



Republic of the Philippines
Supreme Court
Manila

EN BANC

HELEN A. PAEZ,
Petitioner,

A.C. No. 13628

Present:

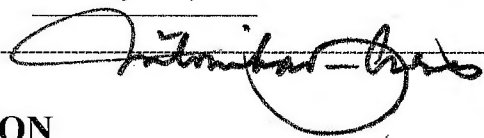
GESMUNDO, C.J.,
LEONEN,
CAGUIOA,
HERNANDO,
LAZARO-JAVIER,
INTING,
ZALAMEDA,
LOPEZ, M.,
GAERLAN,
ROSARIO,
LOPEZ, J.,
DIMAAMPAO,
MARQUEZ,
KHO, JR., and
SINGH, JJ.

- versus -

ATTY. ALFONSO D. DEBUQUE,
Respondent.

Promulgated:

May 28, 2024

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DECISION

DIMAAMPAO, J.:

Before this Court is a Verified Complaint¹ filed by petitioner Helen A. Paez (Paez) against respondent Atty. Alfonso D. Debuque (Atty. Debuque) for violation of the Code of Professional Responsibility (CPR)² and the Lawyer's Oath.

¹ Rollo, pp. 3-5.

² Promulgated June 21, 1988.

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At the vortex of the instant controversy is an 800-square-meter lot covered under Transfer Certificate Title No. T-210051 in Barangay Pagduque, Dumangas, Iloilo (subject realty).³ The disputatious subject realty was mortgaged to the Rural Bank of Dumangas (Rural Bank) for Paez's loan worth PHP 300,000.00 and in danger of being foreclosed. Since Paez was then incarcerated, she decided to sell the property to Atty. Debuque. Part of their agreement was that he would first pay her loan with the Rural Bank.⁴

The records evince that the parties executed three deeds of sale with varying terms and conditions. The "Deed of Absolute Sale with Assignment of Mortgage"⁵ (first deed of sale) stated that the total consideration for the subject realty was PHP 500,000.00, where PHP 300,000.00 was to be paid to the Rural Bank to cover Paez's mortgage loan and the remaining PHP 200,000.00 was to be paid to her.⁶

The "Deed of Absolute Sale"⁷ (second deed of sale) stated that the purchase price was PHP 300,000.00, which was to be paid solely to Paez. Moreover, she was to pay the capital gains tax, documentary stamp tax, transfer tax, and the current real property tax.⁸

Paez later executed the "Deed of Absolute Sale"⁹ (third deed of sale), with only her signature affixed. The terms stipulated in this document were the same as in the second deed of sale anent the PHP 300,000.00 purchase price, as well as the payment of taxes to be shouldered by her.¹⁰

Hereupon, the narratives of the parties diverged.

Paez asserted that under the first deed of sale where the consideration for the realty was PHP 500,000.00, the amount of PHP 300,000.00 was to be paid to the Rural Bank, while the remaining PHP 200,000.00 was to be paid to her. This consideration was later reduced to PHP 300,000.00 and made payable solely to her.¹¹

Since Paez was then detained at the Pasay City Jail, she appointed her sister, Haylene Paez-Rezano (Rezano) as her attorney-in-fact for her dealings regarding the sale of the subject realty.¹² Atty. Debuque agreed to pay the remaining balance but failed to do so.¹³ He requested Paez to prepare a deed

³ *Id.* at 89.

⁴ *Id.* at 131, IBP Report and Recommendation.

⁵ *Id.* at 104–105.

⁶ *Id.* at 104.

⁷ *Id.* at 30–31.

⁸ *Id.* at 30.

⁹ *Id.* at 32–33, 106–107.

¹⁰ *Id.* at 32, 106.

¹¹ *Id.* at 83–84, Position Paper of Paez.

¹² *Id.* at 29. Special Power of Attorney.

¹³ *Id.* at 131–132.

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of sale, purportedly so that he could send the full payment.¹⁴ Thereupon, Paez caused the preparation of the third deed of sale, which she signed and sent to Atty. Debuque.¹⁵ Still and all, he failed to pay the full purchase price and Paez never received any payment from him throughout the duration of her incarceration.

