



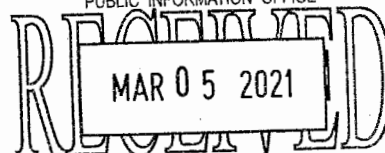
Republic of the Philippines

Supreme Court

Manila

THIRD DIVISION

SUPREME COURT OF THE PHILIPPINES
PUBLIC INFORMATION OFFICE



BY: ceag
TIME: 4:20

NOTICE

Sirs/Mesdames:

Please take notice that the Court, Third Division, issued a Resolution dated July 6, 2020, which reads as follows:

“G.R. No. 227668 (*Ramil M. Sampaga v. Amethyst Security and Investigation, Inc.*). – This is a Petition for Review on *Certiorari*¹ assailing the Decision² dated May 3, 2016 and the Resolution³ dated August 23, 2016 of the Court of Appeals (CA) in CA-G.R. SP No. 143491, which dismissed Raul Sampaga’s (Sampaga) monetary claims against Amethyst Security and Investigation, Inc. (Amethyst Security).

On July 15, 2014, Sampaga filed a Complaint⁴ against Amethyst Security and its president, Mr. Frederick Zubia (Zubia), for: (1) underpayment of salary and overtime pay; (2) nonpayment of holiday pay; (3) nonpayment of holiday premium; (4) nonpayment of rest day premium; (5) nonpayment of service incentive leave pay (SIL pay); (6) nonpayment of emergency cost of living allowance; (7) and nonpayment of night shift differential. He also prayed for the payment of moral and exemplary damages, attorney’s fees, and costs of suit. He alleged that he was employed with Amethyst Security as a security guard continuously from April 2009 to May 20, 2014 without any employment contract. From April 2009 to March 2014, he was only paid ₱406.00 daily, below the applicable minimum wage of ₱456.00 daily per Wage Order No. 17 and below the minimum wage of ₱466.00 daily as per Wage Order No. 18. He attached copies of his payslips from April 1, 2013 to April 15, 2013, April 16, 2013 to April 30, 2013, October 1, 2013 to October 15, 2013, and October 16, 2013 to October 31, 2013.⁵ He also claimed that he worked for 12 hours daily but was never paid overtime pay as evidenced by a copy of his daily time record dated December 16 to 31, 2013.⁶ He also worked during the regular holidays and

¹ *Rollo*, pp. 12-28.

² Penned by Justice Magdangal M. De Leon, with the concurrence of Justices Elihu A. Ybanez and Victoria Isabel A. Paredes; *id.* at 33-49.

³ *Id.* at 52-54.

⁴ *Id.* at 152.

⁵ *Id.* at 161.

⁶ *Id.* at 162.

non-working special holidays, yet he was not paid holiday pay and 30% premium pay. Likewise, he did not receive any SIL pay. He asked for payment of moral damages in the amount of ₱50,000.00 since Amethyst Security and Zubia were in bad faith in improperly paying his salary; exemplary damages in the amount of ₱20,000.00; and 10% attorney's fees.⁷

In their Position Paper,⁸ Amethyst Security and Zubia admitted that Sampaga was a security guard of the agency and was assigned to the Genesis Transport Terminal Province Detachment in Laguna. Pursuant to Amethyst Security's contract with Genesis Transport to rotate its security personnel, Sampaga was transferred to the Genesis Terminal in Balanga, Bataan on June 16, 2014. However, Sampaga refused to accept the memorandum⁹ and endorsement letter¹⁰ for his transfer. Amethyst Security argued that as early as June 10, 2014, Sampaga already refused to report for work, thus a memorandum¹¹ was issued to him for being absent without official leave (AWOL). There was no illegal dismissal to speak of. Amethyst Security argued that it already paid Sampaga's wages, overtime pay, holiday pay, premium pay, SIL pay, 13th month pay, and night shift differential. Neither it is liable for damages because there is no bad faith on its part. Sampaga also signed a Waiver, Release, and Quitclaim¹² (Quitclaim) on April 30, 2014 in consideration of ₱26,418.31 representing all his money claims with the company. With respect to Zubia who is not the president but the agency's Assistant General Manager, Amethyst Security alleged that Sampaga has no cause of action against him. Sampaga did not present any evidence of malice on Zubia's part. He filed a complaint to extort money from his previous employer.¹³ Amethyst Security prayed for the dismissal of the case for utter lack of merit and for payment of damages due to the destruction of its reputation and goodwill as well as for attorney's fees and costs of suit for no less than ₱100,000.00. Amethyst Security and Zubia reserved their right to present additional documentary and testimonial evidence in the course of the proceedings of the case.¹⁴

