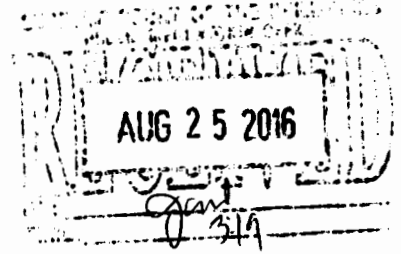




Republic of the Philippines
Supreme Court
Manila



FIRST DIVISION

BUDENCIO DUMANLAG,
Complainant,

A.C. No. 8825

Present:

SERENO, *CJ*, Chairperson,
LEONARDO-DE CASTRO,
BERSAMIN,
PERLAS-BERNABE, and
CAGUIOA, *JJ*.

- versus -

Promulgated:

ATTY. JAIME M. BLANCO, Jr.,
Respondent.

AUG 03 2016

x ----- x

DECISION

SERENO, *CJ*:

Before this Court is an administrative Complaint for Disbarment against respondent Atty. Jaime M. Blanco for rejecting complainant's claim over a parcel of land based on a Spanish Title.

FACTUAL ANTECEDENTS

Under Transfer Certificate of Title No. (TCT) 79146,¹ El Mavic Investment and Development Co., Inc. (EMIDCI) appears to be the registered owner of the land it occupies at the corner of Ramon Magsaysay Boulevard and C. de Dios Street in Sampaloc, Manila (Sampaloc property).

Complainant Budencio Dumanlag sent a letter dated 9 August 2010 to EMIDCI's President, Victoriano Chung, claiming to be an agent of the Heirs of Don Mariano San Pedro (the Heirs of San Pedro) based on a Special

¹ *Rollo*, pp. 41-45.

Power of Attorney dated 14 October 1999.² Complainant asserted that the Heirs of San Pedro, and not EMIDCI, owned the Sampaloc property, predicating such claim on a Spanish Title, *Titulo de Propiedad* No. (T.P.) 4136.³ He further stated in the letter that the Heirs of San Pedro were selling the Sampaloc property, and that he had given EMIDCI the option to buy it.

Victoriano Chung referred the matter to EMIDCI's counsel, respondent⁴ Atty. Jaime M. Blanco, Jr. (Atty. Blanco), who rejected the claim. In a letter⁵ dated 16 August 2010, the latter explained that the Supreme Court had declared T.P. 4136 null and void in *Intestate Estate of the Late Don Mariano San Pedro y Esteban v. Court of Appeals*.⁶ Demand was made on Dumanlag and his principals to cease and desist from further harassing EMIDCI.

Complainant sent another letter to Mr. Chung dated 1 September 2010.⁷ While acknowledging the Court's decision, the former alleged that *Intestate Estate* excluded the Heirs of San Pedro from the enumeration of persons prohibited from selling lands covered by T.P. 4136, including the Sampaloc property.

Atty. Blanco rejected complainant's claim once more through another letter⁸ dated 13 September 2010. He reasoned that the Supreme Court Decision held that the heirs were specifically prohibited from exercising any act of ownership over the lands covered by T.P. 4136.

On 22 October 2010, complainant filed this administrative case for disbarment against Atty. Blanco, alleging that Mr. Chung was a squatter on the Sampaloc Property and Atty. Blanco had unjustly prevented the exercise of complainant's rights over the same.⁹

In his Verified Comment,¹⁰ Atty. Blanco alleged that the Complaint was frivolous, unfounded and retaliatory. He averred, among others, that complainant, in his second demand letter to Mr. Chung, had attached two draft pleadings. The first was a draft petition for certiorari against the latter;¹¹ the second, a draft complaint for disbarment against Atty. Blanco.¹² According to respondent, these drafts were meant to intimidate him and Mr. Chung. True enough, after Atty. Blanco sent his second letter to complainant, the latter filed with the Court of Appeals the draft petition,

² Id, pp. 50-52.

³ Id. at 50.

