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Rehabilitation Finance Corporation, Petitioner, vs. The Honorable Court of Appeals, Estelito Madrid and Jesus Anduiza, Respondents, G. R. No. L-5942, May 14, 1954, Concepcion, J.

1. OBLIGATION AND CONTRACTS; PROMISSORY NOTE PAYABLE IN INSTALLMENT. — Where the makers of the promissory note promised to pay the obligation evidenced thereby "on or *before* October 31, 1951," although the full amount of said obligation was not demandable prior to October 31, 1951, in view of the provision of the note relative to the payment in ten annual installments, the makers or debtors were entitled to make a complete settlement of the obligation at any time before said date.

2. ID.; RIGHT OF CREDITOR. — The Bank, as creditor, has no other right than to exact payment, after which the obligation in question, as regards said creditor, and, hence, the latter's status and rights as such, become automatically extinguished.

3. ID.; PAYMENTS MADE BY THIRD PERSONS. — Under article 1158 of the Civil Code of Spain, which was in force in the Philippines when the payments under consideration were made, "payment may be made by any person, whether he has an interest in the performance of the obligation or not, and whether the payment is known and approved by the debtor or whether he is unaware of it."

4. ID.; ID.; PAYMENTS MADE AGAINST WILL OF DEBTOR. —The provision that the payor "may only recover from the debtor insofar as the payment has been beneficial to him," when made against his express will, is a defense that may be availed of only by the debtor, not by the Bank-creditor, for it affects solely the rights of the former. Besides, in order that the rights of the payor may be subject to said limitation, the debtor must oppose the payments before or at the time the same were made, not subsequently thereto.

5. ID.; ID.; EFFECTS OF PAYMENT DETERMINED AT THE TIME IT WAS MADE; RIGHTS ACQUIRED BY PAYOR DEPEND UPON LAW. — The effects of payment must be determined at the time it was made and the rights acquired by the payor should not be dependent upon, or subject to modifications by, subsequent unilateral acts or omissions of the debtor. The question whether the payments were beneficial or not to the debtor, depends upon the law, not upon his will.

Sixto de la Costa for the petitioner.
Zacarias Gutierrez Lora for the respondent Jesus de Anduiza.

DECISION

CONCEPCION, *J.*:

This is an appeal by certiorari, taken by the Rehabilitation Finance Corporation, hereinafter referred to as the Bank, from a decision of the Court of Appeals. The pertinent facts are set forth in said decision, from which we quote:

"On October 31, 1941, Jesus de Anduiza and Quintana Cano executed the following promissory note —

₱13,800.00 *Legaspi, Albay, October* 11, 1941

On or before October 31, 1951 for value received, I/we, jointly and severally, promise to pay the AGRICULTURAL AND INDUSTRIAL BANK, or order, at its office at Manila or Agency at Legaspi, Albay, Philippines, the sum of THIRTEEN THOUSAND EIGHT HUNDRED PESOS (₱13,800.00), Philippine currency, with interest at the rate of six per centum (6%), per annum, from the date hereof until paid. Payments of the principal and the corresponding interest are to be made in ten (10 yrs.) equal Annual installments of ₱1,874.98 each in accordance with the following schedule of amortizations:

x x x x x

All unpaid installments shall bear interest at the rate of six per centum (6%), per annum.

(Sgd.) QUINTANA CANO — Mortgagor   (Sgd.) JESUS DE ANDUIZA — Mortgagor"

(Exhibit "C")

Mortgagors Anduiza and Cano failed to pay the yearly amortizations that fall due on October 31, 1942 and 1943. As plaintiff Estelito Madrid, who was at the outbreak of the last war the manager of the branch office of the National Abaca and other Fiber Corporation in Sorsogon, and who temporarily lived in the house of Jesus de Anduiza in said province during the Japanese occupation, learned of the latter's failure to pay the aforesaid amortizations due the creditor Agricultural and Industrial Bank, he went to its central office in Manila on October, 1944, and offered to pay the indebtedness of Jesus de Anduiza. Accordingly, he paid on October 23, 1944, ₱7,374.83 for the principal, and ₱2,265.17 for the interest, or a total of ₱10,000.00 (Exh. 'A'), thereby leaving a balance of ₱6,425.17 which was likewise paid on October 30th of the same year (Exh. 'B').

