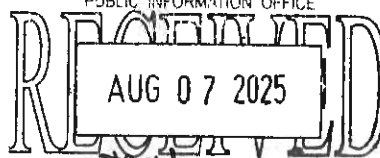




SUPREME COURT OF THE PHILIPPINES
PUBLIC INFORMATION OFFICE



BY: *[Signature]*

TIME: *[Signature]*

Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

MANUEL S. SATUITO,
Petitioner,

G.R. Nos. 239523-33

-versus-

PEOPLE OF THE PHILIPPINES,
Respondent.

X-----X

MEINRADO ENRIQUE A. BELLO,
Petitioner,

X-----X

G.R. No. 239542 and G.R. Nos.
239554-61

-versus-

PEOPLE OF THE PHILIPPINES,
Respondent.

X-----X

MINVILUZ S. CAMIÑA,
Petitioner,

X-----X

G.R. Nos. 239657-68

Present:

-versus-

LEONEN, J., *Chairperson*,
LAZARO-JAVIER,
LOPEZ, M.,
LOPEZ, J.,* and
KHO, JR., *JJ*.

PEOPLE OF THE PHILIPPINES,
Respondent.

Promulgated:

MAY 19 2025

X-----X

DECISION

On official business.

l

LEONEN, J.:

The Court has the authority to modify the offense that a respondent is found guilty of, provided that the judgment is supported by the evidence presented in the case.¹

For this Court's resolution are the consolidated Petitions for Review filed by Manuel S. Satuito (Satuito),² Meinrado Enrique A. Bello (Bello),³ and Minviluz S. Camiña (Camiña)⁴ assailing the Sandiganbayan's Decision⁵ and Resolution⁶ convicting them of violating Section 3(e) of Republic Act No. 3019, otherwise known as the Anti-Graft and Corrupt Practices Act, and Article 171(4) of the Revised Penal Code.

The Office of the Ombudsman found irregularities in the purchase of six parcels of land by the Armed Forces of the Philippines-Retirement and Separation Benefit System (AFP-RSBS). These lands are intended for AFP-RSBS's now-defunct Presidio Royale Project (Iloilo Project), a development consisting of a golf course and residential and/or commercial lots in Iloilo City. The purchase involved two sets of deeds of absolute sale for the same properties. The first set was of *unilateral* deeds of sale displaying *lower purchase prices*, which were retained by the AFP-RSBS (unilateral deeds). The second set was of *bilateral* deeds of sale showing *higher purchase prices* that were held by the vendors or landowners (bilateral deeds). The unilateral deeds were used to compute the capital gains tax before the lands were registered in favor of AFP-RSBS.⁷

The Office of the Ombudsman found probable cause to charge Bello, then-Chief of the AFP-RSBS Legal Department, and Satuito, then-Head of the AFP-RSBS Documentation Division,⁸ with six counts of violation of

¹ *Ombudsman v. Fronda*, 900 Phil. 135, 148 (2021) [Per J. Lopez, J. Y., Third Division].

² *Rollo* (G.R. Nos. 239523-33), pp. 96-121.

³ *Rollo* (G.R. No. 239542 and G.R. Nos. 239554-61), pp. 7-42.

⁴ *Rollo* (G.R. Nos. 239657-68), pp. 21-55.

⁵ *Rollo* (G.R. Nos. 239523-33), pp. 10-79. The February 9, 2018 Decision in Criminal Case Nos. 26770 and 26826; 26771 and 26827; 26772 and 26828; 26773 and 26829; 26774 and 26831; 26775 and 26830 was penned by Associate Justice Ma. Theresa Dolores C. Gomez-Estoesta (Chairperson) and concurred in by Associate Justices Sarah Jane T. Fernandez and Bayani H. Jacinto, of the Seventh Division of the Sandiganbayan.

⁶ *Id.* at 80-92. The May 25, 2018 Resolution in Criminal Case Nos. 26770 and 26826; 26771 and 26827; 26772 and 26828; 26773 and 26829; 26774 and 26831; 26775 and 26830 was penned by Associate Justice Ma. Theresa Dolores C. Gomez-Estoesta (Chairperson) and concurred in by Associate Justices Sarah Jane T. Fernandez and Bayani H. Jacinto, of the Seventh Division of the Sandiganbayan.

⁷ *Id.* at 13. Emphasis supplied.

⁸ *Id.* at 13-17. See body of Information.

Section 3(e) of Republic Act No. 3019⁹ and six counts of falsification of public documents under Article 171(4)¹⁰ of the Revised Penal Code.¹¹

Similarly charged as their co-accused were the landowners or vendors, namely: (1) Abelio Juaneza (Juaneza); (2) Rosalinda Tropel (Tropel); (3) Felipe Villarosa (Villarosa); (4) Raul Aposaga (Aposaga); (5) Hermie Barbasa (Barbasa), and Rosario Barbasa-Perlas (Barbasa-Perlas);¹² (6) real estate broker Camiña, who represented Grand Manor Inc., (Grand Manor),¹³ an accredited broker of the AFP-RSBS for the Presidio Royale Project;¹⁴ and (7) Joelita Trabuco (Trabuco), the employee of Grand Manor who allegedly presented the spurious unilateral deeds before the Registry of Deeds.¹⁵

The Information in Criminal Case No. 26770¹⁶ for violation of Section 3(e) of Republic Act No. 3019 reads as follows:

That on or about **November 15, 1996**, and sometime prior or subsequent thereto in the City of Iloilo, Philippines and within the jurisdiction of this Honorable Court, accused **MEINRADO ENRIQUE A. BELLO**, a high ranking public officer, *being then Chief, Legal Department AFP-RSBS*; **MANUEL SATUITO**, *then Head of the Documentation Division, Legal Department, AFP-RSBS*; **MINVILUZ CAMIÑA**, *broker, representing Grand Manor, Inc.*; **JOELITA TRABUCO**, *employee of Grand Manor, Inc.* who presented the false unilateral deed of sale before the Registry of Deeds, and **ABELIO JUANEZA**, accused public officers, **MEINRADO ENRIQUE A. BELLO** and **MANUEL SATUITO** while in the performance of their official and administrative duties, taking advantage of their public positions as such, *employing craft and fraud*, both aggravating circumstances, conspiring, confederating with accused **MINVILUZ CAMIÑA**, **JOELITA TRABUCO** and **ABELIO JUANEZA** attorney-in-fact of **EFREN JUANEZA** and *mutually helping one another, with evident bad faith and manifest partiality*, did then and there willfully, unlawfully and criminally cause undue injury to the people/government, by allowing the registration of the unilateral deed of

⁹ *Anti-Graft and Corrupt Practices Act: Section 3. Corrupt practices of public officers.* — In addition to acts or omissions of public officers already penalized by existing law, the following shall constitute corrupt practices of any public officer and are hereby declared to be unlawful:

....

(e) Causing any undue injury to any party, including the Government, or giving any private party any unwarranted benefits, advantage or preference in the discharge of his official administrative or judicial functions through manifest partiality, evident bad faith or gross inexcusable negligence. This provision shall apply to officers and employees of offices or government corporations charged with the grant of licenses or permits or other concessions.

¹⁰ *Article 171. Falsification by Public Officer, Employee or Notary or Ecclesiastic Minister.* — The penalty of *prisión mayor* and a fine not to exceed 5,000 pesos shall be imposed upon any public officer, employee, or notary who, taking advantage of his official position, shall falsify a document by committing any of the following acts:

....

4. Making untruthful statements in a narration of facts.

¹¹ *Rollo* (G.R. Nos. 239523-33), pp. 13-17.

¹² *Id.* at 13-16.

¹³ *Id.* at 13 and 57. Also referred to as "Grand Manor Iloilo Realty Corporation" in the Sandiganbayan assailed Decision.

¹⁴ *Id.* at 35 and 451.

¹⁵ *Id.* at 13.

¹⁶ *Id.* at 13-14. The Information was dated June 8, 2001.

sale, executed by ABELIO JUANEZA attorney-in-fact over **11,065 sq. [meters] of land located in Jaro, Iloilo City**, which unilateral deed of sale reflected a lower price consideration of only **THREE HUNDRED SIXTY ONE THOUSAND THREE HUNDRED (P361,300.00) PESOS**, Philippine Currency instead of the bilateral deed of sale executed between Vendor JUANEZA and Vendee [AFP-] RSBS which reflected a higher price consideration of **FOUR MILLION THREE HUNDRED THIRTY FIVE THOUSAND SIX HUNDRED (P 4,335,600.00) PESOS**, Philippine Currency, purportedly the actual amount by Vendee to Vendor or a price difference of **P 3,974,300.00**, which latter amount should have been the basis of computation of taxes (capital gains tax, etc.) before transferring title to AFP-RSBS, thus resulting in the underpayment of taxes due the government, thereby giving unwarranted benefits, advantage or preference to themselves (accused), to the damage and prejudice of the people/government and detriment to public service.

CONTRARY TO LAW.¹⁷ (Emphasis supplied)

The five other Informations for the same violation were similarly worded as the above Information, except for the following details:

| Criminal Case No. | Date of Commission of Offense | Land Description | Purchase Price/ Consideration (as shown in the unilateral and bilateral deed of sale) | Price Difference | Name of Vendor |
|-------------------|-------------------------------|---|---|---------------------------|----------------|
| 26771 | June 11, 1997 | 8,531 sq. meters located in Pavia, Iloilo City | P 2,729,920.00 (Unilateral) P 10,919,680.00 (Bilateral) | P 81,897.60 ¹⁸ | [Tropel] |
| 26772 | June 11, 1997 | 28,443 sq. meters located in Pavia, Iloilo City | P 8,000,000.00 (Unilateral) P 32,000,000.00 (Bilateral) | P 24,000,000.00 | [Villarosa] |
| 26773 | June 13, 1997 | 7,656 sq. meters located in Jaro, Iloilo City | P 450,000.00 (Unilateral) P 1,912,750.00 (Bilateral) | P 1,462,750.00 | [Aposaga] |
| 26774 | June 24, 1997 | 22,335 sq. meters located in | P 1,000,000.00 (Unilateral) P 5,360,400.00 | P 4,360,400.00 | [Barbasa] |

¹⁷ *Id.*

¹⁸ *Id.* at 14. See footnote 14 in the assailed Sandiganbayan Decision stating that there was an error in the price difference written in the Information.

| | | | | | |
|-------|---------------|--|---|----------------|--------------------------------|
| | | Jaro, Iloilo City | (Bilateral) | | |
| 26775 | June 24, 1997 | 22,336 sq. meters located in Jaro, Iloilo City | ₱ 1,000,000.00 (Unilateral) ₱ 5,360,640.00 (Bilateral) | ₱ 4,360,640.00 | [Barbasa-Perlas] ¹⁹ |

On the other hand, the Information in Criminal Case No. 26826²⁰ pertaining to the falsification charge alleged the following:

That on or about **November 15, 1996**, and sometime prior or subsequent thereto in the City of Iloilo, Philippines and within the jurisdiction of this Honorable Court, accused **MEINRADO ENRIQUE A. BELLO**, a high ranking public officer, *being then Head of the Legal Department, AFP-RSBS*; **MANUEL SATUITO**, *then Chief, Documentation Division, Legal Department, AFP-RSBS*; **MINVILUZ CAMIÑA**, *broker, representing Grand Manor, Inc.*, **JOELITA TRABUCO**, *employee of Grand Manor, Realty Inc.* who presented the false unilateral deed of sale before the Registry of Deeds, and **ABELIO JUANEZA**, accused public officers, **MEINRADO ENRIQUE A. BELLO** and **MANUEL SATUITO**, while in the performance of their official and administrative duties, committing the offense in relation to their offices, taking advantage of their public positions as such, *employing craft and fraud*, both aggravating circumstances, conspiring and confederating with **MINVILUZ S. [CAMIÑA]**, **JOELITA TRABUCO** and **ABELIO JUANEZA** attorney-in-fact of **EFREN JUANEZA** and mutually helping one another, did then and there, willfully, unlawfully and feloniously cause the execution, notarization, and subsequent registration of a unilateral deed of sale executed by attorney-in-fact **ABELIO JUANEZA** over **11,065 sq. [meters] of land located in Jaro, Iloilo City**, which unilateral deed of sale reflected a lower price consideration of only **THREE HUNDRED SIXTY ONE THOUSAND THREE HUNDRED (₱361,300.00) PESOS**, Philippine Currency, knowing a bilateral deed of sale was earlier executed between said Vendor **ABELIO JUANEZA** and Vendee **AFP-RSBS**, over the same parcel of land, which bilateral deed of sale, reflected a higher price consideration of **FOUR MILLION THREE HUNDRED THIRTY FIVE THOUSAND SIX HUNDRED (₱4,335,600.00) PESOS**, Philippine Currency or a price difference of **₱ 3,974,300.00**, purportedly the actual amount paid by Vendee to Vendor, which latter amount should have been the basis of computation of taxes (capital gains tax, etc.) before transferring title to **AFP-RSBS**, thereby making untruthful statements in a narration of facts (in the unilateral deed of sale), to the damage and prejudice of the people/government and detriment to public service.

CONTRARY TO LAW.²¹ (Emphasis supplied)

¹⁹ *Id.*

²⁰ *Id.* at 15. The Information was dated June 8, 2001.

²¹ *Id.*

The five other Informations for the same violation were similarly worded as the above Information, except for the following details:

| Criminal Case No. | Date of Commission of Offense | Land Description | Purchase Price/ Consideration (as shown in the unilateral and bilateral deeds of sale) | Price Difference | Name of Vendor |
|-------------------|-------------------------------|---|--|------------------------------|------------------|
| 26827 | June 11, 1997 | 8,531 sq. meters located in Pavia, Iloilo City | ₱ 2,729,920.00 (Unilateral) ₱ 10,919,680.00 (Bilateral) | ₱ 81,879.60 ²² | [Tropel] |
| 26828 | June 11, 1997 | 28,443 sq. meters located in Pavia, Iloilo City | ₱ 8,000,000.00 (Unilateral) ₱ 32,000,000.00 (Bilateral) | ₱ 24,000,000.00 | [Villarosa] |
| 26829 | June 13, 1997 | 7,656 sq. meters located in Jaro, Iloilo City | ₱ 450,000.00 (Unilateral) ₱ 1,912,750.00 (Bilateral) | ₱ 1,462,750.00 | [Aposaga] |
| 26830 | June 24, 1997 | 22,336 sq. meters located in Jaro, Iloilo City | ₱ 1,000,000.00 (Unilateral) ₱ 5,360,640.00 (Bilateral) | ₱ 4,340,640.00 ²³ | [Barbasa-Perlas] |
| 26831 | June 24, 1997 | 22,335 sq. meters located in Jaro, Iloilo City | ₱ 1,000,000.00 (Unilateral) ₱ 5,360,400.00 (Bilateral) | ₱ 4,360,400.00 | [Barbasa] 24 |

Jurisdictional issues encountered during the proceedings were eventually settled.²⁵

On September 23, 2013, the Sandiganbayan directed the accused to post anew their bail bonds; otherwise, warrants for their arrest will be issued. Hold departure orders were also issued.²⁶

²² *Id.* at 16. See footnote 6 in the assailed Sandiganbayan Decision stating that there was an error in the price difference written in the Information.
²³ *Id.* See footnote 7 in the assailed Sandiganbayan Decision.
²⁴ *Id.* at 15-16.
²⁵ *Id.* at 16-18.
²⁶ *Id.* at 18.

Bello, Satuito, Camiña, Barbasa, and Barbasa-Perlas pleaded not guilty. Aposaga's arraignment was deferred indefinitely due to his unsound mental state. However, the Sandiganbayan eventually dismissed the charges against him due to his death.²⁷

Meanwhile, Trabuco, Juaneza, Tropel, and Villarosa remained at large.²⁸

On March 18, 2014, pre-trial was terminated and trial on the merits commenced.²⁹

The prosecution presented the following witnesses and testimonies:

(1) Judge Victorino O. Maniba, Jr. (Judge Maniba) was a former private practitioner and notary public in Iloilo. He admitted to notarizing several documents, such as the unilateral deeds involving Villarosa and Tropel. However, he denied participation in their preparation.³⁰

(2) Atty. Giovanni Alfonso Fuentes Miraflores (Miraflores) was the Acting Register of Deeds of Iloilo Province. He claimed that his statements were merely based on official records since he was only assigned into office during the last week of June 2014. However, the subject transactions happened in 1997. He also testified on the cancelled November 19, 1986 Transfer Certificate of Title of a certain Dominador Tropel.³¹

²⁷ *Id.* Except for Barbasa-Perlas who was arraigned on January 16, 2004, the rest were all arraigned on December 5, 2013.

²⁸ *Id.* at 18-19.

²⁹ *Id.* at 19.

³⁰ *Id.* at 19-20. The following exhibits were presented for *Criminal Case Nos. 26772 and 26828*:

(i) "H" – Affidavit of Villarosa dated August 11, 1998;

(ii) "K" – TCT No. 172-175 in the name of AFP-RSBS dated July 3, 1998;

(iii) "K" to "K-2" – Unilateral Deed of Absolute Sale between Villarosa and AFP-RSBS, rep. by BGen. Jose S. Ramiscal Jr. (Ret.) dated June 11, 1997 amounting to ₱8,000,000.00;

(iv) "K-3" – LRA copy of Unilateral Deed of Absolute Sale between Villarosa and AFP-RSBS, rep. by BGen. Jose S. Ramiscal, Jr. (Ret.) covering TCT No. 172-275 amounting to ₱8,000,000.00 and

(v) "N" – Deed of Absolute Sale between Villarosa and Camiña married to Gerard M. Camiña dated June 3, 1998.

The following exhibits were presented for *Criminal Case Nos. 26771 and 26827*:

(i) "L" to "L-2" – Unilateral Deed of Absolute Sale between Tropel and AFP-RSBS rep. by BGen. Jose S. Ramiscal, Jr. (Ret.) dated June 11, 1997 amounting to ₱2,729,920.00;

(ii) "L-3" – LRA copy of Unilateral Deed of Absolute Sale between Tropel and AFP-RSBS rep. by BGen. Jose S. Ramiscal, Jr. (Ret.) covering TCT No. 172-275 dated June 11, 1997 amounting to ₱2,729,920.00.

Exhibit "O" consists of the February 3, 1998 SPA executed by Barbasa in favor of Grand Manor Realty Corporation and was presented for *Criminal Case Nos. 26774 and 26831*.

