

Republic of the Philippines Supreme Court Baguio City

FIRST DIVISION

NOTICE

Sirs/Mesdames:

Please take notice that the Court, First Division, issued a Resolution dated April 17, 2023 which reads as follows:

"A.C. No. 11461 (Emilia Capiña Buncayo, represented by her Attorney-in-Fact, Hector Capiña Buncayo, and Hector Capiña Buncayo, acting in his own capacity vs. Atty. Antonio A. Lat) — The Verified Disbarment Complaint/Letter Affidavit¹ (Complaint), filed on 12 August 2016 by Emilia Capiña Buncayo (Emilia), represented by her son and Attorney-in-Fact, Hector Capiña Buncayo (Hector), and Hector himself, before the Office of the Bar Confidant (OBC), seeks to disbar Atty. Antonio A. Lat (Atty. Lat) for Malpractice in violation of the Code of Professional Responsibility (CPR) and the 2004 Rules on Notarial Practice.²

The Complaint alleged that Emilia and her late husband, Apolonio Mendoza Buncayo, purchased parcels of land in Candelaria, Quezon (Quezon properties). Considering their previous professional relationship with Atty. Lat, the spouses sought his advice on the simplest way to develop and earn from the properties.³

Atty. Lat drafted a Memorandum of Agreement⁴ dated 03 March 2007 (MOA) among and between Emilia and Apolonio (spouses Buncayo) as the "First Party," and Eduardo C. Raymundo (Raymundo) and Modesto A. Marasigan (Marasigan) as the "Second Party," with the former selling, and the latter willing to buy the Quezon properties.

Upon implementation of the contract, the business deal became highly troublesome for the spouses Buncayo. Apolonio died, and the properties remained unpaid despite the Second Party having fully utilized the lands subject of the MOA. In an Amended Complaint⁵ dated 06 June 2009, Emilia

Rollo, pp. 1-14.

² 2004 RULES ON NOTARIAL PRACTICE. Approved: 6 July 2004.

³ *Rollo*, pp. 2–3.

⁴ Id. at 15-22.

⁵ Id. at 91–98.

and Hector sued Raymundo and Marasigan in the Regional Trial Court (RTC) of the City of San Pablo seeking the rescission of the MOA, essentially for material breach of their agreement.⁶

Upon verification with the Office of the Clerk of Court, RTC, San Pablo City, complainants discovered that the notarized MOA was not included in Atty. Lat's notarial report. Instead, "Doc. No. 479; Page No. 97; Book No. I; Series of 2007," as indicated in the MOA, referred to a document denominated as Affidavit of Discrepancy dated 05 March 2007.

In a Report and Recommendation⁹ dated 07 March 2019, the Commission on Bar Discipline of the Integrated Bar of the Philippines (CBD-IBP) found that Atty. Lat did not commit professional malpractice in drafting the MOA, and that the complainants' assertions are mere hearsay, considering that neither complainant was involved in the MOA's negotiation and drafting.¹⁰

Nevertheless, Atty. Lat failed to discharge his mandate, particularly his duty to record the MOA in his notarial register. Such dereliction of duty constitutes professional malpractice violative of Canon 1 of the CPR and the 2004 Rules on Notarial Practice. Thus, the CBD-IBP recommended that Atty. Lat be suspended from the active practice of law for two (2) months, with a stern warning that repetition of the same or similar offense will warrant a more severe penalty.¹¹

In a Resolution¹² dated 12 October 2019, the Board of Governors of the Integrated Bar of the Philippines (IBP Board of Governors) approved and adopted, with modification, the findings in the Commissioner's Report and Recommendation, and further recommended the revocation of Atty. Lat's notarial commission, his disqualification from being appointed as notary public for two (2) years, and suspension from the practice of law for six (6) months, thus:

RESOLVED to APPROVE and ADOPT, as it is hereby APPROVED and ADOPTED, with modification, the Report and Recommendation, of the Investigating Commission in the above-entitled case, herein made part of this Resolution as Annex "A"; and, finding the recommendation fully supported by the evidence on record and the applicable laws and rules, Atty. Antonio A. Lat's notarial commission is hereby IMMEDIATELY REVOKED, if subsisting, and he is DISQUALIFIED from being appointed as notary public for two (2) years, and SUSPENDED from the

⁶ Id. at 92–94, 96.

⁷ Id. at 39.

⁸ Id. at 55.

⁹ Id. at 180-197. Penned by Commissioner Simplicio M. Virtudazo, Jr.

¹⁰ Id. at 192.

¹¹ Id. at 196-197.