⁴ *Rollo*, p. 21.

⁵ Id. at 11-13.

⁶ 333 Phil. 597 (1996).

⁷ Annex "10."

⁸ Id. at 116-118.

⁹ *Rollo*, p. 6.

¹⁰ Id. at 20-40.

¹¹ Annex "10-A", id at 89-94.

¹² Annex "10-B", id at 108-112.

which was later dismissed. Complainant subsequently filed the Complaint for Disbarment.

Atty. Blanco also moved that the Court direct complainant to show cause why the latter should not be cited for indirect contempt. Respondent stated that *Intestate Estate* declared in its *fallo* that agents of the Heirs of San Pedro were disallowed from exercising any act of ownership over lands covered by T.P. 4136.

FINDINGS OF THE INVESTIGATING COMMISSIONER

Investigating Commissioner Michael G. Fabunan of the Integrated Bar of the Philippines (IBP) rendered a Report and Recommendation¹³ for the dismissal of the Complaint for lack of merit, based on the following grounds: 1) the complaint was patently frivolous, and 2) it was intended to harass respondent. He recommended that the Court issue an order directing complainant Dumanlag to show cause why he should not be cited for indirect contempt.¹⁴

The IBP Board of Governors passed Resolution No. XXI-2014-418 adopting and approving the Report and Recommendation of the investigating commissioner.¹⁵

No petition for review has been filed with this Court.

RULING OF THE COURT

The Complaint must be dismissed for utter lack of merit.

A lawyer is charged with the duty to defend “the cause of his client with wholehearted fidelity, care, and devotion.”¹⁶ Nevertheless, the Code of Professional Responsibility circumscribes this duty with the limitation that lawyers shall perform their duty to the client within the bounds of law.¹⁷ In this case, Atty. Blanco performed this duty to his client without exceeding the scope of his authority.

As early as 1996, this Court declared in *Intestate Estate* that T.P. 4136 was null and void.¹⁸ In said case, the Heirs of San Pedro claimed ownership of a total land area of approximately 173,000 hectares on the basis of a Spanish title, *Titulo de Propiedad Numero 4136* dated 25 April 1894. The

¹³ Id. at 256-261.

¹⁴ Id. at 261.

¹⁵ Id. at 256.

¹⁶ *Trinidad v. Villarin*, A.C. No. 9310, 27 February 2013, 692 SCRA 1,6 citing *Pangasinan Electric Cooperative v. Montemayor*, 559 Phil. 438 (2007) citing *Natino v. Intermediate Appellate Court*, 247 Phil. 602 (1991).

¹⁷ CPR, Canon 19.

¹⁸ *Supra* note 5.

claim covered lands in the provinces of Nueva Ecija, Bulacan, Rizal, Laguna and Quezon, and even cities in Metro Manila such as Quezon City, Caloocan City, Pasay City, City of Pasig and City of Manila.

- This Court dubbed the theory of the petitioners therein as “the most fantastic land claim in the history of the Philippines.”¹⁹ In discarding the claim, We relied on Presidential Decree No. 892, which abolished the system of registration under the Spanish Mortgage Law and directed all holders of Spanish Titles to cause their lands to be registered under the Land Registration Act within six months from date of effectivity of the law or until 16 August 1976. The Heirs of San Pedro failed to adduce a certificate of title under the Torrens system that would show that T.P. 4136 was brought under the operation of P.D. 892. We therefore declared that the T. P. was null and void, and that no rights could be derived therefrom.

Given the nullity of T.P. 4136, the claim of the Heirs of San Pedro against EMIDCI has no legal basis. On the other hand, the records reveal that the Sampaloc property is registered in the name of EMIDCI as TCT 79146 under the Torrens system. As such, the TCT enjoys a conclusive presumption of validity.²⁰

Hence, complainant had a baseless claim, which Atty. Blanco correctly resisted. In writing the two letters rejecting complainant’s claim, he merely acted in defense of the rights of his client. In doing so, he performed his duty to EMIDCI within the bounds of law.