Upon her release from detention, Paez discovered the existence of the first deed of sale from the Rural Bank, which was supposedly signed by her and Atty. Debuque. Pursuant to such document, she no longer had any interest in the subject realty. This impelled Paez to confront Atty. Debuque, but he denied the existence of the first deed of sale. Instead, he showed her the second deed of sale between Paez and Rezano. Atty. Debuque, however, refused to pay the remaining balance, claiming that he no longer owed Paez any amount.¹⁶

On the other hand, Atty. Debuque insisted that he already paid the remaining balance by way of installment, which he handed to Rezano.¹⁷

The records disclose that Atty. Debuque filed two Answers on two different dates, i.e., November 29, 2012¹⁸ and May 22, 2013.¹⁹

In his Answer dated November 29, 2012, Atty. Debuque claimed having paid the total price of PHP 250,000.00.²⁰ He also admitted that he advised Rezano to prepare another deed of absolute sale, which was intended to avoid penalties on the unpaid taxes. He also agreed to pay for its notarization.²¹ On the other hand, in his Answer dated May 22, 2013, he averred that he “had already paid completely in [installment] basis until the year 2009 the total consideration of. . . [PHP] 300,000.00.”²²

Later on, Atty. Debuque avowed in his Reply and Comment to Position Paper of the Complainant²³ dated November 29, 2013 that he had no knowledge of the execution of the third deed of sale, which reflected the consideration worth PHP 300,000.00. He maintained that Paez executed the third deed of sale to evade the taxes and other fees which she undertook to pay.²⁴

¹⁴ *Id.* at 132.

¹⁵ *Id.* at 133.

¹⁶ *Id.* at 132.

¹⁷ *Id.* at 133.

¹⁸ *Id.* at 25–26.

¹⁹ *Id.* at 38–41.

²⁰ *Id.* at 26.

²¹ *Id.* at 25–26.

²² *Id.* at 39.

²³ *Id.* at 120–122.

²⁴ *Id.* at 121.

Yet again, in his Position Paper,²⁵ Atty. Debuque stated that the remaining balance was PHP 200,000.00, out of which, PHP 171,430.00 was already paid in installments. The only remaining balance was PHP 28,870.00.²⁶

During the two mandatory conferences, only Paez appeared.²⁷

The Report and Recommendation of the IBP

In the Report and Recommendation,²⁸ dated May 5, 2014 of Investigating Commissioner Joel L. Bodegon (Commissioner Bodegon) found Atty. Debuque liable for violation of Canon 1, Rule 1.01²⁹ of the CPR. His acts of fabricating and presenting two different deeds of sale are indicative of his intent to deceive, as they reflected two different purchase prices for Paez's subject realty. Worse, when Rezano confronted him, he denied the existence of both deeds; instead, he showed her the deed which Paez had sent. Even more telling is the fact that both deeds falsely stated that Paez received the full payment, only for Atty. Debuque to subsequently avouch that he paid in installments. His actions and contradictory statements fell short of the standard imposed upon him by the legal profession. For behaving in an unlawful, dishonest, immoral, and deceitful manner, Atty. Debuque was recommended the penalty of one year suspension from the practice of law.³⁰

In due course, the IBP Board of Governors adopted and approved the Report and Recommendation dated May 5, 2014 of Commissioner Bodegon.³¹ Atty. Debuque moved for reconsideration,³² but his motion was denied.³³ Moreover, the recommended penalty meted against him was increased from one year to three years suspension from the practice of law, on the finding that he had taken undue advantage of the dire situation of Paez, who was imprisoned at the time.³⁴

The Court's Ruling

After a judicious study of the case, the Court finds that the actuations of Atty. Debuque constitute a violation of the CPRA.

²⁵ *Id.* at 92–100.

²⁶ *Id.* at 98.

²⁷ *Id.* at 134; 69, IBP Order dated September 13, 2013; 81, Dated October 11, 2013.

²⁸ *Id.* at 131–141.

²⁹ A lawyer shall not engage in unlawful, dishonest, immoral or deceitful conduct.

³⁰ *Rollo*, p. 141.

³¹ *Id.* at 130. The April 19, 2015 Notice of Resolution in CBD Case No. 13-3791 was signed by National Secretary Nasser A. Marohomsalic.

³² *Id.* at 142–145. Comments to Resolution and Reconsideration.

³³ *Id.* at 191–195. The July 3, 2022 Extended Resolution was submitted by CBD Task Force Commissioner Roland B. Beltran.

³⁴ *Id.* at 194.