Exhibit "F" consists of the SPA executed by Barbasa-Perlas in favor of Grand Manor Realty Corporation dated February 3, 1998 and was presented for *Criminal Case Nos. 26775 and 26830*.

³¹ *Id.* at 20. The existence and due execution of such document were stipulated by the parties. The document is marked as Exhibit "J," pertinent to G.R. Nos. 26771 and 26827. *See also Id.* at 228. Based on the prosecution's Consolidated Formal Offer of Exhibits before the Sandiganbayan, Exhibit "J" is offered to

(3) Josina Evite Parcon (Parcon) was the Head of the AFP-RSBS Internal Records Division. She alleged that she was assigned to AFP-RSBS in February 1988 and had no knowledge on whether the bilateral deeds were referred to the Legal Department. She testified on the bilateral deeds involving Barbasa-Perlas and Barbasa.³²

(4) Atty. Marjorie Tio Manikan (Manikan) was the Acting Iloilo City Register of Deeds since June 2014. She asserted that she only assumed office in June 2014 and, thus, had neither personal knowledge nor participation in the 1997 questioned transactions. She testified on the Land Registration Authority copy of unilateral deeds involving Barbasa-Perlas, as well as on the unilateral deeds involving Barbasa.³³

(5) Dominador Balaba Andres was the former Assistant Secretary of the Department of Agrarian Reform. He testified on the June 6, 1998 Third Indorsement letter of Provincial Agrarian Reform Officer Alexis Arsenal and the July 17, 1998 Order of Finality issued by the Department of Agrarian Reform in ALI-Case No. A-0-0600-0083-98.³⁴

(6) Luis Alsisto Alberto, Jr. (Alberto) was the Officer-In-Charge of the Iloilo City Revenue District Office. Alberto testified on Camiña's proposal for Compromise Settlement of Tax Deficiency as attorney-in-fact of her co-accused.³⁵

On the other hand, the defense presented several accused, namely: (1) Bello; (2) Satuito; (3) Camiña; (4) Barbasa; (5) Barbasa-Perlas; and (6) Perlas, whose collective testimonies yielded the following accounts:

Through its Real Estate Department or the Iloilo Project Team, the AFP-RSBS acquired the Iloilo properties in question for purposes of investment, i.e., developing and selling them for profit. The Iloilo Project

prove the supposed illegal transaction between the vendors and AFP-RSBS which led to the transfer of ownership and payment of incorrect taxes.

³² *Id.* at 20–21. The Bilateral Deeds were marked as Exhibit “G” (pertinent to Criminal Case Nos. 26775 and 26830) and “Q” to “Q-2” (pertinent to Criminal Case Nos. Nos. 26774 and 26831), respectively.

³³ *Id.* at 21–22. The documents were marked as Exhibits “H” (Pertinent to Criminal Case Nos. 26775 and 26830) and “R” (pertinent to Criminal Case Nos. 26774 and 26831), respectively.

³⁴ *Id.* at 22. Exhibit “D” to “D-3” and pertinent to Criminal Case Nos. 26772 and 26828. *See also Id.* at 226. Based on the Prosecution's Consolidated Formal Offer of Exhibits before the Sandiganbayan, Exhibit “D” was offered to establish the supposed malicious scheme and evident bad faith of all the accused because the properties sold to AFP-RSBS were covered by Emancipation Patents, hence, cannot be transferred within five years from the date of the Emancipation Patents.

Exhibit “N” to “N-1” and pertinent to Criminal Case Nos. 26771 and 26827. *See also Id.* at 229. Based on the Prosecution's Consolidated Formal Offer of Exhibits before the Sandiganbayan, Exhibit “N” is was offered to prove that the subject property was covered by a Free Patent thus, with minimal consideration. Also, the consideration appearing in the *Deed of Sale* is allegedly not the true valuation of the property subject of transfer and subsequent payment of incorrect taxes.

³⁵ *Id.* at 22–23. Exhibit “B” was Camiña's proposal for compromise settlement of tax deficiency pertinent to Criminal Case Nos. 26770-75 and 26826-26831.

Team was headed by Lt. Col. Rory Hormillosa (Lt. Col. Hormillosa), who was assisted by Lt. Col. Jefferson Almazan (Lt. Col. Almazan). AFP-RSBS purchased the properties, negotiated with the sellers, prepared the sale documents, and assisted the sellers in the registration of the documents and payment of taxes.³⁶

AFP-RSBS's Legal Department allegedly had three or four lawyers reporting to Bello. Satuito headed the Documentation Division and reported to Bello, who was the head of the Legal Department.³⁷

The Documentation Division handled the AFP-RSBS's documentary requirements, including preparing various contracts such as loans, memoranda, and sales agreements. As Documentation Division Head, Satuito drafted agreements and reviewed documents submitted to him. However, he claimed that he only participated in the Calamba, Cavite, and Manila special projects, and not the Iloilo project.³⁸

The AFP-RSBS Board specifically designated Atty. Maricel Capa-Kahulugan (Atty. Kahulugan), Satuito's subordinate, to assist the Iloilo Project Team. Atty. Kahulugan reviewed the papers of the Iloilo Project, and assisted the Iloilo Project Team in paying the sellers and resolving legal matters. She also forwarded the Iloilo Project documents to the Legal Department except the unilateral deeds. The Finance Department, rather than the Documentation Division, granted her permission to travel to Iloilo.³⁹ Satuito claimed that he had limited conversations with Atty. Kahulugan, denied receiving written reports from her, and could not recall having formally granted her permission to travel to Iloilo.⁴⁰

As Legal Department Head, Bello was only consulted on legal matters. This included reviewing the validity of the sale documents and ensuring they met the requirements for registration. By the time he reviewed the sale documents signed by the vendors, the transaction had already been completed, but the documents had not yet been registered, and the taxes remained unpaid. His involvement in the bilateral deeds was reportedly minimal, as he only reviewed them before they were signed by AFP-RSBS President, Brigadier General Jose S. Ramiscal (B/Gen. Ramiscal). As a matter of course, the Legal Department then returned the sale documents to the Real Estate Department for further action.⁴¹

Bello had no authority to release funds or approve payments. He simply assumed that the vendors had already been paid since they had signed the sale

³⁶ *Id.* at 21, 28, and 31.

³⁷ *Id.* at 30-31.

³⁸ *Id.*

³⁹ *Id.* at 31-32.

⁴⁰ *Id.*

⁴¹ *Id.* at 28-29.

documents. He was also unaware that Camiña was a broker, as she was never introduced to him, and AFP-RSBS did not pay her any commission.⁴² Bello only discovered that Camiña attempted to settle the tax deficiencies from the sale transactions after the Senate investigation. The Senate Blue Ribbon Committee investigated and conducted hearings on the AFP-RSBS's purchase of properties in Iloilo and the underpayment of taxes.⁴³

Camiña was the Vice President of the now-defunct Grand Manor in Iloilo. She acted as a local guide for the Iloilo Project Team to search for pertinent offices. As a broker, her role was reportedly limited to introducing the sellers to AFP-RSBS. She was not responsible for paying the capital gains tax and transferring title to the buyer's name. She recalled meeting the Iloilo Project Team with Lt. Col. Hormillosa, Lt. Col. Almazan, and Col. Salvador Mison III (Col. Mison III), allegedly the project directors, and Atty. Kahulugan.⁴⁴

Camiña served as the broker for siblings Barbasa and Barbasa-Perlas. Barbasa met Camiña sometime in May or June 1996 and later introduced her to Dr. Vicente P. Perlas (Dr. Perlas), the husband of his sister Barbasa-Perlas (collectively, spouses Perlas). Camiña was interested in facilitating the sale of Barbasa's Iloilo property, as well as his sister's. Dr. Perlas thought that Camiña owned Grand Manor and transacted on behalf of his wife.⁴⁵ Barbasa verbally agreed that Camiña would broker the sale transaction and that Camiña would pay the capital gains and documentary stamp taxes due to the Bureau of Internal Revenue (BIR). Barbasa never directly communicated with AFP-RSBS. Camiña handled all negotiations.⁴⁶

Camiña asserted that she saw the sellers hand over the signed deeds of sale and titles to their property to the AFP-RSBS representatives during the signing ceremony. However, Barbasa claimed that he and Dr. Perlas actually gave the property titles to Camiña. In September 1996, Barbasa and spouses Perlas went to the Grand Manor office, where they received their first payments for the properties from AFP-RSBS in a formal ceremony. Thereafter, they signed the bilateral deeds. During the event, Barbasa met there a certain Lt. Col. Hormillosa but did not encounter Atty. Kahulugan, Bello, or Satuito. He also paid Camiña PHP 1,046,900.00 as broker's fee.⁴⁷

In May 1997, Barbasa and spouses Perlas received the full payment from AFP-RSBS, along with a general voucher.⁴⁸ For spouses Perlas, the general voucher included deductions, such as PHP 482,481.00 for capital

⁴² *Id.* at 29–30.

⁴³ *Id.* at 30, 35–37, 58, 66–67, 70, 87–88, 90.

⁴⁴ *Id.* at 35–36.

⁴⁵ *Id.* at 37–38, 40–41.

⁴⁶ *Id.* at 32, 37–39.

⁴⁷ *Id.* at 32–34, 39, 41.

⁴⁸ *Id.* at 32–34.

gains and documentary taxes, as well as PHP 405,000.00 tagged as the Presidio Royale share.⁴⁹

Camiña asserted that all payments in the sale transactions were made through checks and given directly to the sellers. She claimed that she was never paid by AFP-RSBS and that her commissions came solely from the sellers.⁵⁰

Barbasa, Barbasa-Perlas, and Bello claimed that they were never given notarized copies of the executed bilateral deeds.⁵¹ Parcon testified that the original bilateral deeds were kept in the AFP-RSBS.⁵²

Camiña informed Barbasa and spouses Perlas that all taxes would be collected from them but kept in AFP-RSBS's treasury. She explained that AFP-RSBS handled the tax payments to the BIR by deducting the capital gains and documentary stamp taxes from the sale transactions. As a result, the amounts paid to the sellers were already net of the taxes due.⁵³

In September 1997, Barbasa-Perlas met with Camiña at her brother Barbasa's house to finalize the settlement of Grand Manor's fees, which totaled PHP 111,680.00. Camiña also requested a Special Power of Attorney that would allow Grand Manor to receive a reimbursement from AFP-RSBS for the capital gains and documentary stamp taxes it had supposedly advanced.⁵⁴

Later that year, Camiña returned the Presidio Royal share to Dr. Perlas. However, Barbasa-Perlas had no knowledge of what happened to the other deductions previously made.⁵⁵

Although Camiña coordinated the payment of taxes, AFP-RSBS had already withheld and remitted these taxes to the BIR before any cases were filed. Bello also confirmed that all taxes related to the transactions were eventually paid in full. Similarly, Barbasa believed that Camiña had already fully settled the taxes due on the sale transactions. Hence, he was not aware of any issue on the matter.⁵⁶

⁴⁹ *Id.* at 41.

⁵⁰ *Id.* at 35-36.

⁵¹ *Id.* at 29, 39-40, 43.

⁵² *Id.* at 21.

⁵³ *Id.* at 36-37, 40.

⁵⁴ *Id.* at 41.

⁵⁵ *Id.* at 43.

⁵⁶ *Id.* at 28, 30, 38.

To their surprise, Camiña requested a meeting with Barbasa and Barbasa-Perlas in March 1998 to discuss AFP-RSBS's failure to pay the correct taxes. However, the meeting never took place.⁵⁷

In 1999, to avoid problems, Camiña assisted the AFP-RSBS President and Vice President in settling the final payment of the tax deficiency. She allegedly informed the Iloilo Project Team about the tax deficiency. When AFP-RSBS took no action, she wrote to the then BIR Commissioner, requesting a compromise settlement on the tax deficiency. On behalf of the sellers, she proposed that the landowners allot approximately PHP 2,754,280.70 to speed up the payment of tax deficiencies. However, she was informed that only the surcharge for late payment could be waived, not the deficiency interest. Ultimately, the sellers eventually settled the deficiency taxes and penalties, and the BIR issued a Certificate Authorizing Registration (CAR). Camiña asserted that this was the only time she represented the landowners.⁵⁸

Barbasa and Barbasa-Perlas, however, denied ever authorizing Camiña to negotiate with the BIR or issuing a Special Power of Attorney in her favor to enter into a compromise agreement with the BIR.⁵⁹

In April 1999, Barbasa-Perlas was surprised to learn about the charges filed with the Office of the Ombudsman. It was then that she first saw the unilateral deeds, which contained different terms from the bilateral deeds she and her husband had previously signed. Barbasa was equally surprised to find a unilateral deed dated June 24, 1997 in the amount of PHP 1,000,000.00, attached to the Ombudsman's Affidavit-Complaint. Barbasa and Barbasa-Perlas noted that their signatures on the unilateral deeds had been forged. The forger had even used Barbasa-Perlas's expired Community Tax Certificate, dated "01-08-96," which had previously been used in the bilateral deeds. Meanwhile, the date on Barbasa's Community Tax Certificate was June 12, 1997, which was a holiday.⁶⁰

Unsettled by the unilateral deeds, Barbasa obtained a Certification from the Iloilo City Regional Trial Court, stating that the notary public who supposedly notarized the unilateral deeds had not been issued a commission in 1997. He also acquired copies of the Primary Entry Book from the Registry of Deeds (Primary Entry Book) and discovered that Trabuco had filed the forged documents without their authorization.⁶¹

⁵⁷ *Id.* at 38, 41.

⁵⁸ *Id.* at 35.

⁵⁹ *Id.* at 39, 43.

⁶⁰ *Id.* at 39, 41-43.

⁶¹ *Id.* at 41-43.

For her part, Camiña claimed that she had assigned Trabuco to the project and assumed everything was in order until she was invited to the Senate investigation, where she first saw the unilateral deeds. While the witnesses to the unilateral deeds were Grand Manor employees, Camiña denied that these documents were coursed through them, explaining that AFP-RSBS had control over the access to the relevant documents.⁶²

After presenting their witnesses, both the prosecution⁶³ and the defense⁶⁴ formally offered their documentary exhibits.

The following were excluded as evidence by the Sandiganbayan:

| Criminal Case Nos. | Name of the Accused Involved | Exhibits | Documents |
|--------------------------------|------------------------------------|--------------|---|
| 26770-75 and 26826-26831 | All | "A" to "A-7" | Joint Affidavit Complaint of the representatives from the Office of the Deputy Ombudsman for the Military |
| | | x x x x | |
| | | "C" to "C-3" | List of Payments of Taxes covering all properties of all the accused |
| | | x x x x | |
| 26773 and 26829 | [Bello], [Satuito], [Camiña] | x x x x | |
| | | "F" to "F-2" | Unilateral [deeds] between Raul Aposaga married to Adelfa Cuevas Aposaga (Vendors) and AFP-RSBS rep. by BGen. Jose S. Ramiscal, Jr. (Ret.) (Vendee) amounting to ₱ 450,000.00 |
| | | x x x x | |

⁶² *Id.* at 35–36.

Acting Register of Deeds Manikan explained that those bringing documents for registration in their office were to be listed in Primary Entry Book. The Primary Entry Book would show if there was someone authorized to register the transfer of property from the vendor to the buyer. They should also submit to them for assessment all documentary evidence, including Special Power of Attorney, necessary for the transfer of property through sale. Those with written authority from their principals may cause the transfer of the property. The written authority from principals include the owner's duplicate copy of title, tax declaration, tax clearance, transfer tax receipt and a secretary's certificate or board Resolution authorizing the signatory in case of a juridical entity. (*Id.* at 21–22)

Officer-in-Charge Revenue District Officer Alberto confirmed that the receipts for the taxes paid cover the entire real property tax due on the sale transactions. The payments were allegedly coursed through banks which issued the receipts upon which the issuance of the Certificate Authorizing Registration will be based. After the BIR issued the Certificate Authorizing Registration, the properties were then transferred to the buyer. A capital gains tax return form would show the signature of the person who made the return, who could either be the vendors, the buyers, or their agents. In the BIR books where he held office, any of the foregoing personalities were required to sign their logbook. Nonetheless, while the BIR requires the taxpayer to sign the returns, any person can go to their office and submit the returns for purposes of payment. (*Id.* at 23)

⁶³ *Id.* at 23–27. These cases were eventually unloaded by the Sandiganbayan Fifth Division and raffled to the Seventh Division with due notice to the parties pursuant to Republic Act No. 10660 otherwise known as the "An Act Strengthening Further the Functional and Structural Organization of the Sandiganbayan, Further Amending Presidential Decree No. 1606, As Amended and Appropriating Funds Therefor."

⁶⁴ See list of documentary evidence on *Id.* at 43–45. The Sandiganbayan, through a Resolution dated March 21, 2017, admitted all the documentary evidence of the defense. See agreed Order of Witness for the Defense.

| | | | |
|-----------------------|--|--------------|--|
| 26774 and 26831 | [Bello], [Satuito], [Camiña], [Barbasa] | "H" | Documentary Stamp Tax Declaration/Return in the name of Raul Aposaga |
| | | "I" | Capital Gains Tax Return in the name of Raul Aposaga |
| | | x x x x | |
| | | "G" | Receipt dated September 17, 1997 from Hannah Grace Sonza, Operations Manager in the amount of ₱111,680.00 |
| | | "H" to "H-1" | Letter dated August 27, 1997 by Hermie Barbasa and Rosario Barbasa-Perlas addressed to Hannah Grace Sonza, Operations Manager |
| | | "I" | Letter dated August 18, 1997 by Hannah Grace Sonza, Operations Manager addressed to Hermie Barbasa |
| | | "K" | Receipt dated September 17, 1997 signed by Hannah Grace Sonza, Operations Manager received from Hermie Barbasa in the amount of ₱71,680.00 |
| | | "L" | Primary Entry Book of the Iloilo City Register of Deeds, pp. 80-81 |
| | | "M" | Listing as to payment of taxes |
| | | "P" | Primary Entry Book of the Iloilo City Register of Deeds, pp. 78-79 |
| | | "N" | Document bearing a recollection of events by Hermie Barbasa and Rosario Barbasa-Perlas dated February 4, 2000 |
| | | x x x x | |

....

