Republic of the Philippines
SUPREME COURT
Manila

SECOND DIVISION

G.R. No. 143726 February 23, 2004

PEOPLE OF THE PHILIPPINES, appellee,
vs.
LETICIA SAGAYAGA, ALMA SO, VICENTE SO YAN HAN and ORLANDO BURGOS, accused.
LETICIA SAGAYAGA, appellant.

D E C I S I O N

CALLEJO, SR., ***J.*****:**

This is an appeal from the Decision[1] of the Regional Trial Court of Manila, Branch 35, convicting the appellant Leticia Sagayaga of large scale illegal recruitment as defined in Section 6, Republic Act No. 8042 and sentencing her to suffer life imprisonment.

The Indictment

The appellant was charged with large scale illegal recruitment in an Information, the accusatory portion of which reads:

> That during the period from October 1997 to December 1997 and sometime prior or subsequent thereto, in the City of Manila, Philippines, and within the jurisdiction of this Honorable Court, above-named accused, conspiring, confederating and helping each other and representing themselves to have the power, capacity and lawful authority to deploy complainants as factory workers in Taiwan, did then and there willfully, unlawfully and feloniously recruit and promise employment to ELMER JANER, ERIC FAROL and ELMER RAMOS for and in consideration of amounts ranging from P70,000.00 to P75,000.00 which they paid to said accused, without the latter having deployed and/or reimbursed complainants of their payments despite demands, to the damage and prejudice of said complainants.
>
> CONTRARY TO LAW.[2]

Only the appellant was arrested, duly arraigned, and, with the assistance of counsel, pleaded not guilty to the crime charged. The other accused remained at large.

The Case for the Prosecution

As culled by the Office of the Solicitor General, the facts which triggered the case in the trial court are as follows:

> **Re: Elmer Janer**
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> Sometime in the last week of October 1997, Elmer Janer went to the office of Alvis Placement Service Corporation located at AP Building 1563 F. Agoncillo St., corner Pedro Gil St., Ermita, Manila, to apply for overseas employment as factory worker in Taiwan (pp. 4, 5 and 14, TSN, September 7, 1999). Appellant Leticia Sagayaga, after personally receiving Elmer's application, required him to submit the necessary documents (p. 5, TSN, September 7, 1999).
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> Appellant further asked Elmer to pay seventy-five thousand pesos (P75,000.00) as placement fee (Id.). Elmer paid the said fee to appellant in three (3) installments, the first, on November 5, 1997, in the amount of twenty-five thousand pesos (P25,000.00); the second, on November 13, 1997, in the amount of five thousand pesos (P5,000.00); and the third, on November 19, 1997, in the amount of forty-five thousand pesos (P45,000.00). All the payments were made inside Alvis Placement Agency (p. 6, id.).

As required, Elmer also had his medical examination at the Angeles Medical Clinic, the result of which confirmed that he was fit to work (p. 9, Ibid.). Thereafter, he was told to wait for the arrival of the employer. After seven (7) months, no employer arrived. Tired of waiting, Elmer demanded that he be refunded of his money (Id.). Despite appellant's promises to pay, Elmer was not refunded of his money.

Exasperated, Elmer asked appellant for a promissory note, which appellant executed, promising to pay Elmer seventy-five thousand (P75,000.00) on May 6, 1998 (pp. 10 and 11, TSN, September 7, 1999). In said promissory note, appellant designated herself as the assistant general manager of the placement agency (Id.). When appellant failed to refund the amount to Elmer on the date stated in the promissory note, the latter went to the Philippine Overseas Employment Administration (POEA) and filed a sworn complaint against appellant (p. 11, TSN, September 7, 1999).