¹² Id. at 178-179. Signed by National Secretary Roland B. Inting.

practice of law for six (6) months, it being respondent's first offense. (Emphasis in the original)

No motion for reconsideration or petition for review was filed by either party.

After reviewing the case records, the Court adopts the findings of the IBP Board of Governors in its 12 October 2019 Resolution, but with modification as to the penalties imposed on Atty. Lat.

Atty. Lat is charged with professional malpractice on two grounds: first, for his alleged failure to protect the spouses Buncayo's rights through the MOA he drafted; and second, for his failure to properly record and report an alleged notarial act pertaining to the same document in his notarial register.¹³

Complainant Hector asserts that Atty. Lat was negligent in drafting an agreement that heavily disfavored the spouses Buncayo, his supposed clients. Hector claims that due to the MOA, Emilia and the heirs of Apolonio were forced into a protracted litigation and deprived of any compensation for their titled properties subject of the MOA notwithstanding the fact that the properties were already being utilized by the second party, Raymundo and Marasigan.¹⁴

On the other hand, Atty. Lat denies any fault and questions the admissibility of complainants' statements, considering that Emilia and Hector were not present when the negotiations on the MOA took place. Atty. Lat contends that contrary to complainants' position that he represented only the spouses Buncayo, it was Apolonio, Raymundo, and Marasigan who approached him for his services, which he reluctantly extended. Only the three men were present in the month-long talks for an acceptable agreement for all parties. Atty. Lat insists that he only put into writing what the parties agreed upon and that the three men are seasoned businessmen.¹⁵

From the foregoing, it is apparent that complainants failed to show that Atty. Lat was remiss in his duties as a lawyer in drafting the MOA in question. The Court cannot allow complainants to attribute their failed business venture and the non-payment of the amounts due them to Atty. Lat.

Based on complainants' own Marasigan who refused to fulfill their obligations despite the MOA. Attached to Emilia and Hector's Complaint are the demand letters¹⁶ that even specified the MOA provisions that Raymundo and Marasigan "failed and/or refused to

¹³ Id. at 4, 6–7.

¹⁴ Id. at 151-156.

¹⁵ Id. at 133–142.

¹⁶ Id. at 41–43.

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comply" with. In another letter,¹⁷ they also alleged that Raymundo and Marasigan failed to file any application with the so-called "SHFC/CMP," in contravention of their agreement for two years.¹⁸ In fact, complainants filed a civil case precisely for the rescission of the contract based on the non-performance by Raymundo and Marasigan, the second party.

Moreover, there is no showing that the MOA failed to protect complainants' rights. As observed by the CBD-IBP, for the second party's non-performance and material breach allegedly committed, complainants "have already instituted [a] civil case for rescission of the subject Memorandum of Agreement. Their rights to the properties involved in the MOA can be properly ventilated in the said case." ¹⁹

Notwithstanding the foregoing, the Court similarly finds Atty. Lat administratively liable for his negligence in keeping and maintaining his notarial register. Rule VI, 2004 Rules on Notarial Practice, mandates the recording of every notarial act in the notarial register, thus:

Sec. 2. Entries in the Notarial Register. – (a) For every notarial act, the notary shall record in the notarial register at the time of the notarization the following:

- (1) the entry number and page number;
- (2) the date and time of day of the notarial act;
- (3) the type of notarial act;
- (4) the title or description of the instrument, document or proceeding;
- (5) the name and address of each principal;
- (6) the competent evidence of identity as defined by these Rules if the signatory is not personally known to the notary;
- (7) the name and address of each credible witness swearing to or affirming the person's identity;
- (8) the fee charged for the notarial act;
- (9) the address where the notarization was performed if not in the notary's regular place of work or business; and
- (10) any other circumstance the notary public may deem of significance or relevance.

X X X X

(e) The notary public shall give to each instrument or document executed, sworn to, or acknowledged before him a number corresponding to the one in his register, and shall also state on the instrument or document the page/s of his register on which the same is recorded. No blank line shall be left between entries.

Failure to properly record entries in the notarial register is also a ground for revocation of notarial commission. Rule XI, Sec. 1, states:

¹⁷ Id. at 43.

¹⁸ Id. at 36.

¹⁹ Id. at 192.

SECTION 1. Revocation and Administrative Sanctions. - x x x

(b) In addition, the Executive Judge may revoke the commission of, or impose appropriate administrative sanctions upon, any notary public who:

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(2) fails to make the proper entry or entries in his notarial register concerning his notarial acts[.]

While Atty. Lat asserts that his signature in the MOA's notarial certificate was forged, he did not present any proof to substantiate his claim.

