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case, however, failed to establish that there is any circumvention of labor laws as to call for the creation by the statute of an employer-employee relationship between Classique Vinyl and Valencia. In fact, even as against CMS, Valencia's money claims has been debunked by the labor tribunals and the CA. Again, the Court is not inclined to disturb the same.

In view of the above disquisition, the Court finds no necessity to dwell on the issue of whether Valencia was illegally dismissed by Classique Vinyl and whether the latter is liable for Valencia's money claims.

WHEREFORE, the Petition for Review on *Certiorari* is **DENIED**. The assailed December 5, 2012 Decision and March 18, 2013 Resolution of the Court of Appeals in CA-G.R. SP No. 120999 are **AFFIRMED**.

SO ORDERED.

Sereno, C. J. (Chairperson), Leonardo-de Castro, Perlas-Bernabe, and *Caguioa, JJ.,* concur.

SECOND DIVISION

[G.R. No. 206617. January 30, 2017]

PHILIPPINE NUMISMATIC AND ANTIQUARIAN SOCIETY, *petitioner, vs.* **GENESIS AQUINO, ANGELO BERNARDO, JR., EDUARDO M. CHUA, FERNANDO FRANCISCO, JR., FERMIN S. CARINO, PERCIVAL M. MANUEL, FERNANDO M. GAITE, JR., JOSE CHOA, TOMAS DE GUZMAN, JR., LI VI JU, CATALINO M. SILANGIL, RAMUNDO SANTOS, PETER SY, and WILSON YULOQUE,** *respondents.*

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SYLLABUS

1. **REMEDIAL LAW; CIVIL PROCEDURE; REAL PARTY-IN-INTEREST; EVERY ACTION MUST BE PROSECUTED OR DEFENDED IN THE NAME OF THE REAL PARTY IN INTEREST; PURPOSE.—** The Rules of Court, specifically Section 2 of Rule 3 thereof, requires that unless otherwise authorized by law or the Rules of Court, every action must be prosecuted or defended in the name of the real party-in-interest, thus x x x[.] This provision has two requirements: (1) to institute an action, the plaintiff must be the real party-in-interest; and (2) the action must be prosecuted in the name of the real party-in-interest. Interest within the meaning of the Rules of Court means material interest or an interest in issue to be affected by the decree or judgment of the case, as distinguished from mere curiosity about the question involved. One having no material interest to protect cannot invoke the jurisdiction of the court as the plaintiff in an action. x x x The purposes of the requirement for the real party in interest prosecuting or defending an action at law are: (a) to prevent the prosecution of actions by persons without any right, title or interest in the case; (b) to require that the actual party entitled to legal relief be the one to prosecute the action; (c) to avoid a multiplicity of suits; and (d) to discourage litigation and keep it within certain bounds, pursuant to sound public policy. The rule on real party-in-interest ensures, therefore, that the party with the legal right to sue brings the action, and this interest ends when a judgment involving the nominal plaintiff will protect the defendant from a subsequent identical action. Such a rule is intended to bring before the court the party rightfully interested in the litigation so that only real controversies will be presented and the judgment, when entered, will be binding and conclusive and the defendant will be saved from further harassment and vexation at the hands of other claimants to the same demand.

2. **ID.; ID.; ID.; FOR A CORPORATION TO BE A REAL PARTY-IN-INTEREST, THE OFFICER OR AGENT WHO IS SUING OR DEFENDING IN BEHALF OF THE CORPORATION MUST BE AUTHORIZED TO DO SO THROUGH A BOARD RESOLUTION; ABSENT SUCH BOARD RESOLUTION, THE PETITION MAY NOT BE GIVEN DUE COURSE.—** In the case at bar, PNAS, as a

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corporation, is the real party-in-interest because its personality is distinct and separate from the personalities of its stockholders. A corporation has no power, except those expressly conferred on it by the Corporation Code and those that are implied or incidental to its existence. In turn, a corporation exercises said powers through its board of directors and/or its duly-authorized officers and agents. Thus, it has been observed that the power of a corporation to sue and be sued in any court is lodged with the board of directors that exercises its corporate powers. In turn, physical acts of the corporation, like the signing of documents, can be performed only by natural persons duly authorized for the purpose by corporate by-laws or by a specific act of the board of directors. It necessarily follows that "an individual corporate officer cannot solely exercise any corporate power pertaining to the corporation without authority from the board of directors". Section 23, in relation to Sec. 25 of the Corporation Code, clearly enunciates that all corporate powers are exercised, all business conducted, and all properties controlled by the board of directors. A corporation has a separate and distinct personality from its directors and officers and can only exercise its corporate powers through the board of directors. Thus, it is clear that an individual corporate officer cannot solely exercise any corporate power pertaining to the corporation without authority from the board of directors. Absent the said board resolution, a petition may not be given due course.