Re: Testimony of Eric Farol

On November 20, 1997, Eric Farol first met appellant at Alvis Placement Service Corporation when he applied for an overseas job in Taiwan as a plastic factory worker (pp. 3-4, TSN, September 20, 1999). Appellant and her co-accused Vicente So Yan Han discussed with Eric about the latter's job application (Id.). They required Eric to submit to them his passport, National Bureau of Investigation (NBI) clearance, medical clearance and to pay seventy-five thousand pesos (P75,000.00) as placement fee (Id.). Eric submitted all the aforestated requirements and paid the seventy-five thousand pesos to appellant in two (2) installments, for which the latter issued receipts affixing her signature thereon (pp. 5-9, TSN, September 20, 1999). Appellant then promised Eric that he will be leaving for Taiwan before Christmas of 1997. Failing to fulfill her promise, appellant and Vicente So Yan Han told Eric to wait up to the month of January 1998 (pp. 10 and 11, Ibid.). When appellant failed to comply with her commitment to send Eric to Taiwan in January 1998, Eric demanded from appellant the refund of his money (pp. 11 and 12, Ibid.). Appellant then issued to him a check dated February 5, 1998, affixing her signature thereon, for the amount of seventy-two thousand five hundred pesos (P72,500.00). But when Eric presented the check to the drawee bank for payment, the same was dishonored by reason: "ACCOUNT CLOSED" (pp. 11-14, TSN, September 20, 1999).

Insistent that he be refunded of his money, Vicente So Yan Han gave him cash amounts on different dates: February 6, 1998 - - five thousand pesos; February 7, 1998 - - five thousand pesos; and February 17, 1998 - - one thousand pesos (pp. 14-18, TSN, September 20, 1999). Eric was told to return on April 4, 1998 for the full payment of the refund. However, when Eric went back on the first week of April, appellant gave him a letter that the full refund of his money would be given on April 30, 1998 (p. 19, Ibid). Eric returned to appellant on April 30, 1998, but still, appellant failed to refund the money (p. 20, Id.).

On May 8, 1998, Eric filed a complaint against appellant and Vicente So Yan Han at the POEA (pp. 20-21, TSN, September 20, 1999).

Re: Elmer Ramos

Om September 27, 1997, Elmer Ramos went to the office of Alvis Placement Services Corporation to apply for overseas employment as factory worker in Taiwan (pp. 8 and 9, TSN, September 27, 1999). Initially, he took up his application with Vicente So Yan Han who required him to submit his passport, NBI and medical clearances and to pay seventy thousand pesos (P70,000.00) as placement fee (pp. 10 and 11, TSN, September 27, 1999). Elmer submitted the aforestated requirements and paid the placement fee in two (2) installments: twenty thousand pesos (P20,000.00) - - paid to appellant and Vicente So Yan Han on October 22, 1997; and fifty thousand pesos (P50,000.00) - - paid to Vicente So Yan Han on November 12, 1997 (pp. 11-15, TSN, September 27, 1999). Vicente So Yan Han then assured Elmer that he would be included for deployment in the first batch on the first week of December 1997 which, however, did not materialize (pp. 19 and 20, TSN, September 27, 1997). Elmer decided to withdraw his application. The documents submitted were returned to Elmer but not the placement fee he paid (pp. 21 and 22, TSN, September 27, 1999). Instead, appellant issued a check dated February 5, 1998 for the amount of seventy thousand pesos (P70,000.00) (p. 22, Id.). When Elmer encashed the check with the bank, it was dishonored by reason: "closed account" (p. 23, Ibid.).

