REPUBLIC OF THE PHILIPPINES
Court of Tax Appeals
QUEZON CITY

EN BANC

3M PHILIPPINES, INC.,
Petitioner,

CTA *EB* NO. 2134
(CTA Case Nos. 9213 & 9214)

-versus-

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

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COMMISSIONER OF INTERNAL REVENUE,
Petitioner,

CTA *EB* NO. 2135
(CTA Case Nos. 9213 & 9214)

-versus-

Present:
DEL ROSARIO, P.J.,
UY,
RINGPIS-LIBAN,
MANAHAN,
BACORRO-VILLENA,
MODESTO-SAN PEDRO,
REYES-FAJARDO, *and*
CUI-DAVID, *JJ.*

3M PHILIPPINES, INC.,
Respondent.

Promulgated:
OCT 10 2022 3:40pm

x -- x

JUDGMENT ON COMPROMISE AGREEMENT

MODESTO-SAN PEDRO, J.:

For the Court's resolution is the parties' **Joint Motion for Judgment Based on Compromise Agreement ("Joint Motion")**, filed on 21 December 2021.[1]

[1] Records for CTA EB 2134, Vol. 3, pp. 1189-1218.

On 20 September 2019, 3M Philippines, Inc. ("3M") filed a Petition for Review[2] asking the Court *En Banc* to set aside the deficiency tax assessments for which the Court in Division found 3M to be liable. This case was docketed as CTA *EB* 2134. The said assessment was composed of the following:

	Value Added Tax ("VAT")	Expanded Withholding Tax ("EWT")	Withholding Tax ("WTC")	TOTAL
Basic	₱ 4,849,804.66	₱ 1,523,109.93	₱ 2,094,229.35	₱ 8,467,142.94
Add: 25% Surcharge	1,212,451.17	380,777.23	523,557.34	2,116,785.74
20% Deficiency Interest				
VAT: From Jan. 26, 2015 to Nov. 5, 2015[₱4,849,804.66 x 20% x 1380/365 days]	3,667,249.55			3,667,249.55
EWT: From Jan. 17, 2012 to Nov. 5, 2015 [₱1,523,108.93 x 20% x 1389/365 days]		1,159,231.95		1,159,231.95
WTC: From Jan. 17, 2015 to Nov. 5, 2015 [₱2,094,229.35 x 20% x 1389/365 days]			1,593,909.35	1,593,909.35
Total Amount Due, Nov. 5, 2015	**₱ 9,729,505.38**	**₱ 3,063,118.11**	**₱ 4,211,696.04**	**₱ 17,004,319.53**
Add: 20% Deficiency Interest from Nov. 6, 2015 to Nov. 28, 2015				
VAT: [₱4,849,804.66 x 20% x23/365 days]	61,120.38			61,120.38
EWT: [₱1,523,108.93 x 20% x 23/365 days]		19,195.35		19,195.35
WTC: [₱2,094,229.5 x 20% x 23/365 days]			26,393.03	26,393.03
20% Deliquency Interest from Nov. 6, 2015 to Nov. 28, 2015				
VAT: [₱9,729,505.38 x 20% x 23/365 days]	112,618.42			112,618.42
EWT: [₱3,063,118.11 x 20% x 23/365 days]		38,603.68		38,603.68
WTC: [₱4,211,696.04 x 20% x 23/365 days]			53,078.91	53,078.91
Total Amount Due, Nov. 28, 2015	**₱ 9,913, 244.63**	**₱3,120,914.14**	**₱4,291,167.98**	**₱17,325,329.75**
Less: Payments made under protest		1,523,108.93	2,666,738.17	4,189,847.10
Amount Still Due, Nov. 28, 2015	**₱ 9,913, 244.63**	**₱ 1,597,808.21**	**₱1,624,429.81**	**₱13,135,482.65**
Add: 20% Deficiency Interest from Nov. 29, 2015 to Dec. 31, 2017 (₱8,849,804.66 x 20% x 764/365 days	2,030,274.39			2,030,274.39

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[2] Records for CTA EB 2134, Vols. 1-3, pp. 1-1124.