Exhibits "A" and "C" (all cases) for being mere photocopies and for not having been identified by any prosecution witness;

Exhibits "F", "H", and "I" (Crim. Cases No. 26773 and 26829) as no prosecution witness identified them; and

Exhibits "G", "H", "I", "K", "L", "M", "P" and "N" (Crim Cases No. 26774 and 26831) for being mere photocopies and for not having been identified by any prosecution witness.⁶⁵

On February 9, 2018, the Sandiganbayan held that Bello, Satuito, and Camiña conspired to defraud the government by paying lesser capital gains taxes than what was due on the AFP-RSBS real estate sale transactions.⁶⁶

⁶⁵ *Id.* at 23–27. These cases were eventually unloaded by the Sandiganbayan Fifth Division and raffled to the Seventh Division with due notice to the parties pursuant to Republic Act No. 10660 otherwise known as the "An Act Strengthening Further the Functional and Structural Organization of the Sandiganbayan, Further Amending Presidential Decree No. 1606, As Amended and Appropriating Funds Therefor." In a Joint Manifestation, Barbasa and Barbasa-Perlas declared that they no longer plan to file a Memorandum. Bello and Satuito failed to submit their Memorandum notwithstanding the period granted to them. As such, after the filing of the *Prosecution's* April 24, 2017 Consolidated Memorandum and Camiña's May 3, 2017 Memorandum, these cases were submitted for resolution.

⁶⁶ *Id.* at 55.

The Sandiganbayan found that Camiña played a key role in the scheme, both as the broker and later as the attorney-in-fact for Barbasa and Barbasa-Perlas. Her actions before, during, and after the purchase of properties showed “a shared criminal design in profiting from the realty transactions to her advantage and benefit.”⁶⁷

The Sandiganbayan also noted inconsistencies in Camiña’s claim that she only learned about the unilateral deeds during the Senate hearing. This, according to the Sandiganbayan, only reinforced her evasiveness. Additionally, her compromise letter to the BIR requesting a tax compromise on behalf of sellers Villarosa, Tropel, Barbasa, Barbasa-Perlas and Aposaga, was dismissed because it lacked their signatures.⁶⁸

The Sandiganbayan held her accountable for her subordinates’ practices because she was the Vice President and stockholder of Grand Manor and she directly brokered the sale transactions. Grand Manor employees Trabuco and Hannah Grace Sonza (Sonza) signed as witnesses to the unilateral deeds for the properties of Barbasa-Perlas, Villarosa, Tropel, and Aposaga. Trabuco also presented the necessary documents to transfer the property registration using the undervalued purchase price listed in the unilateral deeds.⁶⁹

The Sandiganbayan also considered Bello and Satuito as conspirators. Their role was to ensure that all necessary sale documents were in order and approved for payment by AFP-RSBS. Further, it rejected their defense of denial, pointing out that the Legal Department—which they were part of—was responsible for handling the payment of the purchase price and the capital gains taxes.⁷⁰

Moreover, the Sandiganbayan held Bello and Satuito responsible for failing to keep themselves informed about the Iloilo Project, despite being the superiors of Atty. Kahulugan, who was directly involved in the documentation process. Satuito, as a superior, would have given instructions on how to complete the sale’s paperwork, while Bello should have known that the property acquisitions required a significant capital investment from AFP-RSBS. The Sandiganbayan addressed the challenge in identifying Bello and Satuito’s specific participation in the Iloilo Project by stating that “conspiracy need not be made by direct overt acts.”⁷¹

A key finding was that AFP-RSBS processed the unilateral deeds instead of the bilateral deeds, to transfer property ownership. Bello never

⁶⁷ *Id.* at 55, 59.

⁶⁸ *Id.* at 56–58.

⁶⁹ *Id.* at 57.

⁷⁰ *Id.* at 62.

⁷¹ *Id.* at 60–61.

explained why the bilateral deeds remained in the Legal Department's possession. The Sandiganbayan concluded that AFP-RSBS's retention of the bilateral deeds allowed Camiña to the use of the unilateral deeds as the basis for payment of capital gains tax. The Sandiganbayan also found that the landowners' signatures on the unilateral deeds were evidently forged and that the purchase prices listed were likewise entirely false.⁷²

Therefore, with the exception of Juaneza's case in Criminal Case No. 26770,⁷³ the Sandiganbayan convicted Bello, Satuito, and Camiña for violations of Section 3(e) of Republic Act No. 3019 in Criminal Case Nos. 26771 to 26775. It determined that they pocketed the difference between the two different sale prices recorded in the separate deeds of sale. Additionally, the Sandiganbayan found that all the elements of Falsification of Public Documents under the Revised Penal Code were duly established in Criminal Case Nos. 26826 to 26831.⁷⁴

However, the Sandiganbayan did not find enough evidence to implicate Barbasa and Barbasa-Perlas in the conspiracy. It observed that aside from denying their involvement and claiming that their signatures were forged, the Barbasa siblings had been very specific about the selling price and Camiña's supposed commission, making it unlikely that they had agreed to undervalue the properties. It also emphasized that the AFP-RSBS had already withheld the required capital gains taxes from the purchase price and that it was also Camiña who was supposed to settle the taxes due on the transaction. Further, it has always been the brokers, not the sellers, who communicated directly with AFP-RSBS.⁷⁵

The dispositive portion of the Sandiganbayan Decision reads:

WHEREFORE, judgment is rendered as follows:

- 1) In *Criminal Case No. 26770*, for failure of the prosecution to prove the guilt of the accused Atty. Meinrado Enrique A. Bello, Atty. Manuel S. Satuito and Minviluz Camiña beyond reasonable doubt, they are **ACQUITTED** of violation of Section 3 (e) of *Republic Act No. 3019*.
- 2) In *Criminal Case No. 26771*, accused Atty. Meinrado Enrique A. Bello, Atty. Manuel S. Satuito and Minviluz Camiña are found **GUILTY** beyond reasonable doubt of violation of Section 3 (e) of *Republic Act No. 3019*. They are hereby sentenced to suffer an indeterminate penalty of imprisonment of **SIX (6) YEARS and ONE (1) MONTH** as **minimum** to **TEN (10) YEARS** as **maximum**. Additionally, Atty. Meinrado Enrique A. Bello and Atty. Manuel Satuito are sentenced to

⁷² *Id.* at 54, 69, 74.

⁷³ *Id.* at 71, 77. The element of unwarranted benefit was not proven in Juaneza's case as the prosecution failed to submit the certified copies of the Registry of Deeds Primary Entry Book and the CARs which were presented in other cases.

⁷⁴ *Id.* at 70, 74.

⁷⁵ *Id.* at 55.

suffer perpetual disqualification to hold public office.

- 3) In *Criminal Case No. 26772*, accused Atty. Meinrado Enrique A. Bello, Atty. Manuel S. Satuito and Minviluz Camiña are found **GUILTY** beyond reasonable doubt of violation of Section 3 (e) of Republic Act No. 3019. They are hereby sentenced to suffer an indeterminate penalty of imprisonment of **SIX (6) YEARS and ONE (1) MONTH** as **minimum** to **TEN (10) YEARS** as **maximum**. Additionally, Atty. Meinrado Enrique A. Bello and Atty. Manuel Satuito are sentenced to suffer perpetual disqualification to hold public office.
- 4) In *Criminal Case No. 26773*, accused Atty. Meinrado Enrique A. Bello, Atty. Manuel S. Satuito and Minviluz S. Camiña are found **GUILTY** beyond reasonable doubt of violation of Section 3 (e) of Republic Act No. 3019. They are hereby sentenced to suffer an indeterminate penalty of imprisonment of **SIX (6) YEARS and ONE (1) MONTH** as **minimum** to **TEN (10) YEARS** as **maximum**. Additionally, Atty. Meinrado Enrique A. Bello and Atty. Manuel Satuito are sentenced to suffer perpetual disqualification to hold public office.
- 5) In *Criminal Case No. 26774*, accused Atty. Meinrado Enrique A. Bello, Atty. Manuel S. Satuito and Minviluz S. Camiña are found **GUILTY** beyond reasonable doubt of violation of Section 3 (e) of Republic Act No. 3019. They are hereby sentenced to suffer an indeterminate penalty of imprisonment of **SIX (6) YEARS and ONE (1) MONTH** as **minimum** to **TEN (10) YEARS** as **maximum**. Additionally, Atty. Meinrado Enrique A. Bello and Atty. Manuel Satuito are sentenced to suffer perpetual disqualification to hold public office.

For failure of the prosecution to prove the guilt of accused Hermie Barbasa beyond reasonable doubt, he is **ACQUITTED** of the crime charged.

- 6) In *Criminal Case No. 26775*, accused Atty. Meinrado Enrique A. Bello, Atty. Manuel S. Satuito and Minviluz S. Camiña are found **GUILTY** beyond reasonable doubt of violation of Section 3 (e) of Republic Act No. 3019. They are hereby sentenced to suffer an indeterminate penalty of imprisonment of **SIX (6) YEARS and ONE (1) MONTH** as **minimum** to **TEN (10) YEARS** as **maximum**. Additionally, Atty. Meinrado Enrique A. Bello and Atty. Manuel Satuito are sentenced to suffer perpetual disqualification to hold public office.

For failure of the prosecution to prove the guilt of accused Rosario Barbasa-Perlas beyond reasonable doubt, she is **ACQUITTED** of the crime charged.

- 7) In *Criminal Case No. 26826*, accused Atty. Meinrado Enrique A. Bello, Atty. Manuel S. Satuito and Minviluz S. Camiña are found **GUILTY** beyond reasonable doubt of the crime of Falsification of Public Documents defined and penalized under Article 171 paragraph 4 of the Revised Penal Code. There being no aggravating nor mitigating circumstances proven, they are hereby sentenced to suffer the indeterminate penalty of **FOUR (4) YEARS and TWO (2) MONTHS** of *prision correccional* as **minimum**, to **EIGHT (8) YEARS and (1) DAY** of *prision mayor* as **maximum**, and to *each* pay a **FINE** of **FIVE THOUSAND PESOS (P 5,000.00)**.

- 8) In *Criminal Case No. 26827*, accused Atty. Meinrado Enrique A. Bello, Atty. Manuel S. Satuito and Minviluz S. Camiña are found **GUILTY** beyond reasonable doubt of the crime of Falsification of Public Documents defined and penalized under Article 171 paragraph 4 of the Revised Penal Code. There being no aggravating nor mitigating circumstances proven, they are hereby sentenced to suffer the indeterminate penalty of **FOUR (4) YEARS and TWO (2) MONTHS** of *prision correccional* as **minimum**, to **EIGHT (8) YEARS and (1) DAY** of *prision mayor* as **maximum**, and to *each* pay a **FINE** of **FIVE THOUSAND PESOS (P 5,000.00)**.
- 9) In *Criminal Case No. 26828*, accused Atty. Meinrado Enrique A. Bello, Atty. Manuel S. Satuito and Minviluz S. Camiña are found **GUILTY** beyond reasonable doubt of the crime of Falsification of Public Documents defined and penalized under Article 171 paragraph 4 of the Revised Penal Code. There being no aggravating nor mitigating circumstances proven, they are hereby sentenced to suffer the indeterminate penalty of **FOUR (4) YEARS and TWO (2) MONTHS** of *prision correccional* as **minimum**, to **EIGHT (8) YEARS and (1) DAY** of *prision mayor* as **maximum**, and to *each* pay a **FINE** of **FIVE THOUSAND PESOS (P 5,000.00)**.
- 10) In *Criminal Case No. 26829*, accused Atty. Meinrado Enrique A. Bello, Atty. Manuel S. Satuito and Minviluz S. Camiña are found **GUILTY** beyond reasonable doubt of the crime of Falsification of Public Documents defined and penalized under Article 171 paragraph 4 of the Revised Penal Code. There being no aggravating nor mitigating circumstances proven, they are hereby sentenced to suffer the indeterminate penalty of **FOUR (4) YEARS and TWO (2) MONTHS** of *prision correccional* as **minimum**, to **EIGHT (8) YEARS and (1) DAY** of *prision mayor* as **maximum**, and to *each* pay a **FINE** of **FIVE THOUSAND PESOS (P 5,000.00)**.
- 11) In *Criminal Case No. 26830*, accused Atty. Meinrado Enrique A. Bello, Atty. Manuel S. Satuito and Minviluz S. Camiña are found **GUILTY** beyond reasonable doubt of the crime of Falsification of Public Documents defined and penalized under Article 171 paragraph 4 of the Revised Penal Code. There being no aggravating nor mitigating circumstances proven, they are hereby sentenced to suffer the indeterminate penalty of **FOUR (4) YEARS and TWO (2) MONTHS** of *prision correccional* as **minimum**, to **EIGHT (8) YEARS and (1) DAY** of *prision mayor* as **maximum**, and to *each* pay a **FINE** of **FIVE THOUSAND PESOS (P 5,000.00)**.

For failure of the prosecution to prove the guilt of accused Rosario Barbasa-Perlas beyond reasonable doubt, he is **ACQUITTED** of the crime charged.

- 12) In *Criminal Case No. 26831*, accused Atty. Meinrado Enrique A. Bello, Atty. Manuel S. Satuito and Minviluz S. Camiña are found **GUILTY** beyond reasonable doubt of the crime of Falsification of Public Documents defined and penalized under Article 171 paragraph 4 of the Revised Penal Code. There being no aggravating nor mitigating circumstances proven, they are hereby sentenced to suffer the indeterminate penalty of **FOUR (4) YEARS and TWO (2) MONTHS** of *prision correccional* as **minimum**, to **EIGHT (8) YEARS and (1) DAY** of *prision mayor* as **maximum**, and to *each* pay a **FINE** of **FIVE**

THOUSAND PESOS (P 5,000.00).

For failure of the prosecution to prove the guilt of accused Hermie Barbasa beyond reasonable doubt, he is **ACQUITTED** of the crime charged.

The respective cash bonds posted by accused Hermie Barbasa and Rosario Barbasa- Perlas are ordered released subject to the usual accounting procedures. Insofar as accused Hermie Barbasa and Rosario Barbasa-Perlas are concerned, the Hold Departure issued by this Court on September 24, 2013 is lifted and set aside, and the Order issued by the Bureau of Immigration incorporating the names of said accused in the Hold Departure List is ordered recalled and cancelled.

Let the cases be **ARCHIVED** as to accused Joelita Trabuco, Abelio Juaneza, Rosalinda D. Tropel and Felipe Y. Villarosa, pending their apprehension.

SO ORDERED.⁷⁶

Bello,⁷⁷ Satuito,⁷⁸ and Camiña⁷⁹ later filed separate Motions for Reconsideration. However, on May 25, 2018, the Sandiganbayan denied their Motions for lack of merit.⁸⁰

Hence, Petitions for Review on *Certiorari* were filed before this Court.

In its Consolidated Comment,⁸¹ respondent People of the Philippines, represented by the Office of the Ombudsman through the Office of the Special Prosecutor,⁸² sought the denial of the Petitions for lack of new arguments worthy of a different judgment.⁸³

Camiña filed her Reply on May 2, 2019.⁸⁴

On July 3, 2019, this Court directed the parties to file their Memoranda.⁸⁵

⁷⁶ *Id.* at 75–78

⁷⁷ *Rollo* (G.R. No. 239542 and G.R. Nos. 239554-61), pp. 124–137. Bello filed his reconsideration on February 26, 2018.

⁷⁸ *Rollo* (G.R. Nos. 239523-33), pp. 192–211. Satuito filed his motion for reconsideration on February 21, 2018. On March 7, 2018, the prosecution filed a Consolidated Opposition to Bello and Satuito's separate motions. Satuito filed a Reply on April 5, 2018.

⁷⁹ *Id.* Camiña filed her reconsideration on February 23, 2018. On March 21, 2018, the prosecution filed an Opposition to her motion.

⁸⁰ *Id.* at 222–223.

⁸¹ *Rollo* (G.R. No. 239542 and G.R. Nos. 239554-61), pp. 309–348

⁸² *Id.* at 309.

⁸³ *Id.* at 336.

⁸⁴ *Rollo* (G.R. Nos. 239657-68), pp. 280–290.

⁸⁵ *Rollo* (G.R. Nos. 239523-33), pp. 491-A–491-C.

On November 5, 2019, Satuito filed his Memorandum⁸⁶ mirroring the arguments raised in his Petition for Review.

On January 14, 2020, Camiña filed her Memorandum,⁸⁷ which was later reinforced by two other supplemental pleadings⁸⁸ admitted by this Court.

Meanwhile, this Court dispensed⁸⁹ with the filing of Bello's Memorandum after his counsel failed to file it despite repeated demands.⁹⁰

In its Memorandum,⁹¹ respondent People of the Philippines merely repeated its counterarguments previously raised in its Consolidated Comment.

The parties' arguments mainly revolve around the nature of the issues, the presence of conspiracy, proof of the elements of crimes charged, and the prosecution's burden of proof.

Bello and Camiña argue that this Court should reexamine the evidence against them, invoking the exceptions to the rule that this Court is not a trier of facts. They assert that the Sandiganbayan's conclusions are merely based on surmises and conjectures.⁹²

Camiña further argues that the Sandiganbayan disregarded the rules on evidence by relying on previously excluded evidence. One such example is the Iloilo City Register of Deeds' Primary Entry Book, which indicated that Trabuco presented the documents for the transfer of registration. She also alleges that the prosecution failed to verify Trabuco's and Sonza's signatures on the unilateral deeds, and that the Sandiganbayan was remiss in scrutinizing their signatures with those of the supposed sellers.⁹³

Camiña argues that even if Trabuco and Sonza genuinely signed the unilateral deeds, the prosecution failed to prove that she instructed them to do

⁸⁶ *Id.* at 501–533. The October 29, 2019 Memorandum is with Notice of Change of Address.

⁸⁷ *Rollo* (G.R. Nos. 239657–68), pp. 405–440. The Memorandum is dated November 26, 2019.

⁸⁸ *Rollo* (G.R. Nos. 239523–33), pp. 674–724 (Supplemental Memorandum). *See also* Second Supplement to the Memorandum at *Id.* at 733–749.

⁸⁹ *Id.* at 758–759. *See* October 4, 2023 Resolution of this Court.

⁹⁰ *Rollo* (G.R. No. 239542 and G.R. Nos. 239554–61), pp. 418–419. On November 16, 2020, this Court issued a Resolution which, among other things, required Bello's counsel (Atty. Jose T. Banday) to show cause why he should not be disciplined or held in contempt for failure to submit the Memorandum required by this Court in its July 3, 2019 Resolution. *See also Id.* at 420–421. On February 3, 2021, this Court issued a Resolution which, among other things, imposed a fine of Php 1,000.00 to Atty. Banday for his failure to comply with the November 16, 2020 Resolution. *See also G.R. Nos. 239523–33, vol II*, pp. 747–748. On February 27, 2023, this Court issued a Resolution which, among other things, imposed an increased fine of Php 6,000.00 to Atty. Banday for his failure to comply with the February 3, 2021 Resolution.

