2008 until June 30, 2013, and six percent (6%) *per annum* from July 1, 2013 until the finality of this Decision. The total amount shall thereafter earn interest at the rate of six percent (6%) *per annum* until full payment.

e. In Criminal Case No. 08-259351, for the crime of Estafa, as defined and penalized under Article 315, paragraph 2(a) for which he is sentenced to suffer the indeterminate penalty of imprisonment ranging from four (4) months of *arresto mayor*, as minimum to one (1) year and eight (8) months of *prision correccional*, as maximum. He is also ordered to pay the private complainant Revilla Buendia actual damages in the amount of ₱70,000.00, with legal interest at the rate of twelve percent (12%) *per annum* from February 11, 2008 until June 30, 2013, and six percent (6%) *per annum* from July 1, 2013 until the finality of this Decision. The total amount shall thereafter earn interest at the rate of six percent (6%) *per annum* until full payment.

SO ORDERED.


SAMUEL H. GAERLAN
Associate Justice

WE CONCUR:

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


RAMON PAUL L. HERNANDO
Associate Justice

(On official leave)
ROSMARI D. CARANDANG
Associate Justice


HENRI JEAN PAUL B. INTING
Associate Justice

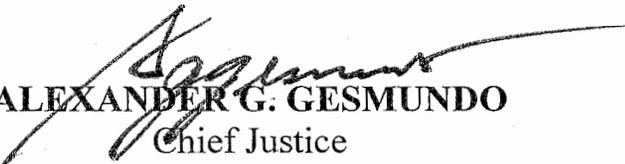
ATTESTATION

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.


RAMON PAUL L. HERNANDO
Associate Justice
Acting Chairperson, Second Division

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 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

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