Alleging that defendant Jesus de Anduiza has failed to pay the plaintiff in the amount of ₱16,425.17 inspite of demands therefore, and that defendant Agricuultural and Industrial Bank (now R.F.C.) refused to cancel the mortgage executed by said Anduiza. Estelito Madrid instituted the present action on July 3, 1948, in the Court of First Instance of Manila, praying for judgment (a) declaring as paid the indebtedness amounting to ₱16,425.17 of Jesus de Anduiza to the Agricultural and Industrial Bank; (b) ordering the Agricultural and Industrial Bank (now R.F.C.) to release the properties mortgaged to it and to execute the corresponding cancellation of the mortgage; (c) condemning defendant Jesus de Anduiza to pay plaintiff the amount of ₱16,425.17, with legal interest from the filing of the complaint until completely paid, declaring such obligation a preferred lien over Anduiza's properties which plaintiff freed from the mortgage, and sentencing the defendants to pay the plaintiff the sum of ₱2,000.00 as damages and the costs, without prejudice to conceding him other remedies just and equitable.

On July 14, 1948, defendant Agricultural and Industrial Bank (now R.F.C.) filed its answer, alleging that the loan of ₱13,800.00 had not become due and demandable in October, 1944, as the same was payable in ten years at ₱1,874.98 annually; that up to October 30, 1944, plaintiff delivered the total sum of ₱16,425.17 to the Agricultural and Industrial Bank and which accepted the same as deposit pending proof of the existence of Jesus de Anduiza's authority and approval which plaintiff promised to present; that it was agreed that if plaintiff could not prove said authority the deposit will be annulled; and that the Agricultural and Industrial Bank and its successor the Rehabilitation Finance Corporation cannot release the properties mortgaged because defendant Anduiza refused to approve, authorize or recognize said deposit made by plaintiff. It is further averred, as special defense, that the amount of ₱16,425.17, in view of the refusal of defendant Jesus de Anduiza to approve and authorize same for payment of his loan, was declared null and void by Executive Order No. 49 of June 6, 1945; that on June 4, 1948, defendant Anduiza personally came to the office of the Rehabilitation Finance Corporation, apprising it that he did not authorize the plaintiff to pay for his loan with the Agricultural and Industrial Bank; and that on June 4, 1948, he paid the sum of ₱2,000.00 on account of his loan and interest in arrears. Defendant Agricultural and Industrial Bank (now R.F.C.) therefore prayed (1) to dismiss the complaint and to declare plaintiff's deposit in the sum of ₱16,425.17 null and void in accordance with the provisions of Executive Order No. 49, series of 1945; (2) to concede to defendant Agricultural and Industrial Bank such other legal remedies which may be justified in the premises; and (3) to order plaintiff to pay the costs.

Defendant Jesus de Anduiza filed his answer on August 9, 1948, with special defenses and counterclaim, alleging that when plaintiff paid the total amount of ₱16,425.17 to the Agricultural and Industrial Bank his indebtedness thereto was not yet due and demandable; that the payment was made without his knowledge and consent; that the Agricultural and Industrial Bank did not accept the amount of ₱16,425.17 from Estelito Madrid as payment of his loan but as mere deposit to be applied later as payment in the event he would approve the same; that said deposit was declared null and void by Executive Order No. 49 of June 6, 1945; that on June 4, 1948, he personally informed the officials of the Rehabilitation Finance Corporation that he did not authorize the plaintiff to pay the Agricultural and Industrial Bank for his loan; and that on the same date he paid the corporation the sum of ₱2,000.00 on account of his loan and the interest in arrears.