3. **ID.; ID.; ID.; ID.; EFFECTS WHERE THE PERSON SUING IN BEHALF OF THE CORPORATION FAILED TO PRESENT PROOF OF HIS AUTHORITY; DISMISSAL OF THE COMPLAINT FOR FAILURE TO STATE A CAUSE OF ACTION IS PROPER.—** [T]here was no proof submitted that Atty. Villareal was duly authorized by petitioner to file the complaint and sign the verification and certification against forum shopping dated December 21, 2009. Where the plaintiff is not the real party-in-interest, the ground for the motion to dismiss is lack of cause of action. The reason for this is that the courts ought not to pass upon questions not derived from any actual controversy. Truly, a person having no material interest to protect cannot invoke the jurisdiction of the court as the plaintiff in an action. Nor does a court acquire jurisdiction over a case where the real party-in-interest is not present or impleaded. Under our procedural rules, "a case is dismissible for lack of

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personality to sue upon proof that the plaintiff is not the real party-in-interest, hence, grounded on failure to state a cause of action." Indeed, considering that all civil actions must be based on a cause of action, defined as the act or omission by which a party violates the right of another, the former as the defendant must be allowed to insist upon being opposed by the real party-in-interest so that he is protected from further suits regarding the same claim. Under this rationale, the requirement benefits the defendant because "the defendant can insist upon a plaintiff who will afford him a setup providing good *res judicata* protection if the struggle is carried through on the merits to the end.

APPEARANCES OF COUNSEL

Siguion Reyna Montecillo & Ongsiako for petitioner.
Faustino S. Tugade, Jr., for respondents Chua, *et al.*

D E C I S I O N

PERALTA, *J.*:

Before us is a Petition for Review on *Certiorari*[1] under Rule 45 of the Rules of Court which seeks the reversal of the Decision[2] dated September 6, 2012, and Resolution[3] dated March 19, 2013 of the Court of Appeals (*CA*) in CA-G.R. SP No. 113864, which affirmed the dismissal of Civil Case No. 09-122709 entitled *Philippine Numismatic and Antiquarian Society, Inc. v. Genesis Aquino, et al*. by the Regional Trial Court (*RTC*), Branch 24, Manila.

The factual antecedents are as follows:

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[1] *Rollo*, pp. 9-29.

[2] Penned byAssociate Justice Agnes Reyes-Carpio, with Associate Justices Rosalinda Asuncion-Vicente and Priscilla J. Baltazar-Padilla, concurring; *id*. at 32-38.

[3] *Id*. at 39-40.

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Petitioner Philippine Numismatic and Antiquarian Society, Inc. (*PNAS*) is a non-stock, non-profit domestic corporation duly organized in accordance with Philippine Laws.[4] On October 29, 2009, petitioner filed a complaint with the RTC, Branch 24, Manila docketed as Civil Case No. 09-122388[5] praying for the issuance of a writ of a preliminary injunction against respondent Angelo Bernardo, Jr. The complaint was verified by respondents Eduardo M. Chua, Catalino M. Silangil and Percival M. Manuel who claimed to be the attorneys-in-fact of petitioner as per Secretary's Certificate attached to the complaint. Petitioner was represented by Atty. Faustino S. Tugade as counsel.[6]

On December 22, 2009, another complaint[7] was filed by petitioner against respondents Genesis Aquino, Angelo Bernardo, Jr., Eduardo M. Chua, Fernando Francisco, Jr., Fermin S. Carino, Percival M. Manuel, Fernando M. Gaite, Jr., Jose Choa, Tomas De Guzman, Jr., Li Vi Ju, Catalino M. Silangil, Raymundo Santos, Peter Sy, and Wilson Yuloque docketed as Civil Case No. 09-122709 praying that the Membership Meeting conducted by defendants on November 25, 2008 be declared null and void. It is, likewise prayed that a temporary restraining order or a writ of preliminary injunction be issued for the defendants to desist from acting as the true members, officers and directors of petitioner. The verification was signed by Atty. William L. Villareal.[8] The petitioner was represented by Siguion Reyna Montecillo and Ongsiako Law Office.[9]

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[4] PNAS was organized for the purpose of, among others, to promote the science of numismatics and antiquary through the study and collection of coins, paper money, medals, seals, plaques, antiques, etc. and to encourage the preservation of existing historical monuments and tablets in different parts of the country; *id.* at 360 and 11.