⁹¹ *Rollo* (G.R. Nos. 239523–33), pp. 549–669.

⁹² *Rollo* (G.R. No. 239542 and G.R. Nos. 239554–61), pp. 23–24; *Rollo* (G.R. Nos. 239657–68), pp. 26–29.

⁹³ *Rollo* (G.R. Nos. 239657–68), pp. 36–37, 39.

so.⁹⁴ She also claims that their actions were outside their usual duties at Grand Manor; hence, she should not be held responsible for them.⁹⁵

Respondent argues that the prosecution amply established conspiracy. It was able to prove that the replacement of the bilateral deeds with the unilateral deeds to lower tax liabilities was done under Bello's supervision as the Legal Department Head. Satuito, as Documentary Division Head, also directly supervised the preparation of these unilateral deeds.⁹⁶

Respondent also points out that Satuito's own testimony contradicts his denial of involvement. He failed to prove that his official designation was merely limited to the projects in Calamba, Manila, Batangas and Cavite, and that Atty. Kahulugan was solely responsible for the Iloilo Project. Without clear proof of such a restriction, Satuito was still responsible for reviewing the legality of the unilateral deeds. Camiña's participation in the conspiracy was also evident in her dealings with the landowners, emphasizing the rule that private persons may be indicted for offenses under Republic Act No. 3019 when acting in conspiracy with public officials.⁹⁷

Satuito and Bello counter that they were never part of the Iloilo Project Team and had never been to Iloilo to supervise the acquisition of properties. Further, they highlight that neither their names nor signatures appear in any of the prosecution's documentary evidence, and that no prosecution witness directly testified against them. They argue that without any corroborating witnesses, the documentary evidence is mere proof of its existence and contents, not their guilt.⁹⁸ Even circumstantial evidence does not rule out the probability that someone else may have committed the imputed violations.⁹⁹

Both also emphasize that they did not personally know any of their co-accused except for each other. Even Parcon's testimony supported Satuito and Bello's argument that they were not involved in preparing, executing, and paying for the deeds of sale. They only learned about the transactions during the Senate investigation.¹⁰⁰

The Sandiganbayan, however, merely assumed Bello was culpable because the Legal Department was responsible for the acquisition of the Iloilo properties.¹⁰¹ Similarly, it found Satuito guilty by associating him with Atty. Kahulugan's presence during the payment.¹⁰² Satuito nonetheless clarified

⁹⁴ *Id.* at 39.

⁹⁵ *Id.* at 183.

⁹⁶ *Rollo* (G.R. Nos. 239523-33), p. 462.

⁹⁷ *Id.* at 462-464.

⁹⁸ *Id.* at 28-31.

⁹⁹ *Rollo* (G.R. No. 239542 and G.R. Nos. 239554-61), pp. 30-32.

¹⁰⁰ *Rollo* (G.R. Nos. 239523-33), pp. 106-112; *Rollo* (G.R. No. 239542 and G.R. Nos. 239554-61), pp. 28-33.

¹⁰¹ *Rollo* (G.R. No. 239542 and G.R. Nos. 239554-61), p. 31.

¹⁰² *Rollo* (G.R. Nos. 239523-33), p. 115.

that he left AFP-RSBS in 2005 for personal reasons, unrelated to any wrongdoing.¹⁰³

Bello claims that the prosecution failed to rebut his claim that the Iloilo Project Team, not the Legal Department, handled the acquisition of properties. He also points out that the bilateral deeds were returned to the Real Estate Department.¹⁰⁴ Parcon's testimony that the bilateral deeds were with the Records Department discredit the prosecution's claim that they remained in the Legal Department.¹⁰⁵

Camiña also highlights that the Ombudsman's Joint Affidavit-Complaint—from which the several Informations emanated—never mentioned her or recommended filing charges against her. Consequently, the prosecution struggled to prove her participation in the offenses.¹⁰⁶ Hence, the Sandiganbayan's finding of conspiracy and her intentional participation were entirely grounded on speculations, misreading of facts, and lack of evidence.¹⁰⁷

Camiña also challenges respondent's claim that her supposed participation in the conspiracy "was apparent in her dealings with the vendors." This then discredits her alleged conspiracy with Satuito and Bello. She argues that her brief encounter with them at the signing ceremony does not prove that she conspired with them. Hence, the casual encounters do not amount to overt acts in furtherance of a common purpose.¹⁰⁸

Camiña also asserts that the prosecution failed to provide any evidence linking her directly to the contested documents or proving that she committed an overt act as a co-conspirator. Records reveal that Trabuco and Sonza, not her, actively handled the sale transactions. Her role as Grand Manor's Vice President does not automatically mean that she instructed Trabuco and Sonza to sign the unilateral deeds or that she knew about their acts. She also suggests that Sonza and Trabuco may have also committed the disputed acts without knowing of the criminal design. Since Filipinos are naturally hospitable, there is a chance that they merely signed the unilateral deeds to accommodate the request of AFP-RSBS's representatives.¹⁰⁹

Camiña adds that the only possible link between her and the conspiracy is her professional ties with Trabuco, whose name and signature appear in the cited Primary Entry Book. However, since Trabuco remains at large, the prosecution has no way of knowing who authorized him to transfer the titles

¹⁰³ *Id.* at 31.

¹⁰⁴ *Id.* at 28.

¹⁰⁵ *Rollo* (G.R. No. 239542 and G.R. Nos. 239554-61), pp. 26-27, 30.

¹⁰⁶ *Rollo* (G.R. Nos. 239657-68), p. 419.

¹⁰⁷ *Id.* at 33.

¹⁰⁸ *Id.* at 422-424.

¹⁰⁹ *Id.* at 39-40, 425-426, 430-431.

using the unilateral deeds. She also adds that the Primary Entry Book pages, which the Sandiganbayan relied on to show that Trabuco transacted with the Register of Deeds, were excluded evidence. Even if they were considered, they do not prove her involvement, as Trabuco—not her—handled the transfer. Moreover, Trabuco was not even her employee, but of Grand Manor, which has a distinct personality from its officers.¹¹⁰

As to Barbasa and Barbasa-Perlas's acquittal, Camiña contends that Grand Manor was merely acting as an agent of the sellers. She signed the compromise letter to the BIR in her capacity as the sellers' representative in the sale transaction with AFP-RSBS. Thus, she argues that she cannot be held liable for acts done within her authority if the sellers themselves, her principals, were already absolved from the charges. Without clear proof of conspiracy, she insists that the acts of the other alleged conspirators cannot be attributed to her.¹¹¹

Respondent asserts that petitioners allegedly made it appear that another set of deeds were executed in 1997 (unilateral deeds) when only one set was executed in 1996 (bilateral deeds). Notably, the material terms of the unilateral deeds were absolutely false and the signatures of the alleged sellers were vastly different from those in the bilateral deeds. Petitioners allegedly conspired to use the unilateral deeds with the intent to profit. Hence, the improper declaration of the amount subjected to capital gains tax resulted in their unwarranted benefit at the expense of the government.¹¹²

Camiña asserts that the Sandiganbayan erred in relying on unsubstantiated circumstantial evidence to support her conviction for violation of Section 3(e) of Republic Act No. 3019. Even if the Sandiganbayan proved its claim, its account would not have instituted an unbroken chain that would reasonably prove her guilt. Further, all the accused should be acquitted in Criminal Case Nos. 26773 and 26829 at the very least. The exhibit pertaining to the unilateral deeds between spouses Aposaga and AFP-RSBS, which will supposedly prove the contested scheme, was excluded by the Sandiganbayan as evidence.¹¹³

Camiña and Bello agree with the Sandiganbayan that they neither reaped unwarranted benefit nor caused undue injury to the government. The AFP-RSBS withheld the taxes and settled tax deficiencies and interests without private party contribution and with the BIR's express consent.¹¹⁴

¹¹⁰ *Id.* at 33-43.

¹¹¹ *Id.* at 51.

¹¹² *Rollo* (G.R. No. 239542 and G.R. Nos. 239554-61), pp. 460-461.

¹¹³ *Rollo* (G.R. Nos. 239657-68), pp. 44, 437.

¹¹⁴ *Id.* at 45-46, 434; *Rollo* (G.R. No. 239542 and G.R. Nos. 239554-61), pp. 37-38.

Moreover, Camiña claims that the Sandiganbayan allegedly misinterpreted her act of settling or compromising the tax deficiencies. She was merely driven “by best intentions as an act of iniquity” and that it was “legitimate, motivated . . . by good intention to pay what is due to the government[.]” She only wrote to the BIR to protect the interest of the sellers, not because she knew about the unilateral deeds. It was even beneficial to the government because the amount AFP-RSBS previously withheld was fully remitted to the BIR.¹¹⁵

Respondent argues that the prosecution established the elements of both charges.¹¹⁶ Petitioners argue the contrary.

Satuito, Bello, and Camiña insist on their innocence because their guilt was supposedly not proven beyond reasonable doubt. The Sandiganbayan allegedly failed to discuss and submit direct evidence of their overt acts constituting the offenses, in conspiracy with their co-accused.¹¹⁷

Camiña claims that since the supposed conspiracy was not proven beyond reasonable doubt, she cannot be held accountable for acts she did not commit. Besides, aside from not being a public officer, no evidence also points to her alleged involvement in the preparation and execution of the unilateral deeds.¹¹⁸

Satuito also claims that his conviction was based entirely on his supposedly weak defense of denial and previous position as Documentation Division Head. He also argues that the prosecution should rely on the strength of its evidence rather on the weakness of the defense.¹¹⁹

Bello asserts that he should benefit from the equipoise rule which leans toward the presumption of his innocence and concomitant acquittal.¹²⁰

The main issue to be resolved by this Court is whether the Sandiganbayan erred in convicting the accused of the charges against them. The corollary issues are the following:

First, whether a review of the factual findings of the Sandiganbayan is necessary;

¹¹⁵ *Rollo* (G.R. Nos. 239657-68), pp. 42-48, 187, 431-432.

¹¹⁶ *Rollo* (G.R. Nos. 239523-33), p. 460.

¹¹⁷ *Rollo* (G.R. No. 239542 and G.R. Nos. 239554-61), p. 24; *Rollo* (G.R. Nos. 239657-68), pp. 32-33; *Rollo* (G.R. Nos. 239523-33), p. 24.

¹¹⁸ *Rollo* (G.R. Nos. 239657-68), pp. 49-50.

¹¹⁹ *Rollo* (G.R. Nos. 239523-33), pp. 106, 110, 113.

¹²⁰ *Rollo* (G.R. No. 239542 and G.R. Nos. 239554-61), p. 32.

Second, whether a conspiracy between Satuito, Bello, and Camiña exists; and

Third, whether the elements of the offenses were sufficiently proven by the prosecution beyond reasonable doubt.

The Petitions are partly meritorious.

I

A review of the factual findings of the Sandiganbayan is necessary.

The Sandiganbayan found Camiña, Bello, and Satuito in conspiracy with one another and guilty beyond reasonable doubt for violation of Section 3(e) of Republic Act No. 3019 and Section 174, paragraph 4 of the Revised Penal Code. However, petitioners contend that the Sandiganbayan partly relied on excluded evidence and failed to prove conspiracy among them.

While the Sandiganbayan's findings of fact are generally accorded great weight and respect, this Court may overturn them if there is a misappreciation of facts.¹²¹ Thus:

Generally, factual findings of the Sandiganbayan are conclusive on us. This rule, however, admits of exceptions, such as where: (1) the conclusion is a finding grounded entirely on speculation, surmise and conjectures; (2) the inference made is manifestly mistaken; (3) there is grave abuse of discretion; (4) the judgment is based on misapprehension of facts; and (5) the findings of fact of the Sandiganbayan are premised on a want of evidence and are contradicted by evidence on record.¹²²

As clarified in *Typoco v. People*,¹²³ questions of fact require a re-examination of the evidence on record:

*Issues raised before the Court on whether the prosecution's evidence proved the guilt of the accused beyond reasonable doubt, whether the presumption of innocence was properly accorded the accused, whether there was sufficient evidence to support a charge of conspiracy, or whether the defense of good faith was correctly appreciated, are all, in varying degrees, questions of fact.*¹²⁴ (Emphasis supplied)

¹²¹ *Soriano v. People*, 922 Phil. 726, 734 (2022) [Per J. Inting, First Division].

¹²² *People v. Sandiganbayan*, 456 Phil. 136, 142 (2003) [Per J. Ynares-Santiago, First Division].

¹²³ 816 Phil. 914 (2017) [Per J. Peralta, Second Division].

¹²⁴ *Id.* at 929.

Further, even though this Court is generally not a trier of facts, it can still give due course to Rule 45 petitions raising questions of fact and of law based on the following exceptions:

(1) the conclusion is grounded on speculations, surmises or conjectures; (2) the inference is manifestly mistaken, absurd or impossible; (3) there is grave abuse of discretion; (4) *the judgment is based on misapprehension of facts*; (5) *the findings of fact are conflicting*; (6) there is no citation of specific evidence on which the factual findings are based; (7) the findings of absence of facts are contradicted by the presence of evidence on record; (8) the findings of the [Court of Appeals] are contrary to those of the trial court; (9) *the [Court of Appeals] manifestly overlooked certain relevant and undisputed facts that, if properly considered, would justify a different conclusion*; (10) the findings of the [Court of Appeals] are beyond the issues of the case; and (11) such findings are contrary to the admissions of both parties.¹²⁵ (Emphasis supplied)

The issues here involve sufficiency of evidence on the alleged conspiracy among petitioners and proof of their guilt beyond reasonable doubt of the offenses charged. The Sandiganbayan's factual findings are in question, with particularly three major issues that need to be resolved.

The first issue entails identifying the party who caused the preparation, execution, notarization, and registration of the unilateral deeds. The second issue involves determining the presence of conspiracy among petitioners. The third issue requires proving the commission of the offenses charged, i.e., violation of Section 3(e) of Republic Act No. 3019 and Article 171(4) of the Revised Penal Code.

Given a misapprehension of facts or conflicting findings of fact, this Court can give due course to these petitions through the recognized exceptions under Rule 45.

I(A)

The AFP-RSBS Real Estate Department and Atty. Kahulugan are necessary parties.

The persons competent to testify on the preparation, execution, notarization, and registration of the deeds of sale are those involved in the Iloilo Project Team: the alleged project directors Lt. Col. Hormillosa, Lt. Col. Almazan and Col. Mison III, as well as Atty. Kahulugan from the Legal Department.¹²⁶

¹²⁵ *Republic v. Kikuchi*, 923 Phil. 711, 714 (2022) [Per J. Hernando, First Division].

¹²⁶ *Rollo* (G.R. Nos. 239523-33), p. 36.

The Real Estate Department is in charge of purchasing the properties, negotiating with the landowners, preparing the sale documents, and assisting the sellers in registering the documents or payment of taxes.¹²⁷ Meanwhile, Atty. Kahulugan was specifically designated by the AFP-RSBS Board to review the Iloilo Project Team documents and assist in payment and in resolving legal matters.¹²⁸

A “necessary party” is defined under the 1997 and 2019 Rules of Court as “one who is not indispensable but who ought to be joined as a party if complete relief is to be accorded as to those already parties, or for a complete determination or settlement of the claim subject of the action.”¹²⁹

On the other hand, “[i]ndispensable parties are parties whose legal presence in the proceeding is so necessary that ‘the action cannot be finally determined’ without them because their interests in the matter and in the relief ‘are so bound up with that of the other parties.’”¹³⁰ *Heirs of Manzano v. Kinsonic Philippines, Inc.*¹³¹ differentiated indispensable and necessary parties, as follows:

An indispensable party must be joined under any and all conditions while a necessary party should be joined whenever possible. Stated otherwise, an indispensable party must be joined because the court cannot proceed without him. Hence, his presence is mandatory. *The presence of a necessary party is not mandatory because his interest is separable from that of the indispensable party. He has to be joined whenever possible to afford complete relief to those who are already parties and to avoid multiple litigation. A necessary party is not indispensable but he ought to be joined if complete relief is to be had among those who are already parties.* A final decree can be had in a case even without a necessary party because his interests are separable from the interest litigated in the case. The non-inclusion of a necessary party does not prevent the court from proceeding in the action, and the judgment rendered therein shall be without prejudice to the rights of such necessary party.¹³² (Emphasis supplied)

The non-joinder of indispensable parties is not a ground to dismiss an action. Rather, the remedy is to implead the party considered to be indispensable by order of the court, either upon motion of a party or *motu proprio* at any stage of the action.¹³³ A party should not be deemed

¹²⁷ *Id.* at 21, 28, 31.

¹²⁸ *Id.* at 31, 28.

¹²⁹ *Heirs of Manzano v. Kinsonic Philippines, Inc.*, G.R. No. 214087, February 27, 2023 [Per J. Gaerlan, Third Division] at 9–10. This pinpoint citation refers to the copy of the Decision uploaded to the Supreme Court website. (Citations omitted)

¹³⁰ *Heirs of Dela Corta, Sr. v. Alag-Pitogo*, 871 Phil. 356, 368–369 (2020) [Per J. Inting, Second Division].

¹³¹ G.R. No. 214087, February 27, 2023 [Per J. Gaerlan, Third Division].

¹³² *Id.* at 9–10, citing WILLARD B. RIANO, CIVIL PROCEDURE (A RESTATEMENT FOR THE BAR): RULES 1–71 224–225 (2009). This pinpoint citation refers to the copy of the Decision uploaded to the Supreme Court website.

¹³³ *Golden Boracay Realty, Inc. v. Pelayo*, 908 Phil. 87, 95–96 (2021) [Per J. Caguioa, First Division].

indispensable simply because their presence will avoid numerous litigations.¹³⁴

Unlike Bello and Satuito who are concerned only with the review of the documents, the Real Estate Department and Atty. Kahulugan were actually in Iloilo, directly interacting with the sellers and broker Camiña.¹³⁵ They can also refute or confirm the existence of the bilateral and unilateral deeds, whether Satuito and Bello prepared them, and whether Camiña processed their notarization and registration. Hence, as the officers directly involved in the sale transactions, they should be impleaded as necessary parties.