20% Deliquency Interest from Nov. 29, 2015 to Dec. 31, 2017				
VAT: [₱9,729,505.8 x20% x 764/365 days]	4,073,064.17			4,073,064.17
EWT: [(₱3,063,118.33-1,523,108) X 20% 764/365 days		644,694.25		644,694.25
WTC: [(₱4,211,696.04-2,666,738.17) x 20% x764/365 days]			646,765.92	646,765.92
Total Amount Still Due as of Dec. 31, 2017	**₱16,016,583.19**	**₱2,242,502.46**	**₱2,271,195.73**	**₱20,530,281.38**

Meanwhile, on 9 February 2021, the Commissioner of Internal Revenue ("CIR") filed a Petition for Review[3] appealing the cancellation by the Court in Division of certain assessment items in the Final Decision on Disputed Assessment ("FDDA"). This case was docketed as CTA *EB* 2135.

In a Resolution, dated 9 October 2019,[4] this Court *En Banc* consolidated CTA *EB* 2135 with CTA *EB* 2134.

On 12 November 2019, the Court *En Bamc* issued a Resolution ordering the parties to file a Comment on the other party's respective Petition for Review.[5] In compliance thereto, 3M filed its Comment through registered mail on 2 December 2019,[6] while the CIR opted not to file any Comment.[7]

In a Resolution, dated 10 February 2020, the Court *En Banc* referred the case to mediation.[8] However, on 9 February 2021, this Court submitted the instant case for Decision due to the Report of (Ret.) Judge Leticia E. Sablan stating that mediation was unsuccessful.[9]

Thereafter, 3M filed a Manifestation with Motion alleging that the parties are still in the process of finalizing a Compromise Agreement.[10] The Court *En Banc* then deferred the issuance of a Decision on the instant case.[11]

On 21 December 2021, the parties submitted their **Joint Motion**. Attached thereto was the Judicial Compromise Agreement ("JCA") entered into by the parties on 15 December 2021[12] and the corresponding proofs of payment of the compromise amount totalling Thirteen Million Thirty Two

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[3] Records for CTA EB 2135, pp. 6-68.
[4] Records for CTA EB 2134, Vol. 3, pp. 1125.
[5] *Id.*, pp. 1126-1127.
[6] *Id.*, pp. 1128-1152.
[7] *See* Resolution, dated 10 February 2020, *id.*, pp.1154-1157.
[8] *Ibid.*
[9] Records for CTA EB 2134, Vol. 3, pp. 1177-1179.
[10] *Id.*, pp. 1179-1184.
[11] *See* Resolution dated 12 November 2021, *id.*, pp. 1185-1188.
[12] Annex "A", Joint Motion, *id.*, pp. 1192-1198.

Thousand Eight Hundred Seventy Nine Pesos (Php13,032,879.00, broken down as follows:

Tax Type	eFPS Ref. No.	Date of Payment	Total Payment[13]
EWT	291500013323551[14]	27 November 2015[15]	₱ 1,523,108.93
Income Tax	291500013323425[16]	27 November 2015[17]	1,606,068.49
WTC	291500013323868[18]	28 November 2015[19]	2,666,738.17
Documentary Stamp Tax ("DST")	291500013323883[20]	28 November 2015[21]	405,902.41
Miscellaneous Charges ("MC")	291500013323877[22]	28 November 2015[23]	215,000.00
EWT	292100043443854[24]	2 September 2021[25]	1,185,104.00
WTC	292100043443897[26]	2 September 2021[27]	1,502,433.00
VAT	292100043443794[28]	2 September 2021[29]	3,928,524.00
TOTAL			**₱ 13,032,879.00**

The relevant portions of the JCA are quoted here:

> "**WHEREAS,** the **BIR** issued to the **TAXPAYER** a Formal Letter of Demand **("FLD")** dated January 12, 2015, assessing the **Taxpayer** alleged deficiency income tax, value-added tax, withholding tax – expanded, withholding tax – compensation, withholding tax – final, withholding tax – final VAT, documentary stamp tax, with interest and penalties for taxable year ending December 31, 2011;
>
> **WHEREAS,** on February 10, 2015, the **TAXPAYER** then filed with the **BIR** its Protest dated February 10, 2015 disputing the **FLD;**
>
> **WHEREAS,** the **BIR** issued a FINAL DECISION ON DISPUTED ASSESSMENT **("FDDA"),** received by the taxpayer on November 5, 2015, which denied the Protest filed by the **TAXPAYER** but reducing the assessment into an aggregate amount of PhP45,023,806.45;

[13] Difference in amount due to the increase in interest.
[14] Annexes "A" and "A-1", JCA, Records for CTA EB 2134, Vol. 3, pp. 1199-1200.
[15] *Ibid.*
[16] Annexes "A-2" and "A-3", *id.*, pp. 1201-1202.
[17] *Ibid.*
[18] Annexes"B" and "B-1", *id.*, pp. 1203-1204.
[19] *Ibid.*
[20] Annexes "B-2" and "B-3", *id.*, pp. 1205-1206.
[21] *Ibid.*
[22] Annexes "B-4" and "B-5", *id.*, pp. 1207-1208.
[23] *Ibid.*
[24] Annexes "C" to "C-2", *id.*, pp. 1209-1211.
[25] *Ibid.*
[26] Annexes "C-3" to "C-5", *id.*, pp. 1212-1214.
[27] *Ibid.*
[28] Annexes "C-6" to "C-9", *id.*, pp. 1215-1218.
[29] *Ibid.*

WHEREAS, the **TAXPAYER** instituted an action against the **BIR** entitled ***"3M Philippines Inc. vs. Commissioner of Internal Revenue",*** docketed as CTA Case Nos. 9213 & 9214, before Second Division of the Court of Tax Appeals **("CTA"),** seeking the reversal of the **FDDA,** and the cancellation of the **FLD;**

WHEREAS, after due trial, the CTA – Second Division issued a Decision dated January 30, 2019, which partially denied the Petition for Review in CTA Case Nos. 9213 & 9214. Both parties filed their respective motions for reconsideration on the Decision. After consideration, the CTA – Second Division issued an Amended Decision dated June 19, 2019. Thereafter, both parties filed their respective motions for reconsideration on the Amended Decision. The CTA – Second Division thereafter issued its Resolution dated August 27, 2019, which denied both motions for reconsideration. Ultimately, the CTA – Second Division ruled in CTA Case Nos. 9213 & 9214 that the **TAXPAYER** is liable for (i) deficiency value-added tax on Additional Taxable Income per Amended ITR – PhP3,100,00.00 and Disallowed Input Tax Due on Invoicing Requirements – PhP4,477,804.66; (ii) deficiency withholding tax – expanded and withholding tax – compensation for failure to adduce arguments further from those already discussed by the Court; and (iii) related surcharge and interest.

WHEREAS, the **TAXPAYER** being dissatisfied with the decision of the CTA – Second Division in CTA Case Nos. 9213 & 9214, filed its appeal to the Court of Tax Appeals *En Banc,* which was docketed as CTA EB Case No. 2134 & 2135 entitled 3M Philippines, Inc. vs. Commissioner of Internal Revenue, which is currently pending.