[5] A Judgment Based on Compromise was rendered in Civil Case No. 09-122388 on December 8, 2010, *id*. at 364.

[6] *Rollo*, p. 33.

[7] *Id.* at 207-216.

[8] *Id.* at 217-218.

[9] *Id.* at 205.

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On January 26, 2010, considering that there were two different parties claiming to be the representative of petitioner, the RTC issued a Joint Order directing the parties to submit within fifteen (15) days from notice the appropriate pleadings as to who are the true officers of PNAS and to submit all the documentary exhibits in support of their respective positions.[10]

Only respondents Eduardo M. Chua, Tomas De Guzman, Jr., Catalino M. Silangil, Peter Sy, Fernando Francisco, Jr., and Percival M. Manuel in Civil Case No. 09-122709 complied with the aforesaid Joint Order. In their Memorandum, they alleged that Atty. William F. Villareal who signed the verification in the complaint was not authorized by the Board of Directors of PNAS to institute the complaint in behalf of petitioner corporation, and that his action in filing the complaint is an *ultra vires* act and was in violation of Section 23 of the Corporation Code.[11] The aforesaid respondents also filed their Answer dated January 29, 2010.

On the part of respondents Genesis Aquino, Angelo Bernardo, Jr., Li Vi Ju, and Raymundo Santos, they filed a Special Entry of Appearance to Question the Issue of Improper Service of Summons and Notices and Motion to Defer the Proceedings Until All the Said Issues Have Been Resolved. Petitioner then filed a Motion to Declare Defendants in Default and for Judgment Based on the Complaint dated February 10, 2010. Petitioner likewise filed a Request for Admission[12] dated February 17, 2010.

Subsequently, on March 15, 2010, the RTC issued a Joint Order[13] dismissing the complaint, thus:

> The failure of plaintiff represented by Atty. William F. Villareal who alleged in the complaint that he is the President of Philippine Numismatic and Antiquarian Society, Inc. and its duly-authorized representative to file the appropriate pleadings and submit documentary

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[10] *Id.* at 204.

[11] *Id.* at 205.

[12] *Id.* at 14.

[13] *Id.* at 204-206.

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exhibits relative to his authority to file the instant complaint for and in behalf of plaintiff Philippine Numismatic and Antiquarian Society, Inc. as mandated by the order of this Court during the hearing on January 26, 2010 lends credence to the assertion of defendants that he has no authority to represent plaintiff and to file the complaint in Civil Case No. 09-122709. Consequently, the court has no other recourse but to order the dismissal of Civil Case No. 09-122709

Accordingly, Civil Case No. 09-122709 entitled Philippine Numismatic and Antiquarian Society, Inc. versus Genesis Aquino, Angelo Bernardo, Jr., Eduardo M. Chua, Fernando Francisco, Jr., Fermin S. Carino, Percival M. Manuel, Fernando M. Gaite, Jr., Jose Choa, Tomas De Guzman, Jr., Li Vi Ju, Catalino M. Silangil, Raymundo Santos, Peter Sy, and Wilson Yuloque is hereby ordered DISMISSED.

This Order likewise renders moot and academic the Motion to Declare Defendants in Default and For Judgment Based on the Complaint filed by plaintiff in Civil Case No. 09-122709.

SO ORDERED.[14]

Petitioner then filed a Petition for Review[15] dated May 12, 2010 with the CA under Rule 43 of the Rules of Court, in relation to A.M. No. 04-09-07 dated September 14, 2004. In a Decision dated September 6, 2012, the CA dismissed the petition.

Petitioner filed a motion for reconsideration,[16] but the same was denied by the CA on March 19, 2013.