Sampaga filed a Reply,¹⁵ clarifying that from April to May 20, 2014, he was paid a daily wage of ₱539.00. Amethyst Security and Zubia did not present proof of payment of Sampaga's correct salaries, overtime pay, legal holiday pay, premium pay, and SIL pay. Thus, they had admitted non-payment of the same. As the employer, they have the burden to prove payment of Sampaga's benefits in the amount provided by law.

⁷ Id. at 153-157.
⁸ Id. at 163-170.
⁹ Id. at 175.
¹⁰ Id. at 176.
¹¹ Id. at 177.
¹² Id. at 178.
¹³ Id. at 166.
¹⁴ Id. at 170.
¹⁵ Id. at 179-181.

Amethyst Security and Zubia also filed their Reply,¹⁶ reiterating that Sampaga already absolved the agency of any monetary obligations when he signed the Quitclaim. They asserted that the complaint is frivolous and malicious.

Ruling of the Labor Arbiter

In its Decision¹⁷ dated November 28, 2014, Labor Arbiter Eduardo J. Carpio (LA Carpio) ruled in favor of Sampaga, directing Amethyst Security to pay him the following: (1) ₱30,472.00 salary differentials; (2) ₱237,461.90 overtime pay; (3) ₱6,490.00 SIL pay; and (4) ₱27,442.39 attorney's fees or a total of ₱301,866.29.

LA Carpio held that assuming Sampaga abandoned his employment, this is not tantamount to forfeiture of his money claims. Sampaga also did not effectively waive his rights to all benefits due him under the Quitclaim. Amethyst Security failed to discuss any matter in relation to the Quitclaim, like the purpose of its execution. If the Quitclaim was signed in relation to Sampaga's resignation, then this would belie the claim that he went on AWOL on June 2014 since the Quitclaim was signed on April 30, 2014. Similarly, if the Quitclaim was made in relation to Sampaga's separation from employment, then Amethyst Security would not have issued a memorandum for his transfer to Genesis Transport in Bataan on June 16, 2014. Simply put, LA Carpio observed that Amethyst Security contradicted itself in claiming that Sampaga executed a quitclaim on April 30, 2014; went on AWOL starting June 10, 2014; and refused to transfer on June 16, 2014.¹⁸

LA Carpio considered the money claims pertaining to the last three years of Sampaga's employment. He found that Sampaga was underpaid of his salaries from June 3, 2012 to March 2014 based on National Capital Region (NCR) Wage Orders No. 17 and 18. He awarded Sampaga ₱30,472 in salary differentials. He also ruled that Amethyst Security failed to present any proof of payment of overtime pay. Albeit, it is undisputed that Sampaga worked 12 hours per day, which is customary in the security service. Thus, LA Carpio awarded Sampaga with a total of ₱237,461.90 in overtime pay. As for the SIL pay, Sampaga was granted ₱6,490.00. He was also awarded 10% attorney's fee because he was forced to litigate and incur legal expenses to pursue his valid claim.¹⁹

Meanwhile, LA Carpio denied Sampaga's claim for holiday pay, night shift differentials, and rest day pay for lack of evidence that the latter rendered services during holidays and rest days. Similarly, Sampaga's

¹⁶ Id. at 182.

