

751 Phil. 463

THIRD DIVISION

[G.R. No. 206562, January 21, 2015]

**UNICOL MANAGEMENT SERVICES, INC., LINK MARINE PTE. LTD.
AND/OR VICTORIANO B. TIROL, III, PETITIONERS, VS. DELIA
MALIPOT, IN BEHALF OF GLICERIO MALIPOT, RESPONDENT.**

DECISION

PERALTA, J.:

This is a Petition for Review on *Certiorari* under Rule 45 of the 1997 Rules of Civil Procedure seeking the reversal of the Decision^[1] dated October 29, 2012 and Resolution^[2] dated March 27, 2013 of the Court of Appeals (CA) in CA-G.R. SP No. 118451, which set aside the Decision^[3] dated September 30, 2010 and Resolution^[4] dated December 30, 2010 of the National Labor Relations Commission (*NLRC*) denying the award of death benefits to respondent.

The factual antecedents follow.

Respondent Delia Malipot is the surviving spouse of the deceased seaman Glicerio Malipot (*seaman Glicerio*) with whom the latter has two minor children.

On July 16, 2008, seaman Glicerio was processed for hiring by petitioner Unicol Management Services (*petitioner Unicol*), acting for and in behalf of its principal, petitioner Link Marine Pte. Ltd. (*petitioner Link Marine*) for the vessel Heredia Sea as Chief Engineer Officer with a monthly salary of \$2,500.00 for a contract duration of four (4) months.

Prior to his employment, seaman Glicerio was made to undergo a rigorous pre-employment medical examination conducted by petitioners' designated physicians and was found fit to work physically and mentally.

On August 18, 2008, seaman Glicerio left the Philippines to join the vessel Heredia Sea.

In her complaint, respondent alleged that seaman Glicerio suffered emotional strain when petitioners refused to allow him to go home and be with his family. As early as November 16, 2008, seaman Glicerio already manifested his desire to end his contract and gave petitioners enough time to secure his replacement. His request was relayed by the Master of Heredia Sea to petitioners' Port Captain. However, the Port Captain did not allow seaman Glicerio to leave the vessel. The Port Captain also allegedly threatened seaman Glicerio by telling him that once he leaves and sets his feet on Philippine soil, he will immediately be arrested and will never be employed by any

vessel ever again, and he will be made to pay for all the expenses of his deployment.

Respondent further contended that seaman Glicerio became depressed, especially when December came and he was still not allowed to go home. Seaman Glicerio called up and texted respondent, begging her to talk to the Port Captain and allow him to go home. He soon became ill and experienced chest pains and palpitations. He was seen by a physician at the Fujairah Port Medical Center in Fujairah, United Arab Emirates and was diagnosed with Musculoskeletal pain and Emotional trauma/illness. Despite this, seaman Glicerio was not repatriated. Even when his 4-month contract expired on December 18, 2008, he was still not allowed to join his family for Christmas. Respondent stressed that his death was compensable because his emotional trauma was caused by the conditions of his job and aggravated by the acts of the Port Captain.

For their part, petitioners alleged that seaman Glicerio was hired for the first time by petitioner Unicol and seconded to one of its principals, petitioner Link Marine to board the vessel Heredia Sea. This employment was contained in the Contract of Employment approved by the Philippine Overseas Employment Administration (POEA). The period of employment, as stipulated in said contract, was for a period of four to six months starting August 18, 2008 and ending February 18, 2009.

Regrettably, before the end of his employment contract, or on January 13, 2009, petitioners received information that seaman Glicerio committed suicide by hanging in the store room of the Heredia Sea. This report was confirmed by the Certification of the Philippine Consulate General at Dubai, and the accompanying documents, namely: Medico Legal Report issued by the Ministry of Justice of the United Arab Emirates and the Death Certificate issued by the Ministry of Health of the United Arab Emirates.

As a result of the foregoing events, respondent filed a Complaint before the Labor Arbiter claiming death compensation under seaman Glicerio's POEA contract.

On September 14, 2009, the Labor Arbiter rendered a Decision^[5] awarding death compensation in the amount of US\$71,500.00.