Hence, this petition, raising the following issues:

I

THE COURT OF APPEALS COMMITTED A GRAVE ERROR WHEN IT UPHELD THE DISMISSAL OF THE INTRA-CORPORATE CASE FOR PURPORTEDLY BEING A NUISANCE SUIT;

II

THE COURT OF APPEALS COMMITTED A GRAVE ERROR WHEN IT REFUSED TO CONSIDER, CONTRARY TO

[14] *Id.* at 205-206.

[15] *Id.* at 180-203.

[16] *Id.* at 39-40.

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ESTABLISHED JURISPRUDENCE, A BOARD RESOLUTION/ SECRETARY'S CERTIFICATE AS PROOF OF AUTHORITY TO FILE INITIATORY PLEADINGS FOR AND ON A COMPANY'S BEHALF;

III

THE COURT OF APPEALS DEPARTED FROM THE USUAL COURSE OF PROCEDURE WHEN IT DISMISSED THE CASE ON PROCEDURAL GROUNDS RATHER THAN ON THE MERITS AND THUS PRECLUDING PETITIONER FROM A JUST AND PROPER DETERMINATION OF ITS CASE.[17]

We deny the petition.

There is no question that a litigation should be disallowed immediately if it involves a person without any interest at stake, for it would be futile and meaningless to still proceed and render a judgment where there is no actual controversy to be thereby determined. Courts of law in our judicial system are not allowed to delve on academic issues or to render advisory opinions. They only resolve actual controversies involving rights that are legally demandable and enforceable.[18]

The Rules of Court, specifically Section 2 of Rule 3 thereof, requires that unless otherwise authorized by law or the Rules of Court, every action must be prosecuted or defended in the name of the real party-in-interest, thus:

> Sec. 2. *Parties-in-interest*. — A real party-in-interest is the party who stands to be benefited or injured by the judgment in the suit, or the party entitled to the avails of the suit. Unless otherwise authorized by law or these Rules, every action must be prosecuted or defended in the name of the real party-in-interest.

This provision has two requirements: (1) to institute an action, the plaintiff must be the real party-in-interest; and (2) the action

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[17] *Id.* at 15.

[18] *Stronghold Insurance Company, Inc. v. Tomas Cuenca, et al.*, 705 Phil. 441, 454 (2013).

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must be prosecuted in the name of the real party-in-interest. Interest within the meaning of the Rules of Court means material interest or an interest in issue to be affected by the decree or judgment of the case, as distinguished from mere curiosity about the question involved. One having no material interest to protect cannot invoke the jurisdiction of the court as the plaintiff in an action.[19]

The Interim Rules of Procedure for Intra-Corporate Controversies under Republic Act No. 8799 in A.M. No. 01-2-04-SC, effective on April 1, 2001 considers the suppletory application of the Rules of Court under Section 2, Rule 1, thus:

> Section 2. *Suppletory application of the Rules of Court.* — The Rules of Court, in so far as they may be applicable and are not inconsistent with these Rules, are hereby adopted to form an integral part of these Rules.

Moreover, We consider the summary nature of the proceedings governed by the Interim Rules which is premised on one objective which is the expeditious disposition of cases.[20]

The purposes of the requirement for the real party in interest prosecuting or defending an action at law are: (a) to prevent the prosecution of actions by persons without any right, title or interest in the case; (b) to require that the actual party entitled to legal relief be the one to prosecute the action; (c) to avoid a multiplicity of suits; and (d) to discourage litigation and keep it within certain bounds, pursuant to sound public policy.[21]

The rule on real party-in-interest ensures, therefore, that the party with the legal right to sue brings the action, and this interest ends when a judgment involving the nominal plaintiff will protect the defendant from a subsequent identical action. Such a rule

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[19] *Gerve Magallanes v. Palmer Asia, Inc.*, G.R. No. 205179, July 18, 2014, 730 SCRA 259, 269.

[20] *Sy Tiong Shiou, et al. v. Sy Chim, et al.*, 601 Phil. 510, 535 (2009).

[21] *Stronghold Insurance Company, Inc. v. Tomas Cuenca, et al.*, *supra* note 18, at 455.