¹⁷ Id. at 189-190.

¹⁸ Id. at 187.

¹⁹ Id. at 187-189.

prayers for moral and exemplary damages were not granted since there was no proof that Amethyst Security acted in bad faith.²⁰

Amethyst Security and Zubia appealed to the National Labor Relations Commission (NLRC). They argued that: (1) Amethyst Security acted within its rights when it assigned Sampaga to a new place of duty; (2) It should be not be held liable to pay all the amounts stated in LA Carpio's Decision;²¹ (3) It extended its mercy to Sampaga when despite his continuing AWOL, it still considered him as an employee, and granting him the chance to work further by assigning him at Genesis Transport Terminal in Bataan;²² (4) The execution of the Quitclaim has no bearing or relation to Sampaga's AWOL;²³ (5) Sampaga waived all his money claims when he signed the "Payment Agreement" dated April 30, 2014, which states that, "*SG Sampaga, Ramil M., hereby agrees to the terms and conditions of the agency, x x x in settlement of my salary rate adjustment x x x.*"²⁴ Clearly, the agreement was made for the purpose of settling the salary differentials and other amounts that Sampaga was claiming in his complaint, hence LA Carpio erred in stating that the purpose of the Quitclaim was not discussed;²⁵ and (6) Assuming that Sampaga is entitled to his money claims, LA Carpio incorrectly used the rates of the NCR in computing the salary differentials because Sampaga was working in Laguna. Thus, Wage Order Nos. IVA-14, IVA-15, IVA-16 should have been applied.²⁶

Ruling of the National Labor Relations Commission

In its Decision²⁷ dated August 20, 2015, the NLRC Fourth Division dismissed the appeal for lack of merit and affirmed LA Carpio's ruling.

The NLRC observed that out of the four monetary claims granted by LA Carpio, Amethyst Security only assailed the award of salary differentials in its appeal. Hence, it is deemed to have concurred with LA Carpio's award of overtime pay, SIL pay, and attorney's fees to Sampaga.²⁸

The NLRC did not give credence to the Payment Agreement presented by Amethyst Security. The Payment Agreement did not provide the basis for computing the purported salary rate adjustment of Sampaga. It only stated ₱26,418.18 as the total amount of salary adjustment payable to Sampaga in six consecutive installments. There was also no proof that Sampaga received the said total amount or any portion thereof.²⁹

²⁰ Id. at 189.

²¹ Id. at 192.

²² Id. at 196.

²³ Id.

²⁴ Id. at 197, 224.

²⁵ Id. at 197.

²⁶ Id. at 198-199.

²⁷ Id. at 73-78.

²⁸ Id. at 76.

²⁹ Id. at 76-77.

The NLRC rejected the argument that LA Carpio erred in applying the NCR wage rates to Sampaga. It ruled that Amethyst Security did not present the payrolls or payslips of Sampaga to prove that his salary was based on the prevailing wage rates in Region IV-A or Laguna.³⁰

Amethyst Security and Zubia moved for reconsideration, reiterating that: (1) Sampaga went on AWOL after his reassignment; (2) he voluntarily executed a Quitclaim in favor of Amethyst Security with respect to his salary adjustment; and (3) without conceding that Sampaga is entitled to his monetary claims, the rate to serve as basis for any liability should be the rate of Laguna.³¹

Amethyst Security attached a sample computation³² for Sampaga's claims for salary, overtime pay and SIL pay based on the applicable wage rate in Laguna. It also attached, for the first time, the following documentary evidence: (a) table showing the breakdown of salaries and benefits received by Sampaga from March 1, 2013 to May 31, 2014;³³ (b) documents proving that Sampaga received the installment payments stated in the Payment Agreement;³⁴ (c) transaction validation list showing that Sampaga received his wages from March 25, 2013 to April 25, 2014 via ATM;³⁵ (d) copies of Sampaga's payslips from March 1, 2013 to May 31, 2014;³⁶ and (e) copies of Sampaga's Attendance Sheets dated June 16, 2013 to May 15, 2014 showing that he was assigned to "Forgems Tech" in Laguna.³⁷