WHEREAS, while the above *Petition for Review* before the CTA *En Banc* is pending, the **TAXPAYER** submitted to the BIR an amended **Proposal for Amicable Settlement** dated May 3, 2021 for the tax assessment contained in the **FLD** and **FDDA;**

WHEREAS, the **BIR** has evaluated the **TAXPAYER'S** proposal for amicable settlement and believes that a judicial compromise to allow immediate tax collection and also put an end to litigation as provided in the Civil Code of the Philippines, serves the interest of the Government;

WHEREAS, the **PARTIES** have agreed to enter into an amicable settlement pursuant to the provisions of the Civil Code of the Philippines, jurisprudence, relevant decisions of the Honorable CTA, and relevant laws on judicial compromise without contravening law, morals, public order and public policy;

WHEREAS, the Honorable CTA has issued rulings allowing judicial compromises similar to the instant case.

WHEREAS, the **PARTIES,** for the purpose of avoiding and putting an end to a protracted, expensive and mutually prejudicial litigation, have agreed to amicably settle the above-mentioned case, upon terms and conditions hereinafter set forth;

NOW, THEREFORE, for and in consideration of the foregoing premises, the **PARTIES** hereto have agreed as follows:

Section 1. Judicial Compromise Amount. In order to settle the above-mentioned case, the **TAXPAYER** has offered the amount of **Philippine Pesos: Thirteen Million Thirty – Two Thousand Eight Hundred Seventy-Nine (PhP13,032,879.00).** Taxpayer has paid the amount of Philippine Pesos: Three Million One Hundred Twenty-Nine Thousand One Hundred Seventy-Seven and Forty-Two Centavos (PhP3,129,177.42) on 27 November 2015, evidence by BIR Form No. 0605 (Payment Form) attached hereto as ***Annex "A" to Annex "A-3".*** In addition to this, Taxpayer also paid the amount of Philippine Pesos: Three Million Two-Hundred Eighty-Seven Thousand Six Hundred Forty and Fifty-Eight Centavos (PhP3,287,640.58) on 28 November 2015, evidenced by BIR Form No. 0605 attached hereto as ***Annex "B"*** to ***Annex "B-5".*** Taxpayer further paid the amount of Philippine Pesos: Six Million Six Hundred Sixteen Thousand Sixty-One (PhP6,616,000.00) on 02 September 2021, evidenced by BIR Form No. 0605 attached hereto as ***Annex "C"*** to ***Annex "C-8",*** to complete the compromise amount offered to the BIR.

xxx xxx xxx

Section 3. Effectivity of the Agreement. This **Agreement** shall take effect and bind the **PARTIES** upon approval of the Honorable CTA. This **Agreement** shall thereafter remain in force and effect until completion and fulfillment of the covenants and undertaking of the **PARTIES** hereto.

Section 4. Deliverables of the PARTIES upon approval of this Agreement by the Honorable CTA. Upon final approval by the Honorable CTA of this Agreement the BIR undertakes to execute and deliver to the Taxpayer any and all documents as may be required to effectively and fully implement the provisions of this Agreement, withdrawing and cancelling the **FAN** dated January 17, 2015 and - **FDDA** for the taxable year ended December 31, 2011.

Section 5. Authority to Enter Compromise Agreement. The **BIR,** through Commissioner Caesar R. Dulay warrants that he has the necessary authority and capacity under the law to enter, sign, and execute this Agreement, and to deliver its implementing documents upon its approval of the Honorable CTA.

The **TAXPAYER** warrants that, **PATRICIA NICOLE S. QUIBOLOY,** is duly authorized by the Board of Directors of the **TAXPAYER** and has full legal capacity to enter, sign, and execute this Agreement, and to deliver payment of the above-agreed additional amount.

Section 6. Full and Final Settlement. This Agreement is executed by the **PARTIES** for the purpose of amicably settling and ending CTA EB Case Nos. 2134 & 2135. Upon approval by the court, the BIR recognizes the full satisfaction of the supposed tax liability of the **TAXPAYER** in connection with CTA EB Case Nos. 2134 & 2135 and acknowledges that the TAXPAYER no longer has any tax liability whatsoever based upon, arising from or in connection with the particular subject of CTA EB Case Nos. 2134 & 2135."