The Labor Arbiter ruled that petitioners failed to satisfactorily prove by substantial evidence that seaman Glicerio committed suicide as it relied on the inconclusive report of the medico-legal consultant, which merely gave the cause of death. The Labor Arbiter held as follows:

[Respondent] Delia Malipot, in behalf of her deceased husband seaman Glicerio, is therefore entitled to death benefits and burial expenses pursuant to Section 20 (A) (1) and (4c) of the POEA Standard Employment Contract, which provide:

1. In case of work-related death of the seafarer during the term of his contract, the employer shall pay his beneficiaries the Philippine currency equivalent to the amount of Fifty Thousand US Dollars (US\$50,000) and an additional amount of Seven Thousand US Dollars (US\$7,000) to each child under the age of twenty-one (21) but not exceeding four (4) children, at the

exchange rate prevailing during the time of payment.

xxx xxx xxx

4. The other liabilities of the employer when the seafarer dies as a result of injury or illness during the term of employment are as follows:

xxx xxx xxx

c. The employer shall pay the beneficiaries of the seafarer the Philippine currency equivalent to the amount of One Thousand US Dollars (US\$1,000) for burial expenses at the exchange rate prevailing during the time of payment.

There is no dispute that seaman Glicerio had two (2) legitimate minor children who, in addition to the death benefits of US\$50,000.00, are entitled to US\$7,000 each, plus burial allowance of US\$1,000.00.

There is merit in [respondent]'s claim that she is entitled to attorney's fees because she was forced to litigate and incur expenses to protect her rights and interests because of the unjust, unfair and totally unlawful acts of the [petitioners] in refusing to pay her claims. The same finds ample basis on Art. 2208, par. 2 of the Civil Code, which provides:

Art. 2208. In the absence of stipulation, attorney's fees and expenses of litigation, other than judicial costs, cannot be recovered, except:

xxx xxx xxx

(2) When the defendant's act or omission has compelled the plaintiff to litigate with third persons or to incur expenses to protect his interests;

WHEREFORE, premises considered, judgment is hereby rendered holding the above-named [petitioners] Unicol Maritime Services, Inc. and Victoriano B. Tirol III liable, jointly and severally, to pay [respondent] the following amounts:

- | | | |
|----------------------|---|---|
| 1. US\$50,000 | - | Death Benefits |
| 2. US\$14,000 | - | Death benefits for the two (2) minor children |
| 3. <u>US\$1,000</u> | - | Burial Expenses |
| US\$65,000 | - | Total |
| 4. <u>US\$6,500</u> | - | 10% Attorney's fees |
| US\$71,500.00 | - | Grand Total |

or in Philippine currency at the prevailing rate of exchange at the time of actual payment.

All other claims are dismissed.

SO ORDERED.[6]

On October 7, 2009, petitioners appealed before the NLRC.

On September 30, 2010, the NLRC reversed and set aside the decision of the Labor Arbiter and dismissed respondent's complaint for lack of merit.

It its Decision, the NLRC ruled that petitioners have clearly shown that seaman Glicerio's death was due to suicide and that the same is not compensable under the POEA Employment Contract. Thus:

As such, there being no evidence to the contrary, We find that Glicerio Malipot in fact committed suicide. The Labor Arbiter thus seriously erred in ruling that there is no certainty as to the cause of Glicerio's death when the above documents clearly provided otherwise. In the same Great Southern Maritime case, the Supreme Court noted:

Indeed, we are not unaware of our ruling in *Becmen Service Exporter and Promotion, Inc. v. Cuaresma*, where we held that Jasmin Cuaresma, also an overseas Filipino worker, did not commit suicide; that Filipinos are resilient people, willing to take on sacrifices for the good of their family; and that we do not easily succumb to hardships and difficulties. Nevertheless, the circumstances prevailing in said case are totally different from this case. In *Becmen*, the postmortem examination and the police report did not state with specificity that poisoning or suicide was the cause of Jasmin's death. In fact, both reports mentioned that the cause of death of Jasmin was still under investigation. In contrast, the postmortem examination and the police report in this case, categorically mentioned that Salvador died of asphyxia due to hanging. It was also shown that no other individual could have caused the death of Salvador because the bathroom door was locked or bolted from the inside and could not be opened from the outside.

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As such, herein [respondent] is not entitled to any death benefits nor to attorney's fees.

WHEREFORE, the appealed Decision is hereby REVERSED and SET ASIDE. Another one entered DISMISSING the instant complaint for lack of merit.