Sampaga filed an Opposition to the Motion for Reconsideration³⁸ (Opposition). He alleged that the appeal should be dismissed because it was never perfected. Amethyst Security and Zubia only posted ₱150,000.00 appeal bond whereas LA Carpio granted a total monetary award of ₱301,866.29. They filed a Motion to Reduce Appeal Bond but it was not acted upon. Thus, the NLRC did not acquire jurisdiction over the case. Sampaga maintained that the appeal lacks merit because Amethyst Security did not raise the issue of computation of the minimum wage before LA Carpio. Thus, it cannot now raise the said issue before the NLRC. Further, the NLRC correctly noted that Amethyst Security only challenged the award of salary differentials, therefore it cannot question the award for overtime pay, SIL pay, and attorney's fees. Lastly, Sampaga pointed out that Amethyst Security failed to present proof that he was paid the salary adjustment of ₱26,418.13.³⁹

³⁰ Id. at 77.

³¹ Id. at 80.

³² Id. at 85-87.

³³ Id. at 88.

³⁴ Id. at 89-93.

³⁵ Id. at 94-102. Transaction Validation List for April 10, 2013, April 25, 2013, June 25, 2013, July 10, 2013 to December 2013, February 25, 2014, March 10, 2014, March 25, 2014 were not included.

³⁶ Id. at 103-115. Note that the September and October 2013 pay slips were not included.

³⁷ Id. at 116-135. Note that the DTR for the whole month of September 2013 was not included.

³⁸ Id. at 136-137.

³⁹ Id. at 137.

Amethyst Security and Zubia filed a Reply to the Opposition.⁴⁰ They argued that since the NLRC had already acted upon the merits of the case so the issue of filing a reduced bond and on perfection of the appeal was already moot. They insisted that they contested all the monetary awards together and not only the amount of salary differentials granted to Sampaga.

In its Resolution dated October 30, 2015,⁴¹ the NLRC Fifth Division granted the motion for reconsideration. It modified the Decision of LA Carpio, ordering the deletion of the award of salary differentials to Sampaga.

The NLRC Fifth Division first addressed the issue of jurisdiction. It explained that the appeal of Amethyst Security and Zubia was duly perfected because the Memorandum of Appeal⁴² that they filed was accompanied by a surety bond from Visayan Surety & Insurance Corporation in the amount of ₱301,866.29.⁴³

On the merits of the case, the NLRC Fifth Division agreed with the NLRC Fourth Division that the appeal only assailed the award on salary differentials. However, it gave credence to the Payment Agreement and the Quitclaim entered into by the parties. It noted that the Payment Agreement provided that Amethyst Security will pay the salary rate adjustment of Sampaga in the amount of ₱26,418.13 in 6 installments. In the Quitclaim, meanwhile, Sampaga attested that, "I [referring to Sampaga] hereby acknowledge the receipt of the amount of TWENTY SIX THOUSAND FOUR HUNDRED EIGHTEEN AND 13/100 (Php 26,418.31)." The Quitclaim was notarized; hence it enjoys the presumption of regularity and is conclusive as to the truthfulness of its contents.⁴⁴ More importantly, the Quitclaim also stated that Sampaga executed it "freely and voluntarily x x x." The ₱26,418.13 received by Sampaga under the Quitclaim also represents a reasonable settlement because LA Carpio awarded him salary differentials in the amount of ₱30,472.00. Since the Quitclaim is valid, Sampaga is barred from claiming salary differentials.⁴⁵

Amethyst Security filed a Petition for *Certiorari*⁴⁶ with the CA. It faulted the NLRC Fifth Division in finding that the Quitclaim only pertained to the salary differentials of Sampaga. It noted that Sampaga never assailed the validity of the Quitclaim and he did not even mention the agreement in any of his pleadings.⁴⁷ It also argued that the NLRC Fifth Division acted with grave abuse of discretion in ruling that Sampaga did not receive overtime pay and that he was underpaid of his salary. It referred to the

⁴⁰ Id. at 139-140.

