

### **FIRST DIVISION**

MENANDRO A. SOSMEÑA,

G.R. No. 232677

Petitioner.

Present:

-versus-

PERALTA, C.J., Chairperson, CAGUIOA, REYES, J.C., JR., LAZARO-JAVIER, and

LOPEZ, JJ

BENIGNO M. BONAFE, JIMMY A. ESCOBAR, JOEL M. GOMEZ, and HECTOR B. PANGILINAN,

Promulgated:

Respondents.

JUN 08 2020

DECISION

LAZARO-JAVIER, J.:

#### The Case

This Petition for Review assails the Decision<sup>1</sup> dated June 30, 2017 of the Court of Appeals in CA-G.R. CV No. 104210 entitled "Benigno M. Bonafe, et. al, v. Menandro A. Sosmeña," affirming the Decision dated April 22, 2014 of the Regional Trial Court, Branch 22, Manila, in Civil Case No.

Penned by Associate Justice Samuel H. Gaerlan (now a member of this Court) with the concurrence of Associate Justices Normandie B. Pizarro and Jhosep Y. Lopez, all members of the Twelfth Division, rollo, pp. 27-28.

02-104536 ordering petitioner Menandro Sosmeña to pay respondents Benigno Bonafe, Jimmy Escobar, Joel Gomez and Hector Pangilinan ₱200,000.00 as moral damages, ₱50,000.00 as exemplary damages, and ₱25,000.00 as attorney's fees, for malicious prosecution.

## **Proceedings before the Trial Court**

Respondents sued<sup>2</sup> petitioner for malicious prosecution seeking the payment of damages.

The facts established after trial are as follows:

Petitioner is the managing director of Expo Logistics Philippines, Inc. ("Expo Logistics"), a freight forwarding company doing business in the Philippines. It is the local partner of Plettac Roeder Asia Pte Ltd. ("Plettac"), a Singaporean company engaged in providing pavilion hall tents for holding exhibitions and other events in the Philippines.<sup>3</sup>

Respondent Benigno Bonafe ("Benigno") was engaged by petitioner as Air Conditioning Assistant sometime in January 2001. His services were required for installing and maintaining air conditioning units for the pavilion hall tents provided by Expo Logistics and Plettac.

Respondents Jimmy Escobar ("Jimmy") and Joel Gomez ("Joel") were hired as petitioner's assistants and respondent Hector Pangilinan ("Hector") was the lead carpenter, all at Expo Logistics. Pangilinan resigned in April 2001.<sup>4</sup>

Respondents lived in the same area and were almost always together at work. They developed a camaraderie that made them close to each other.

Meantime, petitioner's foreign business partner, a certain Abdul Majid Sattar ("Abdul"), became suspicious of petitioner. Abdul thought that petitioner had been erecting tent pavilion halls in local markets without reporting the transactions to him. Abdul approached Benigno and asked him to spy for him against petitioner. Benigno agreed and accepted Abdul's proposal.<sup>5</sup>

Not long after, petitioner discovered that he was being surveilled by Benigno. They had a falling out. The relationship between petitioner and Jimmy and Joel also got strained. Petitioner maneuvered to ruin Benigno's efficiency and camaraderie with Jimmy and Joel. Petitioner blamed Benigno for problems arising at the work place.<sup>6</sup>

<sup>&</sup>lt;sup>2</sup> Complaint dated August 28, 2002, rollo, pp. 60-64.

<sup>&</sup>lt;sup>3</sup> *Id.* at 60-61.

<sup>&</sup>lt;sup>4</sup> *Id*.

<sup>&</sup>lt;sup>5</sup> *Id*.

<sup>6</sup> *Id*.

Benigno resigned from Expo Logistics in September 2001. He felt that his working conditions had become hostile. Jimmy and Joel followed suit in October 2001.