In *Ramiscal v. People*,¹³⁶ an AFP-RSBS project officer Perfecto Quilicot, Jr. (Quilicot) was impleaded together with Ramiscal and Satuito. Quilicot worked under the Real Estate Department which had jurisdiction over the negotiation of properties. He also attested to the correctness of the computation of the amount to be disbursed.¹³⁷

I(B)

The anomalous real estate transactions of the AFP-RSBS are not an isolated case.

This Court has decided several cases related to the AFP-RSBS real estate anomalies,¹³⁸ which it can take judicial notice of as official acts of the Judiciary. Rule 129, Section 1 of the Rules on Evidence provides:

SECTION 1. *Judicial notice, when mandatory.* – A court shall take judicial notice, without the introduction of evidence, of the existence and territorial extent of states, their political history, forms of government and symbols of nationality, the law of nations, the admiralty and maritime courts of the world and their seals, the political constitution and history of the Philippines, *official acts of the legislative, executive and judicial departments of the National Government of the Philippines*, the laws of

¹³⁴ *Heirs of Dela Corta, Sr. v. Alag-Pitogo*, 871 Phil. 356, 368–369 (2020) [Per J. Inting, Second Division].

¹³⁵ *Rollo* (G.R. Nos. 239523-33), pp. 21, 28, 31.

¹³⁶ 913 Phil. 241 (2021) [Per J. Caguioa, First Division].

¹³⁷ *Id.* at 269.

¹³⁸ (1) *People v. Sandiganbayan et al.*, 456 Phil. 136 (2003) [Per J. Ynares-Santiago, First Division];

(2) *Ramiscal v. Sandiganbayan*, 487 Phil. 384 (2004) [Per J. Callejo, Sr., Second Division];

(3) *Ramiscal v. Sandiganbayan and People*, 530 Phil. 773 (2006) [Per J. Callejo, Sr., First Division].

(4) *Alzaga, Bello, and Satuito v. Sandiganbayan*, 536 Phil. 726 (2006) [Per J. Ynares-Santiago, First Division].

(5) *Antonino v. Ombudsman*, 595 Phil. 18 (2008) [Per J. Nachura, Third Division].

(6) *Ramiscal v. Sandiganbayan and People*, 645 Phil. 69 (2010) [Per J. Carpio, Second Division].

(7) *Ramiscal v. Hernandez et al.*, 645 Phil. 550 (2010) [Per J. Villarama, Jr., Third Division].

(8) *People v. Bello et al.*, 693 Phil. 457 (2012) [Per J. Abad, Third Division].

(9) *Ramiscal v. Commission on Audit*, 819 Phil. 597 (2017) [Per J. Jardeleza, *En Banc*].

(10) *Ramiscal v. People*, 913 Phil. 241 (2021) [Per J. Caguioa, First Division].

(11) *AFP Retirement and Separation Benefits v. Plastic King Industrial Corp.*, G.R. No. 231395, June 26, 2023 [Per J. Lazaro-Javier, Second Division].

nature, the measure of time, and the geographical divisions. (Emphasis supplied)

In *Alzaga et al. v. Sandiganbayan*,¹³⁹ this Court held that the AFP-RSBS is a government entity and that Ramiscal, Satuito, Bello, and Alzaga (then AFP-RSBS Legal Department Head) held managerial positions, making them subject to the Sandiganbayan's jurisdiction.¹⁴⁰

In *Ramiscal v. Hernandez and People*,¹⁴¹ this Court discussed the real estate anomalies found in the AFP-RSBS:

Petitioner, Retired BGen. Jose S. Ramiscal, Jr., then President of the Armed Forces of the Philippines-Retirement and Separation Benefits System (AFP-RSBS), signed several deeds of sale for the acquisition of parcels of land for the development of housing projects and for other concerns. However, it appears that the landowners from whom the AFP-RSBS acquired the lots executed unilateral deeds of sale providing for a lesser consideration apparently to evade the payment of correct taxes. Hence, the Senate Blue Ribbon Committee conducted an extensive investigation in 1998 on the alleged anomaly.¹⁴²

These anomalies were found in several areas such as Tanauan, Batangas,¹⁴³ Calamba, Laguna,¹⁴⁴ Iloilo City,¹⁴⁵ and General Santos City.¹⁴⁶

*Ramiscal v. Sandiganbayan and People*¹⁴⁷ described the real estate anomalies found by the Senate Blue Ribbon Committee:

Essentially, the Blue Ribbon Committee found that the real estate purchases by RSBS were uniformly documented by *two (2) sets of instruments: firstly, a unilateral deed of sale executed by the seller of the property only; secondly, a bilateral deed of sale, covering the same piece of land, executed both by the seller and by RSBS as buyer. The price stated in the second, bilateral, instrument was invariably much higher than the price reflected in the unilateral deed of sale.* The discrepancies between the purchase price booked by RSBS and the purchase price reflected in the unilateral deed of sale actually registered in the relevant Registry of Deeds,

¹³⁹ 536 Phil. 726, 732 (2006) [Per J. Ynares-Santiago, First Division]

¹⁴⁰ *Id.* See also *People v. Bello, Satuito, Camiña, et al.*, 693 Phil. 457, 462–463 (2012) [Per J. Abad, Third Division]; *People v. Sandiganbayan, Ramiscal, Alzaga, Satuito, et al.*, 456 Phil. 136, 143–144 (2003) [Per J. Ynares-Santiago, First Division].

¹⁴¹ *Ramiscal v. Hernandez and People*, 645 Phil. 550 (2010) [Per J. Villarama, Jr., Third Division].

¹⁴² *Id.* at 552.

¹⁴³ See also *Alzaga, Bello, and Satuito v. Sandiganbayan*, 536 Phil. 726 (2006) [Per J. Ynares-Santiago, First Division].

¹⁴⁴ See also *Ramiscal v. Sandiganbayan*, 530 Phil. 773 (2006) [Per J. Callejo, Sr., First Division]; *Ramiscal v. Commission on Audit*, 819 Phil. 597 (2017) [Per J. Jardeleza, *En Banc*]; *Ramiscal v. People*, 913 Phil. 241 (2021) [Per J. Caguioa, First Division].

¹⁴⁵ See also *Ramiscal v. Sandiganbayan*, 530 Phil. 773 (2006) [Per J. Callejo, Sr., First Division]; *Ramiscal v. People*, 913 Phil. 241 (2021) [Per J. Caguioa, First Division].

¹⁴⁶ See also *Ramiscal v. Sandiganbayan*, 487 Phil. 384 (2004) [Per J. Callejo, Sr., Second Division]; *Antonino v. Ombudsman*, 595 Phil. 18 (2008) [Per J. Nachura, Third Division].

¹⁴⁷ *Ramiscal v. Sandiganbayan and People*, 530 Phil. 773 (2006) [Per J. Callejo, Sr., First Division].

totalled about seven hundred three million pesos (P703 Million). The two (2) sets of purchase price figures obviously could not both be correct at the same time. Either the purchase price booked and paid out by RSBS was the true purchase price of the land involved, in which case RSBS had obviously assisted or abetted the seller in grossly understating the capital gains realized by him and in defrauding the National Treasury; or the purchase price in the unilateral deed of sale was the consideration actually received by the seller from RSBS, in which case, the buyer RSBS had grossly overpaid, with the differential, in the belief of the Senate Blue Ribbon Committee, going into the pockets of RSBS officials. A third possibility was that the differential between the purchase price booked and paid by the buyer-RSBS and the selling price admitted by the seller of the land, had been shared by buyer and seller in some undisclosed ratio.¹⁴⁸ (Emphasis supplied)

*People v. Bello et al.*¹⁴⁹ provided more details on the custody of the two sets of deeds of sale:

The first [unnotarized bilateral deeds with higher price] would be kept by the AFP-RSBS Legal Department while the second [unilateral deeds with discounted purchase price] would be held by the vendors. The latter would then use these unilateral deeds of sale in securing titles in the name of AFP-RSBS. This was done, according to the Committee, to enable the AFP-RSBS to draw more money from its funds and to enable the vendors to pay lesser taxes.¹⁵⁰

Further, unlike the incidents here, *Ramiscal v. People*¹⁵¹ (2021 *Ramiscal* case) dealt with both bilateral and unilateral deeds, which were dated and notarized. This Court clarified its previous ruling that the Sandiganbayan erroneously favored the unilateral deeds because it was dated earlier than the bilateral deeds, and were registered with the Registry of Deeds. The Court added that “just because the [unilateral deeds] was used to transfer title to the AFP-RSBS does not mean that it contains the true agreement between the parties, especially when there is no categorical proof that the AFP-RSBS participated in the execution thereof.”¹⁵² In the 2021 *Ramiscal* case, *Ramiscal*, *Bello*, *Satuito*, and *Quilicot* were acquitted because bad faith was not proved and the unilateral deeds were not among or attached to the documents that they signed:

Verily, a finding that petitioners *should have known about the existence of the unilateral deed* cannot be equated to a finding that, as charged, they fabricated a second deed of sale to make it appear that the property was sold for a different price. Neither does it prove that the real

¹⁴⁸ *Id.* at 779. See also *Ramiscal v. Sandiganbayan*, 487 Phil. 384 (2004) [Per J. Callejo, Sr., Second Division]; *Ramiscal v. Commission on Audit*, 819 Phil. 597 (2017) [Per J. Jardeleza, *En Banc*]; The Report of the Fact Finding Commission Pursuant to Administrative Order No. 78 of the President of the Republic of the Philippines Dated July 30, 2003 (October 17, 2003), p. 53, available at https://images.gmanews.tv/pdf/factfinding_AO78_report.pdf (last accessed on March 3, 2025).

¹⁴⁹ 693 Phil. 457 (2012) [Per J. Abad, Third Division]. This also involved the anomalous sale transactions in Iloilo City.

¹⁵⁰ *Id.* at 459.

¹⁵¹ *Ramiscal v. People*, 913 Phil. 241 (2021) [Per J. Caguioa, First Division].

¹⁵² *Id.* at 269.

consideration is that in the unilateral deed. Again, just because the unilateral deed was used to transfer title to the AFP-RSBS does not mean that it contains the true agreement between the parties, *especially when there is no categorical proof that the AFP-RSBS participated in the execution thereof*. The transfer of title could have been achieved even without action whatsoever on the part of AFP-RSBS, as the Register of Deeds would not have inquired as to whether AFP-RSBS participated in or consented to the transfer *via* unilateral deed — the register's duty being ministerial in nature.¹⁵³ (Emphasis supplied)

These cases concerning the AFP-RSBS's anomalous real estate transactions share similarities with the present case. Each involved two sets of deeds: one having a lower purchase price and executed only by the seller; and another executed by both the seller and the AFP-RSBS at a higher purchase price. These questionable sale transactions, presumed to have been intended to evade taxes, were also subject of a Senate Blue Ribbon Committee Investigation. Thus, while Bello and Satuito were also impleaded as officers of the AFP-RSBS in several cases, the resolution of the present case should still consider the particular facts as proven by evidence.

II

The prosecution's evidence failed to establish conspiracy among the accused.

The Sandiganbayan's findings on conspiracy are tenuous. Specifically, its finding that the AFP-RSBS Legal Department consented to the scheme "through its inaction" is alarming, more so because it failed to prove petitioners' overt acts and community of design.

*Rimando v. People*¹⁵⁴ requires and defines an "overt or external act" in the context of a conspiracy, as follows:

[An overt or external act] is defined as some *physical activity or deed*, indicating the intention to commit a particular crime, more than a mere planning or preparation, which if carried out to its complete termination following its natural course, without being frustrated by external obstacles nor by the spontaneous desistance of the perpetrator, will logically and necessarily ripen into a concrete offense.¹⁵⁵ (Emphasis supplied)

An overt act may consist of active participation in the actual commission of the crime or through moral assistance to or ascendancy over

¹⁵³ *Id.*

¹⁵⁴ 821 Phil. 1086, 1097 (2017) [Per J. Velasco Jr., Third Division], citing *Bahilidad v. People*, 629 Phil. 567, 575 (2010) [Per J. Nachura, Third Division].

¹⁵⁵ *Id.* at 1099–1100.

the co-conspirators.¹⁵⁶ The rationale for requiring an overt act is to confirm or clarify in unequivocal terms the intent to conspire and commit the crime:

The *raison d'être* for the law requiring a direct overt act is that, in a majority of cases, the conduct of the accused consisting merely of acts of preparation has never ceased to be equivocal; and this is necessarily so, irrespective of his declared intent. *It is that quality of being equivocal that must be lacking before the act becomes one which may be said to be a commencement of the commission of the crime, or an overt act or before any fragment of the crime itself has been committed, and this is so for the reason that so long as the equivocal quality remains, no one can say with certainty what the intent of the accused is.* It is necessary that the overt act should have been the ultimate step towards the consummation of the design. It is sufficient if it was the first or some subsequent step in a direct movement towards the commission of the offense after the preparations are made. The act done need not constitute the last proximate one for completion. It is necessary, however, that the attempt must have a causal relation to the intended crime. In the words of *Viada*, the overt acts must have an immediate and necessary relation to the offense.¹⁵⁷ (Emphasis supplied)

To establish conspiracy, the acts of the accused must demonstrate, with moral certainty, the common design to commit a crime. The accused's "conscious and intentional participation in the planning, preparation, and execution of the crime charged" must be proved by clear and convincing evidence.¹⁵⁸ "[K]nowledge of, or acquiescence in, or agreement to cooperate is not enough to constitute one party to a conspiracy, absent any active participation in the commission of the crime with a view to the furtherance of the common design and purpose."¹⁵⁹

A conspiracy may be express or implied:

In terms of proving its existence, conspiracy takes two forms. The first is the express form, which requires proof of an actual agreement among all the co-conspirators to commit the crime. However, conspiracies are not always shown to have been expressly agreed upon. Thus, we have the second form, the implied conspiracy. *An implied conspiracy exists when two or more persons are shown to have aimed by their acts towards the accomplishment of the same unlawful object, each doing a part so that their combined acts, though apparently independent, were in fact connected and cooperative, indicating closeness of personal association and a concurrence of sentiment.* Implied conspiracy is proved through the mode and manner of the commission of the offense, or from the acts of the accused before, during and after the commission of the crime indubitably pointing to a joint purpose, a concert of action and a community of interest.¹⁶⁰ (Emphasis supplied)

¹⁵⁶ *Id.* at 1097.

¹⁵⁷ *Id.* at 1099-1100.

¹⁵⁸ *People v. Asuncion*, 922 Phil. 251, 280 (2022) [Per J. Rosario, Second Division].

¹⁵⁹ *People v. Domingo*, 905 Phil. 378, 378 (2021) [Per J. Delos Santos, Third Division].

¹⁶⁰ *Id.* at 388-389, citing *Macapagal-Arroyo v. People*, 790 Phil. 367, 419-420 (2016) [Per J. Bersamin, *En Banc*].

Here, besides not proving petitioners' express agreement to commit the scheme, the prosecution also failed to prove their overt acts and community of purpose.

First, except for knowing each other as colleagues at AFP-RSBS, Satuito and Bello did not personally know or communicate with the other co-accused, especially Camiña. They also did not directly deal with the sellers. Second, Satuito's and Bello's names or signatures did not appear on the documents formally offered by the prosecution and they were not tasked with the notarization of documents. Third, no prosecution witness testified against them, particularly on their supposed participation in the preparation, execution, and payment of the deeds of sale, or that they went to Iloilo for such purpose. Fourth, they had no further involvement after the execution of the bilateral deeds and were not aware of the unilateral deeds until during the Senate hearing.¹⁶¹

In fact, the preparation, execution, notarization, and registration of the unilateral deeds are prone to several explanations. The more compelling explanation is that these activities were performed by the AFP-RSBS Real Estate Department, the team directly communicating with the sellers and the broker. An alternative explanation would be that Camiña's employees committed the forgery on the unilateral deeds and processed the registration of the sale on their own.

Given the foregoing gaps and equivocal nature of its conspiracy theory, the Sandiganbayan failed to prove the accused's overt acts and community of design and, ultimately, the alleged conspiracy among them, whether express or implied.

III

The prosecution failed to prove all elements of the offenses charged.

The Sandiganbayan erroneously convicted Bello, Satuito, and Camiña of violating Section 3(e) of Republic Act No. 3019 and Article 171, paragraph 4 of the Revised Penal Code.

To sustain a conviction for violating Section 3(e) of Republic Act No. 3019, the prosecution must sufficiently establish the following elements:

¹⁶¹ *Rollo* (G.R. Nos. 239523-33), pp. 29-31, 107-108.

(1) the offender is a public officer; (2) the act was done in the discharge of the public officer's official, administrative, or judicial functions; (3) the act was done through manifest partiality, evident bad faith, or gross inexcusable negligence; and (4) the public officer caused any undue injury to any party, including the government, or gave any unwarranted benefits, advantage or preference.¹⁶²

Further, charges for violations under Republic Act No. 3019 must be grounded on graft and corruption.¹⁶³ "Graft" and "corruption" are defined and contextualized as follows:

Graft, defined, is the fraudulent obtaining of public money unlawfully by the corruption of public officers. It also refers to advantage or personal gain received because of the peculiar position or superior influence of one holding a position of trust and confidence without rendering compensatory services or dishonesty transaction in relation to public or official acts.

Corruption, in its fundamental sense meanwhile, is defined as the act of an official or fiduciary person who unlawfully and wrongfully uses his station or charter to procure some benefit for himself or for another person, contrary to duty and the rights of others. It pertains to an act done with an intent to give some advantage inconsistent with official duty and the rights of others.¹⁶⁴ (Emphasis supplied, citations omitted)

Mere mistake or violation of some regulation resulting in gain to a person or damage to the government is not enough. To successfully prosecute graft and corruption, corruption and personal gain must be proven to have been obtained through wrongful means.¹⁶⁵

III(A)

The prosecution failed to prove all the elements of violating Section 3(e) of Republic Act No. 3019.

The first and second elements are present because Bello and Satuito are public officers discharging official and administrative functions. However, the third and fourth elements are absent.

As to the third element, jurisprudence defines "manifest partiality" and "evident bad faith" as follows:

There is "manifest partiality" when there is a clear, notorious, or plain inclination or predilection to favor one side or person rather than another. Similarly, *bad faith* per se is not enough for one to be held

¹⁶² *People v. Asuncion*, 922 Phil. 251, 268 (2022) [Per J. Rosario, Second Division].

¹⁶³ *Id.* at 275.