⁴¹ Id. at 145. The case was re-raffled to the 5th Division pursuant to Special Order No. 09-38, series of 2015.

⁴² Id. at 191-202.

⁴³ Id. at 147.

⁴⁴ Id. at 147-148.

⁴⁵ Id. at 149.

⁴⁶ Id. at 55-72.

⁴⁷ Id. at 61.

payslips attached in its Motion for Reconsideration proving payment of overtime pay as well as to the Attendance Sheets of Sampaga showing that he was assigned to Forgems Technology at Laguna Industrial Park. Thus, he was not covered by the wage rates in the NCR. Amethyst Security alleged that the credibility of the payslips and attendance sheets may be verified by comparing them with the documents attached in Sampaga's Position Paper.⁴⁸

Ruling of the Court of Appeals

In its Decision⁴⁹ dated May 3, 2016, the CA granted the petition for *certiorari*. It annulled and set aside the Decision and the Resolution of the NLRC. In view of Amethyst Security's presentation of Sampaga's payslips before the NLRC as well as the Quitclaim, the CA denied all of Sampaga's money claims for lack of merit.⁵⁰

First, the CA ruled that Sampaga rendered work not in the NCR but in Laguna. This is apparent in the document that he attached in his Position Paper before LA Carpio. Sampaga also did not dispute that he was assigned in Laguna.⁵¹

Second, the CA found that the payslips attached by Amethyst Security in its Motion for Reconsideration⁵² before the NLRC clearly showed that Sampaga was paid overtime pay, SIL pay, holiday pay, and night differentials. It is of no moment that these payslips were only presented for the first time in the NLRC. Citing relevant case law, the CA held that the submission of additional evidence before the NLRC is not prohibited by its New Rules of Procedure considering that the rules of evidence prevailing in courts of law or equity are not controlling in labor cases.

Third, the CA held that the payslips together with the Quitclaim which was executed to settle all of Sampaga's money claims and any all "claims, right or action of whatsoever nature, whether past, present, or contingent" against Amethyst Security, point to the fact that Sampaga has no other pending money claims to speak of. A Quitclaim is valid and binding between the parties, provided it constitutes a credible and reasonable settlement and was accomplished voluntarily with full understanding by the one executing it.⁵³

Sampaga sought reconsideration which the CA denied in its Resolution⁵⁴ dated August 23, 2016. He then filed this petition before Us.

⁴⁸ Id. at 61-62.

⁴⁹ Supra note 2.

⁵⁰ *Rollo*, p. 49.

⁵¹ Id. at 46.

⁵² Id. at 79-135.

⁵³ Id. at 48.

⁵⁴ Id. at 52-54.

Arguments of the Petitioner

In his petition, Sampaga raised the following arguments: (1) the NLRC correctly found that Amethyst Security only questioned LA Carpio's award of salary differential in his appeal so the other aspects of the case such as the award of overtime pay, SIL pay, and attorney's fees could no longer be assailed for having attained finality; (2) salary differentials, overtime pay, and SIL pay cannot be waived because they are statutory grants under the Labor Code; (3) the burden of proving that the Quitclaim is voluntary rests upon the employer and Amethyst Security failed to discharge its burden; (4) the belated presentation of the payslips before the NLRC without any justification is a violation of Sampaga's right to due process and was a mere afterthought on the part of Amethyst Security; and (5) the computer generated payslips were unsigned and the record is bereft of showing that Sampaga acknowledged receipt of the amount stated in the pay slips.⁵⁵

Arguments of the Respondent

In its Comment,⁵⁶ Amethyst Security argued that its appeal in the NLRC was not limited to the issue of the award of salary differentials. It raised in the appeal that Sampaga waived all his money claims when he executed the Payment Agreement. It also asked the NLRC to set aside the ruling of LA Carpio. Amethyst Security emphasized that Sampaga admitted in his motion for reconsideration in the CA that he signed the Quitclaim because he needs the money, and not because he was under duress or intimidation. It further maintained that the labor tribunals and the NLRC are not precluded from receiving evidence on appeal as technical rules are not binding in cases before them. Thus, the CA did not err in appreciating the payslips that Amethyst Security submitted in evidence.