SO ORDERED.[7]

Respondent filed a Motion for Reconsideration. However, the same was denied and the dismissal of the claim for death benefits was affirmed by the NLRC in a Resolution dated December 30, 2010.

Accordingly, respondent filed a *certiorari* petition before the CA alleging that the NLRC

committed grave abuse of discretion when it gave weight to the Medico-Legal Report issued by Dr. Osman Abdul Hameed Awad and the Death Certificate issued by the United Arab Emirates Ministry of Health as the same are inconclusive as to the cause of seaman Glicerio's death.

In its Decision dated October 29, 2012, the CA reversed the NLRC ruling and awarded death benefits holding that petitioners failed to prove the cause or circumstances which lead to seaman Glicerio's suicide, viz.:

Apart from the Medico-Legal Report and Death Certificate, there is no showing that [petitioners] exerted effort to ascertain the circumstances surrounding Glicerio's death which was their duty to undertake as employer. As held by the Labor Arbiter, the Medico-Legal Report and Death Certificate are only evidence of the cause of death, but not of the circumstances surrounding Glicerio's death. While [petitioners] submitted an Investigation Report, log book extracts, and Master's Report, these were belatedly submitted on appeal to the NLRC via a Supplemental Memorandum of Appeal, yet, there is no indication that these are newly discovered evidence. Worse, a reading of these documents does not show the actual circumstances which surrounded Glicerio's death, for even the Investigation Report merely stated: "The local Fujairah Police is presently carrying out an investigation into the likely cause of death."

[Petitioners] presented these reports to highlight Glicerio's supposed "family problems" which allegedly drove him to commit suicide. However, this supposition is contradicted by Glicerio's yearning to go home, as related to his wife during their conversations. Also, [petitioners] alleged that Glicerio's Contract of Employment was supposed to end on February 18, 2009 as his contract was for 4-6 months. In contrast though, Glicerio's Seabased Overseas Filipino Worker (OFW) sheet stated that his contract duration is for "4 months, 0 days," so his contract should have ended on December 18, 2008. But whether it was in December or in February that Glicerio was slated to go home, We cannot subscribe to the idea that he decided to commit suicide at a time that was already so near the end of his contract. It is beyond human comprehension that a seaman who wanted to go home so badly would simply take his life for no reason at all.

x x x x

We also note that Delia executed a Quitclaim and Release in consideration of the sum of Twelve Thousand Two Hundred Fifty-Four and 00/100 (Usd 12,254.00) US Dollars. But it has already been held that where it is shown that the person making the waiver did so voluntarily and with full understanding of what he is doing and the consideration of the quitclaim is credible, the transaction must be recognized as a valid and binding undertaking. But where the consideration for the quitclaim is inordinately low and exceedingly unreasonable, the quitclaim cannot be considered as an obstacle to the pursuit of legitimate claims. Noting that the consideration of the quitclaim, US\$12,254.00, is inordinately low compared to the

US\$71,500.00 awarded by the Labor Arbiter, We find it, therefore, to be palpably inequitable. However, to avoid any unjust enrichment here, the amount received by Delia must be deducted from the monetary award.

WHEREFORE, premises considered, the instant petition is GRANTED. The assailed September 30, 2010 Decision and December 30, 2010 Resolution are SET ASIDE. The September 14, 2009 Decision of the Labor Arbiter is REINSTATED with MODIFICATION in that the amount of US\$12,254.00 which Delia received from [petitioners] is hereby ordered deducted from the award of US\$71,500.00 with interest at the rate of 6% per annum from September 14, 2009, the date of the Labor Arbiter's judgment, until the finality of this decision, and thereafter at the rate of 12% per annum until full payment.

SO ORDERED.^[8]

Petitioners filed a Motion for Reconsideration against said Decision, but the same proved futile as it was denied by the CA in a Resolution^[9] dated March 27, 2013.

Hence, the present petition wherein petitioners present the following issues for our resolution:

THE RECORDS OF THIS CASE IS REplete WITH OVERWHELMING EVIDENCE THAT SEAFARER GLICERIO MALIPOT COMMITTED SUICIDE, YET THE COURT OF APPEALS DEATH BENEFITS RULING (sic) THAT "THERE IS NO SHOWING THAT HEREIN PETITIONERS EXERTED EFFORTS TO ASCERTAIN THE CIRCUMSTANCES SURROUNDING GLICERIO'S DEATH."