¹⁶⁴ *Soriano v. People*, 922 Phil. 726, 740-741 (2022) [Per J. Inting, First Division].

¹⁶⁵ *Id.*

criminally liable for violation of Section 3(e) of [Republic Act] No. 3019, it must be evident and must partake the nature of fraud or a manifest deliberate intent on the part of the accused to do wrong or to cause damage.

*[T]o constitute evident bad faith or manifest partiality, it must be proven that the accused acted with malicious motive or fraudulent intent. It is not enough that the accused violated a law, committed mistakes or was negligent in his or her duties. There must be a clear showing that the accused was spurred by a corrupt motive or a deliberate intent to do wrong or to cause damage.*¹⁶⁶ (Emphasis supplied, citations omitted)

The Informations indicated that petitioners acted with manifest partiality and evident bad faith.¹⁶⁷ However, the prosecution failed to prove that Bello or Satuito maliciously favored one person over another, or that they actively and fraudulently fabricated the unilateral deeds. The prosecution only presumed that their negligence or passivity contributed to the anomalous sale transactions.

To prove their innocence, Satuito and Bello countered that their signatures did not appear on any document. The contentious unilateral deeds were not submitted to them for review, nor were they informed of the existence of such documents. Satuito and Bello merely reviewed the bilateral deeds in the usual course of business, in their capacities as Documentation Division Chief and Legal Department Head, respectively.¹⁶⁸

Since the Real Estate Department was tasked to handle the negotiation and closing of the sales, Satuito and Bello did not have the chance to directly oversee the sale transactions. They also no longer had any opportunity to review the documents after these were signed by AFP-RSBS President Ramiscal. Hence, if the unilateral deeds were only prepared after the bilateral deeds were executed, Satuito and Bello could no longer have known about the two sets of documents or at least about the unilateral deeds.

Thus, no manifest partiality or evident bad faith can be attributed to them.

This Court also discusses the fourth element as follows:

The [fourth] element refers to the two separate acts that qualify as violation of Section 3(e) of [Republic Act] No. 3019. The *first* punishable act is that the accused is said to have caused undue injury to the government or any party when the latter sustains *actual loss or damage, which must exist as a fact and cannot be based on speculations or conjectures*. The *second* punishable act is that the accused is said to have given *unwarranted benefits, advantage, or preference to a private party*. Proof of the extent or *quantum*

¹⁶⁶ *People v. Castillo*, 920 Phil. 996, 1008-1010 (2022) [Per J. Gaerlan, First Division].

¹⁶⁷ *Rollo* (G.R. Nos. 239523-33), pp. 13-14.

¹⁶⁸ *Id.* at 29-31, 107-108.

of damage is not thus essential. It is sufficient that the accused has given "unjustified favor or benefit to another."¹⁶⁹ (Emphasis supplied, citation omitted)

*Soriano v. People*¹⁷⁰ further clarifies:

It is not enough that unwarranted benefits were given to another or that there was damage to the government as a result of a violation of a law, rule, or regulation. The acts constituting the elements of a violation of [Republic Act No.] 3019 must be effected with corrupt intent, a dishonest design, or some unethical interest.¹⁷¹ (Citation omitted)

Here, the prosecution failed to prove that Bello and Satuito participated in the activities concerning the unilateral deeds or that they granted unwarranted benefits or advantage to the sellers or Camiña. Similarly, the loss or detriment to the government from the undervalued unilateral deeds became moot when the deficiency taxes have been compromised and paid.

Therefore, the fourth element is also absent here.

Without the presence of all elements, the prosecution failed to prove beyond reasonable doubt that Bello and Satuito violated Section 3(e) of Republic Act No. 3019.

III(B)

The prosecution also failed to prove all the elements of falsification of public documents under Article 171(4) of the Revised Penal Code, which are as follows:

- (1) The offender[s] [make] in a public document untruthful statements in a narration of facts;
- (2) [They have] a legal obligation to disclose the truth of the facts narrated by [them]; and
- (3) The facts narrated by [them] are absolutely false.

The prosecution must likewise prove that the public officer or employee had taken advantage of [their] official position in making the falsification. The offender is considered to have taken advantage of [their] official position *when (1) [they have] the duty to make or prepare or otherwise to intervene in the preparation of a document; or (2) [they have] the official custody of the document which [they falsify].*

Moreover, in falsification of public or official documents, it is *not necessary that there be present the idea of gain or the intent to injure a third*

¹⁶⁹ *People v. Castillo*, 920 Phil. 996, 1008–1010 (2022) [Per J. Gaerlan, First Division].

¹⁷⁰ 922 Phil. 726 (2022) [Per J. Inting, First Division].

¹⁷¹ *Id.* at 740–741.

person because in the falsification of a public document, what is punished is the violation of the public faith and the destruction of the truth as therein solemnly proclaimed.¹⁷² (Emphasis supplied, citations omitted)

Here, Bello and Satuito are public officers but were not proven to have taken advantage of their positions in making untruthful statements in public documents, i.e., the unilateral deeds. They were not aware of the unilateral deeds until they found out about them during the Senate hearing.¹⁷³ Thus, they could not be expected to falsify these documents or insert untruthful statements in their narration of facts.

Contrary to the Sandiganbayan's findings, the Real Estate Department, not Satuito and Bello, prepared the sale documents, i.e., bilateral deeds, which were reviewed by the Legal Department. Satuito's and Bello's official duties did not include preparing the sale documents, which were lodged with the Real Estate Department, or having official custody of those documents, which were with the Records Division. They cannot be attributed the false statements and forgeries in the unilateral deeds or be expected to exercise their legal obligation to disclose. The evidence also does not show that they gained unwarranted benefit or caused undue injury to the government.¹⁷⁴

Hence, without establishing all the elements of falsification of public documents, reasonable doubt exists on petitioners' guilt and they should be acquitted of this charge.

III(C)

In *People v. Asuncion*,¹⁷⁵ this Court reversed the conclusions of the Sandiganbayan for failing to prove the accused's guilt beyond reasonable doubt:

As a rule, the findings of fact of the Sandiganbayan, as a trial court, are accorded great weight and respect. However, in cases where there is a misappreciation of facts, the Court will not hesitate to reverse the conclusions reached by the trial court. *At all times, the Court must be satisfied that in convicting the accused, the factual findings and conclusions of the trial court meet the exacting standard of proof beyond reasonable doubt. Otherwise, the presumption of innocence must be favored, and exoneration must be granted as a matter of right.*

After a judicious examination of the records and submissions of the parties in this case, the Court finds that the facts and evidence presented by

¹⁷² *People v. Sandiganbayan*, 765 Phil. 845, 860-861 (2015) [Per J. Brion, Second Division].

¹⁷³ *Rollo* (G.R. No. 239542 and G.R. Nos. 239554-61), pp. 28-29.

¹⁷⁴ *Rollo* (G.R. Nos. 239657-68), pp. 45-46, 434; *Rollo* (G.R. No. 239542 and G.R. Nos. 239554-61), pp. 37-38.

¹⁷⁵ 922 Phil. 251 (2022) [Per J. Rosario, Second Division].

the prosecution failed to prove the guilt of accused-appellants beyond reasonable doubt.¹⁷⁶ (Emphasis supplied, citations omitted)

Here, the Sandiganbayan's conclusion that Satuito and Bello "consented with inaction" in the conspiracy is insufficient to prove guilt beyond reasonable doubt. The law presumes good faith and the innocence of the accused until proven guilty, and the prosecution must prove its case on the strength of its evidence, not on the weakness of the defense. *Asuncion* further elucidates:

*It bears emphasis that there is no such thing as presumption of bad faith in cases involving violations of [Republic Act No.] 3019, or the Anti-Graft and Corrupt Practices Act. On the contrary, the law presumes the accused innocent until proven guilty. Well entrenched in our jurisprudence is the rule that the conviction of the accused must rest, not on the weakness of the defense, but on the strength of the evidence for the prosecution. The burden is on the prosecution to prove the accused's guilt beyond reasonable doubt, not on the accused to prove his innocence. The administration of justice is not a matter of guesswork. Since a person's liberty is at stake here, all measures must be taken to ensure the protection of his fundamental rights.*¹⁷⁷

In establishing proof beyond reasonable doubt, the strength of the prosecution's evidence is primary.¹⁷⁸ While public office is indeed a public trust, the constitutional right to be presumed innocent covers all persons, both private individuals and civil servants.¹⁷⁹

Merely proving the existence of the anomalous sale transactions and using excluded evidence without proving petitioners' conspiracy to commit the offenses charged are insufficient to convict them. Indeed, the anomalous transactions happened when Bello and Satuito were heads of the AFP-RSBS Legal Department and Documentation Division, respectively. However, their positions alone do not suffice to convict them if they did not cause the preparation, execution, notarization, and registration of the unilateral deeds in the Registry of Deeds.

Thus, petitioners should be acquitted of the offenses charged due to the prosecution's failure to establish their guilt beyond reasonable doubt.

IV

Rule 120, Section 4 of the Revised Rules of Criminal Procedure provides:

¹⁷⁶ *Id.* at 267.

¹⁷⁷ *Id.* at 278, 279.

¹⁷⁸ *People v. Domingo*, 905 Phil. 378, 393-394 (2021) [Per J. Delos Santos, Third Division].

¹⁷⁹ *Soriano v. People*, 922 Phil. 726, 740-741 (2022) [Per J. Inting, First Division].

When there is variance between the offense charged in the complaint or information and that proved, and the offense as charged is included in or necessarily includes the offense proved, the accused shall be convicted of the offense proved which is included in the offense charged, or of the offense charged which is included in the offense proved.

*Ombudsman v. Fronda*¹⁸⁰ clarifies that an accused may be found guilty of an offense different from that charged if supported by evidence.

As can be gleaned, the lack of direct evidence to implicate one to a conspiracy to commit serious dishonesty would not necessarily result in the dismissal of the administrative charges. The Court is not precluded from modifying the offense that a respondent may be found guilty of to reflect what is actually established by the evidence on record. Apropos herein is Office of the Ombudsman v. PS/Supt. Espina (Espina) wherein the Court elucidated thusly:

.....

However, after a circumspect review of the records, the Court finds Espina administratively liable, instead, for Gross Neglect of Duty, warranting his dismissal from government service. At the outset, it should be pointed out that the designation of the offense or offenses with which a person is charged in an administrative case is not controlling, and one may be found guilty of another offense where the substance of the allegations and evidence presented sufficiently proves one's guilt, as in this case. Notably, the [Fact-Finding Investigation Bureau of the Office of the Deputy Ombudsman for the Military and Other Law Enforcement Offices]'s supplemental complaint accused Espina with failure to exercise due diligence in signing the [Inspection Report Forms], which is sufficient to hold him liable for Gross Neglect of Duty.¹⁸¹ (Emphasis supplied, citation omitted)

Here, the evidence shows that petitioners are individually liable for different offenses.

IV(A)

Camiña is guilty of falsification by a private individual under Article 172(1) in relation to Article 171 of the Revised Penal Code. The elements of the crime are as follows:

Falsification of documents under paragraph 1, Article 172 in relation to Article 171 of the Revised Penal Code (RPC) refers to falsification by a private individual or a public officer or employee, who did not take advantage of his official position, of public, private or commercial...

¹⁸⁰ 900 Phil. 135 (2021) [Per J. Lopez, J. Y., Third Division].

¹⁸¹ *Id.* at 148-149.

document. *The elements of falsification of documents under paragraph 1, Article 172 of the RPC are: (1) that the offender is a private individual or a public officer or employee who did not take advantage of his official position; (2) that he committed any of the acts of falsification enumerated in Article 171 of the RPC; and, (3) that the falsification was committed in a public, official or commercial document.*¹⁸² (Emphasis supplied, citation omitted)

The unilateral deed is a falsified document because it contained a purchase price different from that agreed upon by the parties and forged signatures of the sellers. Without direct and conclusive evidence on the persons responsible for the unilateral deeds, resort to circumstantial evidence and presumption is warranted. *People v. Lignes*¹⁸³ elucidates that a court may resort to circumstantial evidence absent direct evidence to prove commission of the crime:

Admittedly, there was no direct evidence to establish appellant's commission of the crime charged. However, direct evidence is not the only matrix wherefrom a trial court may draw its conclusion and finding of guilt. *It is a settled rule that circumstantial evidence is sufficient to support a conviction, and that direct evidence is not always necessary. This Court has recognized the reality that in certain cases, due to the inherent attempt to conceal a crime, it is not always possible to obtain direct evidence.*

The lack or absence of direct evidence does not necessarily mean that the guilt of the accused cannot be proved by evidence other than direct evidence. *Direct evidence is not the sole means of establishing guilt beyond reasonable doubt, because circumstantial evidence, if sufficient, can supplant the absence of direct evidence.* The crime charged may also be proved by circumstantial evidence, sometimes referred to as indirect or presumptive evidence. Circumstantial evidence has been defined as that which "goes to prove a fact or series of facts other than the facts in issue, which, if proved, may tend by inference to establish a fact in issue."¹⁸⁴ (Emphasis supplied, citations omitted)

The requisites for the courts to consider circumstantial evidence are: "(1) there must be more than one circumstance; (2) the facts from which inferences are derived were proven; and (3) the combination of all circumstances is such as to produce a conviction beyond reasonable doubt."¹⁸⁵

Here, circumstantial evidence shows that Camiña violated Article 172, paragraph 1 of the Revised Penal Code.

First, Camiña is a private individual. She is the Vice President of Grand Manor, a private company and an accredited broker of the AFP-RSBS.

¹⁸² *Tanenggee v. People*, 712 Phil. 310, 332-333 (2013) [Per J. Del Castillo, Second Division].

¹⁸³ 874 Phil. 530 (2020) [Per C. J. Peralta, First Division].

¹⁸⁴ *Id.* at 539-540.

¹⁸⁵ *People v. Juare*, 874 Phil. 850, 869 (2020) [Per J. Inting, Second Division]. See also RULES OF COURT, Rule 133, sec. 4.

Second, the falsification was made in a public document, i.e., notarized unilateral deeds.

Third, the falsification in the unilateral deeds was done through an untruthful statement of facts, i.e., different purchase prices and forged signatures of the sellers.

The first two elements were proved by the evidence on record. However, the third element lacked direct evidence; hence, resort to circumstantial evidence is warranted.

The circumstantial evidence proves that Camiña knew of the anomalous sale transactions, had control over Grand Manor and its employees, possessed the unilateral deeds, and benefitted from these transactions.

In *Medrano v. Court of Appeals*,¹⁸⁶ this Court recognized a broker's functions as follows:

A broker is generally defined as one who is engaged, for others, on a commission, *negotiating contracts relative to property with the custody of which he has no concern; the negotiator between other parties, never acting in his own name but in the name of those who employed him; he is strictly a middleman and for some purposes the agent of both parties.* A broker is one whose occupation is to bring parties together, in matters of trade, commerce or navigation.¹⁸⁷ (Emphasis supplied)

Here, Grand Manor was AFP-RSBS's broker. As Grand Manor's Vice President, Camiña was the go-between and agent of both the sellers and the AFP-RSBS,¹⁸⁸ and was deemed the procuring cause¹⁸⁹ of the sale. She connected the Real Estate Department with the sellers, particularly the siblings Barbasa and Barbasa-Perlas. She attended the ceremony for the execution of the bilateral deeds and the initial partial payment to the sellers. Her Grand Manor employees assisted in the sale and registration of the properties. She also earned commissions for the successful sales.¹⁹⁰

¹⁸⁶ 492 Phil. 222 (2005) [Per J. Callejo, Sr., Second Division].

¹⁸⁷ *Id.* at 232.

¹⁸⁸ *Rollo* (G.R. Nos. 239523-33), pp. 35-36.

¹⁸⁹ *Medrano v. Court of Appeals*, 492 Phil. 222, 232-233 (2005) [Per J. Callejo, Sr., Second Division]: "Procuring cause" is meant to be the proximate cause. The term "procuring cause," in describing a broker's activity, refers to a cause originating a series of events which, without break in their continuity, result in accomplishment of prime objective of the employment of the broker – producing a purchaser ready, willing and able to buy real estate on the owner's terms. A broker will be regarded as the "procuring cause" of a sale, so as to be entitled to commission, if his efforts are the foundation on which the negotiations resulting in a sale are begun. The broker must be the efficient agent or the procuring cause of the sale. The means employed by him and his efforts must result in the sale. He must find the purchaser, and the sale must proceed from his efforts acting as broker.

¹⁹⁰ *Rollo* (G.R. Nos. 239523-33), pp. 35-36.

The testimonies of the Barbasa siblings corroborate Camiña's involvement in the sale and registration of the Iloilo properties:

*Barbasa-Perlas's Testimony*¹⁹¹

Q: What else did you know, if any?

A: *That Grand Manor would be responsible for processing the payment of taxes related to the sale of our property to the BIR.*

Q: Then what happened after that?

A: *I remember that sometime in September 1996 my husband and I went to the office of Grand Manor and there we received a partial payment for the sale of our property which we found out to be fifty percent (50%) of the selling price of our land amounting to P2,680,320.00 at P240/sq. m.*

....

Q: What else happened, during your receipt of the partial payment?

A: *My husband and I signed a Deed of Absolute Sale in favor of RSBS.*

Q: How much was the consideration of the Deed of Absolute Sale you signed?

A: The consideration was for P5,360,640.00, sir, which was the actual consideration.

Q: Showing you the Deed of Absolute Sale (already marked as Exhibit "1") with a consideration of P5,360,640.00, is this the deed of sale you are referring to which you and your husband signed?

A: Yes sir

Q: What happened to the remaining 50% of the consideration of the sale of your property?

A: It was paid to us by RSBS, sir.

Q: When was that?

A: Sometime in May 1997.

Q: What happened during the payment of RSBS for the remaining 50%?

A: A general voucher was presented to us by RSBS deducting in advance the DAR conversion of P5/sq.m. or P111,680.00; Capital Gains Tax and Documentary Stamp Tax in the total amount of P482,481.00 and Presidio Royale share of P405,000.00. So we received only the net of P1,681,159.00.

....

Q: What happened next, if any?

A: *On 3 February 1998 Mrs. Camiña requested for a Special Power of Attorney (SPA) authorizing Grand Manor Iloilo Realty Corporation to receive payment from RSBS to reimburse them for the Capital*

¹⁹¹ Rollo (G.R. Nos. 239657-68), pp. 155-163.