In *Rigon, Jr. v. Subia*, ²⁰ Atty. Subia claimed that his signature and notarial seal were falsified and forged but failed to adequately substantiate his claim. The Court however maintained that absent any clear and convincing proof that the signature and notarial seal appearing in the subject deed were forgeries, the presumption that Atty. Subia signed and notarized the same remained. The Court further held that even assuming Atty. Subia's signature was forged, he still had the accountability and responsibility for the use of his seal, even when done without his consent and knowledge. Atty. Subia was found negligent as a notary public because the perpetrator of the alleged forgery knew the details of his notarial register.²¹

Similarly, while the Court is not swayed by Atty. Lat's bare assertions of forgery, but even assuming that such was the case, he is still liable for his negligence in the handling of his affairs as a notary public.²²

By violating the Notarial Rules, Atty. Lat also violated the CPR, which requires lawyers to promote respect for law and legal processes.²³

It must be stressed that notarization is not an empty, meaningless or routinary act, but rather an act invested with substantive public interest. Notarization converts a private document into a public document, making it admissible in evidence without further proof of its authenticity. Thus, a notarized document is, by law, entitled to full faith and credit upon its face. It is for this reason that a notary public must observe with utmost care the basic requirements in the performance of his notarial duties; otherwise, the public's confidence in the integrity of a notarized document would be undermined.²⁴

Jurisprudence provides the following penalties for a notaries public who fail to discharge their duties:

²⁰ A.C. No. 10249, 07 September 2020.

²¹ Id.

²² Id

²³ Code of Professional Responsibility, Canon I – A lawyer shall uphold the constitution, obey the laws of the land and promote respect for law and for legal processes.

²⁴ Roa-Buenafe v. Lirazan, 897 Phil. 449, 456 (2019).

- (1) revocation of the current notarial commission;
- (2) disqualification from being commissioned as notary public; and
- (3) suspension from the practice of law, the terms of which vary based on the circumstances of each case.²⁵

In Rigon, Jr., ²⁶ Atty. Subia was also found to have violated Secs. 6 and 8 of Rule II, and Secs. 2 and 5 (b) of Rule IV, 2004 Rules on Notarial Practice, which require the signatory to appear in person and present an instrument or document, sign the document in the presence of the notary and take an oath or affirmation before the notary public as to such document. In that case, the supposed signatories were already dead at the time of the notarial act. Atty. Subia's notarial commission was revoked, he was prohibited from being commissioned as a notary public for two (2) years, and suspended from the practice of law for six (6) months.

In Agadan, et al. v. Atty. Kilaan,²⁷ Atty. Kilaan was found negligent for failing to make the proper entries in his notarial register. He was also admonished for committing falsehood in the pleadings he submitted before the IBP. Thus, the penalties of revocation of notarial commission, disqualification from being commissioned as notary public for one (1) year, and suspension from the practice of law for three (3) months were imposed on him.²⁸

In *Pitogo v. Atty. Suello*, ²⁹ Atty. Suello was found negligent in keeping and maintaining his notarial register when he failed to enter three (3) documents in his notarial register. He was also found guilty of committing falsehood in the pleadings he submitted. Similarly, the penalties of revocation of his notarial commission, disqualification from being commissioned as notary public for one (1) year, and suspension from the practice of law for three (3) months were imposed on him. ³⁰

In the instant case, it appears that Atty. Lat's negligence pertains mainly to his failure to properly maintain his notarial register. As such, and in line with the foregoing cases, the penalties of revocation of his current notarial commission, suspension from the practice of law, and disqualification from being commissioned as notary public, the terms of which may vary based on the circumstances of each case, may be imposed. Nonetheless, the imposable penalties may be tempered in light of the circumstance that this is Atty. Lat's first offense.

²⁵ Id. at 460.

²⁶ Supra.

²⁷ 720 Phil. 625 (2013).

²⁸ Id. at 631–635.

²⁹ 756 Phil. 124 (2015).

Id. at 133–134.

WHEREFORE, the Court finds respondent Atty. Antonio A. Lat GUILTY of violating the 2004 Rules on Notarial Practice and the Code of Professional Responsibility. Accordingly, the Court REVOKES his current commission as notary public, if any; DISQUALIFIES him from being commissioned as notary public for a period of one (1) year; and SUSPENDS him from the practice of law for a period of three (3) months. He is WARNED that a repetition of the same offense or similar acts shall be dealt with more severely.

SO ORDERED."

By authority of the Court:

LIBRADA C. BUENA
Division Clerk of Court

by:

MARIA TERESA B. SIBULO Deputy Division Clerk of Court

> 284 MAY 0 8 2023

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