IS DEATH BY SUICIDE COMPENSABLE UNDER THE POEA CONTRACT?^[10]

In essence, the main issue for resolution is whether seaman Glicerio committed suicide during the term of his employment contract which would exempt petitioners from paying the death compensation benefits to his beneficiaries.

Petitioners insist that seaman Glicerio committed suicide. They aver that the CA erred in not considering the Medico-Legal Report^[11] as well as the Death Certificate^[12] submitted by the parties on the ground that the same are only evidence of the cause of death, but not the circumstances surrounding seaman Glicerio's suicide. Petitioners also lament the fact that the CA did not consider the Investigation Report,^[13] log book extracts,^[14] and Master's Report^[15] which detailed the events that transpired before seaman Glicerio committed suicide. They contend that the CA erred in disregarding these pieces of evidence which convincingly rule out suspicions of foul play.

The petition is impressed with merit.

At the outset, it must be emphasized that the jurisdiction of the Court in cases brought before it under Rule 45^[16] of the Rules of Court is limited only to reviewing errors of law. However, this rule is subject to certain exceptions, namely:

- (1) When the findings are grounded entirely on speculations, surmises or conjectures;
- (2) When the inference made is manifestly mistaken, absurd or impossible;
- (3) When there is grave abuse of discretion;
- (4) When the judgment is based on misapprehension of facts;
- (5) **When the findings of fact are conflicting;**^[17]
- (6) When in making its findings the Court of Appeals went beyond the issues of the case, or its findings are contrary to the admissions of both the appellant and the appellee;
- (7) When the findings are contrary to that of the trial court;
- (8) When the findings are conclusions without citation of specific evidence on which they are based;
- (9) When the facts set forth in the petition as well as in the petitioner's main and reply briefs are not disputed by the respondent;
- (10) When the findings of fact are premised on the supposed absence of evidence and contradicted by the evidence on record; or
- (11) When the Court of Appeals manifestly overlooked certain relevant facts not disputed by the parties, which, if properly considered, would justify a different conclusion.^[18]

Normally, the Supreme Court is not a trier of facts. However, since the findings of the CA and the NLRC were conflicting, it is incumbent upon this Court to wade through the records to find out if there was enough basis for the CA's reversal of the NLRC decision.

In this case, the CA ruled out the commission by seaman Glicerio of suicide on the ground that the evidence presented by petitioners, such as the Medico-Legal Report and Death Certificate, did not state the circumstances regarding the cause of seaman Glicerio's death. Also, the CA held that the Investigation Report, log book extracts, and Master's Report were submitted for the first time on appeal to the NLRC, and thus, should not have been admitted by the NLRC.

First, this Court would like to underline the fact that the NLRC may receive evidence submitted for the first time on appeal on the ground that it may ascertain facts objectively and speedily without regard to technicalities of law in the interest of substantial justice.

In *Sasan, Sr. v. National Labor Relations Commission 4th Division*,^[19] We held that our jurisprudence is replete with cases allowing the NLRC to admit evidence, not presented before the Labor Arbiter, and submitted to the NLRC for the first time on appeal. The submission of additional evidence before the NLRC is not prohibited by its New Rules of Procedure considering that rules of evidence prevailing in courts of law or equity are not controlling in labor cases. The NLRC and Labor Arbiters are directed to use every and all reasonable means to ascertain the facts in each case speedily and objectively, without regard to technicalities of law and procedure all in the interest of substantial justice. In keeping with this directive, it has been held that the NLRC may consider evidence, such as documents and affidavits, submitted by the parties for the first time on appeal.^[20]

Moreover, among the powers of the Commission as provided in Section 218 of the Labor Code is that the Commission may issue subpoenas requiring the attendance and testimony of witnesses or the production of such books, papers, contracts, records, statement of accounts, agreements, and others.^[21] In addition, the Commission may, among other things, conduct investigation for the determination of a question, matter or controversy within its jurisdiction, proceed to hear and determine the disputes in the absence of any party thereto who has been summoned or served with notice to appear, conduct its proceedings or any part thereof in public or in private, adjourn its hearings to any time and place, refer technical matters or accounts to an expert and to accept his report as evidence after hearing of the parties upon due notice.^[22] From the foregoing, it can be inferred that the NLRC can receive evidence on cases appealed before the Commission, otherwise, its factual conclusions would not have been given great respect, much weight, and relevance^[23] when an adverse party assails the decision of the NLRC via petition for *certiorari* under Rule 65 of the Rules of Court before the CA and then to this Court via a petition for review under Rule 45.^[24]