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On April 11, 2023, the Court *En Banc* approved the CPRA.³⁵ As an institutional imperative, the CPRA is meant to foster an environment where ethical conduct performs a dedicated role in the administration of justice. In particular, the standards embodied in the CPRA uniquely address the characteristics of the Filipino lawyer as an amalgamation of influences and moorings, i.e., familial, cultural, religious, academic, political, and philosophical. Inherently a social being, the Filipino lawyer inevitably develops and cultivates relations, preferences, and biases. The conscious adoption of ethical standards that accounts for such relationships and personal choices balanced against the demands of right and justice is envisioned to govern and regulate these personal choices and make them consistent with the institutional objectives.³⁶

The canons of the CPRA are rules that lawyers must adhere to, including the manner in which a lawyer must conduct themselves.

Under its General Provisions, the CPRA shall be applied to all pending and future cases, except to the extent that in the opinion of the Court, its retroactive application would not be feasible or would work injustice, in which case the procedure under which the cases were filed shall govern.³⁷

In the case at bench, the Court finds and so rules that the CPRA applies.

Atty. Debuque was found liable for violation of Canon I, Rule 1.01 of the CPR. This provision is reiterated in the CPRA under Canon II, Section 1, which states:

SECTION 1. *Proper conduct.* — A lawyer shall not engage in unlawful, dishonest, immoral, or deceitful conduct[.]

Be that as it may, the Court still finds Atty. Debuque to have flouted the following provisions of Canon II, Sections 2, 5 and 11 of the CPRA, viz.:

SECTION 2. *Dignified conduct.* — A lawyer shall respect the law, the courts, tribunals, and other government agencies, their officials, employees, and processes, and act with courtesy, civility, fairness, and candor towards fellow members of the bar.

....

SECTION 5. *Observance of fairness and obedience.* — A lawyer shall, in every personal and professional engagement, insist on the observance of the principles of fairness and obedience to the law.

....

³⁵ A.M. No. 22-09-01-SC.

³⁶ CPRA Preamble.

³⁷ CPRA General Provisions.

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SECTION 11. *False representations or statements; duty to correct.* — A lawyer shall not make false representations or statements. A lawyer shall be liable for any material damage caused by such false representations or statements.

A lawyer shall not, in demand letters or other similar correspondence, make false representations or statements, or impute civil, criminal, or administrative liability, without factual or legal basis.

A lawyer shall correct false or inaccurate statements and information made in relation to an application for admission to the bar, any pleading, or any other document required by or submitted to the court, tribunal or agency, as soon as its falsity or inaccuracy is discovered or made known to him or her[.]

In *Manalang v. Atty. Buendia*,³⁸ the Court ordained that members of the legal profession must always be highly ethical and should faithfully comply with the rules of the profession.³⁹ A lawyer shall not engage in unlawful, dishonest, immoral or deceitful conduct as they are duty-bound to respect and uphold the Constitution, laws of the land, and legal processes.⁴⁰ The Court had previously held in *Saladaga v. Atty. Astorga*⁴¹ that:

Any act or omission that is contrary to, prohibited or unauthorized by, in defiance of, disobedient to, or disregards the law is “unlawful.” “Unlawful” conduct does not necessarily imply the element of criminality although the concept is broad enough to include such element.

To be “dishonest” means the disposition to lie, cheat, deceive, defraud or betray; be untrustworthy; lacking in integrity, honesty, probity, integrity in principle, fairness and straightforwardness. On the other hand, conduct that is “deceitful” means as follows:

[Having] the proclivity for fraudulent and deceptive misrepresentation, artifice or device that is used upon another who is ignorant of the true facts, to the prejudice and damage of the party imposed upon. In order to be deceitful, the person must either have knowledge of the falsity or acted in reckless and conscious ignorance thereof, especially if the parties are not on equal terms, and was done with the intent that the aggrieved party act thereon, and the latter indeed acted in reliance of the false statement or deed in the manner contemplated to his injury.⁴²

Gross misconduct is defined as “improper or wrong conduct, the transgression of some established and definite rule of action, a forbidden act,

³⁸ 889 Phil. 544 (2020) [*Per Curiam, En Banc*].

³⁹ *Id.* at 551. (Citation omitted)

⁴⁰ *Id.* at 553.

⁴¹ 748 Phil. 1 (2014) [*Per J. Leonardo-De Castro, En Banc*].

⁴² *Id.* at 13.

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a dereliction of duty, willful in character, and implies a wrongful intent and not a mere error in judgment.”⁴³

Atty. Debuque was well-aware of the dire situation of Paez when he decided to purchase the disputed real estate. As Paez languished at the Pasay City Jail,⁴⁴ her situation was compounded by the impending foreclosure of the mortgage covering her property.