Gains Tax and Documentary Stamp Tax they alleged to have been paid on our behalf. Since the amounts for the capital gains tax and the documentary stamp tax were withheld by RSBS and after getting my husband's consent, I signed the SPA.

Q: Is this the Special Power of Attorney which is Exhibit "F" of the prosecution you executed?

A: Yes, sir.

....

Q: What happened next?

A: Being confident that the sale of our property had been consummated as more than two (2) years had passed since we sold it, my brother, Hermie Barbasa, received a note dated 17 March 1998 from Mrs. Camiña asking for a meeting to talk about a case regarding the Capital Gains Tax of our property sold to RSBS.

Q: Showing you a note dated 17 March 1998 marked as Exhibit "4-h" attached to "Exhibit "4" is this the note you are referring to?

A: Yes sir.

Q: What was that regarding the Capital Gains Tax all about?

A: At that time, I had no idea whatsoever. As far as we were concerned anything that had to do with the Capital Gains Tax was fully settled by Mrs. Camiña.

Q: Did the meeting take place?

A: No sir.¹⁹² (Emphasis supplied)

Notably, the foregoing testimony shows that Grand Manor was involved in the sale of the bilateral deeds and registration of the unilateral deeds.

First, spouses Perlas was in Grand Manor's office when they signed the bilateral deeds and received the initial partial payment for their property.¹⁹³ To recall, the bilateral deeds contained the terms agreed upon and signed by the sellers.

Second, Grand Manor advanced the capital gains and documentary stamp taxes on the sellers' behalf and sought reimbursement for the amounts it paid.¹⁹⁴ To recall, the unilateral deed was the notarized document, not the bilateral deeds.

These suggest that Grand Manor was involved in the registration of the unilateral deeds at the very least. Camiña worked closely with the Iloilo Project Team during the negotiations, closing, and registration of the sales

¹⁹² *Id.* at 157-159.

¹⁹³ *Rollo* (G.R. Nos. 239523-33), pp. 32-34, 39, 41.

¹⁹⁴ *Id.* at 36-37, 40.

documents. To achieve that, she must have possession of the documents before and after they were signed by the sellers. Otherwise, she or Grand Manor could not have advanced the capital gains and documentary stamp taxes. The tax computations were based on the purchase prices on the duly executed and notarized deeds of sale submitted to the BIR.

Hence, since the bilateral deeds were not notarized and kept in the AFP-RSBS records, only the notarized unilateral deeds were submitted to the BIR and Registry of Deeds for taxation and registration purposes. Between the execution of the bilateral deeds and registration of the unilateral deeds, only Camiña, Grand Manor, or its employees had possession of the sales documents.

Jurisprudence provides that “[i]n the absence of a satisfactory explanation, one who is found in possession of a forged document and who used or uttered it is presumed to be the forger.”¹⁹⁵

Further, the Grand Manor employees’ signatures on the Registry of Deeds logbook and on the deeds of sale also show that they were involved in the execution, notarization, and registration of the unilateral deeds.¹⁹⁶ That some of the Grand Manor employees are currently at large does not negate their participation in the sale transactions.

Thus, in the absence of any satisfactory explanation, Camiña, Grand Manor, and its employees are presumed to have possessed the unilateral deeds and forged the sellers’ signatures on them.

Third, Camiña requested the Barbasa siblings to issue Special Powers of Attorney authorizing Grand Manor to receive the reimbursement for the taxes it advanced. The Special Powers of Attorney were signed by the Barbasa siblings and by Camiña’s husband, Gerard M. Camiña, for Grand Manor, witnessed by Concepcion L. Totesora and Elvira Tabuada, and notarized by Victoriano O. Maniba, Jr. on February 3, 1998.¹⁹⁷ The pertinent provision is as follows:

“To follow-up, sign documents and *receive payment in either cash or checks* from Armed Forces of the Philippines Retirement Separation Benefits System for the reimbursement of the Capital gains tax and Documentary Stamp for our Account.”¹⁹⁸ (Emphasis supplied)

¹⁹⁵ *Brisenio v. People*, 904 Phil. 627, 630 (2021) [Per J. Inting, Third Division].

¹⁹⁶ *Rollo* (G.R. Nos. 239523-33), pp. 41-43.

¹⁹⁷ *Rollo* (G.R. Nos. 239542 and 239544-61), pp. 298-303.

¹⁹⁸ *Rollo* (G.R. Nos. 239657-68), pp. 376-377, 391; *Rollo* (G.R. No. 239542 and G.R. Nos. 239554-61), pp. 298-301.

The Special Powers of Attorney categorically establish that Grand Manor not only directly handled money but was also in the position to receive it in its own capacity, not as broker of the sellers or the AFP-RSBS.

These instances are contrary to Camiña's claim that the only time she represented the sellers was when she wrote the BIR to settle the tax deficiencies on the sales.¹⁹⁹

Camiña's letter to the Bureau of Internal Revenue, with the subject "Proposal for Compromise Settlement of Tax Deficiency" and dated January 26, 1999, even corroborates the Special Powers of Attorney. The relevant excerpt of the letter is as follows:

"We paid the taxes in good faith, and our payment was duly received. However, in view of the findings of the Senate Blue Ribbon Committee, as good citizens, we would like to comply with our obligations.

On the basis of the Senate findings, there was an undervaluation of P42,373,550.00 for which the tax deficiency should be collected by the BIR. Our tentative computation of the tax deficiency is P2,754,280.70.

The buyer, RSBS, has withheld from us a total of P4,034,959.50 for capital gains and documentary stamp taxes. It also withheld P5.00 per square meter by way of conversion expense; the total amount withheld from us for taxes and conversion expense is P4,518,938.43.

*We find it very difficult to collect the withheld amount from RSBS. Except for our receivables from the RSBS, we have no resources with which to pay the deficiency taxes."*²⁰⁰ (Emphasis supplied)

Camiña's request for a meeting to discuss the tax deficiencies surprised the Barbasa siblings, believing that the deficiencies have already been settled when the AFP-RSBS withheld them from their final payment.

If Camiña was not involved in the payment of taxes, she would not have been so familiar with the tax deficiencies and confident enough to proactively and singlehandedly settle them.

The Sandiganbayan correctly discussed that Camiña, as Vice President of Grand Manor, had both decision-making powers and supervision over its employees:

... To underscore, accused Camiña was not a mere rank-and-file employee of Grand Manor Iloilo Realty Corporation but was its *Vice-President* and *stockholder*, being a family-owned corporation. The Court

¹⁹⁹ *Rollo* (G.R. Nos. 239657-68), pp. 376-377, 391.

²⁰⁰ *Rollo* (G.R. Nos. 239523-33), pp. 260-261. See People's Formal Offer of Evidence.

cannot remain oblivious of a standard business practice that accused Camiña, as Vice-President and stockholder, should at least exercise supervision and monitor the business practices of her subordinate employees, especially considering that it was her who actually brokered the negotiation, perfection, and consummation of the sale of the Iloilo properties. The involvement of either Joelita Trabuco or Hannah Grace R. Sonza to the transactions, therefore, cannot be disowned by accused Camiña as their own. What these employees partook of the sale transactions, they did for Grand Manor Iloilo Realty Corporation and in the end, for accused Camiña.²⁰¹ (Emphasis in the original)

Camiña thus cannot claim that she had a separate personality from Grand Manor. While a corporation has a separate legal personality, several exceptions allow the piercing of corporate veil. *Commissioner of Internal Revenue v. Estate of Toda, Jr.*²⁰² outlines these exceptions:

A corporation has a juridical personality distinct and separate from the persons owning or composing it. Thus, the owners or stockholders of a corporation may not generally be made to answer for the liabilities of a corporation and vice versa. *There are, however, certain instances in which personal liability may arise. It has been held in a number of cases that personal liability of a corporate director, trustee, or officer along, albeit not necessarily, with the corporation may validly attach when:*

1. *He assents to the (a) patently unlawful act of the corporation, (b) bad faith or gross negligence in directing its affairs, or (c) conflict of interest, resulting in damages to the corporation, its stockholders, or other persons;*²⁰³ (Emphasis supplied)

The preparation, execution, notarization, and registration of the unilateral deeds, i.e., fabricated documents with forged signatures and repudiated by the parties, are thus unlawful acts. Grand Manor's falsification of the unilateral deeds demonstrates bad faith, which exploited Grand Manor's delicate position as AFP-RSBS's broker and the Barbasa siblings' agent. Thus, its corporate veil should be pierced and Camiña be made liable.

After all, Camiña benefitted from the tax savings on and registration of the unilateral deeds.

Satuito and Bello argued that they did not benefit from the sale transactions because the AFP-RSBS automatically withheld the payment of taxes from the final payment to the sellers. Hence, they were not in a position to receive any money from the sale transactions. However, this argument does not apply to Grand Manor or Camiña who, through the Special Powers of Attorney, can directly receive money from the AFP-RSBS.

²⁰¹ *Id.* at 57.

²⁰² 481 Phil. 626, 644 (2004) [Per C.J. Davide, Jr., First Division].

²⁰³ *Id.*

The purchase prices and the corresponding taxes due in the unilateral deeds are lower than those corresponding to the bilateral deeds. The taxes Camiña allegedly paid in advance were based on the unilateral deeds; hence, they are lower than the taxes that should be paid under the bilateral deeds. However, she will be reimbursed based on the taxes due under the bilateral deeds, thereby resulting in tax savings.

The Special Powers of Attorney link the unilateral deeds to Grand Manor and Camiña; allow Grand Manor and Camiña to receive the tax savings in cash; and expose the leak in public funds from the AFP-RSBS to Camiña. They also show who profited from the discrepancy between the actual amount of taxes paid, i.e., based on the unilateral deeds, and the assumed correct taxes paid based on the bilateral deeds. This windfall gain can be sufficient incentive or motive to embark on this scheme of fabricating deeds of sale and forging signatures.

V

Satuito and Bello are guilty of simple neglect of duty and conduct prejudicial to the best interest of the service under Section 46(b)(3) of the Administrative Code of 1987 (Executive Order No. 292), in relation to Rule 10, Sections B and D of the Rules on Administrative Cases in the Civil Service.²⁰⁴

Simple negligence or neglect of duty is defined as “the failure of an employee to give proper attention to a required task expected of [them], or to discharge a duty due to carelessness or indifference.”²⁰⁵ The nature of neglect of duty is described as follows:

On one hand, gross neglect of duty is understood as the failure to give proper attention to a required task or to discharge a duty, characterized by want of even the slightest care, or by conscious indifference to the consequences insofar as other persons may be affected, or by flagrant and palpable breach of duty. It is the omission of that care which even inattentive and thoughtless men never fail to give to their own property. In cases involving public officials, there is gross negligence when a breach of duty is flagrant and palpable. Under the law, this offense warrants the supreme penalty of dismissal from service. *Simple neglect of duty, on the other hand, is characterized by failure of an employee or official to give proper attention to a task expected of him or her, signifying a disregard of a duty resulting from carelessness or indifference. This warrants the penalty of mere suspension from office without pay.*²⁰⁶ (Emphasis supplied, citations omitted)

²⁰⁴ Civil Service Commission Resolution No. 1701077 (2017).

²⁰⁵ *Trinidad v. Ombudsman*, 891 Phil. 268, 274 (2020) [Per J. Lopez, Second Division].

²⁰⁶ *Civil Service Commission v. Catacutan*, 855 Phil. 891, 902–903 (2019) [Per J. Reyes, J. C., Jr., Second Division].

The Administrative Code mandates that a legal service shall provide legal advice, prepare contracts, and interpret provisions of contracts concerning its government agency:

SECTION 17. *Legal Service.* – A Legal Service shall be provided where the operations of the department involve substantial legal work, in which case the Administrative Service shall not have a Legal Division. *The Legal Service shall provide legal advice to the department; interpret laws and rules affecting the operation of the department; prepare contracts and instruments to which the department is a party, and interpret provisions of contracts covering work performed for the Department by private entities; assist in the promulgation of rules governing the activities of the department; prepare comments on proposed legislation concerning the department; answer legal queries from the public; assist the Solicitor General in suits involving the Department or its officers, or employees or act as their principal counsel in all actions taken in their official capacity before judicial or administrative bodies; and perform such other functions as may be provided by law.*

Where the workload of the department does not warrant a Legal Service or a Legal Division, there shall be one or more legal assistants in the Office of the Secretary.²⁰⁷ (Emphasis supplied)

The Sandiganbayan presented the AFP-RSBS process flow in the signing of documents as discussed by Bello:

Atty. Bello gave a brief overview of the process flow involved in the signing of documents, viz: *before a vendor would sign a deed of sale, the Real Estate Department would give it to the Legal Department for review; once its review had finished, the document, still unsigned, would be returned to the operating department which in this case was the Iloilo Project Team to the vendor for signature; after the vendor signed the deed and payment has been made, the Legal Department would again review the document before it would be indorsed to the proper authority for signature.*

Thereafter, no action would be taken by the Legal Department. It was the operating department that would undertake the process to transfer the property in the name of AFP-RSBS. Unless they needed assistance, the Real Estate Department never asked help from the Legal Department in the registration of documents. The Real Estate Department was familiar with the processes involved in land registration, and they did not seek the Legal Department's assistance regarding the tax aspect of the transactions in the Iloilo Project.

Finally, after a deed of sale was signed, notarized, and the titles transferred to AFP-RSBS, the pertinent documents were indorsed to the Finance Department for safekeeping.²⁰⁸ (Emphasis supplied)

²⁰⁷ Executive Order No. 292 (Administrative Code of the Philippines), Chap. 3, sec. 17.

²⁰⁸ Rollo (G.R. Nos. 239523-33), p. 30.

Bello did not elaborate and situate his act of "passing upon" the bilateral deeds in the process flow. Rather, he claimed that the Legal Department does not have any participation in the Iloilo Project. He denied responsibility for the purchase of properties in Iloilo and limited his participation to "passing upon" the bilateral deeds before they were signed by the AFP-RSBS President.²⁰⁹ After reviewing the documents submitted to it, the Legal Department simply returned them to the concerned department for further action or implementation. The relevant excerpts of Bello's testimony are as follows:

Q14: As Head of the Legal Department, what was your participation in the project particularly the acquisition of lands in Iloilo?

A14: None, sir as the project was handled by the Iloilo Project Team. I did not negotiate with the sellers for the acquisition of their lots. I did not participate in the preparation, execution and notarization of the unilateral deeds of sale. I did not participate in the processing of the documents with the BIR and registration of the documents at the Registry of Deeds. I did not participate in the payment of the purchase price of the lots to the individual sellers.

Q15: Were you a member of the Iloilo Project Team?

A15: No sir. I was never a member of the Iloilo Project Team.

Q16: According to you, the Iloilo Project Team was responsible in making payments to the sellers?

A16: All payments were made in Iloilo, sir.

Q17: *If you know, who was assisting the Iloilo Project Team on matters of legal concerns?*

A17: *The team was being assisted by a legal counsel in the person of Atty. Maricel Capa-Kahulugan, sir.*

Q18: *Are you saying that Atty. Maricel Capa-Kahulugan is a regular member of the Iloilo Project Team?*

Q18: *No sir. She assists only the Iloilo Project Team if they encounter some legal problems. She also assists the Iloilo Project Team together with personnel from the Treasury Department in the payment of the purchase price to the sellers. However, the control and supervision in the payment of the purchase price and the whole project still rests in the Iloilo Project Team.*²¹⁰ (Emphasis supplied)

Q26: What is your participation in the execution of the Deed of Absolute Sale executed by Efren P. Juaneza and Jose S. Ramiscal (Exhibit "D", also marked as Exhibit "3"-bello)?

A26: *I passed upon the document before it was signed by Jose S. Ramiscal.*

Q27: If you know, where will this document go after Jose S. Ramiscal signed it?

A27: It is returned to the originating department.

Q28: And that department is?

²⁰⁹ *Id.* at 18.

²¹⁰ *Rollo* (G.R. No. 239542 and G.R. Nos. 239554-61), pp. 141-142.

A28: Real Estate Department.²¹¹

....

Q64: I observed in your testimony that the sales documents would return to the Real Estate Department after they were signed by Jose S. Ramiscal. What is the reason or reasons, if any, why these documents would go back to the Real Estate Department?

A:64 This is a matter of procedure and policy. Being the operating department in charge of the real estate projects, the documents would return to the concerned department for further action or implementation. In like manner, if the documents pertain to loans under the Accounts Management Department, the loan and mortgage agreements would return to the Accounts Management Department after the documents are signed by the President. The reason is simple. They are the operating departments which have full control and supervision over the transactions under their respective functions.²¹² (Emphasis supplied)

Bello claimed that when he received the sales documents for review, the transaction was already consummated. The sales documents were already signed by the vendors but not yet signed by the AFP-RSBS President and registered. He also alleged that the Legal Department verified whether the documents were in order for registration purposes. However, this is contrary to the process flow where the Real Estate Department processes the registration of the sales documents and transfer of the properties.²¹³ This irregularity should have prompted Bello to inquire with Atty. Kahulugan and the Real Estate Department.

Bello and Satuito admitted that Atty. Kahulugan was their subordinate and was specifically designated by the AFP-RSBS Board to review the Iloilo Project Team's documentation. She assisted the Iloilo Project Team in resolving legal problems and in paying the sellers.²¹⁴

Satuito also testified that his duty as Head of the Documentation Division under the Legal Department included the preparation and review of various contracts, e.g., sales agreements. However, he did not participate in the acquisition of properties in Iloilo and that his signature never appeared in the documents presented as evidence. The relevant excerpts of his testimony are as follows:

Q5: What was your position then in the AFP Retirement and Separation Benefits System?

²¹¹ *Id.* at 144. Bello also provided the same responses in similar questions posed to the sales documents involving Jose. S. Ramiscal and sellers Rosalinda Tropel (*Id.* at 145-146), Felipe Y. Villarosa (*Id.* at 146-147), Raul Aposaga (*Id.* at 148), Hermie Barbasa (*Id.* at 149), and Rosario Barbasa-Perlas (*Id.* at 150).

²¹² *Id.* at 150-151.

²¹³ *Rollo* (G.R. Nos. 239523-33), p. 19.

²¹⁴ *Id.* at 18, 21.

A5: I was an Assistant Vice President and occupying the position of Head, Documentation Division, sir.

Q6: During your term as Head, Documentation Division, do you recall if the AFP Retirement and Separation Benefits System acquired properties in Iloilo?

A6: Yes, sir.

Q7: If you know, why did AFP-RSBS acquire properties in Iloilo?