On June 20, 1949, the trial court rendered in favor of the plaintiff a judgment which was set aside later on upon motion of counsel for the Rehabilitation Finance Corporation on June 28th, in which it was alleged that his failure to appear at the hearing on June 9, 1949, was due to a misunderstanding. Consequently, and after defendant corporation had introduced its evidence, the court on August 11, 1949, rendered decision dismissing plaintiff's complaint without pronouncement as to costs.

On or about September 7, 1949, defendant Jesus de Anduiza filed an amended answer which the trial court, upon considering the same as well as his co-defendant's opposition thereto, denied its admission on September 20, 1949. The motion for new trial filed by defendant Anduiza and plaintiff Estelito Madrid was likewise denied for lack of merit on the same date, September 20th. Consequently, plaintiff Estelito Madrid and defendant Jesus de Anduiza brought this case to this Court by way of appeal, x x x." (pp. 1-6, Decision, C.A.)

Upon the foregoing facts, the Court of Appeals rendered the aforementioned decision, the dispositive part of which reads as follows:

"WHEREFORE, the judgment appealed from is hereby reversed, directing the Rehabilitation Finance Corporation, successor in interest of the Agricultural and Industrial Bank, to cancel the mortgage executed by Jesus de Anduiza and Quintana Cano in favor of said bank; and ordering Jesus de Anduiza to pay plaintiff Estelito Madrid the amount of ₱16,425.17 without pronouncement as to costs." (pp. 17-18, idem.)

The Bank assails said decision of the Court of Appeals upon the ground that payments by respondent Estelito Madrid had been made against the express will of Anduiza and over the objection of the Bank; that the latter accepted said payments, subject to the condition that a written instrument, signed by Anduiza, authorizing the same, would be submitted by Madrid, who has not done so; that the payments in question were made by Madrid in the name of Anduiza and, therefore, through misrepresentation and without good faith; that said payments were not beneficial to Anduiza; and that the obligation in question was not fully due and demandable at the time of the payments aforementioned.

At the outset, it should be noted that the makers of the promissory note quoted above promised to pay the obligation evidenced thereby "on or before October 31, 1951." Although the full amount of said obligation was not demandable prior to October 31, 1951, in view of the provision of the note relative to the payment in ten (10) annual installments, it is clear, therefore, that the makers or debtors were entitled to make a complete settlement of the obligation at any time *before* said date.

With reference to the other arguments of petitioner herein, Article 1158 of the Civil Code of Spain, which was in force in the Philippines at the time of the payments under consideration and of the institution of the present case (July 3, 1948), reads:

"Payment may be made by any person, whether he has an interest in the performance of the obligation or not, and whether the payment is known and approved by the debtor or whether he is unaware of it.

"One who makes a payment for the account of another may recover from the debtor the amount of the payment, unless it was made against his express will.

"In the latter case he can recover from the debtor only in so far as the payment has been beneficial to him."

It is clear therefrom that respondent Madrid was entitled to pay the obligation of Anduiza irrespective of the latter's will or that of the Bank, and even over the objection of either or both. Commenting on said Article 1158, Manresa says:

"Si es amplio el principio declarado en el art. 1158 por razón de las personas a que se extiende, no lo es menos por la ausencia de restricciones basadas en la voluntad del deudor. La primera parte de dicho artículo parece limitar la posibilidad del pago por un tercero a los casos en que el deudor conozca y apruebe tal hecho o lo ignore. Pero los dos párrafos siguientes extienden tal posibilidad al caso en que el deudor desapruebe el pago y *aun se oponga* a que lo verifiquen, puesto que determinando la ley los efectos, si bien parciales, limitados, que un pago hecho en tales condiciones puede producir contra el mismo deudor *que a él se opuso*, es claro que al atribuirle tales efectos le atribuye plena eficacia respecto del acreedor, que *no esta autorizado para hacer oposicion alguna.*

"Menos duda aún puede ofrecer la validez del pago, conociendolo el deuder y omitiendo expresar su conformidad; hipótesis menos extrema que la anterior, y en la cual puede verse incluso una aprobacion tacita, aprobacion que autoriza, incluso la subrogación misma del tercero, segun veremos al hablar de la novación.