As an attorney, Atty. Debuque is bound to ensure that the contracts he signs reflect the true agreement of the parties, most especially in the instant case where Paez was incarcerated and thus, bereft of readily available legal advice of a lawyer. Here, it appears that the parties were not straightforward with respect to the contract price and the purpose for executing multiple deeds of sale covering the same subject realty. Nevertheless, it bears emphasis that Atty. Debuque admitted having advised Rezano to prepare another deed of absolute sale, i.e., the second deed of sale, to avoid penalty on the unpaid taxes—capital gains tax, documentary stamp tax, and other fees. He even agreed to pay the cost of notarization thereof.⁴⁵

The records bear the earmarks of Atty. Debuque’s dishonesty and intention to deceive. *For one*, he made it appear that he had paid Paez the remaining balance in one lump sum, only to subsequently recant it and insist that he actually paid in installments. *For another*, the execution of several deeds of sale over the same subject realty remains a mystery to this Court. Without any justification proffered by Atty. Debuque, the existence of two varying deeds of sale leads to no other conclusion but the fact that Atty. Debuque himself had a hand in the preparation thereof.

Withal, Atty. Debuque asserts that he has already settled the purchase price in full, even attaching the receipts of payments made. However, he admitted that the receipts were mere photocopies,⁴⁶ thereby putting his claim’s admissibility to issue. Worse, these purported payments were made to different persons other than Paez and Rezano. Indeed, whether there was purported payment of the purchase price in lump sum or installments, Atty. Debuque’s admission that his installment payments purportedly left a balance of PHP 28,870.00⁴⁷ pulls the rug from under his feet as it belies his claim of full payment.

Plain as day, Atty. Debuque’s acts and conduct fall short of the standard imposed upon by his own avowed profession. Necessarily, such failure to abide by the CPRA results in sanctions.

⁴³ *Flores v. Atty. Delos Santos*, A.C. No. 11495 [Formerly CBD Case No. 17-5466], February 21, 2023 [Per J. Dimaampao, *En Banc*] at 5. This pinpoint citation refers to the copy of the Decision uploaded to the Supreme Court website.

⁴⁴ *Rollo*, pp. 83, 94.

⁴⁵ *Id.* at 26.

⁴⁶ *Id.* at 152.

⁴⁷ *Id.*



The Court adopts the recommendation to suspend Atty. Debuque from the practice of law for three years

An integral part of the CPRA is the introduction of the classification of administrative offenses and the corresponding sanctions under Canon VI, particularly Sections 33,⁴⁸ 34,⁴⁹ and 35,⁵⁰ categorizes administrative

⁴⁸ **SECTION 33. *Serious offenses.* — **Serious offenses include:****

- (a) Gross misconduct, or any inexcusable, shameful or flagrant unlawful conduct;
- (b) Serious dishonesty, fraud, or deceit, including falsification of documents and making untruthful statements;
- (c) Bribery or corruption;
- (d) Gross negligence in the performance of duty, or conduct that is reckless and inexcusable, which results in the client being deprived of his or her day in court;
- (e) Conviction of a crime involving moral turpitude;
- (f) Grossly immoral conduct, or an act that is so corrupt or false as to constitute a criminal act, or so immoral as to be reprehensible to a high degree;
- (g) Misappropriating a client's funds or properties;
- (h) Gross ignorance of the law or procedure, or the disregard of basic rules and settled jurisprudence, when either is attended by bad faith, malice, or corrupt motive;
- (i) Grossly undignified conduct prejudicial to the administration of justice;
- (j) Sexual abuse;
- (k) Gender-based sexual harassment or discrimination;
- (l) Open defiance to any order of the court, tribunal, or other government agency;
- (m) Threat of physical or economic harm, amounting to a crime, directed at a fellow lawyer, the latter's client or principal, a witness, or any official or employee of a court, tribunal, or other government agency;
- (n) Willful and deliberate forum shopping, and forum shopping through gross negligence;
- (o) Intentional violation of the rule on privileged communication;
- (p) Violation of the notarial rules, except reportorial requirements, when attended by bad faith;
- (q) Intentional violation of the conflict of interest rules;
- (r) Influence-peddling or using one's relationships to obtain a favorable action on, or outcome in, any pending matter or proceeding, directly or indirectly, with or without monetary consideration, from any officer of a court, tribunal or other government agency;
- (s) Unlawful discrimination under Canon V; and
- (t) Sale, distribution, possession and/or use of illegal drugs or substances.