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is intended to bring before the court the party rightfully interested in the litigation so that only real controversies will be presented and the judgment, when entered, will be binding and conclusive and the defendant will be saved from further harassment and vexation at the hands of other claimants to the same demand.[22]

In the case at bar, PNAS, as a corporation, is the real party-in-interest because its personality is distinct and separate from the personalities of its stockholders. A corporation has no power, except those expressly conferred on it by the Corporation Code and those that are implied or incidental to its existence. In turn, a corporation exercises said powers through its board of directors and/or its duly-authorized officers and agents. Thus, it has been observed that the power of a corporation to sue and be sued in any court is lodged with the board of directors that exercises its corporate powers. In turn, physical acts of the corporation, like the signing of documents, can be performed only by natural persons duly authorized for the purpose by corporate by-laws or by a specific act of the board of directors.[23] It necessarily follows that "an individual corporate officer cannot solely exercise any corporate power pertaining to the corporation without authority from the board of directors".[24]

Section 23, in relation to Sec. 25 of the Corporation Code, clearly enunciates that all corporate powers are exercised, all business conducted, and all properties controlled by the board of directors. A corporation has a separate and distinct personality from its directors and officers and can only exercise its corporate powers through the board of directors. Thus, it is clear that an individual corporate officer cannot solely exercise any corporate power pertaining to the corporation without authority from the

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[22] *Id.*

[23] *Republic v. Coalbrine International Philippines, Inc.*, 631 Phil. 487, 495 (2010); *Shipside, Inc. v. Court of Appeals*, 404 Phil. 981, 994 (2001).

[24] *Swedish Match Philippines, Inc. v. The Treasurer of the City of Manila,* 713 Phil. 240, 247 (2013).

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board of directors.[25] Absent the said board resolution, a petition may not be given due course. The application of the rules must be the general rule, and the suspension or even mere relaxation of its application, is the exception. This Court may go beyond the strict application of the rules only on exceptional cases when there is truly substantial compliance with the rule.[26]

Hence, since petitioner is a corporation, the certification attached to its complaint filed with the RTC must be executed by an officer or member of the board of directors or by one who is duly authorized by a resolution of the board of directors; otherwise, the complaint will have to be dismissed.[27] Courts are not, after all, expected to take judicial notice of corporate board resolutions or a corporate officers' authority to represent a corporation.[28] Petitioner's failure to submit proof that Atty. William L. Villareal has been authorized by PNAS to file the complaint is a sufficient ground for the dismissal thereof.

In *Tamondong v. Court of Appeals*,[29] we held that if a complaint is filed for and in behalf of the plaintiff who is not authorized to do so, the complaint is not deemed filed. An unauthorized complaint does not produce any legal effect. Hence, the court should dismiss the complaint on the ground that it has no jurisdiction over the complaint and the plaintiff.[30]

In the present case, the real issue is whether Atty. William L. Villareal who claimed to be the President of PNAS in 2009,

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[25] *South Cotabato Communications Corp., et al. v. Sto. Tomas*, 653 Phil. 240, 248 (2010).

[26] *Esguerra v. Holcim Philippines, Inc.*, 717 Phil. 77, 90 (2013).

[27] *Cosco Philippines Shipping, Inc. v. Kemper Insurance Company*, 686 Phil. 327, 337 (2012); citing *Tamondong v. Court of Appeals*, 486 Phil. 729, 742 (2004).

[28] *Development Bank of the Philippines v. Court of Appeals, et al.*, 483 Phil. 216, 221 (2004).

[29] *Supra* note 27.

[30] *Cosco Philippines Shipping, Inc. v. Kemper Insurance Company*, *supra* note 27.

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was indeed authorized through a Board Resolution to represent PNAS in filing Civil Case No. 09-122709.

Respondents Genesis Aquino, Angelo Bernardo, Jr., Li Vi Ju, and Raymundo Santos aver that Atty. Villareal was President in 2007 and was never reelected from then on. They presented the notarized Certificate of Elections dated November 25, 2008 which shows that respondent Angelo Bernardo, Jr. was the one elected as President, while respondent Francisco Fernando, Jr. was elected as Secretary for the year 2009 during the election held on November 25, 2008.[31] Though the election of officers on November 25, 2008 was the subject of the complaint that was dismissed, Atty. Villareal did not present any proof that indeed he was President in 2009 when he filed the complaint.