On May 6, 1998, Elmer went back to the office of Alvis Placement Service Corporation to demand the refund of his money. Elmer discussed the matter with appellant, but the latter failed to return Elmer's money. The next day (May 7, 1998), Elmer went to the POEA and filed a sworn complaint against appellant and Vicente So Yan Han (pp. 25 and 26, TSN, September 27, 1999). On May 9, 1998, Elmer again tried to get a refund from appellant, but the latter only issued a promissory note assuring Elmer payment of the seventy thousand pesos on May 14 and 15, 1998 at 3:00 o'clock in the afternoon (pp. 27 and 28, Ibid.). On May 15, 1998, appellant gave Elmer the amount of only five thousand pesos (P5,000.00) (p. 29, Ibid.).[3]

The Case for the Appellant

The appellant restates her case as follows:

On different dates in 1997, the three (3) complaining witnesses in this case (Elmer Ramos, Elmer Janer and Eric Farol) filed separate applications for job placement as factory workers in Taiwan with ALvis Placement Services Corporation, with business address at Rm. 507, AP Bldg., 1563 F. Agoncillo cor. Pedro Gil Sts., Ermita, Manila[,] where the appellant Leticia Sagayaga was then working as corporate treasurer.

Elmer Ramos filed his application sometime in September 1997 with the corporation, through accused-at-large Vicente So Yan Han. It was the same Vicente So Yan Han who asked him to submit the required documents (NBI and medical clearances, etc.), and to pay the amount of P70,000.00 as placement fee. He submitted the required documents, and paid the placement fee in two (2) installments as follows: P20,000.00 was paid by him on 22 October 1997 to appellant Letecia Sagayaga and Vicente So Yan Han on the office of the corporation; and P50,000.00 was paid by him on 12 November 1997 to Vicente So Yan Han. Then So Yan Han informed him that he would be deployed in Taiwan in the first week of December 1997. The promised deployment or job placement never came. He then decided to withdraw his application and get back the documents he submitted and the money he had paid. He was issued a check for the fee he had paid but the check was dishonored by the bank for the reason "account closed." Failing to get his money ba[c]k, he filed a complaint with the Philippine Overseas Employment Administration where he executed a "Sinumpaang Salaysay" on 7 May 1998.

> Elmer Janer filed his job placement application with Alvis Placement Services Corporation in the last week of October 1997. Similarly, he was required to submit the necessary documents and to pay the amount of P75,000.00 as placement fee. He submitted the requisite documents and paid the placement in three (3) installments, as follows: He paid P25,000.00 on 5 November 1997; P5,000.00 on 13 November 1997; and P45,000.00 on 19 November 1997. Thereafter, he was asked to wait for 7 months for his employer to arrive. No employer arrive[d]. He decided to withdraw his application and asked to be reimbursed the money he had paid. Appellant Leticia Sagayaga gave him instead a "**promissory note**" indicating that the amount of P75,000.00 will be paid to Elmer Janer on 6 May 1998. When no payment was made to him as promised, he filed a complaint with the Philippine Overseas Employment Administration and where he executed a "Sinumpaang Salaysay" on 13 May 1998.
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> Eric Farol filed his job placement application with Alvis Placement Services Corporation on 20 November 1997. After submitting the required documents, he paid the placement fee of P75,000.00 in two (2) installments as follows: He paid the first installment of P15,000.00 on 12 December 1997; and the balance of P60,000.00 was paid by him on 16 December 1997. The appellant Leticia Sagayaga promised that he would be able to leave for Taiwan before Christmas of 1997. When he was not able to leave for Taiwan before the end of 1997, he was asked to wait until January 1998. When he failed to leave as promised, he decided to withdraw his application and asked that he be refunded the amount of P75,000.00 he had paid as placement fee. The check given to him by the appellant bounced for the reason "account closed." Forthwith, Vicente So Yan Han paid him on different dates the amounts of P5,000.00 on 6 February 1998, another P5,000.00 on 7 February 1998, and P1,000.00 on 17 February 1998. And as he was not refunded the full amount of the fee paid by him, he filed a complaint with the Philippine Overseas Employment Administration and executed a "Sinumpaang Salaysay" on 7 May 1998.
>
> As supplied by the unrebutted testimony of the appellant, the persons who had effective and actual control, management and direction of the business and transactions of Alvis Placement Services Corporation were the accused-spouses Vicente So Yan Han and Alma So. As Treasurer of the corporation, her duties were limited to receiving money or fees paid to the agency by applicants and to deposit the same in the bank in the name and for the account of the corporation. Although she (appellant) received money from the complainants Elmer Janer and Eric Farol, the same was deposited by her with the bank under the account of the corporation. And if ever she signed promissory notes in behalf of the corporation and issued checks to the complainants, she did so upon the instruction and assurance of accused-spouses So Yan Han and Alma So that said notes and checks would have sufficient funds on their due dates. And said checks and notes were never paid because the accused-spouses disappeared and left for unknown addresses.[4]