In a Resolution, dated 22 March 2022, the Court *En Banc* required the parties to submit proof of the approval by the majority of the members of the Bureau of Internal Revenue's ("BIR") National Evaluation Board ("NEB") of the subject Compromise.[30] The CIR then filed a Compliance submitting such proof (*i.e.*, the certified true copy of the Certificate of Availment and the Approval Sheet of the JCA indicating the signature of the majority of the members of the NEB).[31]

The Court takes **NOTE** of respondent's Compliance.

Considering the foregoing developments, and having found the submissions of the parties to be in accordance with ***En Banc Resolution No. 7-2021***,[32] the Court now resolves the Joint Motion.

Section 204(A) of the National Internal Revenue Code, as amended, ("NIRC") provides for the authority of the CIR to compromise the payment of any revenue tax, to wit:

> "SEC. 204. Authority of the Commissioner to Compromise, Abate and Refund or Credit Taxes. -
>
> The Commissioner may -
>
> (A) Compromise the payment of any internal revenue tax, when:
>
> (1) **<u>A reasonable doubt as to the validity of the claim against the taxpayer exists</u>**; or
>
> (2) The financial position of the taxpayer demonstrates a clear inability to pay the assessed tax.
>
> The compromise settlement of any tax liability shall be subject to the following minimum amounts:
>
> For cases of financial incapacity, a minimum compromise rate equivalent to ten percent (10%) of the basic assessed tax; and
>
> **For other cases, a minimum compromise rate equivalent to forty percent (40%) of the basic assessed tax**.
>
> **Where the basic tax involved exceeds One million pesos (₱1,000.000) or where the settlement offered is less than the prescribed minimum rates, the compromise shall be subject to the approval of the Evaluation Board which shall be composed of the Commissioner and the four (4) Deputy Commissioners**. xxx"
> (Emphasis and underscoring, Ours.)

Based on the foregoing, a compromise settlement is deemed valid provided that the following requirements are met:

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[30] Records for CTA EB 2134, Vol. 3, pp. 1219-1223.
[31] *Id.*, pp. 1224-1229.
[32] 22 June 2021.

1. The application for compromise should be based on either the **doubtful validity of respondent's assessment** or taxpayer's financial incapacity to pay such assessment;

2. In case the basis of the compromise offer is **doubtful validity, the minimum payment of compromise settlement shall be at the rate equivalent to forty percent (40%) of the basic assessed tax**, while if the ground is financial incapacity, the minimum payment should be at the rate equivalent to ten percent (10%) of the basic assessed tax; and

3. The **approval of the NEB**, which is composed of the respondent and his four (4) Deputy Commissioners, **if the subject assessment exceeds One Million pesos (₱1,000,000.00)** or **where the settlement offered is less than the prescribed minimum rates**.

In this case, per the Certificate of Availment submitted by the parties, the JCA entered into is based on **doubtful validity of respondent's assessment**.

In order to determine whether the assessment's validity is indeed doubtful, the Court refers to ***Section 3 of Revenue Regulations ("RR") No. 30-2002*, *as amended*,**[33] which enumerates the instances when an assessment's propriety is considered doubtful, to wit:

> "SECTION 3. Basis For Acceptance of Compromise Settlement. — The Commissioner may compromise the payment of any internal revenue tax on the following grounds:
>
> 1. Doubtful validity of the assessment. — The offer to compromise a delinquent account or disputed assessment under these Regulations on the ground of reasonable doubt as to the validity of the assessment may be accepted when it is shown that:
>
> **(a) The delinquent account or disputed assessment is one resulting from a jeopardy assessment (For this purpose, "jeopardy assessment" shall refer to a tax assessment which was assessed without the benefit of complete or partial audit by an authorized revenue officer, who has reason to believe that the assessment and collection of a deficiency tax will be jeopardized by delay because of the taxpayer's failure to comply with the audit and investigation requirements to present his books of accounts and/or pertinent records, or to substantiate all or any of the deductions, exemptions, or credits claimed in his return);** or