As correctly ruled by the CA, Atty. Villareal was given the opportunity to prove his authority to institute the complaint considering that there were two different parties representing the petitioner in two cases filed before the RTC, Branch 24, Manila. If indeed Atty. Villareal was authorized to file the complaint, he could have simply presented a Board Resolution to prove that he was authorized. Neither did he file the appropriate pleadings and submit documentary exhibits relative to his authority to file the complaint for and in behalf of petitioner as mandated by the Joint Order of the RTC during its hearing on January 26, 2010. As correctly stated by the RTC, such failure on the part of Atty. Villareal gave credence to the assertion of respondents herein that he has no authority to represent petitioner and to file the complaint in Civil Case No. 09-122709.

Moreover, the records would show that Atty. Villareal ceased to be a director in 2009, not in 2008 as erroneously found by the CA. But what is material is that he was not anymore a director in 2009 at the time he filed the complaint. This is evidenced by the notarized Certificate of Elections[32] dated November 23, 2008 which shows that he was not among the eleven (11) Directors elected for 2009. The Board of Directors elected were respondents

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[31] *Rollo*, p. 337.

[32] *Id.* at 293.

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Fernando Gaite, Angelo Bernardo, Jr., Fermin S. Cariño, Eduardo M. Chua, Catalino M. Silangil, Peter Sy, Fernando Francisco, Jr., Tomas De Guzman, Jr., Li Vi Ju, Jose Choa and Percival M. Manuel. Also the General Information Sheet (*GIS*)[33] filed on November 27, 2008 shows that respondent Angelo Bernardo, Jr.[34] was the one elected as President for the year 2009, while respondent Francisco Fernando, Jr. was elected as Secretary.

Assuming the officers for 2009 were illegally elected as claimed by Atty. Villareal, We note that Atty. Villareal could not even be President in a hold-over capacity because he was not the one elected as President in 2008. From his own evidence attached to the petition as Annex "A", the GIS filed on July 10, 2008[35] shows that it was respondent Tomas Z. De Guzman who was elected as President and respondent Eduardo M. Chua as Secretary for the year 2008.

The said fact was also stated by the respondents Eduardo M. Chua, Fernando Francisco, Jr., Fermin S. Cariño, Percival M. Manuel, Tomas De Guzman, Jr., Catalino M. Silangil and Peter Sy in their comment to the instant petition. They averred that Atty. William Villareal was 2007 President of PNAS. In the year 2008, he was still elected as one of the eleven (11) members of the Board of Directors during the election on November 25, 2007 held at the Manila Yacht Club at Roxas Boulevard, Manila. But, he was not anymore elected president. It was respondent Tomas Z. De Guzman who was elected by a vote of six directors[36] as against five votes for Atty. William

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[33] *Id.* at 248-251.

[34] On May 7, 2010, a group of respondents led by Eduardo M. Chua, Catalino M. Silangil and Percival M. Manuel allegedly conducted an "illegal" election to oust respondent Bernardo from his post which resulted in the filing of Civil Case No. 09-122388. But, a Judgment Based on Compromise was rendered in Civil Case No. 09-122388 on December 8, 2010; *id.* at 319 and 364.

[35] *Id.* at 52-55.

[36] Those who voted were respondents Tomas Z. Guzman, Catalino M. Silangil, Eduardo M. Chua, Genesis Aquino, Angelo Bernardo, Jr. (Auditor) and Fernando Gaite.

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Villareal.[37] The other officers elected were respondents Catalino M. Silangil (*Vice President*), Eduardo M. Chua (*Secretary*), Genesis Aquino (*Treasurer*) and Angelo Bernardo, Jr. (*Auditor*).

The aforesaid respondents further averred that Atty. William Villareal and his minority group of directors, namely, Antonio Carinan, Edward Nocom, Rufino Fermin and Albert Dealino, refused to honor the new set of officers.[38] Also, Atty. William Villareal allegedly refused to turn-over and submit an accounting of all the records. Thus, respondents Catalino M. Silangil, Eduardo M. Chua, Angelo Bernardo, Jr. and Fernando M. Gaite, Jr. filed a Complaint for Annulment of Corporate Acts, Accounting, Inventory, Recovery of Corporate Items, Funds and Properties and for Damages with Prayer for TRO and Preliminary Injunction before RTC, Branch 46, Manila docketed as Civil Case No. 08-120341.[39]

Furthermore, it was alleged in the instant petition that Atty. Villareal is a member of the Board of Directors since 2001 to present. The General Information Sheet (*GIS*) for the years 2008 to 2011[40] were attached to the petition to prove the allegation. We wonder, however, why these documents were not presented in the RTC nor attached to the petition filed with the CA. We also observe that there were no elected officers for the year 2008 as appearing on the GIS which was accomplished and filed only in May 18, 2011.[41] Likewise, the GIS for the years 2009 to 2011 where it was stated that Atty. Villaruel was the President appears no indication that it was filed with the SEC.