On February 4, 2002, petitioner filed criminal cases against Benigno, Jimmy, Joel and Hector with the Office of the City Prosecutor in Pasay City. He accused them of conspiring with one another to commit malicious mischief when they allegedly cut-off the cable wires of five (5) air conditioning units in the evening of October 8, 2001, and thereafter, deliberately concealing them to damage petitioner's business to the tune of ₱30 million, which however did not happen as the cables were located in time for the event. These airconditioning units were installed at a tent pavilion hall for an exhibit by the Philippine government.

Petitioner also charged Benigno separately for allegedly absconding with ₱29,000.00 cash, and Jimmy and Joel with theft of materials of an undetermined value and ₱2,000.00 cash.<sup>7</sup>

On May 10, 2002, 3<sup>rd</sup> Assistant City Prosecutor Manuel Ortega dismissed the complaints for insufficiency of evidence. He also concluded that the charges were motivated by petitioner's grudge with each of respondents and that he filed the complaints just to prejudice them.8

In their civil complaint for malicious prosecution, respondents claimed that petitioner's initiation of the criminal complaints caused them to suffer damages as they were forced to hire lawyers and plead with a witness to testify on their behalf. They allegedly suffered anguish, mental torture and public ridicule. For one, Benigno received the subpoena at his work place which led his employer to halt his employment so he could attend to the complaints against him. He demanded ₱400,000.00 as moral damages. Respondents also assailed petitioner for violating Article 19 of the Civil Code,9 and demanded that he pay exemplary damages of not less than ₱100,000.00 and ₱100,000.00 as attorney's fees. 10

Petitioner defended himself by claiming good faith when he filed the criminal complaints against respondents.11 He said he did not appeal the dismissal of the criminal complaints as he was then busy with his business engagements. He prayed for attorney's fees against respondents.

# Ruling of the Trial Court

<sup>&</sup>lt;sup>7</sup> Id. at 62.

<sup>&</sup>lt;sup>9</sup> Article 19. Every person must, in the exercise of his rights and in the performance of his duties, act with justice, give everyone his due, and observe honesty and good faith. <sup>10</sup> *Rollo*, pp. 63-64.

<sup>&</sup>lt;sup>11</sup> Answer with Counterclaim dated November 12, 2002, id. at 66-69.

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In its assailed Decision,<sup>12</sup> the trial court found petitioner to have violated Article 19 of the Civil Code and awarded respondents moral damages, exemplary damages, and attorney's fees. It ruled:

The plaintiffs, on the other hand, were able to establish that it could not have been possible for them to commit the imputed crimes, both during the investigation by the Prosecutor and during the trial of this case. No hint of inconsistency was ever found in their statements and testimonies. They have been consistent in their respective stories to the letter. This only leads to one conclusion, that is, that they are telling the truth.

Defendant, and his witnesses, presented testimonies which are contrary to each other. Defendant Sosmena testified that the Plaintiffs are the employees of Plettac Roeder, not Expo Logistics, while Majid Sattar testified that the Plaintiffs are employees of Defendant in Expo Logistics. The Defendant testified that he was frustrated with the recommendation of the police as to the crime that can be charged, yet it took him almost four months to file the cases against Plaintiffs with additional charges at that. He also testified that he knew that Resolutions of dismissal by the Prosecutors are not final and that it may be re-filed at another time, as one of the reasons, for failure to take recourse against the adverse Resolution, the other being that he was too busy to take care of it. Yet, to date, no such re-filing was ever made by the said Defendant against the Plaintiffs. The inconsistencies found in the different testimonies, if considered individually, are unsubstantial, but taken collectively show a pattern, that is of lies and fabrication. Fact is he had his opportunity to prove his charges against the Plaintiffs with the Pasay Prosecutor's Office, but he blew it there. Now he is trying to prove those very same charges in the present case. His explanation that the case was tried long after the occurrence of the incident because he was too busy at that time is simply unacceptable. He also used this excuse in failing to file a reply or even to re-file the case as he allegedly intended to do. He even alleged that he consulted a lawyer prior to filing the case against the Plaintiffs, yet he did not make it credible enough to provide the name of the lawyer whom he consulted.