[33] Revenue Regulations Implementing Sections 7(c), 204(A) and 290 of the National Internal Revenue Code of 1997 on Compromise Settlement of Internal Revenue Tax Liabilities Superseding Revenue Regulations Nos. 6-2000 and 7-2001, 16 December 2002; Revenue Regulations No. 08-04, Revenue Regulations Implementing Sections 7(c), 204 (A) and 290 of the National Internal Revenue Code of 1997 on Compromise Settlement of Internal Revenue Tax Liabilities Superseding Revenue Regulations Nos. 7-2001 and 30-2002, 19 May 2004.

> (b) The assessment seems to be arbitrary in nature, appearing to be based on presumptions and there is reason to believe that it is looking in legal and/or factual basis; or
>
> (c) The taxpayer failed to file an administrative protest on account of the alleged failure to receive notice of assessment and there is reason to believe that the assessment is lacking in legal and/or factual basis; or
>
> (d) The taxpayer failed to file a request for reinvestigation/reconsideration within 30 days from receipt of final assessment notice and there is reason to believe that the assessment is lacking in legal and/or factual basis; or
>
> (e) The taxpayer failed to elevate to the Court of Tax Appeals (CTA) an adverse decision of the Commissioner, or his authorized representative, in some cases, within 30 days from receipt thereof and there is reason to believe that the assessment is lacking in legal and/or factual basis; or
>
> (f) The assessments were issued on or after January 1, 1998, where the demand notice allegedly failed to comply with the formalities prescribed under Sec. 228 of the National Internal Revenue Code of 1997; or
>
> (g) Assessments made based on the "Best Evidence Obtainable Rule" and there is reason to believe that the same can be disputed by sufficient and competent evidence; or
>
> (h) The assessment was issued within the prescriptive period for assessment as extended by the taxpayer's execution of Waiver of the Statute of Limitations the validity or authenticity of which is being questioned or at issue and there is strong reason to believe and evidence to prove that it is not authentic; or
>
> (i) The assessment is based on an issue where a court of competent jurisdiction made an adverse decision against the Bureau, but for which the Supreme Court has not decided upon with finality."
> (Emphasis and underscoring, Ours.)

Clearly, the scenario under ***Section 3.a of RR No. 30-2002, as amended***, is present in this case. Based on 3M's Petition for Review,[34] one of the grounds it advanced to prove the invalidity of the assessment is the issue that the Formal Letter of Demand ("FLD") and FDDA are void for being jeopardy assessments. According to 3M, the CIR hastily issued the assessment contained in the FLD to beat the three (3)-year prescriptive period to assess. Allegedly, this circumstance was a result of 3M's refusal to sign a Waiver against prescription of the period to assess.

Given this, 3M's claim that the instant assessment is of doubtful validity has basis. The first requisite is thus satisfied.

[34] Petition for Review, Records for CTA EB 2134, Vol. 1, pp. 16-26.

As for the second and third requisites, the judicial compromise amount paid by petitioner totalling to **Thirteen Million Thirty Two Thousand Eight Hundred Seventy Nine Pesos (Php13,032,879.00)** appears to be compliant with the 40% minimum payment required under ***Section 204(A) of the Tax Code***, computed as follows:

Tax Type	Basic Tax (per FDDA)[35]	40% of the Basic Tax
Income Tax	₱ 684,788.25	₱ 273,915.30
VAT	19,970,084.38	7,988,033.75
EWT	1,523,108.93	609,243.57
WTC	2,666,738.17	1,066,695.27
FWT	353,689.09	141,475.64
DST	199,871.00	79,948.40
MC	215,000.00	86,000.00
TOTAL	**₱ 25,613,279.82**	**₱ 10,245,311.93**

