

SUPREME COURT OF THE PHILIPPINES
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Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

IAN B. CARONONGAN,
Complainant,

A.C. No. 10252

Present:

PERLAS-BERNABE, S.A.J.,
Chairperson,
REYES, A., JR.,
HERNANDO,
INTING, and
DELOS SANTOS, JJ.

- versus -

ATTY. JAIRO M. LADERA,
Respondent.

Promulgated:

11 DEC 2019

X ----- X

RESOLUTION

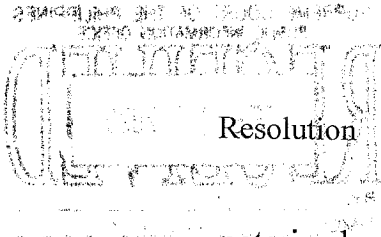
INTING, J.:

This resolves the administrative complaint filed by Ian B. Caronongan (complainant) against Atty. Jairo M. Ladera (respondent) for violation of Section 3(c)¹ and Section 6(a),² Rule IV of the 2004 Rules on Notarial Practice (Rules).

The Antecedents

In his verified Complaint Affidavit,³ complainant averred that he was a bank officer at Peoples Bank of Caraga, Inc. (Bank) located in San Francisco, Agusan del Sur. According to him, on September 27, 2011, respondent

¹ Sec. 3. *Disqualifications.* — A notary public is disqualified from performing a notarial act if he:
x x x
(c) is a spouse, common-law partner, ancestor, descendant, or relative by affinity or consanguinity of the principal within the fourth civil degree.
² Sec. 6. *Improper Instruments or Documents.* — A notary public shall not notarize:
(a) a blank or incomplete instrument or document; or x x x.
³ *Rollo*, pp. 2-3.



notarized an incomplete document, wherein a Contract of Lease⁴ was purportedly executed between the Bank, represented by its Cabadbaran City Branch Manager, Wilma A. Tepan (Wilma), as lessee, and Teresita M. Ladera (Teresita), the mother of respondent, as lessor. He added that the contract was denominated in respondent's notarial register as Doc. No. 77; Page No. 16; Book 1 and Series of 2011.

Complainant contended that respondent notarized the above-cited contract despite the prohibition under the Rules considering that the one who signed it was the respondent's mother. He added that the notarized document was also incomplete because it did not bear the signature of Wilma, the Bank's representative.

In support of his case, complainant attached an Affidavit of Witness⁵ executed by Wilma.

Wilma confirmed that she was the Manager of the Bank's Cabadbaran Branch, and was designated to sign the agreement when the Bank rented Teresita's lot in 2010 for its satellite office in Brgy. Bad-as, Placer, Surigao del Norte. She alleged that after the lease expired, Teresita submitted to the Cabadbaran Branch a new contract. To her surprise, Wilma noticed that this new contract was already signed by Teresita and was notarized by respondent, who she later discovered to be the son of Teresita.

Wilma added that Teresita demanded for the Bank to accept the terms of the new contract despite the unreasonable increase of 100% in rent. She, nonetheless, asserted that the Bank did not anymore pursue the lease, vacated the property and transferred its office to another locality. She also claimed that the proposed lease contract was without her, or the Bank's consent or conformity.

For his part, respondent countered in his Comment⁶ that although complainant claimed to be an officer of the Bank, he was not an aggrieved party and was not authorized by the Bank to institute this case. He also posited that the Bank was not injured by the existence of the subject lease contract as the parties did not accept its terms; thus, it had no value and did not confer any rights.⁷

⁴ *Id.* at 4-6.

⁵ *Id.* at 7-8.

⁶ *Id.* at 11-17.

⁷ *Id.* at 14-15.

In addition, the Bank was purportedly not forced to accept the new lease contract. Instead, respondent asserted that the parties entered into a lease agreement on a month to month basis as they were then settling the issue relative to reimbursement of improvements introduced in the property.⁸ He denied that Wilma was unaware of the increase in rent because such change was communicated to her.⁹

Moreover, respondent asserted that he was admitted as member of the Philippine Bar on April 15, 2011 and was commissioned as a notary public in May 2011. Being a new lawyer, he was so eager to solve everyone's legal problems and due to modest unfamiliarity, without any intention to cause damage, he acknowledged the instrument executed by his mother on September 27, 2011. Respondent added that such document was not incomplete because it was only his mother who signed it. He stressed that he did not mention at all in the same document that Wilma appeared and signed the contract before him.¹⁰

Meanwhile, in his Complainant's Reply with Motion for Leave for Admission of Belated Pleading,¹¹ complainant stressed that he filed the case by himself, not in representation of the Bank. He explained that being the Bank's paralegal, he was tasked to review its legal transactions, including the one it had with Teresita. He further stated that he filed this suit because he saw the blatant violation by respondent of his obligation as notary public.

Complainant also averred that as a law degree holder, although not a bar passer, he was familiar with the obligations of a notary public. He asserted that it was a basic principle of law that the notary public was prohibited from subscribing documents involving one's relatives within the fourth degree of affinity and consanguinity. For having done so, respondent violated his obligation as a notary public. He, likewise, alleged that by notarizing a deed despite the non-appearance of one of its signatories, respondent also violated Rule 1.01,¹² Canon 1 of the Code of Professional Responsibility.