Accordingly, if we take into consideration the Investigation Report, log book extracts and Master's Report submitted by petitioners, the same all strongly point out that seaman Glicerio died because he committed suicide.

Contrary to the findings of the CA, it appears that the Investigation Report submitted by Inchcape Shipping Services completely detailed the events that happened prior to seaman Glicerio's death, *i.e.*, from the last person who corresponded with him when he was still alive, the circumstances leading to the day he was discovered dead, to the person who discovered him dead. Based on the investigation, it appears that seaman Glicerio was cheerful during the first two months. However, he, thereafter, kept to himself after telling people that his family is facing problems in the Philippines and that he already informed petitioners to look for his replacement.

The result of the above investigations is even bolstered by the Medical Report^[25] issued by Dr. Sajeed Aboobaker who diagnosed seaman Glicerio with musculoskeletal pain and emotional trauma due to family problems, when the latter complained of chest pains and palpitations on December 10, 2008.

Second, both the Medico-Legal Report and Death Certificate indicate that the actual cause of death of seaman Glicerio is "suicidal asphyxia due to hanging."

The Medico-Legal Report issued by the United Arab Emirates, Ministry of Justice states:

Medico-Legal Report on Case No. 2/2009/Casualties

In accordance with the letter of the Director of Fujairah Public Prosecution dated 09.07.2006 to carry out the external examination on the remains of Mr. Glicerio Ramirez [M]alipot, Filipino national, to show the reason of death and how death occurred, I, Prof. Dr. Osman Abdul Hameed Awad, medico-legal senior consultant in Fujairah, hereby certify that I carried out the external examination on the aforementioned body on 15.01.2009 at Fujairah

Hospital Postmortem. I also reviewed the minutes of investigations. Moreover, I hereby decide the following:

A) External Examination:

The body is for a man aging about 56 years, in a saprophytic state because of being in the refrigerator along with blood precipitation in the upper and lower limbs. I noticed a deep lacerated groove transverse in the front of the neck and upper the level of the thyroid gristle with 2 cm width, going up and to the two sides of the neck and disappears beneath the ear along with the emergence of the tongue outside the mouth. I did not notice any recent injuries in the body.

B) Opinion:

Based on the above, I decide the following:

- 1) Based on the external examination of the body of the aforementioned deceased a deep lacerated groove round the neck. It (sic) vital and recent. It occurs as a result of pressure and hanging with an elastic body such as a rope or similar.
- 2) The death is due to suicidal Asphyxia due to hanging.
- 3) The time of death synchronizes with the given date.^[26]

From the foregoing, it can be inferred that there was no foul play regarding seaman Glicerio's suicide considering that an external examination of his body shows no violence or resistance or any external injuries. In fact, the post-mortem examination conclusively established that the true cause of death was suicidal asphyxia due to hanging.

All told, taking the Medico-Legal Report and the Death Certificate, together with the Investigation Report, log book extracts, and Master's Report, we find that petitioners were able to substantially prove that seaman Glicerio's death was attributable to his deliberate act of killing himself by committing suicide.

With that settled, we now resolve the issue of whether respondent is entitled to death compensation benefits under the POEA Standard Employment Contract.

