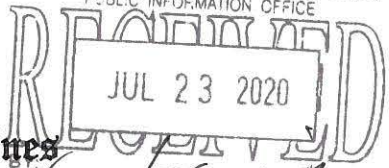




Republic of the Philippines  
Supreme Court  
Manila

SUPREME COURT OF THE PHILIPPINES  
PUBLIC INFORMATION OFFICE



TIME: \_\_\_\_\_

THIRD DIVISION

NOTICE

Sirs/Mesdames:

*Please take notice that the Court, Third Division, issued a Resolution dated March 9, 2020, which reads as follows:*

“G.R. No. 250289 (*Rustan Supercenters, Inc. v. Ariston F. Funa*). – This is a Petition for Review on *Certiorari*<sup>1</sup> under Rule 45 of the Rules of Court seeking the modification of the Decision dated February 21, 2019 and the Resolution dated October 30, 2019 of the Court of Appeals (CA) in CA-G.R. SP No. 157186.

After a judicious study of the case, the Court resolves to modify the Decision and the Resolution of the CA.

Section 1, Rule 45 of the Rules of Court categorically states that the petition filed shall raise only questions of law, which must be distinctly set forth. In the exercise of its power of review, the Supreme Court is not a trier of facts and, unless there are excepting circumstances, it does not routinely undertake the re-examination of the evidence presented by the parties during the trial of the case. In the present case, the issue on good faith on the part of Rustan Supercenters, Inc. (petitioner) in implementing the redundancy program involves an examination of the probative value of the evidence presented before the labor tribunals. Thus, this petition before this Court involves a question of fact, which the Court is generally precluded from resolving. Petitioner likewise failed to establish any excepting circumstance to warrant resolution of a factual question.

Moreover, the wisdom, soundness or characterization of services redundant by the employer is not subject to review. The only exception is when there is a showing that the same was done in violation of law or attended with arbitrary and malicious action.<sup>2</sup> In the case at bar, the CA correctly found that the following circumstances render the redundancy program doubtful: (1) only the 2016 performance rating of respondent Ariston F. Funa (Funa) was taken into consideration; (2) Funa’s performance

<sup>1</sup> Rollo, pp. 9-23.

<sup>2</sup> *Smart Communications, Inc. v. Astorga*, 566 Phil. 422, 437 (2008).

rating is still on target, and not below target; and (3) that Funa was terminated only 10 months away from retirement. Petitioner failed to provide any justifiable explanation for these questionable circumstances.

Also, settled is the rule that the findings of the labor tribunals, as affirmed by the CA, are generally binding and conclusive upon the Court and are not disturbed unless they fall under the recognized exceptions. Petitioner failed to establish any circumstance to warrant this Court to overturn the findings of the labor tribunal and the CA.

The NLRC, as modified by the CA, awarded Funa the following:

- 1) Retirement pay in accordance with petitioner's company policy on retirement benefits;
- 2) Backwages from April 15, 2017 until Funa's retirement in February 2018;
- 3) Moral damages in the amount of ₱50,000.00; and
- 4) Attorney's fees equivalent to 10% of the total monetary award.

However, this Court takes note of the fact that Funa already received the amount of ₱611,102.74 as Rustan's separation package offer. Hence, this amount shall be deducted from the monetary awards enumerated above.

**WHEREFORE**, the Decision dated February 21, 2019 and the Resolution dated October 30, 2019 of the Court of Appeals in CA-G.R. SP No. 157186 are hereby **AFFIRMED with MODIFICATION**. Petitioner Rustan Supercenters, Inc. is **ORDERED** to pay respondent Ariston F. Funa the following:

- 1) Retirement pay in accordance with the company policy on retirement benefits of petitioner Rustan Supercenters, Inc., or Republic Act No. 7641, otherwise known as the Retirement Pay Law, whichever is higher;
- 2) Backwages from April 15, 2017 until respondent Ariston F. Funa's retirement in February 2018;
- 3) Moral damages in the amount of ₱50,000.00; and
- 4) Attorney's fees equivalent to ten percent (10%) of the total monetary award.

The amount of ₱611,102.74 previously received by respondent Ariston F. Funa must be deducted from the foregoing awards.

Further, petitioner Rustan Supercenters, Inc. is **ORDERED** to pay respondent Ariston F. Funa legal interest of six percent (6%) *per annum* of the foregoing monetary awards computed from the finality of this Resolution until full satisfaction.

The Labor Arbiter is hereby **ORDERED** to make another recomputation according to the above directives.

March 9, 2020

**SO ORDERED.”**

Very truly yours,

*Mis D C Batt*  
**MISAELO DOMINGO C. BATTUNG III**  
*Division Clerk of Court / <sup>8/17/2020</sup>*

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(NLRC LAC NO. 03-000988-18  
NLRC NCR Case No. 07-11225-17)

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**G.R. No. 250289**

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