⁸ *Id.* at 14.

⁹ *Id.* at 15.

¹⁰ *Id.* at 15-16.

¹¹ *Rollo*, pp. 39-44.

¹² Rule 1.01 — A lawyer shall not engage in unlawful, dishonest, immoral or deceitful conduct.

Proceedings before the Integrated Bar of the Philippines (IBP)

In his Report and Recommendation,¹³ the Investigating Commissioner Ramsey M. Quijano (Investigating Commissioner Quijano) opined that respondent violated Section 3(c), Rule IV of the Rules, and recommended that he be reprimanded and disqualified from being commissioned as notary public for a period of three months.

On February 22, 2018, the IBP-Board of Governors (BOG) adopted with modification the Report and Recommendation of Investigating Commissioner Quijano, to wit:

RESOLVED to ADOPT the findings of fact and recommendation of the Investigating Commissioner, with modification, by imposing instead the penalty of REPRIMAND, and SUSPENSION of the Respondent from being appointed as Notary Public for three (3) months.¹⁴

Issue

Whether respondent should be held administratively liable for the acts complained of.

Our Ruling

We agree with the findings of the IBP, but not to the recommended penalty.

To begin with, the Court once again stresses that notarization is *not* a meaningless, empty or a mere routine act. It is so imbued with public interest as it transforms a private document into a public one making the document admissible in evidence without need of proof of its authenticity. As such, to preserve the integrity of any document subject of notarization, a notary public is expected to observe with due care the basic requirements in performing his or her duties.¹⁵

¹³ *Rollo*, pp. 132-133.

¹⁴ *Id.* at 130.

¹⁵ See *Spouses Balbin v. Atty. Baranda, Jr.*, A.C. No. 12041, November 5, 2018.

Moreover, a notary public is authorized to notarize a document provided that the person or persons who signed it are the same ones who executed and personally appeared before him or her to attest to the contents and the truth of the matters therein stated. This requirement is for the purpose of ensuring that the notarized document is the free act of the party or parties to it.¹⁶ Added to this, Section 3(c), Rule IV of the Rules disqualifies a notary public from notarizing documents where the principal thereof is a relative within the fourth civil degree of affinity or consanguinity of the notary public.

In this case, respondent notarized the subject lease contract signed by his mother. By this fact alone, he violated the disqualification rule under the aforesaid provision of the Rules.¹⁷ However, the Court notes that other than respondent's mother, no other party signed the contract. In fact, as embodied in the Acknowledgment itself, respondent did not declare that any other person appeared before him, aside from his mother, to wit:

BEFORE ME, a notary for and in the City of Cagayan de Oro, on this 27th day of September, 2011, personally appeared Teresita M. Ladera of Zone 1, Upper Bantiles, Bugo, Cagayan de Oro City with Social Security Systems card no. 09-0462456-6, known to me and known to be to be same person who executed the Contract of Lease, and she acknowledged to me that the same is her free act and voluntary deed.

This contract relates to the lease of a parcel of land and the first floor of its building located at Bad-as, Placer, Surigao del Norte consisting of three (3) pages including on which this acknowledgement is written and was signed by the above stated party and the instrumental witnesses on each and every page thereof.

WITNESS MY HAND AND SEAL.¹⁸

At the same time, complainant himself admitted that the Bank and Teresita did not pursue the agreement surrounding the lease agreement. This only shows that despite its notarization, no apparent injury was

¹⁶ See *Tabao v. Atty. Lacaba*, A.C. No. 9269, March 13, 2019.

¹⁷ *Jandoquile v. Revilla, Jr.*, 708 Phil. 337 (2013).

¹⁸ *Rollo*, p. 6.

caused to any party by respondent's act of notarizing a document signed by his mother. Moreover, respondent readily admitted his mistake contending that he was a new lawyer at the time he notarized the subject instrument. He asserted, too, that he was so eager to be of help but due to modest unfamiliarity, without any intention to cause damage, he acknowledged the instrument executed by his mother.


By virtue of the foregoing attendant circumstances, the Court deems it proper to instead admonish respondent considering that: (1) no evidence of bad faith can be imputed against him; (2) he readily admitted his mistake; (3) no prejudice to any person was caused by his complained act; and (4) he was a new lawyer and a first time offender when he committed it. We believe that because of this case, respondent learned his lesson already as regards notarizing a seemingly harmless instrument. Certainly, this experience will teach him to be more circumspect in exercising his duties as a notary public.¹⁹

WHEREFORE, respondent Atty. Jairo M. Ladera is **ADMONISHED** with a **WARNING** that a repetition of a similar act shall be dealt with more severely.

SO ORDERED.


HENRI JEAN PAUL B. INTING
Associate Justice

WE CONCUR:


ESTELA M. PERLAS-BERNABE
Senior Associate Justice
Chairperson

¹⁹ *Cabrales v. Dadis*, A.C. No. 10966 (Notice), January 11, 2016.

Reyes
ANDRES B. REYES, JR.
Associate Justice

R. Hernandez
RAMON PAUL L. HERNANDO
Associate Justice

[Signature]
EDGARDO L. DELOS SANTOS
Associate Justice

[Handwritten mark]