The Court finds from the evidence that indeed, malice attended the filing of the criminal case against the Plaintiffs. This constitutes a violation of one of the most basic precepts of civil law. Article 19 of the Civil Code provides that "Every person must in the exercise of his rights and in the performance of his duties, act with justice, give everyone his due and observe honesty and good faith." It was also said that the "Statutory basis for an action for moral damages, due to malicious prosecution can be found in Articles 19, 2176 and 2219 of the Civil Code" \*Madera vs. Heirs of Salvador Lopez, G.R. No. 37105, February 10, 1981). Indeed, the malicious prosecution gives right to an action for moral damages, herein Plaintiffs having established that the filing of the case was attended by bad faith on the part of the Defendant. Since the Plaintiffs were able to establish that they are entitled to Moral Damages, Article 2234 justifies the award of exemplary damages. The award of attorney's fees is also proper under the circumstances pursuant to Article 2208 (1) tempered pursuant to the principle of *quantum meruit*. <sup>13</sup> (Emphasis supplied)

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<sup>&</sup>lt;sup>12</sup> Penned by Judge Marino M. dela Cruz, Jr., id. at 34-59.

<sup>&</sup>lt;sup>13</sup> *Id.* at 56-59.

The dispositive portion of the trial court's Decision read:

WHEREFORE, judgment is hereby rendered in favor of the plaintiffs and against the defendant ordering the latter to pay:

- 1. Moral Damages in the amount of TWO HUNDRED THOUSAND PESOS (P200,000.00);
- 2. Exemplary damages in the amount of FIFTY THOUSAND PESOS (P50,000.00);
- 3. Attorney's Fees in the amount of TWNETY-FIVE THOUSAND PESOS (P25,000.00)

SO ORDERED.14

## Proceedings before the Court of Appeals

On appeal, petitioner argued he could not be guilty of malicious prosecution because the element that "the criminal action ended in plaintiff's acquittal" is missing. Since the criminal complaints were dismissed during the preliminary investigation stage, there was no acquittal to speak of. He argued that the mere act of submitting a criminal complaint to the authorities does not make a person automatically liable for malicious prosecution. Resort to judicial processes is not itself evidence of ill will. He insisted that there was probable cause for malicious mischief and theft against respondents.

Benigno countered that all the elements of malicious prosecution were present. Petitioner had instigated a criminal complaint against respondents. The subsequent dismissal of the complaints sufficiently satisfied the element of "the criminal action ended in plaintiff's acquittal." He echoed the prosecutor's finding of absence of probable cause for malicious mischief and theft. He stressed that petitioner had been prompted by a sinister design to vex and humiliate him and the other respondents. <sup>16</sup>

The Court of Appeals dismissed the appeal and affirmed the assailed trial court Decision. The Court of Appeals Decision held that there was sufficient evidence to show that petitioner was motivated by malice in initiating the complaints below against respondents, thus:

There is no question that the resolution of the case hinges on the question of whether Menandro is guilty of malice and bad faith in instituting the malicious mischief case, if it is not so, then there is no ground to hold it liable for malicious prosecution. It is evident in this case that bad faith attended the filing of the malicious mischief case against the plaintiffs. Jesus Limbo, the security guard in charge of the [of] PTC Grounds who was presented by Menandro as witness, attested that the alleged incident that led to Menandro's filing of malicious mischief case indeed took place and the plaintiffs were in fact the ones responsible for the acts. Suspiciously, however, the disturbance was not recorded in the



<sup>14</sup> Id. at 58-59.

<sup>15</sup> Id. at 96-111.

<sup>16</sup> Id. at 114-123.

Security Guard's Log Book raising doubt on the credibility of the witness.