After trial, the trial court rendered judgment convicting the appellant of the crime charged, the dispositive portion of which reads:

> WHEREFORE, judgment is rendered pronouncing accused LETICIA SAGAYAGA guilty beyond reasonable doubt of illegal recruitment in large scale and sentencing said accused to suffer the penalty of LIFE IMPRISONMENT and to pay a fine of P750,000.00, and the costs.
>
> The accused is further ordered to refund to Elmer Janer the sum of P75,000.00; to Eric V. Farol the amount of P61,500.00; and to Elmer Ramos the amount of P65,000.00.
>
> SO ORDERED.[5]

The appellant assails the decision of the trial court contending that:

> - I -
>
> THE LOWER COURT SERIOUSLY ERRED IN HOLDING THAT "NO WEIGHT CAN BE GIVEN TO THE CONTENTION OF THE ACCUSED THAT SHE IS NOT CRIMINALLY LIABLE BECAUSE SHE HAD NO PARTICIPATION IN THE OPERATION OF THE ALVIS PLACEMENT SERVICE CORPORATION, AND SHE HAD NO KNOWLEDGE ABOUT ITS RECRUITMENT ACTIVITIES."
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> - II -
>
> THE LOWER COURT SERIOUSLY ERRED IN HOLDING THAT AS TREASURER OF ALVIS PLACEMENT SERVICE CORPO[R]ATION, THE ACCUSED-APPELLANT "WAS IN CHARGE (OF) THE MANAGEMENT AND CONTROL OF THE FINANCIAL AFFAIRS AND RESOURCES OF THE CORPORATION."
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> - III -
>
> THE LOWER COURT SERIOUSLY ERRED IN HOLDING THAT AS THE VICE-PRESIDENT/TREASURER AND ASSISTANT GENERAL MANAGER OF ALVIS PLACEMENT SERVICE CORPORATION, THE ACCUSED-APPELLANT WAS A TOP RANKING OFFICER OF SAID CORPORATION, WITH AUTHORITY TO PARTICIPATE DIRECTLY IN THE CONTROL, MANAGEMENT OR DIRECTION OF ITS BUSINESS AFFAIRS.
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> - IV -
>
> THE LOWER COURT SERIOUSLY ERRED IN HOLDING THAT ACCUSED-APPELLANT WAS GUILTY OF ILLEGAL RECRUITMENT "IN LARGE SCALE" AND IN SENTENCING HER TO SUFFER THE PENALTY OF "LIFE IMPRISONMENT."[6]

The appellant avers that she is not criminally liable for the crime charged because the prosecution failed to prove that she had a direct or actual control, management or direction of the business and recruitment activities of the Alvis Placement Services Corporation (APSC). She asserts that she had no knowledge of the recruitment activities of APSC and had no participation whatsoever in its operation. In dealing with the private complainants, she was merely performing routinary office work as a mere employee. Her participation as an employee of APSC with respect to the employment application of

Elmer Ramos for Taiwan was to receive his placement fee of P20,000.00. Hence, the appellant avers, she cannot be held criminally liable for illegal recruitment in large scale. If, at all, she can be held liable only with respect to the employment applications of Janer and Farol. Thus, according to the appellant, the trial court erred in sentencing her to life imprisonment.

The appeal has no merit.