"Tenemos, por tanto, que sea cual fuere la situación en que esté o se coloque el deudor respecto del pago hecho por un tercero, no impide a éste verificarlo con eficacia respecto del acreedor, y aún tambien respecto de aquél mismo, segun se expresa luego.

"La jurisprudencia, confirmando el sentido de la ley, ha venido a declarar también que no es necesario para el pago el concurso del deudor; asi vienen a establecerlo la sentencia de 4 de Noviembre de 1897, que ratifica los preceptos contenidos en el art. 1158 y en el siguiente, y la de 5 de Abril de 1913, declarativa de que, siendo el pago de una deuda el medio más directo de extinguir la obligación, acto que mejora la situación del prestatario, juede realizarlo cualquiera *aun contradiciendolo o ignorándolo aquél*. En la jurisprudencia hipotecaria hay una resolución de la Dirección general de los Registros de 22 de Marzo de 1893, muy explicita e importante, en las cual se declara respecto de esta cuestión que 'el pago es un acto jurídico tan *independiente del deudor*, que puede ser firme y valedero hecho por tercera persona que no tenga interés en la obligación, y aún cuando el deudor lo ignore totalmente, segun el art. 1158 del Código civil'; que 'de esé principio legal se deduce que no cabe reputar nulo el pago de una obligación porque falte el consentimiento del deudor, ni menos estimar nula la escritura en que el pago conste, por carecer de la firma de éste'; que 'en ese modo de extinguirse las obligaciones, lo verdaderamente capital es la voluntad del acreedor, y asi lo ha entendido el articulo 82 de la ley Hipotecaria, al no exigir para la cancelación de las hipotecas más que el consentimiento de aquel en cuyo favor se hallen constituídas'; y por ultimo, que 'aunque el art. 27 de la ley del Notariado exige bajo pena de nulidad que se firmen las escrituras, se refiere a los que en ellas intervienen en calidad de otorgantes, denominación que en los actos unilaterales cuadra tan sólo al que en virtud de los mismos queda obligado'.

"No ha sido menos explícita y fundada la jurisprudencia en cuanto a declarar que *tampoco el acreedor puede impedir válidamente el pago hecho por un tercero*, declarándose en la sentencia de 4 de Noviembre de 1897, a que antes se hizo referencia, que ni estos preceptos que comentamos, ni los demas de esta

seccion o de otros lugares del Código, aplicables a la materia, 'ni el art. 1161 de la ley Procesal, requieren el consentimiento del acreedor para la eficacia del pago y para la consiguiente subrogación, *porque su derecho, que no va más alla del cumplimiento de las obligaciones, se acaba o extingue con el pago'*. Pudiera creerse que la doctrina de dicha sentencia era opuesta a la de la Dirección, que antes hemos transcrito, y que esta reconocía la facultad del acreedor para consentir o impedir el pago; pero *lejos de ser así* no hay contradicción, limitándose dicho Centro directivo a exponer el evidente requisito de que para los efectos del registro no pueden considerarse extinguidos los derechos del acreedor sin que éste intervenga en al pago, pero *esto no excluye que los le pueda imponer la admisión de este contra su voluntad*." (8 Manresa, 4th ed., pp. 242-243; underscoring supplied.)

This is in line with the view of Mucius Scaevola, which is as follows:

"En efecto; *el unico derecho del acreedor en las obligaciones es el de que se le pague*. No puede, por lo tanto, oponerse a que la obligación le sea cumplida por una persona distinta del deudor. Por otra parte, el deudor queda libre de su compromiso desde el momento en que el credito esta satisfecho, puesto que a partir de entonces, nada se debe. Podran, pues, discutirse los efectos del pago hecho por una tercera persona en cuanto a la relacion que de esto se deduzca para lo sucesivo *entre el tercero y el deudor;* pero negar que la deuda queda liberada, desatado el vinculo, perdida en el acreedor la facultad de reclamar é insubsistente sobre el deudor el pago de su compromiso seria de todo punto temerario.