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[37] *Id.* at 361.

[38] Allegedly as a result of the election, respondents Angelo Bernardo, Jr., Eduardo M. Chua, Fernando M. Gaite, Jr., Tomas De Guzman, Jr., Catalino M. Silangil filed a derivative suit docketed as Q-08-189 at Branch 93, RTC, Quezon City but was dismissed due to wrong venue; *id.* at 317-318.

[39] On October 28, 2009, the case was dismissed for failure of the court to acquire jurisdiction over the persons of the defendants, *id.* at 285 and 364.

[40] *Id.* at 52-74.

[41] *Id.* at 60.

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As stated in the instructions on the GIS, a GIS Form is required to be filed within thirty (30) days following the date of the annual or a special meeting, and must be certified and sworn to by the corporate secretary, or by the president, or any duly authorized officer of the corporation.[42]

Indeed, there was no proof submitted that Atty. Villareal was duly authorized by petitioner to file the complaint and sign the verification and certification against forum shopping[43] dated December 21, 2009. Where the plaintiff is not the real party-in-interest, the ground for the motion to dismiss is lack of cause of action. The reason for this is that the courts ought not to pass upon questions not derived from any actual controversy. Truly, a person having no material interest to protect cannot invoke the jurisdiction of the court as the plaintiff in an action. Nor does a court acquire jurisdiction over a case where the real party-in-interest is not present or impleaded.[44]

Under our procedural rules, "a case is dismissible for lack of personality to sue upon proof that the plaintiff is not the real party-in-interest, hence, grounded on failure to state a cause of action."[45] Indeed, considering that all civil actions must be based on a cause of action, defined as the act or omission by which a party violates the right of another, the former as the defendant must be allowed to insist upon being opposed by the real party-in-interest so that he is protected from further suits regarding the same claim. Under this rationale, the requirement benefits the defendant because "the defendant can insist upon a plaintiff who will afford him a setup providing good *res judicata* protection if the struggle is carried through on the merits to the end.[46]

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[42] *Sy Tiong Shiou, et al. v. Sy Chim, et al.*, *supra* note 20.

[43] *Rollo*, pp. 217-218.

[44] *Stronghold Insurance Company, Inc. v. Tomas Cuenca, et al.*, *supra* note 18.

[45] *Gerve Magallanes v. Palmer Asia, Inc.*, *supra* note 19.

[46] *Stronghold Insurance Company, Inc. v. Tomas Cuenca, et al.*, *supra* note 18, at 455.

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Procedural rules are not to be disdained as mere technicalities that may be ignored at will to suit the convenience of a party. Adjective law is important in ensuring the effective enforcement of substantive rights through the orderly and speedy administration of justice. These rules are not intended to hamper litigants or complicate litigation but, indeed to provide for a system under which a suitor may be heard in the correct form and manner and at the prescribed time in a peaceful confrontation before a judge whose authority they acknowledge.[47]

WHEREFORE, the petition is **DENIED**. The Decision of the Court of Appeals dated September 6, 2012, and its Resolution dated March 19, 2013 in CA-G.R. SP No. 113864 are hereby **AFFIRMED**.

SO ORDERED.

Carpio (Chairperson), Mendoza, Leonen, and *Jardeleza*,[*] *JJ.*, concur.

FIRST DIVISION

[G.R. No. 207786. January 30, 2017]

SPOUSES MARCELIAN TAPAYAN and ALICE TAPAYAN, *petitioners, vs.* **PONCEDA M. MARTINEZ,** *respondent.*

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[47] *Bank of the Philippine Islands v. Court of Appeals, et al.*, 646 Phil. 617, 627 (2010).

[*] Designated Additional Member per Special Order No 2416, Dated January 4, 2017.