Having found the documents in order, the Court finds the Approval Sheet of the NEB and the Certificate of Availment sufficient evidence of the parties' compliance with the second and third requisites, respectively, and the mandate of ***Section 6 of RR No. 30-2002, as amended***, to wit:

> "SECTION 6. Approval of Offer of Compromise. — Except for offers of compromise where the approval is delegated to the REB pursuant to the succeeding paragraph, all compromise settlements within the jurisdiction of the National Office (NO) shall be **approved by a <u>majority of all the members of the NEB</u> composed of the Commissioner and the four (4) Deputy Commissioners.** All decisions of the NEB, granting the request of the taxpayer or favorable to the taxpayer, shall have the consequence of the Commissioner.
>
> xxx xxx xxx
>
> Provided, however, **<u>that if the offer of compromise is less than the prescribed rates set forth in Sec. 4 hereof, the same shall always be subject to the approval of the NEB</u>**. xxx"
> (Emphasis and underscoring, Ours.)

Considering the faithful observance by the parties of all the requisites under ***Section 204(A) of the NIRC***, the Court deems it proper to grant the parties' **Joint Motion.**

The parties are reminded that a compromise agreement, once approved by the courts, becomes more than a mere contract; it has the force and effect of a judgment that is subject to execution and attains the effect and authority of *res judicata*, as discussed by the Supreme Court in the case of ***Viesca vs. Gilinsky***,[36] to wit:

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[35] Annex "A", Petition for Review, Records for CTA EB 2134, Vol. 1, p. 79; Annex "V", *id.*, pp. 546-564.
[36] G.R. No. 171698, 4 July 2007.

> "A compromise agreement has been described as a contract whereby the parties, by making reciprocal concessions, avoid a litigation or put an end to one already commenced. A compromise agreement that is intended to resolve a matter already under litigation is normally called a judicial compromise. **Once it is stamped with judicial imprimatur, it becomes more than a mere contract binding upon the parties. Having the sanction of the court and entered as its determination of the controversy, it has the force and effect of any other judgment. Such agreement has the force of law and is conclusive between the parties. It transcends its identity as a mere contract binding only upon the parties thereto, for it becomes a judgment that is subject to execution in accordance with the Rules. Thus, a compromise agreement that has been made and duly approved by the court attains the effect and authority of *res judicata*,** although no execution may be issued unless the agreement receives the approval of the court where the litigation is pending and compliance with the terms of the agreement is decreed." (Emphasis and underscoring, Ours.)

WHEREFORE, premises considered, the parties' **Joint Motion for Judgment Based on Compromise Agreement** is **GRANTED**. The submission of the Certificate of Availment (Compromise Settlement) with attached Approval Sheet of the Judicial Compromise Agreement by the National Evaluation Board is **DEEMED SUFFICIENT COMPLIANCE** with the Resolution, dated 22 March 2022.

The **Judicial Compromise Agreement**, dated 15 December 2021, entered into by the parties is hereby **APPROVED**. This **Judgment on Compromise Agreement** is rendered in accordance therewith. The parties are hereby enjoined to faithfully comply with all the terms and conditions of the aforesaid Compromise Agreement.

Accordingly, this case is now deemed **CLOSED** and **TERMINATED.**

SO ORDERED.

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

WE CONCUR:

ROMAN G. DEL ROSARIO
Presiding Justice

ERLINDA P. UY
Associate Justice

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

CATHERINE T. MANAHAN
Associate Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

MARIAN IVY F. REYES-FAJARDO
Associate Justice

LANEE S. CUI-DAVID
Associate Justice

CERTIFICATION

Pursuant to *Article VIII, Section 13 of the Constitution*, it is hereby certified that the conclusions in the above Judgment on Compromise Agreement were reached in consultation before the cases were assigned to the writer of the opinion of the Court.

ROMAN G. DEL ROSARIO
Presiding Justice