"Lo presumible es que tenga interes en el cumplimiento de la obligación quien trata de sustituirse al deudor en el pago; es natural la defensa de los intereses propios, y poco corriente y poco acostumbrado, que por pura generosidad, se satisfaga la deuda de otros sin algun beneficio por parte del que de estas manera procede. En este sentido, el fiador, que es, si no un deoudor principal, deudor al fin, puesto que ha enlazado sus intereses, con su cuenta y razon, a los de la persona obligada, y se ha comprometido subsidiariamente con ella al pago de lo que se debia, se adelantara muchas veces, por distintos motivos a pagar la deuda, teniendo en ello propio y legitimo beneficio. A parte del interes juridico, motivos particulares de otro orden, que implican un genero cualquiera de provecho, pueden mover tambien el animo de una tercera persona para sustituirse en el lugar del deudor.

"Pero ni siquiera se necesita que esto suceda. *Las doctrinas jurídicas han permitido que haga el pago cualquiera persona,* tenga o no interes en el cumplimiento de la obligación, segun expresamente determina el art. 1158 del Código. Es de suponer el interés, naturalmente, por lo que decimos más arriba; pero la ley se reconoce sin facultades para entrar en este terreno, y obedieciendo a las meras consideraciones jurídicas de la satisfacción del compromiso por la entrega de la cosa o prestación del hecho y de la liberación consiguiente del deudor, prescinde del genero de motivos interesados o desinteresados, incluso de mera liberalidad, que hayan pedido producir la determincion de la tercera persona que ofrece al acreedor la realización del compromiso.

"Y no para en esto; sino que el mismo art. 1158 establece que podra hacer el pago cualquiera persona, ya lo conozca o lo apruebe, ya lo ignore el deudor. Anticipándose, además, a la pregunta de lo que sucederá en el caso de que el deudor lo conozca y no lo apruebe, añade a continuación que el que pague por cuenta de otro podra reclamar del deudor lo que hubiese pagado, a no haberlo hecho contra su expresa voluntad. Es lo que se decia en la ya citada *ley de Partidas*: 'aunque el deudor lo supiese *y lo contradijese'*.

"Ahora bien; en algun caso de estos, podrá el acreedor negarse a recibir la deuda? *Yo hemos dicho que no.* Su derecho se reduce en todo caso a pedir y a recibir lo que se le debe. Es indiferente para el la cualidad de la persona que llega a su presencia, poniendo en sus manos el hecho o lo cosa que son debidas. Habra ocasiones en que, por motivos de índole particular, el acreedor se sienta contrariado en recibir la presentación de un tercero. El prestamista, por ejemplo, que crea haberse asegurado el disfrute perpetuo de las rentas de su deudor, se vera amargamente sorprendido con el pago hecho por un tercero, que da al traste de esta manera en un segundo con las risueñas esperanzas de toda la vida. Motivos de este orden, y tambien otras veces algunos mas elevados, impulsaran al acreedor a resistir el pago de lo que se le debe. Sin embargo, el derecho no ha podido tomar en cuenta ninguna de tales consideraciones, con las que se iria en definitiva contra el principio de haber de aceptarse todo aquello que resulte favorable para el deudor. Por lo tanto en caso de resistencia, el tercero que ofrece el pago tendrá derecho a consignor la cosa debida como si fuese el deudor mismo, dando a la consignación cuantos efectos le estan asignados por la ley." (19 Scaevola, pp. 881-883; underscoring supplied.)

