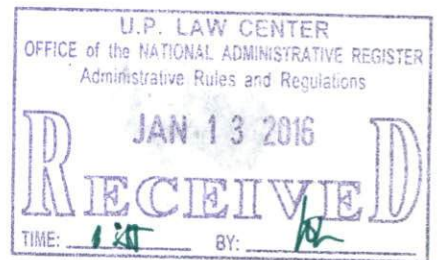




Republic of the Philippines
Department of Labor and Employment
NATIONAL LABOR RELATIONS COMMISSION
Quezon City



En Banc Resolution No. 14-15
(Series of 2015)

**INTRODUCING AMENDMENTS TO THE 2011 NLRC RULES OF
PROCEDURE, AS AMENDED**

Pursuant to Article 218 (a) of the Labor Code, as amended, the National Labor Relations Commission, sitting en banc, RESOLVED TO ADOPT AND PROMULGATE, as it hereby adopts and promulgate amendments to the "2011 NLRC Rules of Procedure, as amended," as follows:

**RULE VI
APPEALS**

1. Section 6, Rule VI is hereby amended to read as follows:

Section 6. BOND. – In case the decision of the Labor Arbiter or the Regional Director involves a monetary award, an appeal by the employer may be perfected only upon the posting of a bond, which shall either be in the form of cash deposit or surety bond equivalent in the amount to the monetary award, exclusive of damages and attorney's fees.

In case of surety bond, the same shall be issued by a reputable bonding company duly accredited by the Commission and shall be accompanied by original or certified true copies of the following:

- (a) a joint declaration under oath by the employer, his/her counsel, and the bonding company, attesting that the bond posted is genuine, and shall be in effect until final disposition of the case;
- (b) an indemnity agreement between the employer-appellant and bonding company;
- (c) proof of security deposit or collateral securing the bond: provided, that a check shall not be considered as an acceptable security; **and**
- (d) notarized board resolution or secretary's certificate from the bonding company showing its authorized signatories and their specimen signatures.**

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The Commission through the Chairman may on justifiable grounds blacklist an accredited bonding company.

A cash or surety bond shall be valid and effective from the date of deposit or posting, until the case is finally decided, resolved or terminated, or the award satisfied. This condition shall be deemed incorporated in the terms and conditions of the surety bond, and shall be binding on the appellants and the bonding company.

The appellant shall furnish the appellee with a certified true copy of the said surety bond with all the above-mentioned supporting documents. The appellee shall verify the regularity and genuineness thereof and immediately report any irregularity to the Commission.

Upon verification by the Commission that the bond is irregular or not genuine, the Commission shall cause the immediate dismissal of the appeal, and censure the responsible parties and their counsels, or subject them to reasonable fine or penalty, and the bonding company may be blacklisted.

No motion to reduce bond shall be entertained except on meritorious grounds, and only upon the posting of a bond in a reasonable amount in relation to the monetary award.

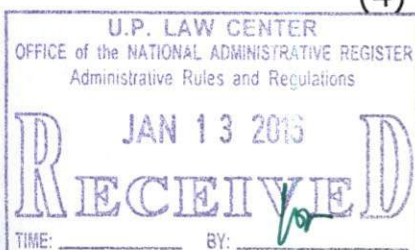
The mere filing of a motion to reduce bond without complying with the requisites in the preceding paragraphs shall not stop the running of the period to perfect an appeal.

RULE XI EXECUTION PROCEEDINGS

1. **Section 9** is hereby amended to read as follows:

Section 9. MANNER OF EXECUTION OF MONETARY JUDGMENT. – (a) Upon the issuance of a writ of execution by the Labor Arbiter or the Commission, the Sheriff shall immediately furnish the losing party with a copy thereof by registered mail or by courier authorized by the Commission and enforce the judgment award, as far as practicable, in the following order:

- (1) Cash bond
- (2) Bank deposits
- (3) Surety bond
- (4) Should the cash bond or surety bond be insufficient, the Sheriff shall execute the monetary judgment by levying on the personal property, and if insufficient, the real property of the losing party not exempt from execution.



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sufficient to cover the judgment award, which may be disposed of for value at a public auction to the highest bidder.

- (5) If the losing party has no properties or his/her properties are insufficient and the bonding company refuses to comply with the writ of execution, the sheriff shall proceed to levy on the personal property, and if insufficient, the real property of the bonding company, without prejudice to contempt proceedings against its president, officers or authorized representatives. Moreover, the bonding company shall be barred from transacting business with the Commission.