Under Section 6 (m) of Rep. Act No. 8042,[7] illegal recruitment may be committed by any person, whether a non-licensee, non-holder of authority, licensee or holder of authority, thus:

> (m) Failure to reimburse expenses incurred by the worker in connection with his documentation and processing for purposes of deployment, in cases where the deployment does not actually take place without the worker's fault....[8]

Under the last paragraph of the said section, those criminally liable are the principals, accomplices and accessories. In case of a juridical person, the officers having control, management or direction of the business shall be criminally liable.

In this case, the appellant, as shown by the records of the POEA, was both the APSC Vice-President-Treasurer and the Assistant General Manager. She was a high corporate officer who had direct participation in the management, administration, direction and control of the business of the corporation. As the trial court aptly declared in its decision:

> Again, no weight can be given to the contention of the accused. The terms "control, management or direction" used in the last paragraph of Section 6 of Republic Act No. 8042 broadly cover all phases of business operation. They include the aspects of administration, marketing and finances, among others.
>
> From the records of the POEA, the accused appears as the Vice President (V.P.)/Treasurer of the Alvis Placement Service Corporation (Exhibit A). Moreover, in the promissory note dated April 30, 1998 (Exhibit K), which the accused issued to Elmer Janer, she designated her position in the said corporation as its "Asst. General Manager" (Exhibit K-1). Undoubtedly, the positions of vice-president, treasurer, and assistant general manager are high ranking corporate positions in any corporate body. These positions invest on the incumbent the authority of managing, controlling and directing the corporate affairs.
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> The claim of the accused that her designation in the certification of the POEA (Exhibit A) as the vice-president of Alvis Placement Service Corporation has surprised her because, according to her, the vice-president was Vicente So Yan Han (TSN, Mar. 13, 2000, pp. 16-17), hardly inspires belief. If this were true, she would have no difficulty in securing from the POEA an authenticated copy of the list of all officials of the corporation which they were required to file with the said Office. For no stated reason, however, the defense omitted to secure such list and submit it to this Court.
>
> At any rate, the accused has expressly admitted in the course of her testimony that she was at the time the Treasurer of their recruitment agency. As such she was in charge of the management and control of the financial affairs and resources of the corporation. She was in charge of collecting all its receivables, safely keeping them, and disbursing them. She testified that it was part of her duties to receive and collect the monies paid by applicants (TSN, Mar. 13, 2000, p. 5). Her disbursing authority has been clearly demonstrated by her co-signing the checks Exhibits D-2 and G.[9]

The appellant is guilty of illegal recruitment as a principal by direct participation, having dealt directly with the private complainants. In fact, she received their placement fees and even signed, in her capacity as the Assistant General Manager of the APSC, the promissory note on May 6, 1998 in favor of private complainant Elmer Janer, obliging the APSC to pay to him the amount of P75,000.00. However, despite the private complainants' demands, their placement fees were not reimbursed in full. In *People vs. Cabais*,[10] we held thus:

> Accused-appellant contends that she was not involved in recruitment but was merely an employee of a recruitment agency. An employee of a company or corporation engaged in illegal recruitment may be held liable as principal, together with his employer, if it is shown that he actively and consciously participated in illegal recruitment. Recruitment is "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…[11]

In this case, the overwhelming evidence on record indubitably shows that the appellant engaged in illegal recruitment. As aptly ruled by the trial court:

> The first line of defense invoked by the accused to exonerate herself of the criminal charge is clearly and conclusively without merit. There is no dispute about the fact that the three complainants engaged (sic) the Alvis Placement Service Corporation, a recruitment agency duly authorized by the POEA wherein the accused was one of its top officers, to deploy them as factory workers in Taiwan. Admittedly, they incurred expenses, designated as placement fees, in connection with their documentation and processing for purposes of their de[pl]oyment. Elmer Janer paid to the accused, who received the payment, the total amount of P75,000.00 for his placement fee (Exhibit J; TSN, Sept. 7, 1999, pp. 6-8). Eric Farol paid also to the accused a similar amount for the same purpose (Exhibit E; TSN, Sept. 20, 1999, pp. 5-8). Elmer Ramos paid to the agency the sum of P70,000.00 of which P20,000.00 was received by the accused, and the balance of P50,000.00 was received by Vicente So Yan Han (Exhibit F; TSN, Sept. 27, 1999, pp. 10-18). In the course of her testimony, the accused admitted that she received these payments by the complainants of their placement fees.
>
> However, the expected deployment of the complainants as factory workers in Taiwan, or even elsewhere, did not take place, without any fault on their part. There is absolutely no evidence reflecting that the failure to deploy them was imputable to their faults.

> The evidence has satisfactorily established that the complainants have not been reimbursed the full amount of their placement fees, notwithstanding their persistent demands. Not a single peso of his placement fee was returned to Elmer Janer. Instead, on April 30, 1998, the accused executed a promissory note (Exhibit K) in behalf of the Alvis Placement Service Corporation, undertaking to pay Elmer Janer the amount of P75,000.00 on May 6, 1998. However, the amount covered by the promissory note was not paid (TSN, Sept. 7, 1999, p. 11).
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> On the other hand, although Eric Farol and Elmer Ramos were reimbursed of P11,000.00 and P5,000.00 in cash, respectively, and the balance of their placement fees were covered by checks (Exhibits D-2 and G), these transactions did not relieve the accused of her criminal liability. The reimbursement contemplated by paragraph (m) of Section 6 of Republic Act No. 8042 is full reimbursement of the expenses incurred by the worker in connection with the documentation and processing of his deployment. To rule otherwise would be offensive to the administration of justice, as illegal recruiters could easily escape criminal liability with impunity by simply returning an insignificant portion of the amount they collected from the worker. The checks drawn and issued by the accused to these two complainants, however, did not produce the effect of payment, for they were both dishonored by the drawee bank on the ground of closed account. Pursuant to the second paragraph of Article 1249 of the Civil Code, "(t)he delivery of promissory notes payable to order, or bills of exchange or other mercantile documents shall produce the effect of payment only when they have been cashed, or when through the fault of the creditor they have been impaired."[12]

The appellant's bare denial of her involvement in the management, administration, control and operation of APSC cannot prevail over her judicial admissions, the positive testimonies of the private complainants and the documentary evidence adduced by the prosecution.

Section 6 of Rep. Act No. 8042 provides that illegal recruitment shall be considered an offense involving economic sabotage if committed in large scale, *viz*, committed against three (3) or more persons individually or as a group, the imposable penalty for which is life imprisonment and a fine of not less than P500,000.00 nor more than P1,000,000.00.[13] In this case, there are three private complainants, namely, Elmer Janer, Eric Farol and Elmer Ramos. The trial court, thus, correctly convicted the appellant of large scale illegal recruitment and sentenced her to suffer life imprisonment.

IN LIGHT OF ALL THE FOREGOING, the appeal is DENIED. The Decision of the Regional Trial Court of Manila, Branch 35, is AFFIRMED. Costs against the appellant.

SO ORDERED.

Puno, (Chairman), Quisumbing, Austria-Martinez, and Tinga, JJ., concur.

Footnotes

[1] Penned by Judge Ramon P. Makasiar.

[2] Records, p. 1.

[3] *Rollo*, pp. 81-88.

[4] *Id*. at 53-56.

[5] Records, p. 227.

[6] *Rollo*, pp. 56-57.

[7] Otherwise known as the Migrant Workers and Overseas Filipinos Act of 1995.

[8] *Id*. at 353.

[9] Records, p. 226.

[10] 354 SCRA 553 (2001).

[11] *Id*. at 561-562.

[12] Records, pp. 65-66.

[13] Section 7(b), Republic Act No. 8042.