Sampaga filed a Manifestation, alleging that he is no longer filing a reply to the Comment because he already discussed his arguments extensively in his petition for review.⁵⁷

Issue

The issue before Us is whether the CA erred in denying Sampaga's monetary claims.

Ruling of the Court

The petition is partly meritorious.

Generally, petitions for review on *certiorari* should raise only pure questions of law. However, there are recognized exceptions such as when

⁵⁵ Id. at 17-25.

⁵⁶ Id. at 240-242.

⁵⁷ Id. at 260.

the factual findings of the LA, the NLRC, and the CA are conflicting.⁵⁸ Here, the LA found that Sampaga was entitled to salary differentials, overtime pay, SIL pay, and attorney's fees, while the NLRC deleted the award for salary differentials. In contrast, the CA ruled that Sampaga is not entitled to any monetary award. Hence, it is imperative for Us to look into the evidence on record and draw Our own conclusions.

Sampaga alleged that he was underpaid of his wages and was not paid overtime pay, holiday pay, rest day, and SIL pay. In support, he attached some copies of his payslips and attendance sheets/daily time record. Amethyst Security countered that it paid Sampaga's wages and benefits. It was also established by Amethyst Security that Sampaga executed a notarized Quitclaim absolving the agency and its officers from all money claims. The Quitclaim reads:

I, SAMPAGA, RAMIL M., of legal age, and a resident of Sitiomata, Brgy. Tayuman, Binangonan, Rizal, after having sworn in accordance with law, hereby depose and state that:

1. I am an employee of AMETHYST SECURITY AND INVESTIGATION AGENCY, INC (ASIAI), with principal place of business at Units 19/20 Javinto Plaza Bldg., Amang Rodriguez Ave., Brgy. Santolan, Pasig City.
2. **I hereby acknowledge the receipt of the amount TWENTY SIX THOUSAND FOUR HUNDRED EIGHTEEN AND 13/100 (Php 26, 418.13) representing all my money claims from my employer;**
3. I hereby relieve and discharge ASIAI and its officers from **any and all money claims** due to me as incident of my employment with said company;
4. I hereby state further that **I have no claims**, right or action of whatsoever nature, whether past, present or contingent, against said company;
5. The contents of this document, although prepared in English, was interpreted and explained to me in Filipino by the undersigned Administrative Manager and the same is therefore understood by me;
6. That I am executing this Instrument **freely and voluntarily** without any moral or physical threat, coercion or promise of reward in any form.

IN WITNESS WHEREOF, I have hereunto affixed my signature this April 30, 2014 at (*sic*), Philippines. x x x⁵⁹
(Emphasis supplied)

Sampaga did not deny the execution of the Quitclaim. In its Decision, LA Carpio did not give credence to the Quitclaim because Amethyst

⁵⁸ *South East International Rattan, Inc. v. Coming*, 729 Phil. 298 (2014), citing *Jao v. BCC Products Sales, Inc.*, 670 SCRA 38, 44 (2012).

⁵⁹ *Rollo*, p. 178.