What further militates against the claim of Menandro that his action was not motivated by sinister design to vex plaintiffs, but only by a well-founded anxiety to protect his rights, was the uncontroverted fact that it took him three months before initiating the action. If in fact the acts committed by plaintiffs, if not timely averted, would have caused damage to the company amounting to millions of pesos, logic dictates that Menandro, as the Managing Director, would have lost no time in prosecuting the action to vindicate its rights and to prevent similar occurrence in the future. Unfortunately, however, he dragged the filing of the case which was suggestive of the existence of legal malice. <sup>17</sup> (Emphasis supplied)

### **The Present Petition**

Petitioner now invokes this Court's discretionary review jurisdiction to reverse and set aside the Court of Appeals' dispositions. He reiterates his arguments that he is not guilty of malicious prosecution because there was probable cause that respondents committed the crime of malicious mischief and Benigno perpetrated theft, and he was not motivated by malice or bad faith when he initiated the criminal complaints against respondents.<sup>18</sup>

Benigno ripostes that petitioner was unable to establish probable cause to support the charge of malicious mischief and theft against him and the other respondents. The Court of Appeals' assessment of credibility of the witnesses should be respected and its factual findings should be affirmed as they are supported by the trial record.<sup>19</sup>

#### Issue

Upon the facts established in the case at bar, did petitioner act without probable cause and was he motivated by malice and bad faith in initiating the criminal complaints against respondents, and therefore, is guilty of malicious prosecution?

### Ruling

For purposes of resolving this petition for review on *certiorari*, we have to be mindful of the facts established below. This is because under Section 1, Rule 45, petitions of this kind shall raise only questions of law.<sup>20</sup> The factual findings are binding upon us and only questions of law, and only from the Court of Appeals' disposition,<sup>21</sup> may be litigated once again.<sup>22</sup> The Court is

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<sup>17</sup> Id. at 31-32.

<sup>18</sup> Id. at 10-23.

<sup>19</sup> Id. at 175-183.

<sup>&</sup>lt;sup>20</sup> See *Pascual v. Burgos*, 776 Phil. 167, 169 (2016).

<sup>&</sup>lt;sup>21</sup> Gatan v. Vinarao, G.R. No. 205912, October 18, 2017.

<sup>&</sup>lt;sup>22</sup> Supra note 20.

not obliged to weigh the evidence once again.<sup>23</sup> While jurisprudence has laid down exceptions to this rule, any of these exceptions must be alleged, substantiated, and proved by the parties so the Court may in its discretion evaluate and review the facts of the case.<sup>24</sup>

Here, petitioner does not invoke any of the exceptions. We therefore resolve this petition in accordance with the general rule.

The investigating prosecutor, the trial court, and the Court of Appeals have similarly arrived at the following facts:

- 1. Petitioner always blamed Benigno for the crash of air conditioners at the tent pavilions after petitioner had found out that Benigno was spying against petitioner on behalf of Abdul.
- 2. Benigno was eventually forced to resign from Expo Logistics in September 2001.
- 3. Petitioner's nephew once berated Hector and his co-workers for stopping work when it was raining. Hector and his co-workers went home and never reported back for work.
- 4. Petitioner called Jimmy's attention about his and his co-workers' slow work, which came to a head on October 7, 2001 when he cursed them. He and his co-workers refused to return to work thereafter
- 5. Petitioner threatened to have respondents arrested;
- 6. Joel corroborated the occurrence of the foregoing events.
- 7. Respondents memorialized petitioner's harsh treatment of them in their respective affidavits.
- 8. Petitioner took four months to file the criminal complaints for malicious mischief and theft against respondents. <sup>25</sup>

The Office of the City Prosecutor found no probable cause to indict respondents for malicious mischief and theft because petitioner was only motivated by ill will in filing the criminal complaints against them. The trial court and the Court of Appeals shared this assessment of petitioner's evidence and further rejected his evidence for lacking credibility.

The foregoing factual findings are binding upon the Court. We cannot weigh the evidence again but must use the established facts to resolve the issue posed above and determine if the Court of Appeals erred in its dispositions.

