

# SUPREME COURT DECISIONS

## I

*Alejandro Samson, Petitioner, vs. Andrea B. Andal de Aguila, et al., Respondents, G.R. No. L-5932, Feb. 25, 1954, Paras, C.J.:*

**OBLIGATION PAYABLE DURING THE JAPANESE OCCUPATION; PAYMENT AFTER LIBERATION MUST BE ADJUSTED WITH THE BALLANTYNE SCHEDULE.**—The Supreme Court has heretofore sustained the proposition that, when an obligation is payable within a certain period of time, and the whole or part thereof coincides with the Japanese occupation, payment after the liberation must be adjusted in accordance with the Ballantyne schedule, because the debtor could have paid said obligation in Japanese war notes during the occupation. (Asis vs. Agdamag, G.R. No. L-3709, October 25, 1951; Ang Lam vs. Peregrina, G.R. No. L-4871, January 26, 1953); Jales vs. Gamara, G.R. No. L-4460, Oct. 31, 1953.)

The debtor's mere failure to accomplish payment during the Japanese occupation did not make him liable to pay, as damage or penalty, the difference between the value of the Japanese war notes at the time the obligation became payable and of the Philippine currency at the time of payment. (Gomez vs. Tabia, 47 O.G. 641.)

It is true that the creditors herein could not demand payment prior to October 25, 1945, but this did not preclude the debtor, herein petitioner, from paying his obligation at any time within one year from October 25, 1944, if he had wanted to do so. (Ibid.)

*Sensen S. Ceniza* for petitioner.

*Sison, Sevilla, Aquino & Paras* and *Pedro P. Colina* for respondents.

## DECISION

PARAS, C.J.:

On March 4, 1947, Alejandro Samson filed against Agapito B. Andal and Valentina Berana de Andal in the Court of First Instance of Manila a complaint for declaratory relief, praying that judgment be rendered fixing the amount which Alejandro Samson should pay to Agapito B. Andal and Valentina Berana de Andal under a deed of mortgage executed by the former in favor of the latter, and that the defendants be ordered to cancel the mortgage upon payment of said amount. On August 26, 1949, the court rendered a decision, declaring that the amount due from the plaintiff to the defendants is ₱150.00, Philippine currency, plus annual interest at the rate of 7% from October 25, 1944, and ordering the defendants to execute the proper deed of cancellation upon payment by the plaintiff of said amount. The court applied the Ballantyne scale of values. Agapito B. Andal and Valentina Berana de Andal appealed to the Court of Appeals which, on June 9, 1952, rendered a decision holding that the plaintiff should pay to the defendants ₱6,000.00 (the full amount of the loan obtained by the plaintiff from the defendants on October 25, 1944), in actual Philippine currency, plus the stipulated interest, but subject to the moratorium law. From this decision Alejandro Samson has appealed to this Court by way of certiorari. By resolution of October 17, 1952, Agapito B. Andal and Valentina Berana de Andal (who had died) were ordered substituted as parties respondents by their heirs, Andrea B. Andal de Aguila and others.

The Court of Appeals found that Alejandro Samson, herein petitioner, obtained from Agapito B. Andal and Valentina B. de Andal on October 25, 1944, a loan of ₱6,000.00, with interest at 7% per annum and, to secure its payment, the former executed in favor of the latter a real estate mortgage. That court, in holding that the petitioner should pay ₱6,000.00 in present Philippine currency, argued that while the loan was made during the Japan-

ese occupation, it became due and payable only after said period. We have heretofore sustained the proposition that, when an obligation is payable within a certain period of time, and the whole or part thereof coincides with the Japanese occupation, payment after the liberation must be adjusted in accordance with the Ballantyne schedule, because the debtor could have paid said obligation in Japanese war notes during the occupation. (Asis vs. Agdamag, G.R. No. L-3709, October 25, 1951; Ang Lam vs. Peregrina, G.R. No. L-4871, January 26, 1953.) As Mr. Justice Feriz indicated in his concurring opinion in the case of Gomez vs. Tabia, 47 O.G. 641, the debtor's mere failure to accomplish payment during the Japanese occupation did not make him liable to pay, as damage or penalty, the difference between the value of the Japanese war notes at the time the obligation became payable and of the Philippine currency at the time of payment. It is true that the creditors herein could not demand payment prior to October 25, 1945, but this did not preclude the debtor, herein petitioner, from paying his obligation at any time within one year from October 25, 1944, if he had wanted to do so.

Wherefore, the decision of the Court of Appeals is hereby reversed, and it is declared that the amount which the petitioner should pay to cancel his mortgage is only the sum of ₱150.00, the equivalent in actual Philippine currency of ₱6,000.00 in Japanese war notes on October 25, 1944, plus annual interest at the rate of 7% on the said sum of ₱150.00 from October 25, 1944. So ordered without costs.

*Benigno Reyes, Jugo, Boutista Angelo and Labrador, J.J.,* concur.  
*Justice Padilla* concurred in the result.  
*Justice Montemayor* and *Justice Pablo* took no part.

## II

*Benita S. Balinon, Petitioner, vs. Celestino M. de Leon et al., Respondents, ADM. Case No. 104, Jan. 20, 1954, Paras, C.J.:*

**ATTORNEY AT LAW; SUSPENSION; CASE AT BAR.**—This Court had heretofore imposed the penalty of suspension upon an attorney who prepared a document stipulating, among other, that the contracting parties, who are husband and wife, authorized each other to marry again and that each renounced whatever right of action one might have against the party so marrying (*In re Roque Santiago*, 40 Off Gaz. [5th Supp.] p. 208). In effect the affidavit prepared and signed by respondent De Leon has similar implication, in that although it does not bluntly authorize said respondent to marry another during his subsisting wedlock with Vertudes Marquez, he made it appear that he could take in another woman as a lifetime partner to whom he would remain loyal and faithful as a lawful and devoted loving husband and whom he could take and respect as his true and lawful wife; thereby virtually permitting himself to commit the crime of concubinage. It is true, as respondent De Leon argues, that the consent or pardon of either spouse constitutes a bar to a criminal prosecution for adultery and concubinage, but, as the Solicitor General observes, said crimes are not, as thereby legalized, the result being merely that prosecution in such cases would not lie. The contention that the affidavit is only a unilateral declaration of facts is of no moment, since it undoubtedly enabled respondent De Leon to attain his purpose of winning over Regina S. Balinon with some degree of permanence.

*First Assistant Solicitor General Experto Kapinan, Jr. and Solicitor Juan T. Alano* for petitioner.

*Jose W. Diokno, Justo T. Velayo* and *Celestino de Leon* for respondent.

## DECISION

PARAS, C. J.:

The Solicitor General has filed a complaint against the res-