The opinion of Sanchez Roman is couched in the following language:

"Los terceros extraños a la obligación pueden pagar, ignorándolo el deudor, sabiéndolo y no contradiciéndolo *o sabiéndolo y contradiciéndolo*. En el primer caso existe una gestion de negocios; en el segundo, un mandato tacito; y en el tercero, se produce una cesión de credito, x x x."

x x x x

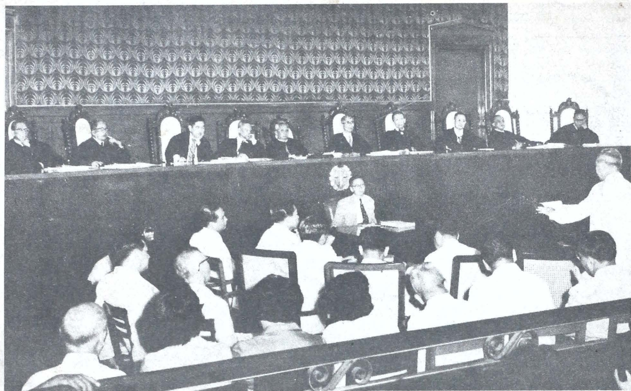
"En el caso de pago hecho por un tercero, el acreedor *no* puede negarse a recibirlo, y cualquiera resistencia le constituira en la responsabilidad de la mora accipiendi. Cierto que esta no es regla expresa de ley ni de jurisprudencia, pero es buena doctrina de Derecho cientifico, generalizada entre los escritores, y de la cual dice Goyena, con razon: La ley no puede permitir que el acreedor se obstine maliciosamente en conservar la facultad de atormentar a su deudor, que un hijo no pueda extinguir la obligación de su padre, ni esta la de su hijo o su amigo, o un hombre benefico la de un desgraciado ausente. Y no se diga que el tercero no tiene mas que entregar el dinero al deudor para que haga directamente el pago; pues en el caso de ausencia esto es imposible, y en otras ocasiones la delicadeza frustraria las miras del hombre bienhechor." (4 Sanchez Roman, 259-260; underscoring supplied.)

It may not be amiss to add that, contrary to petitioner's pretense, the payments in question were not made against the objection either of Anduiza or of the Bank. And although, *later on*, the former questioned the validity of the payments, subsequently, he impliedly, but clearly, acquiesced therein, for he joined Madrid in his appeal from the decision of the Court of First Instance of Manila, referred to above. Similarly, the receipts issued by the Bank acknowledging said payments without qualification, belie its alleged objection thereto. The Bank merely demanded a signed statement of Anduiza sanctioning said payments, as a condition precedent, not to its acceptance, which had already been made, but to the execution of the deed of cancellation of the mortgage constituted in favor of said institution.

Needless to say, this condition was null and void, for, as pointed out above, the Bank, as creditor, had no other right than to exact payment, after which the obligation in question, as regards said creditor, and, hence, the latter's status and rights as such, become automatically extinguished.

Two consequences flow from the foregoing, namely:

1) The good or bad faith of the payor is immaterial to the issue before us. Besides, the exercise of a right, vested by law without any qualification, can hardly be legally considered as tainted with bad faith. Again, according to Sanchez Roman "para que el pago hecho por el tercero extinga la obligación, *es preciso que se realice a nombre del deudor*." (4 Sanchez Roman, 260.) Accordingly, the circumstance that payment by Madrid had been effected in the name of Anduiza, upon which the Bank relies in support of its aforesaid allegation of bad faith, does not prove the existence of the latter.



SUPREME COURT HEARS "JUDGES' CASE"

The above photo, a *Journal* exclusive, shows the Supreme Court* during the hearing of the "Judges' case" (*Felicisimo Ocampo, et al. vs. The Secretary of Justice, et al., G. R. No. L-7910*). At issue is the constitutionality of Section 3 of Republic Act No. 1186 which abolished the positions of judges-at-large and cadastral judges. Ten judges-at-large and cadastral judges who were eased out of the judiciary in virtue of this provision alleged violation of the constitutional guarantee of judicial tenure.