Security did not explain its purpose and the surrounding circumstances of its execution. It is only when Amethyst Security attached the Payment Agreement in its Memorandum of Appeal in the NLRC that the purpose of the Quitclaim was brought to light. The Payment Agreement states:

I, SG SAMPAGA, RAMIL M., hereby agrees to the terms and conditions of the agency AMETHYST SECURITY AND INVESTIGATION AGENCY INC. in **settlement of my salary rate adjustment** with the total amount of TWENTY SIX THOUSAND FOUR HUNDRED EIGHTEEN AND 13/100 ONLY (PHP 26,418.18) in which will be paid in six (6) consecutive instalments by the said agency. Schedule of payment are as follows:

April 30, 2014	4,493.77
May 16, 2014	4,405.17
June 2, 2014	2,463.42
June 16, 2014	5,122.90
July 1, 2014	4,996.87
July 16, 2014	4,936.00
	26,418.13

Affixed in this agreement is my name and signature indicating my full knowledge and compliance of the said terms of payment to be made thereof.

Done this 30th day of April, 2014.⁶⁰ (Emphasis supplied)

Both the Payment Agreement and the Quitclaim⁶¹ were signed by Sampaga on April 30, 2014. They also provided for the same consideration in the amount of ₱26,418.13. They differ in two aspects. *First*, the Payment Agreement contained the manner in which the consideration would be paid, that is, by six monthly installments, while the Quitclaim contained an acknowledgment on the part of Sampaga that he already received the consideration stated. *Second*, the Payment Agreement specifically stated that it is for the settlement of Sampaga's "salary rate adjustment," while the Quitclaim is for the settlement of "all money claims" of Sampaga against Amethyst Security. To Our mind, however, these two agreements pertain to one and the same payment of the amount of ₱26,418.13. The "money claims" referred in the Quitclaim is the claim for "salary rate adjustment" mentioned in the Payment Agreement, and nothing more. Thus, if found to be valid, the Payment Agreement and the Quitclaim would bar Sampaga from claiming wage differentials. His receipt of ₱26,418.13 extinguished the liability of Amethyst Security to pay his wage differential.

We agree with the NLRC Fifth Division that the Quitclaim is valid and binding on Sampaga. To be valid, a quitclaim must meet the following requirements: (1) that there was no fraud or deceit on the part of any of the

⁶⁰ Id. at 224.

⁶¹ Id. at 178.

parties; (2) that the consideration for the quitclaim is sufficient and reasonable; and (3) that the contract is not contrary to law, public order, public policy, morals or good customs, or prejudicial to a third person with a right recognized by law.⁶² All these conditions are present in this case. There was no evidence that Sampaga was forced to sign the Quitclaim. In fact, he declared in the Quitclaim that he executed it “freely and voluntarily without any moral or physical threat, coercion or promise of reward in any form.” Sampaga argued in his Motion for Reconsideration before the CA that he only signed the Quitclaim because, like other security guards, his salary adjustment was withheld and that he and his family were suffering from hunger.⁶³ Simply put, he signed the Quitclaim out of dire necessity. Case law, however, teaches that dire necessity may be an acceptable ground to annul a quitclaim if the consideration is unconscionably low and the employee was tricked into accepting it.⁶⁴ Here, the consideration for the Quitclaim is reasonable. LA Carpio found that Sampaga was entitled to a salary differential in the total amount of ₱30,472.00, while the consideration for the Quitclaim is ₱26,418.13. Sampaga denied that he received the consideration, but this was belied by the Quitclaim, where he attested that he acknowledged receipt of ₱26,418.13. As correctly held by the NLRC Fifth Division, the notarized Quitclaim enjoys the presumption of regularity unless rebutted by clear and convincing evidence to the contrary.⁶⁵ Sampaga failed to present proof to overcome the presumption. Since the Quitclaim is valid, Sampaga is barred from claiming salary differentials from Amethyst Security.

We now consider the other monetary claims of Sampaga.