Notably, the issue presented before the Court is a question of law – what are the legal consequences of the facts above-mentioned? There is a question of law when the doubt or difference arises as to what the law is on a certain



<sup>&</sup>lt;sup>23</sup> Supra note 20: "Only questions of law may be raised in a petition for review on certiorari. The factual findings of the Court of Appeals bind this court. Although jurisprudence has provided several exceptions to these rules, exceptions must be alleged, substantiated, and proved by the parties so this court may evaluate and review the facts of the case. In any event, even in such cases, this court retains full discretion on whether to review the factual findings of the Court of Appeals."

<sup>24</sup> Id

<sup>&</sup>lt;sup>25</sup> *Rollo*, pp. 37-41.

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set of facts; a question of fact, on the other hand, exists when the doubt or difference arises as to the truth or falsehood of the alleged facts. The answer to the issue is a conclusion of law, that is, a legal inference made as a result of a factual showing where no further evidence is required.

Magbanua v. Junsay<sup>26</sup> explains the cause of action of malicious prosecution:

In this jurisdiction, the term "malicious prosecution" has been defined as "an action for damages brought by one against whom a criminal prosecution, civil suit, or other legal proceeding has been instituted maliciously and without probable cause, after the termination of such prosecution, suit, or other proceeding in favor of the defendant therein." While generally associated with unfounded criminal actions, the term has been expanded to include unfounded civil suits instituted just to vex and humiliate the defendant despite the absence of a cause of action or probable cause.

This Court, in Drilon v. Court of Appeals, elucidated, viz.:

The term malicious prosecution has been defined in various ways. In American jurisdiction, it is defined as:

"One begun in malice without probable cause to believe the charges can be sustained (Eustace v. Dechter, 28 Cal. App. 2d. 706, 83 P. 2d. 525). Instituted with intention of injuring defendant and without probable cause, and which terminates in favor of the person prosecuted. For this injury an action on the case lies, called the action of malicious prosecution (Hicks v. Brantley, 29 S.E. 459, 102 Ga. 264; Eggett v. Allen, 96 N.W. 803, 119 Wis. 625)."

In Philippine jurisdiction, it has been defined as:

"An action for damages brought by one against whom a criminal prosecution, civil suit, or other legal proceeding has been instituted maliciously and without probable cause, after the termination of such prosecution, suit, or other proceeding in favor of the defendant therein. The gist of the action is the putting of legal process in force, regularly, for the mere purpose of vexation or injury (Cabasaan v. Anota, 14169-R, November 19, 1956)."

The statutory basis for a civil action for damages for malicious prosecution are found in the provisions of the New Civil Code on Human Relations and on damages particularly Articles 19, 20, 21, 26, 29, 32, 33, 35, 2217 and 2219 (8). To constitute malicious prosecution, however, there must be proof that the prosecution was prompted by a sinister design to vex and humiliate a person, and that it was initiated deliberately by the defendant knowing that his charges were false and groundless. Concededly, the mere act of submitting a case to the authorities for prosecution does not make one liable for malicious prosecution.

This Court has drawn the four elements that must be shown to concur to recover damages for malicious prosecution. Therefore, for a malicious prosecution suit to prosper, the plaintiff must prove the following: (1) the prosecution did occur, and the defendant was himself the prosecutor or that he instigated its commencement; (2) the criminal action finally ended with an acquittal; (3) in bringing the action, the prosecutor acted without probable cause; and (4) the prosecution was impelled by legal malice — an improper or a sinister motive. The

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<sup>&</sup>lt;sup>26</sup> 544 Phil. 349, 364 (2007).

gravamen of malicious prosecution is not the filing of a complaint based on the wrong provision of law, but the deliberate initiation of an action with the **knowledge** that the charges were false and groundless. (Emphasis supplied)

Malicious prosecution does not only pertain to criminal prosecutions but also to any other legal proceeding such as a preliminary investigation.<sup>27</sup>

Here, there should be no question that the first two elements of this cause of action are present with necessary modifications: (1) the preliminary investigation did occur, and petitioner himself instigated its commencement; (2) the preliminary investigation finally ended with a dismissal of the complaints.