Consequently, there was no misconduct to speak of on the part of Atty. Blanco. In fact, he should even be commended as he remained steadfast in maintaining the cause of his client even as he was subjected to harassment. As will be discussed below, complainant, in his second demand letter, threatened Atty. Blanco with the filing of a disbarment case.

Complainant maliciously filed the complaint.

As a rule, a complainant should not be penalized for the exercise of the right to litigate.²¹ But the rule applies only if the right is exercised in good faith.²² When a groundless complaint is filed in bad faith, the Court has to step in and penalize the erring complainant.²³

The policy of insulation from intimidation and harassment encourages lawyers to stay their course and perform their duties without fear.²⁴ They are better able to function properly and ultimately contributes “to the efficient

¹⁹ Id.

²⁰ *Ungay Malobago Mines, Inc. v. Republic*, G.R. No. 187892, 14 January 2015.

²¹ *Dela Victoria v. Orig-Maloloy-on*, 556 Phil. 653 (2007).

²² Id.

²³ Id.

• ²⁴ *Seares, Jr. v. Gonzales-Alzate*, A.C. No. 9058, 14 November 2012, 698 Phil. 596-610.

delivery and proper administration of justice.”²⁵ On the other hand, failure to shield lawyers from baseless suits serves “only to disrupt, rather than promote, the orderly administration of justice.”²⁶

In this case, complainant knew fully well that his complaint was totally unfounded. We note that he acknowledged the existence of Our ruling in *Intestate Estate*, in his second letter to Chung. Complainant unquestionably knew of the nullity of the Spanish title in favor of his principals; yet, he insisted on his unfounded claim by sending a second demand letter to Chung. Complainant even had the audacity to state that *Intestate Estate* excluded the Heirs of San Pedro from the enumeration of persons prohibited from selling lands covered by T.P. 4136. The dispositive portion of the Decision clearly states that the heirs, as well as the agents of the estate of San Pedro, were enjoined from exercising any act of dominion over the lands covered by T.P. 4136. At this juncture, it is appropriate to quote the pertinent portion of the *fallo* of the Decision, which states:

In G.R. No. 106496, judgment is hereby rendered as follows:

x x x x

(4) The heirs, agents, privies and/or anyone acting for and in behalf of the estate of the late Mariano San Pedro y Esteban are hereby disallowed to exercise any act of possession or ownership or to otherwise, dispose of in any manner the whole or any portion of the estate covered by Titulo de Propriedad No. 4136; and they are hereby ordered to immediately vacate the same, if they or any of them are in possession thereof.

Given the above considerations, the Complaint filed against respondent is nothing but an attempt to intimidate, harass and coerce him into acceding to the demands of complainant. This is the only logical conclusion that can be derived from the filing of a Complaint for Disbarment that is baseless — a fact that complainant was very much aware of.

Complainant even admitted during the mandatory conference before the investigating commissioner that he had attached the draft of the administrative complaint against respondent to his second letter to Mr. Chung.²⁷ Undoubtedly, the attachment of the draft complaint to the letter was meant to intimidate Atty. Blanco. It was a threat should he reject the demand of Dumanlag.

The penalty for filing a malicious complaint varies from censure to a fine as high as ₱5,000.

In *Lim v. Antonio*,²⁸ the Court censured the complainant who was motivated by revenge and bad faith when he filed an unfounded complaint

²⁵ Id. citing *De Leon v. Castelo*, A.C. No. 8620, 12 January 2011, 639 SCRA 237 citing further Cardozo.

²⁶ Supra note 21.

²⁷ *Rollo*, p. 145.

²⁸ 210 Phil. 226 (1983).

for disbarment against the respondent lawyer. In *Seares, Jr. v. Gonzales-Alzate*,²⁹ we likewise censured the complainant for filing a disbarment complaint that was similarly motivated.