Section 20 of the POEA "*Standard Terms and Conditions Governing the Overseas Employment of Filipino Seafarers On-Board Ocean-Going Ships,*" provides:

SECTION 20. COMPENSATION AND BENEFITS

A. COMPENSATION AND BENEFITS FOR INJURY OR ILLNESS

X X X X

B. COMPENSATION AND BENEFITS FOR DEATH

1. In case of work-related death of the seafarer, during the term of his contract, the employer shall pay his beneficiaries the Philippine currency equivalent to the amount of Fifty Thousand US dollars (US\$50,000) and an additional amount of Seven Thousand US dollars (US\$7,000) to each child under the age of twenty-one (21) but not exceeding four (4) children, at the exchange rate prevailing at the time of payment.

x x x x

D. No compensation and benefits shall be payable in respect of any injury, incapacity, disability or death of the seafarer resulting from his willful or criminal act or intentional breach of his duties, provided however, that the employer can prove that such injury, incapacity, disability or death is directly attributable to the seafarer.^[27]

Clearly, the employer is liable to pay the heirs of the deceased seafarer for death benefits once it is established that he died during the effectivity of his employment contract. However, the employer may be exempt from liability if it can successfully prove that the seaman's death was caused by an injury directly attributable to his deliberate or willful act.^[28] Thus, since petitioners were able to substantially prove that seaman Glicerio's death is directly attributable to his deliberate act of hanging himself, his death, therefore, is not compensable and his heirs not entitled to any compensation or benefits.

Finally, although this Court commiserates with the respondent, absent substantial evidence from which reasonable basis for the grant of benefits prayed for can be drawn, we are left with no choice but to deny her petition, lest an injustice be caused to the employer. While it is true that labor contracts are impressed with public interest and the provisions of the POEA Employment Contract must be construed logically and liberally in favor of Filipino seamen in the pursuit of their employment on board ocean-going vessels, still the rule is that justice is in every case for the deserving, to be dispensed with in the light of established facts, the applicable law, and existing jurisprudence.^[29]

WHEREFORE, premises considered, the instant petition is **GRANTED**. The Decision dated October 29, 2012 and Resolution dated March 27, 2013 of the Court of Appeals are hereby **REVERSED** and **SET ASIDE**. The Decision dated September 30, 2010 and Resolution dated December 30, 2010 of the National Labor Relations Commission are **REINSTATED**.

SO ORDERED.

Velasco, Jr., (Chairperson), Villarama, Jr., Reyes, and Jardeleza, JJ., concur.

[1] Penned by Associate Justice Vicente S.E. Veloso, with Associate Justices Jane Aurora C. Lantion and Eduardo B. Peralta, Jr., concurring; *rollo*, pp. 15-36.

[2] *Id.* at 38.

[3] *CA rollo*, pp. 36-44.

[4] *Id.* at 34-35.

[5] *Id.* at 127-138.

[6] *Id.* at 137-138.

[7] *Id.* at 43-44.

[8] *Rollo*, pp. 32-36. (Emphases omitted)

[9] *Id.* at 38.

[10] *Id.* at 43.

[11] *Id.* at 92-93

[12] *Id.* at 97.

[13] *Id.* at 94-96.

[14] *Id.* at 90-91.

[15] *Id.* at 89.

[16] Section 1. *Filing of petition with the Supreme Court.* – A party desiring to appeal by certiorari from a judgment or final order or resolution of the Court of Appeals, Sandiganbayan, the Regional Trial Court or other courts whenever authorized by law, may file with the Supreme Court a verified petition for review on certiorari. The petition shall raise only questions of law which must be distinctly set forth.

[17] Emphasis supplied.

[18] *Development Bank of the Philippines v. Traders Royal Bank*, G.R. No. 171982, August 18, 2010, 628 SCRA 404, 414. (Emphasis ours)

[19] 590 Phil. 685 (2008).

[20] *Sasan, Sr. v. National Labor Relations Commission*, 4th Division, *supra*, at 701-

702.

[21] Art. 218 (2).

[22] Art. 218 (3).

[23] See *Malayang Manggagawa nd Stayfast Phils., Inc. v. National Labor Relations Commission*, G.R. No. 155306, August 28, 2013, 704 SCRA 24, 41; *Metro Transit Organization, Inc. v. National Labor Relations Commission*, 367 Phil. 259, 263 (1999).

[24] *Univac Development, Inc. v. Soriano*, G.R. No. 182072, June 19, 2013, 699 SCRA 88, 97.

[25] *Rollo*, p. 99.

[26] *Id.* at 92-93.

[27] Emphasis supplied.

[28] *Maritime Factors, Inc. v. Hindang*, G.R. No. 151993, October 19, 2011, 659 SCRA 526, 536.

[29] *Crewlink, Inc. v. Teringtering*, G.R. No. 166803, October 11, 2012, 684 SCRA 12, 21-22.



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