Shown standing at the extreme right is former Senator Vicente J. Francisco, chief counsel for the ten judges, as he pleaded the cause of judicial independence and the inviolability of judicial tenure. The former senator contended that the office of judges-at-large and cadastral judges is the exercise of jurisdiction in Courts of First Instance throughout the country. Since, he argued, Republic Act No. 1186 maintained all the Courts of First Instance established under the Judiciary Act of 1948, the office of judges-at-large and cadastral judges still exists and consequently, the ouster of the ten judges amounted to their removal from office, in violation of the constitutional guarantee of tenure of judicial office.

Other lawyers who appeared for the judges were former Ambassador Proceso Sebastian who maintained that Republic Act No. 1186 "virtually convicted the ten judges before the bar of public opinion without due process," and Professor Amado G. Salazar of the Francisco College Law Faculty who stressed the limitations on the power of Congress to abolish judicial offices.

Congressmen Ferdinand Marcos, Diosdado Macapagal and Cornelio Villareal, as *amici curiae*, deplored the political motives which they alleged brought about the enactment of the controversial Act.

On the other hand, Solicitor General Ambrosio Padilla who appeared in behalf of the respondents, upheld the constitutionality of the law, invoking the right of Congress to abolish courts as corollary to its power of creating the same. He argued that the Act in question was intended to put an end to "rigodon de jueces," or the practice of arbitrary assignments of judges from one province to another.

Other members of the bar who argued before the Court were ex-Justice of the Court of Appeals Mariano de la Rosa and Attorneys Mariano Nicomedes and Abelardo Subido.

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* Left to Right: Justice Bautista Angelo, Justice Alex Reyes, Justice Sabino Padilla, Justice Guillermo F. Pablo, Chief Justice Ricardo Paras, Justice Cesar Bengzon, Justice Marcelino Montemayor, Justice Fernando Jugo, Justice Alejo Labrador and Justice J. B. L. Reyes. Not seen in the picture is Justice Roberto Concepcion.

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2) The Bank can not invoke the provision that the payor "may only recover from the debtor insofar as the payment has been beneficial to him," when made against his express will. This is a defense that may be availed of by the debtor, not by the Bank, for its affects solely the rights of the former. At any rate, in order that the rights of the payer may be subject to said limitation, the debtor must oppose the payments before or at the time the same were made, not subsequently thereto.

> "Entendemos como evidente, que los preceptos del art. 1158 que comentamos, y las distintas hipótesis que establece, giran sobre la base de que la oposición del deudor al pago ha de mostrarse con anterioridad a la realización de este pues de ser aquélla posterior, no cabe estimar verdadera y eficaz oposición de buena fe, ya que en el caso de que antes hubiera conocido el proyecto de pago, habría en su silencio una aprobación tácita que autorizaría incluso la subrogacion del tercero, y si lo había ignorado antes de realizarse, se estaría en la situacion distinta prevista y regulada en los dos primeros párrafos del artículo 1158 y en el 1159." (8 Manresa, 4th ed., pp. 248-249.)

Indeed, it is only fair that the effects of said payment be determined at the time it was made, and that the rights then acquired by the payor be not dependent upon, or subject to modification by, subsequent unilateral acts or omissions of the debtor. At any rate, the theory that Anduiza had not been benefited by the payments in question is predicated solely upon his original refusal to acknowledge the validity of said payments. Obviously, however, the question whether the same were beneficial or not to Anduiza, depends upon the law, not upon his will. Moreover, if his former enimosity towards Madrid sufficed to negate the beneficial effects of the payments under consideration, the subsequent change of front of Anduiza, would constitute an admission and proof of said beneficial effects.

Being in conformity with law, the decision appealed from is hereby affirmed, therefore, *in toto*.

Paras, Pablo, Bengzon, Montemayor, Reyes, Jugo and *Bautista Angelo, J.J.*, concur.

Mr. Justice Padilla did not take part.

Mr. Justice Labrador did not take part.