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2. Sec. 14 is hereby amended to read as follows:

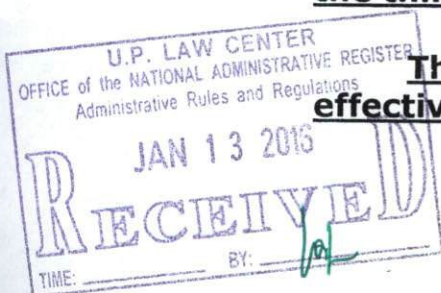
SECTION 14. THIRD PARTY CLAIM. – (a) If the property levied is claimed by any person other than the losing party, such person may file a third party claim not later than five (5) days from the last day of posting or publication of the notice of execution sale, otherwise the claim shall be forever barred. Such third party claim must comply with the following requirements:

- (1) An affidavit stating title to property or right to the possession thereof **and the property's fair market value** with supporting evidence;
- (2) **Payment of prevailing filing fee; and,**
- (3) **In case the subject matter of the third party claim is a real property, posting of a refundable cash deposit of Twenty Thousand Pesos (P20,000) for the payment of republication of notice of auction sale.**

(b) *Where Filed.* – The third party claim shall be filed with the Commission or Labor Arbiter where the execution proceeding is pending, with proof of service of copies thereof to the Sheriff and the prevailing party.

(c) **Effect of filing and posting of bond. The filing of a third party claim shall not suspend the execution proceedings with respect to the property subject of the third party claim, unless the third party claimant posts a cash or surety bond equivalent to the value of the levied property or judgment award, whichever is lower, and in accordance with Section 6 of Rule VI. The cash or surety bond shall be in lieu of the property subject of the third party claim.**

The cash or surety bond shall be valid and effective from the date of deposit or posting, until



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the third party claim is finally decided, resolved or terminated. This condition shall be deemed incorporated in the terms and conditions of the surety bond, and shall be binding on the third party claimant and the bonding company.

The Labor Arbiter may require the posting of additional bond upon showing by the other party that the bond is insufficient.

Upon approval of the bond, the Labor Arbiter shall issue an order releasing the levied property or a part thereof subject of the claim.

(d) *Proceedings.* - The propriety of the third party claim shall be resolved within ten (10) working days from submission of the claim for resolution. The decision of the Labor Arbiter is not appealable but may be elevated to the Commission and resolved in accordance with Rule XII hereof.

In the event that the resolution of the third party claim is elevated to the Commission, the release of the bond shall be suspended. Pending resolution thereof, execution shall proceed against all other properties not subject of the third party claim.

If the third party claim is denied with finality, the bond shall be made answerable in lieu of the property subject of the third party claim.

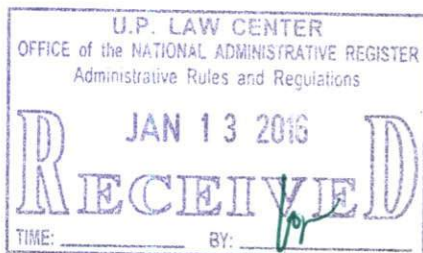
Signed this _____ day of September 2015, Quezon City, Philippines.


GERARDO C. NOGRALES
Chairman


GREGORIO O. BILOG III
Presiding Commissioner


ALEX A. LOPEZ
Presiding Commissioner


GRACE M. TAN
Presiding Commissioner



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ROMEO L. GO
Commissioner



ALAN A. VENTURA
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ERLINDA T. AGUS
Commissioner


PABLO C. ESPIRITU, JR.
Commissioner


CECILIO ALEJANDRO C. VILLANUEVA
Commissioner



NUMERIANO D. VILLENA
Commissioner


MERCEDES R. POSADA-LACAP
Commissioner


DOLORES M. PERALTA-BELEY
Commissioner


ISABEL G. PANGANIBAN-ORTIGUERRA
Commissioner


NIEVES E. VIVAR-DE CASTRO
Commissioner


JULIE C. RENDOQUE
Commissioner

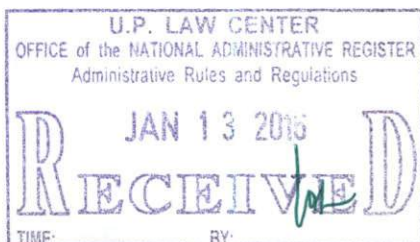

JOSE G. GUTIERREZ
Commissioner


PROCULO T. SARMEN
Commissioner



DOMINADOR B. MEDROSO, JR.
Commissioner

Attested by:


ELENITA F. CRUZ
Acting Executive Clerk of Court IV



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