The issues are whether the last two elements are present: in bringing the action, petitioner acted without probable cause, and petitioner was impelled by legal malice, an improper or a sinister motive in bringing the criminal complaints.

As above-quoted, there is malice where a criminal complaint was initiated deliberately by a complainant knowing that his charges were false and groundless. So there must be deliberate initiation and knowledge of falsity or groundlessness of the charges. Concededly, as stated above, the mere act of submitting a case to the authorities for prosecution whether upon the correct or wrong provision of law does not make one liable for malicious prosecution.

The burden is upon respondents to prove malice upon the standard of proof of preponderance of evidence<sup>28</sup> – is it more likely than not or probably true that petitioner knew that his charges against respondents were false and groundless and yet deliberately initiated the criminal complaints against them at the Office of the City Prosecutor in Pasay City?

The trial court and the Court of Appeals ruled that respondents have discharged their burden of proof. This Court agrees. We examine the

Rule 133, Section 1. Preponderance of evidence, how determined. - In civil cases, the party having the burden of proof must establish his case by a preponderance of evidence. In determining where the preponderance or superior weight of evidence on the issues involved lies, the court may consider all the facts and circumstances of the case, the witnesses' manner of testifying, their intelligence, their means and opportunity of knowing the facts to which they are testifying, the nature of the facts to which they testify, the probability or improbability of their testimony, their interest or want of interest, and also their personal credibility so far as the same may legitimately appear upon the trial. The court may also consider the number of witnesses, though the preponderance is not necessarily with the greater number.



<sup>&</sup>lt;sup>27</sup> Yasoña v. De Ramos, 483 Phil. 162, 168 (2004): "The principal question to be resolved is whether the filing of the criminal complaint for estafa by petitioners against respondents constituted malicious prosecution. In this jurisdiction, the term 'malicious prosecution' has been defined as 'an action for damages brought by one against whom a criminal prosecution, civil suit, or other legal proceeding has been instituted maliciously and without probable cause, after the termination of such prosecution, suit, or other proceeding in favor of the defendant therein.' To constitute 'malicious prosecution,' there must be proof that the prosecution was prompted by a sinister design to vex or humiliate a person, and that it was initiated deliberately by the defendant knowing that his charges were false and groundless. Concededly, the mere act of submitting a case to the authorities for prosecution does not make one liable for malicious prosecution."

established facts one by one to show that the trial court and the Court of Appeals correctly deduced therefrom the last two elements of malicious prosecution.

The common denominator of the facts, as the trial court and the Court of Appeals ruled, is petitioner's ill will and bad blood towards respondents. That he was probably motivated by ill will and bad blood to complain against them is established.

Petitioner delayed in initiating the criminal complaints at the Office of the City Prosecutor and challenging the investigating prosecutor's findings. The delay probably points to petitioner's lack of genuine complaints against respondents – otherwise he would not have delayed and would have had acted promptly as any reasonable person would have expectedly done.

Both the trial court and the Court of Appeals found petitioner's evidence purportedly to establish probable cause for malicious mischief and theft to be contrived and lacking in credibility. We cannot weigh again the evidence; we are bound by the trial court and the Court of Appeals' weighing thereof. To any reasonable person, such assessments are more likely than not true and reliable.

To illustrate, petitioner's witness, a security guard, identified Benigno as the criminal only in his supplemental affidavit that was executed months after serving his first affidavit. The identification of Benigno is more likely than not an after-thought. Petitioner's witness did not even have any document contemporaneous with his alleged discovery of the crime, such as an incident report, to prove that he had early on made such allegation against Benigno. More likely than not, his statement against Benigno was meant only to serve petitioner's interest.