For the filing of an unfounded complaint against a clerk of court, the Court issued a stern warning to the complainant lawyer in *Dela Victoria v. Orig-Maloloy-on*.³⁰ The latter was found to have been in contempt of court and was fined in the amount of ₱2,000.

The Court imposed a stiffer penalty of ₱5,000 on the complainant attorneys in *Prieto v. Corpuz*³¹ and *Arnado v. Suarin*.³² Their complaints against a judge and a court sheriff, respectively, were found to be groundless.

Considering the circumstances present in this case, complainant appears to be devious, persistent and incorrigible, such that mere censure as penalty would not suffice. He has trifled with the Court, using the judicial process as an instrument to willfully pursue a nefarious scheme. The imposition of a ₱5,000 fine is appropriate.

Complainant Defied the Order in Intestate Estate.

For making a demand on EMIDCI to recognize the claim of ownership of the Heirs of San Pedro, complainant appears to have disobeyed the order of the Court in *Intestate Estate*, insofar as the Court enjoined agents of the estate from exercising any act of possession or ownership over the lands covered by the T.P. For this reason, the Court finds it appropriate to direct the complainant to show cause why he should not be cited for indirect contempt for failing to comply with the order given in that Decision. Indirect contempt is committed when there is “[d]isobedience of or resistance to a lawful writ, process, order, or judgment of a court.”³³

WHEREFORE, the Court RESOLVES to: (a) **DISMISS** the administrative complaint for disbarment against Atty. Jaime M. Blanco for utter lack of merit; (b) **IMPOSE** a **FINE** of ₱5,000 on complainant Budencio Dumanlag for filing a malicious complaint; and (c) **DIRECT** complainant to **SHOW CAUSE** why he should not be cited for indirect contempt for failing to comply with our final and executory Decision dated 18 December 1996, insofar as it enjoins agents of the Estate of Mariano San Pedro from exercising acts of possession or ownership or to otherwise dispose of any land covered by T. P. 4136.

²⁹ Supra note 24.

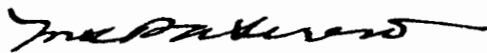
³⁰ Supra note 21.

³¹ 539 Phil. 65 (2006).

³² 504 Phil. 657(2005).

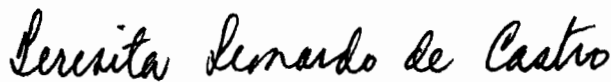
³³ Rules of Court, Rule 71, Section 3(b).

SO ORDERED.

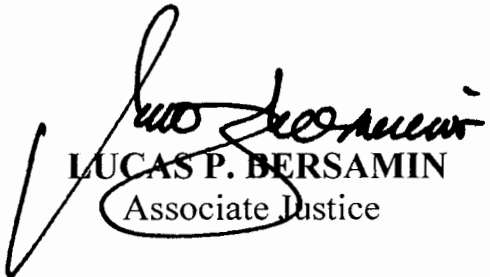


MARIA LOURDES P. A. SERENO
Chief Justice, Chairperson

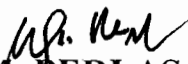
WE CONCUR:



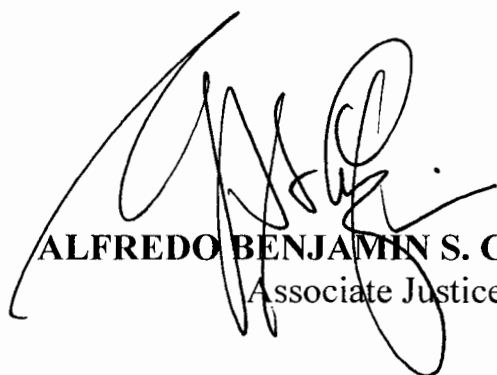
TERESITA J. LEONARDO-DE CASTRO
Associate Justice



LUCAS P. BERSAMIN
Associate Justice



ESTELA M. PERLAS-BERNABE
Associate Justice



ALFREDO BENJAMIN S. CAGUIOA
Associate Justice