Jurisprudence is settled that the employee has the burden of proving his/her entitlement to overtime pay, premium pay for holidays and rest days since these are not incurred in the normal course of business. He/she must show that he/she actually rendered service in excess of the regular eight working hours a day, and that he/she in fact worked on holidays and rest days.⁶⁶ On the contrary, for payment of salary differential, SIL, holiday pay, and 13th month pay, the burden rests on the employer to prove payment. This is because all pertinent personnel files, payrolls, records, remittances and other similar documents – which will show that the differentials, service incentive leave and other claims of workers have been paid – are not in the possession of the worker but are in the custody and control of the employer.⁶⁷

We concur with LA Carpio that Sampaga failed to prove that he worked during holidays and rest days. Hence, he is not entitled to premium pay for holidays and rest days. With respect to working overtime or more

⁶² *Arlo Aluminum, Inc. v. Piñon, Jr.*, 813 Phil. 188, 198-199 (2017).

⁶³ *Rollo*, p. 249.

⁶⁴ *Supra* note 62.

⁶⁵ *Carolina's Lace Shoppe v. Maquilan*, G.R. No. 219419, April 10, 2019.

⁶⁶ *Minsola v. New City Builders, Inc.*, G.R. No. 207613, January 31, 2018.

⁶⁷ *Id.*

than eight hours a day, Amethyst Security did not dispute Sampaga's claim that he worked for 12 hours a day as a security guard. In fact, Amethyst Security adduced evidence that it paid Sampaga for his overtime work. It presented the payslips of Sampaga, for the first time, in its Motion for Reconsideration before the NLRC. The payslips show the amounts that Sampaga receive each month, which could be broken down as follows: basic pay, overtime, allowance, uniform allowance, "5DayInc," night differentials, regular holiday, and special holiday.⁶⁸ While the NLRC Fifth Division did not give probative value to the payslips, the CA used them and the Quitclaim as basis for denying Sampaga's monetary claims. The CA noted that the NLRC is not precluded from receiving evidence for the first time on appeal because strict adherence to the technical rules of procedure is not required in labor cases. We disagree.

Two requisites must concur before a party may be allowed to present evidence for the first time on appeal in the NLRC, namely: (1) the party should adequately explain any delay in the submission of evidence; and (2) a party should sufficiently prove the allegations sought to be proven.⁶⁹ Amethyst Security failed to satisfy the first requirement. It did not give any justification for its belated submission of the payslips. The rules should not be liberally construed in favor of Amethyst Security. Thus, the payslips should not be given any credence.

Consequently, with respect to Sampaga's claim for SIL, Amethyst Security did not present any evidence to prove its payment of the same. Hence, We agree with LA Carpio that Sampaga should be paid the same. Under Article 95 of the Labor Code, every employee who has rendered at least one year of service shall be entitled to a yearly SIL pay of five days with pay. Sampaga was employed in Amethyst Security from April 2009 to May 20, 2014 or for five years. Nevertheless, money claims could only be filed within the last three years from the time the cause of action accrued. Thus, Sampaga's SIL should be reckoned only from his last three years in Amethyst Security.

Notably, We clarify that the award of overtime pay and SIL pay to Sampaga should be computed in accordance with the prevailing wage rates/orders in Region IV-A. The evidence on record shows that Sampaga was assigned in Forgems Technology in Laguna. It is error for LA Carpio to apply the wage rates in the NCR.

Finally, Sampaga is also entitled to attorney's fees equivalent to 10% of the total monetary award under Article 111 of the Labor Code for the unlawful withholding of his overtime pay and SIL pay.

⁶⁸ *Rollo*, pp. 103-115.

⁶⁹ *Loon v. Power Master, Inc.*, G.R. No. 189404, December 11, 2013.

WHEREFORE, the Decision dated May 3, 2016 and the Resolution dated August 23, 2016 of the Court of Appeals in CA-G.R. SP No. 143491 are **REVERSED** and **SET ASIDE**. The case is **REMANDED** to the Labor Arbiter for the sole purpose of computing petitioner Ramil M. Sampaga's overtime pay, service incentive leave pay, and attorney's fees equivalent to ten percent (10%) of the total monetary awards.

SO ORDERED."

Very truly yours,

Misael Domingo C. Battung III
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