To sum up, in all probability, petitioner was motivated by ill will and bad blood against respondents in the initiation of the criminal complaints at the Office of the City Prosecutor. More likely than not, he had no legitimate grievances that had spurred him to so act. Finally, his evidence probably does not confirm probable cause for the crimes he ascribed to respondents. These legal conclusions flow more likely than not from the facts validated by the investigating prosecutor, the trial court, and the Court of Appeals.

Finally, as to respondents' relief, we reduce the amounts awarded as damages pursuant to jurisprudence. In *Meyr Enterprises Corporation v. Cordero*,<sup>29</sup> we awarded ₱50,000.00 as moral damages and ₱20,000.00 as attorney's fees; no exemplary damages was given. In *Coca Cola Bottlers Philippines Inc. v. Roque*,<sup>30</sup> the Court granted ₱50,000.00 as moral damages, ₱50,000.00 as exemplary damages, ₱50,000.00 as attorney's fees and the costs of suit. In *Spouses Kapoe v. Masa*,<sup>31</sup> we awarded an aggregate amount



<sup>&</sup>lt;sup>29</sup> 742 Phil. 320 (2014).

<sup>&</sup>lt;sup>30</sup> 367 Phil. 493, 504 (1999).

<sup>&</sup>lt;sup>31</sup> G.R. No. L-50473, January 21, 1985.

of ₱29,000.00 for 11 plaintiffs representing both moral and exemplary damages, ₱2,200.00 for exemplary damages for all of them, and ₱3,000.00 attorney's fees also for all the 11 plaintiffs. In *Tiongco v. Deguma*,<sup>32</sup> we ruled:

While we commiserate with the mental and emotional tribulations suffered by private respondents Atty. Deguma and Atty. Pagtanac as a result of TIONGCO's unfounded accusations, we find that the amount of moral and exemplary damages granted them, though not enriching, still excessive. Moral damages must be understood to be in concepts of grants which are not punitive or corrective in nature calculated to compensate the claimant for injury suffered. Exemplary damages, for their part, serve as deterrent against or as a negative incentive to curb socially deleterious actions. Both are in the category of an award designed to compensate claimants for actual injury and are not meant to enrich complainant at the expense of defendants. Further, in instances where no actual damages are adjudicated, the Supreme Court may reduce moral and exemplary damages.

Using these case law as guideline, the amount of P300,000 moral damages and P100,000 exemplary damages granted to Atty. Deguma should be reduced to P100,000 and P50,000, respectively. The award of P100,000 moral damages and P50,000 exemplary damages granted to Atty. Pagtanac should likewise be reduced to P50,000 and P10,000, respectively. We observe however, as equitable under the circumstances, the amounts of moral and exemplary damages granted to private respondents Major Carmelo and Yared.

We therefore reduce the amounts of damages awarded jointly to respondents. The award of moral damages is reduced to ₱30,000.00, exemplary damages to ₱20,000.00, and attorney's fees to ₱10,000.00.

ACCORDINGLY, the petition is DENIED. The Decision dated June 30, 2017 of the Court of Appeals in CA-G.R. CV No. 104210 and the Decision dated April 22, 2014 of the Regional Trial Court, Branch 22, Manila, in Civil Case No. 02-104536 are AFFIRMED with MODIFICATION as follows: Petitioner Menandro Sosmeña is ordered to pay each of respondents Benigno Bonafe, Jimmy Escobar, Joel Gomez and Hector Pangilinan ₱30,000.00 as moral damages, ₱20,000.00 as exemplary damages, and ₱10,000.00 as attorney's fees, for malicious prosecution.

All monetary awards are subject to six percent (6%) interest *per annum* from finality of this decision until fully paid.

SO ORDERED.

32 375 Phil. 978, 994-995 (1999).

WE CONCUR:

DIOSDADO M. PERALTA

Chief Justice Chairperson

ALFREDO BENJAMIN S. CAGUIOA

ssociate Justice

JØSE C. REVES, JR
Associate Justice

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, 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.

DIOSDADO M. PERALTA

Chief Justice

Chairperson, First Division