A7: It was for the purpose of developing residential and commercial projects including the development of a golf course, sir.

Q8: *As head of the Documentation Division, what was your participation in the project?*

A8: *There was none, sir.*

Q9: *Why did you say, none?*

A9: *It was a Special Project composed of selected team called the Iloilo Team.*

Q10: If you know, who composed the Iloilo Team?

A10: The team was headed by two Project Officers, sir.

Q11: Who were these two officers?

A11: They were Lt. Col. Rory Hormillosa and Lt. Col. Jefferson Almazan.

Q12: Who were in charge of acquiring the properties in Iloilo to develop the projects?

A12: The team, sir.

Q13: *Who was in charge of negotiation with the sellers, including the preparation of documents, registration of sale documents, payment of necessary taxes and payment to the sellers?*

A13: *The team, sir.*

Q14: Where was the payment being made to the sellers?

A14: In Iloilo, sir.

Q15: *If you know, who was assisting the team on matters of legal concerns?*

A15: *The team was being assisted by a legal counsel.*

Q16: *Who was that legal counsel?*

A16: *Atty. Maricel Capa-Kahulugan, sir.*

Q17: *If payment was being made in Iloilo, would you know if Atty. Kahulugan was also present in Iloilo to supervise payment?*

A17: *Yes, sir. In fact, no payment was made without her presence.*²¹⁵

Satuito claimed that Atty. Kahulugan forwarded documents pertinent to the Iloilo Project to the Legal Department. However, these did not include the unilateral deeds. He conveniently denied closely interacting with and

²¹⁵ *Id.* at 406-407.

receiving written reports from Atty. Kahulugan, as well as approving her authority to travel to Iloilo.²¹⁶

Effectively, Satuito treated Atty. Kahulugan as operating independently from the Documentation Division and Legal Department. However, he failed to prove that Atty. Kahulugan's specific designation by the AFP-RSBS Board removed his duty to supervise her as his subordinate. He also did not explain why he believed that he should not do so. After all, the Documentation Division was tasked with the preparation and review of AFP-RSBS contracts,²¹⁷ which should have included those under the Iloilo Project Team.

As aptly discussed by the Sandiganbayan:

It must be emphasized that it was precisely the work of the Legal Department in any office or agency to review documents relative to the purchase of properties before the same were indorsed to the contracting parties for their signature or approval. To be sure, the contracting parties would not have consented to sign or approve the deeds of sale were it not for the prior go-signal given by the Legal Department. *As lawyers of the Legal Department, therefore, Atty. Bello and Atty. Satuito could not shy away from their duty in the acquisition of private lots in Iloilo. Such duty surely entailed an active, not passive, participation. The Legal Department, as it stood, was supposed to gather all the important data and prepare all the necessary documents which would become material in the acquisition process, such as the names and addresses of the landowners, followed by the validation of their land titles, and more importantly, the valuation of the individual lots sold which purchase price AFP-RSBS would eventually pay, which would then be used in the computation of the capital gains tax. This was absolutely necessary, which the Legal Department could not have missed, since the payment of the capital gains tax is what would cause the issuance of the Certificate Authorizing Registration to effect the eventual transfer of registration.*²¹⁸

....

*Due to the nature of their functions as officials of the Legal Department of AFP-RSBS, Atty. Bello and Atty. Satuito had the duty to verify that the documents submitted for transfer of registration reflected the real purchase price as shown in the bilateral deeds of sale. In a similar manner, as the real estate broker of the parties, accused Camina should have warranted the truth of the real purchase price upon the submission of documents to the BIR and The Registry of Deeds.*²¹⁹ (Emphasis supplied)

²¹⁶ *Id.* at 22.

²¹⁷ *Id.* at 21.

²¹⁸ *Id.* at 61.

²¹⁹ *Id.* at 73.

In *Abubakar v. People*,²²⁰ this Court prompted public officials to investigate, inquire further, or exercise a greater degree of care if they knew of or observe tell-tale signs of irregularities.²²¹

Curiously during the hearings, the prosecution failed to probe Bello and Satuito's act of "passing upon" the sales documents and supervising Atty. Kahulagan in the Iloilo Project. For example, Parcon testified below that the bilateral deeds lacked the execution date and were not notarized.

ATTY. PERLAS

Q: Now, may I ask you this question: Which came first, the Bilateral Deed of Sale or the Unilateral Deed of Sale as being alleged by the prosecution?

A: Sir, what we have in our department is the Bilateral, copies of the Bilateral Deed of Sale.

Q: And when was it executed?

A: Can I see my notes?

....

THE WITNESS

A: Your Honors, this is an original copy of the Deed of Absolute Sale between Rosario R. Barbasa and the AFP Retirement Separation Benefit System. This particular Deed of Sale is not notarized so as to the execution, there is no particular indication when this was executed. However –

JUSTICE GESMUNDO

Q: No date appearing on top of the instrument?

A: *None, Your Honors. Only the date of the Community Tax Certificate number of Rosario Barbasa, Vicente Perlas and Jose Ramiscal are indicated which says January 8, 1996. But as to the execution, there is no indication, Your Honors. This is not notarized.*

ATTY. PERLAS

Q: So can we assume that this document was executed in 1996?

A: *I have no knowledge of the exact execution date, sir. These documents are only transmitted by the originating units to our office.*²²²

The prosecution should have asked Bello and Satuito how they exercised diligence in "passing upon" the documents. They should also have closely coordinated with Atty. Kahulagan, the only lawyer assigned to assist the Iloilo Project Team, to ensure that she had addressed all legal concerns or issues. When they learned of the issue during the Senate hearing, they should also have reached out to her to ascertain what happened in Iloilo. They should

²²⁰ 834 Phil. 435 (2018) [Per J. Leonen, Third Division].

²²¹ *Id.* at 485. See also J. Leonen, Dissenting Opinion in *Amposta-Mortel v. People*, G.R. Nos. 220500, 220504, 220505, 220532, 220552, 220568, 220580, 220587, and 220592, February 8, 2023 [Per J. Lopez, J., Second Division].

²²² *Rollo* (G.R. Nos. 239523-33), pp. 244–247.

have particularly asked her regarding the involvement of the AFP-RSBS in the preparation, execution, notarization, and registration of the unilateral deeds.

In *Alzaga et al. v. Sandiganbayan*,²²³ the ranks of the AFP-RSBS heads of the Legal Department and Documentation Division equate to that of a Vice President and Assistant Vice President, respectively. These rank even higher than those of “managers” mentioned in Republic Act No. 8249. *People v. Bello et al.*²²⁴ cited Black’s Law Dictionary’s definition of “managers” as “one who has charge of corporation and control of its businesses, or of its branch establishments, divisions, or departments, and who is vested with a certain amount of discretion and independent judgment.”²²⁵

Unfortunately, Bello and Satuito merely contented themselves with knowing that Atty. Kahulugan was assigned by the AFP-RSBS Board to assist in the Iloilo Project. They were indifferent in supervising her and careless in monitoring the developments and issues in the Iloilo Project. In other words, they failed to give proper attention to their duties as heads of the Legal Department and Documentation Division, which shows their neglect of duty.

*Civil Service Commission v. Catacutan*²²⁶ clarifies that it is possible for this Court to render judgment on matters beyond the issues and for which no hearing was made:

In other words, a judgment that goes beyond the issues and purports to adjudicate something on which the court did not hear the parties, is not only irregular, but also extrajudicial and invalid. This is based on the fundamental tenets of fair play. *An exception to this rule is viable only when the change in theory will not require the presentation of additional evidence on both sides. In which case, the Court will not hesitate to declare Catacutan guilty of another offense if and when the records disclose a substantial justification therefor.*

....

*The gravity of negligence or the character of neglect in the performance of duty is certainly a matter of evidence and will direct the proper sanction to be imposed.*²²⁷ (Emphasis supplied, citations omitted)

In *Catacutan*, an employee of the Office of the Solicitor General was found guilty of simple neglect of duty because he failed to sort and attach a bar code to a trial court’s decision on a nullity of marriage case, which led to the office’s failure to timely file an appeal. He was also found liable for

²²³ 536 Phil. 726, 732 (2006) [Per J. Ynares-Santiago, First Division]. See also *People v. Bello et al.*, 693 Phil. 457 (2012) [Per J. Abad, Third Division].

²²⁴ 693 Phil. 457 (2012) [Per J. Abad, Third Division].

²²⁵ *Id.* at 461–462.

²²⁶ 855 Phil. 891 (2019) [Per J. Reyes, J. C., Jr., Second Division].

²²⁷ *Id.* at 901–902.

conduct prejudicial to the best interest of the service because his negligence forfeited the State's right to appeal, thereby tarnishing the image and integrity of his public office. He was imposed the penalty of suspension from service for eight months, with his simple neglect of duty considered as an aggravating circumstance.²²⁸ In imposing this penalty, this Court explained:

Under Section 55 of CSC Memorandum Circular No. 19, Series of 1999 which governs the instant administrative proceedings, *the penalty to be meted out to Catacutan should be that corresponding to the most serious charge and the rest will be treated as merely aggravating circumstances.* Simple neglect of duty is a less grave offense punishable by suspension of one month and one day to six months; whereas conduct prejudicial to the best interest of the service, a grave offense, is punishable by suspension of six months and one day to one year. In either case, a second offense shall warrant dismissal from service. *Hence, in view of the lack of mitigating and aggravating circumstances properly pleaded and proved, Catacutan should be imposed the penalty of suspension from service for eight months, taking into account the offense of simple neglect of duty as an aggravating circumstance.*²²⁹ (Emphasis supplied, citations omitted)

In another case, *Monteroso v. Special Panel No. 13-01-IAB*,²³⁰ a former deputy ombudsman was also found liable for simple neglect of duty and conduct prejudicial to the service for his delayed resolution of a case.²³¹ As a deputy ombudsman, he had the primary duty to ensure that all complaints are promptly acted upon. However, he failed to read and acknowledge the internal office memoranda addressed to him. He thus violated the laws and rules he swore to uphold and should be held accountable for tarnishing the image of his office. He was fined equivalent to his salary for six months, in lieu of suspension, because his term as deputy ombudsman had already expired.²³² In that case, this Court applied the Revised Rules on Administrative Cases in the Civil Service. Similar to *Catacutan*, this Court imposed the penalty of suspension based on the most serious charge, i.e., conduct prejudicial to the best interest of the service, and considering the other charge, i.e., simple neglect of duty, as an aggravating circumstance.²³³

Here, even if Satuito and Bello were criminally charged, they can still be held administratively liable. Applying *Catacutan*, no additional presentation of evidence is needed to establish their administrative liability. The records already establish their simple neglect of duty, particularly their failure to supervise Atty. Kahulugan and keep abreast with the developments in the Iloilo Project. Further, this neglect contributed to tarnishing the image and integrity of their office, the AFP-RSBS. The AFP-RSBS not only mismanaged the contributions of its members, but was also the subject of a

²²⁸ *Id.* at 895-896, 906-908.

²²⁹ *Id.* at 908-909.

²³⁰ 913 Phil. 440 (2021) [Per J. Lazaro-Javier, First Division].

²³¹ *Id.* at 440-442.

²³² *Id.* at 440-442, 451-452, 459-461.

²³³ *Id.* at 462-464.

Senate Blue Ribbon Committee investigation. It was found to be “‘fundamentally flawed’ and had not discharged its mandate,” and worse, was eventually abolished.²³⁴

Hence, Satuito and Bello should be held liable for simple neglect of duty and conduct prejudicial to the best interest of the service. Without any aggravating or mitigating circumstances proved, the penalty for conduct prejudicial to the best interest of the service, as the most serious charge, will be imposed, with simple neglect of duty appreciated as an aggravating circumstance.

VI

The gaps encountered in this case could have been addressed had the prosecution ensured the participation of competent witnesses and the admission of relevant and material evidence. Particularly, the prosecution should have impleaded Atty. Kahulugan, Lt. Col. Hormillosa, Lt. Col. Almazan, and Col. Mison III as necessary parties. Unfortunately, without their accounts, this Court is limited to reviewing the evidence on record and resorting to circumstantial evidence.

The real estate anomalies of the AFP-RSBS existed not only in Iloilo but in other parts of the country as well.²³⁵ It has been among the grievances on corruption and mismanagement of funds in the AFP expressed by the officers and enlisted men.²³⁶

In *Antonino v. Ombudsman Desierto*,²³⁷ this Court held that the Ombudsman did not act with grave abuse of discretion in dismissing the criminal complaint against respondents therein due to the inherent weakness of petitioner’s case.²³⁸ While this Court notes, in *Ramiscal v. Sandiganbayan and People*,²³⁹ the “lack of prosecutors who would handle the voluminous cases,” the quality of the case build-up should not be so compromised as to prejudice both the public interest and the constitutional presumption of innocence.

In any case, the prosecution still has recourse. The “threefold liability rule” holds that the wrongful acts or omissions of a public officer may give rise to civil, criminal, and administrative liability. The action that may result for each liability may proceed independently of one another because they have

²³⁴ Memorandum Order No. 90 (2016), Directing the Abolition of the Armed Forces of the Philippines-Retirement and Separation Benefits System (AFP-RSBS), Privatization of its Subsidiaries, and for Other Purposes.

²³⁵ *People v. Bello et al.*, 693 Phil. 459 (2012) [Per J. Abad, Third Division].

²³⁶ *Ramiscal v. Sandiganbayan and People*, 530 Phil. 777-779 (2006) [Per J. Callejo, Sr., First Division].

²³⁷ 595 Phil. 18 (2008) [Per J. Nachura, Third Division].

²³⁸ *Id.* at 43.

²³⁹ 530 Phil. 773, 783 (2006) [Per J. Callejo, Sr., First Division].

different required quantum of evidence. Thus, “even if an administrative case may no longer be filed against public officials who have already resigned or retired, criminal and civil cases may still be filed against them.”²⁴⁰

Further, in *Bangko Sentral ng Pilipinas v. Office of the Ombudsman*,²⁴¹ this Court ruled that administrative cases may still be filed against public officials who have separated from office if their separation, e.g., retirement or resignation, was voluntary and intended to preempt the filing of those cases:

As clearly illustrated by the foregoing passage, *Andutan* upholds the general rule that *the separation of a public officer from the government service forecloses the filing of administrative charges against such public officer. The continuing validity and binding effect of administrative proceedings after the resignation or voluntary separation of the respondent public officer is based not on the availability of accessory penalties but on the bad faith attendant to such resignation or voluntary separation.*

....

However, the holding in *Andutan* is premised on the finding that *Andutan* was involuntarily separated from the service by virtue of a directive from the Executive Secretary. Based on the aforequoted passage in *Andutan*, *separation from the service is not an absolute bar to the filing of an administrative charge if the public officer voluntarily separated from the service to “pre-empt the imminent filing” thereof.*²⁴² (Emphasis supplied, citations omitted)

The Ombudsman is not precluded from filing the relevant administrative, civil, and criminal cases against the concerned public officials not necessarily limited to petitioners Satuito, Bello, and Camiña here. By then, the Ombudsman should have already learned from the numerous cases on this matter decided by this Court.

ACCORDINGLY, the consolidated Petitions filed by Manuel S. Satuito, Meinrado Enrique A. Bello, and Minviluz S. Camiña in G.R. Nos. 239523-33, G.R. No. 239542 and G.R. Nos. 239554-61, and G.R. Nos. 239657-68, respectively, are **PARTLY GRANTED**.

The assailed Sandiganbayan’s February 9, 2018 Decision and May 25, 2018 Resolution are **SET ASIDE**. Petitioners Manuel S. Satuito, Meinrado Enrique A. Bello, and Minviluz S. Camiña are **ACQUITTED** of violating Section 3(e) of Republic Act No. 3019 and Article 171(4) of the Revised Penal Code for failure of the prosecution to prove their guilt beyond reasonable doubt.

²⁴⁰ *Ramiscal v. Commission on Audit*, 819 Phil. 597, 610–611 (2017) [Per J. Jardeleza, *En Banc*].

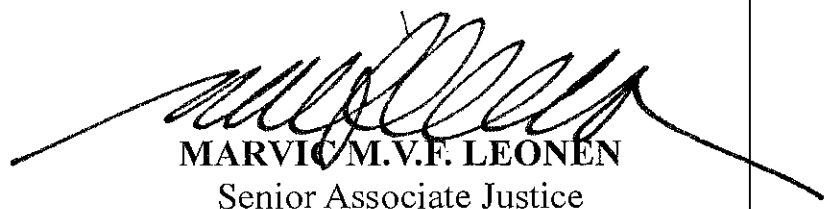
²⁴¹ 904 Phil. 301 (2021) [Per J. Gaerlan, First Division].

²⁴² *Id.* at 317–319.

Petitioner Minviluz S. Camiña is found **GUILTY** beyond reasonable doubt of two counts of falsification of private documents in violation of Article 172(1) in relation to Article 171 of the Revised Penal Code. She is sentenced to suffer the indeterminate penalty of imprisonment of two years, four months, and one day of *prision correccional*, as minimum, to four years and two months, as maximum, and to **PAY** a fine of PHP 500,000.00 for each count.

Petitioners Manuel S. Satuito and Meinrado Enrique A. Bello are also found **GUILTY** of two counts of simple neglect of duty and conduct prejudicial to the best interest of the service under Section 46(b)(3) of the Administrative Code of 1987 (Executive Order No. 292), in relation to Rule 10, Sections B and D of the Rules on Administrative Cases in the Civil Service. Accordingly, they are meted the penalty of eight months **SUSPENSION** from office for said offenses. If they have been separated from service, they are ordered to **PAY** a fine equivalent to their salaries for eight months.

SO ORDERED.

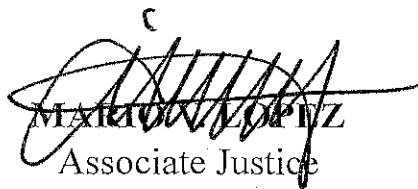


MARVIC M.V.F. LEONEN
Senior Associate Justice

WE CONCUR:


AMY C. LAZARO-JAVIER

Associate Justice


MARIANO LOPEZ
Associate Justice

On official business

JHOSEP Y. LOPEZ

Associate Justice


ANTONIO T. KHO, JR.

Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the cases were assigned to the writer of the opinion of the Court's Division.


MARVIC M.V.F. LEONEN

Senior Associate Justice

Chairperson

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the cases were as assigned to the writer of the opinion of the Court's Division.


ALEXANDER G. GESMUNDO

Chief Justice