⁴⁹ **SECTION 34. *Less serious offenses.* — **Less serious offenses include:****

- (a) Simple misconduct, or such misconduct without the manifest elements of corruption, clear intent to violate the law or flagrant disregard of established rules;
- (b) Simple negligence in the performance of duty, or such negligence which does not result in depriving the client of his or her day in court;
- (c) Violation of Supreme Court rules and issuances in relation to Bar Matters and administrative disciplinary proceedings, including willful and deliberate disobedience of the orders of the Supreme Court and the IBP;
- (d) Simple dishonesty;
- (e) Other violations of the conflict of interest rules;
- (f) Prohibited borrowing of money from a client;
- (g) Prohibited lending of money;
- (h) Other unlawful threats;
- (i) Instituting frivolous or baseless actions, on the basis of a final decision or order dismissing such action for being frivolous or baseless;
- (j) Violation of the *sub judice* rule;
- (k) Deliberate failure or refusal to pay just debts;
- (l) Termination of legal services absent good cause and written notice;
- (m) Use of intemperate or offensive language before any court, tribunal, or other government agency;
- (n) Unjustifiable failure or refusal to render an accounting of the funds or properties of a client;
- (o) Unauthorized division of fees with a non-lawyer; and
- (p) Other violations of reportorial requirements.

⁵⁰ **SECTION 35. *Light Offenses.* — **Light offenses include:****

- (a) Violation of IBP rules and issuances governing membership in the IBP;
- (b) Use of vulgar or offensive language in personal dealings;

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offenses into serious, less serious, and light offenses, while Section 37⁵¹ enumerates sanctions therefor.

Canon VI, Section 33(a)(b), of the CPRA defines serious offenses to include “[g]ross misconduct, or any inexcusable, shameful or flagrant unlawful conduct; and [s]erious dishonesty, fraud, or deceit, including falsification of documents and making untruthful statements.” Such violations carry the penalty of, *inter alia*, suspension from the practice of law for a period exceeding six months.⁵² Here, Atty. Debuque clearly acted in an unlawful, dishonest, and deceitful manner when he advised Paez and her attorney-in-fact Rezana to execute multiple deeds of sale in an attempt to evade payment of necessary taxes for the sale of realty, especially considering Paez’s desperate circumstances. Moreover, he committed gross misconduct when he submitted two different answers with conflicting claims as regards the full payment of the purchase price. Verily, these acts evince his intent to deceive Paez in blatant disregard of her dire circumstances.

Anent Atty. Debuque’s outstanding accountability, the Court’s pronouncement in *Lim v. Atty. Mandagan*⁵³ is apropos—

[T]he Court held that it cannot order the lawyer to return money to complainant if he or she acted in a private capacity because its findings in administrative cases have no bearing on liabilities which have no intrinsic link to the lawyer’s professional engagement. In disciplinary proceedings against lawyers, the only issue is whether the officer of the court is still fit to be allowed to continue as a member of the Bar. The only concern of the Court is the determination of respondent’s administrative liability. Its findings have no material bearing on other judicial actions which the parties may choose against each other.⁵⁴

The Court reiterates that it is not concerned with the erring lawyer’s civil liability for money received from his or her client in a transaction that is separate, distinct, and not intrinsically linked to his or her professional engagement. Even if Atty. Debuque had not paid the full purchase price to

- (c) Fraternizing with the officials or employees of a court, tribunal, or other government agency where the respondent has a pending case or cases, to such a degree and frequency as would give the appearance of power or influence over them, or which tends to create an impression of impropriety;
- (d) Filing of frivolous motions for inhibition;
- (e) Failure to promptly call upon client to rectify a fraudulent act; or
- (f) Other similar or analogous infractions of the CPRA.

⁵¹ **SECTION 37. Sanctions.** —

- (a) *If the respondent is found guilty of a serious offense, any of the following sanctions, or a combination thereof, shall be imposed:*
 - (1) *Disbarment;*
 - (2) *Suspension from the practice of law for a period exceeding six (6) months;*
 - (3) *Revocation of notarial commission and disqualification as notary public for not less than two (2) years; or*
 - (4) *A fine exceeding [PHP] 100,000.00. (Emphasis supplied)*

⁵² CPRA, sec. 37(a)(2).

⁵³ A.C. No. 11962, December 2, 2020 [Unsigned Resolution, Third Division].

⁵⁴ *Id.* (Citation omitted)

Paez, the Court cannot order him to pay the money which he may owe in his private capacity. Instead, Paez may file a separate civil case against Atty. Debuque for this purpose.

Time and again, the Court has apprised lawyers that the practice of law is a privilege bestowed only to those who possess and continue to possess the legal qualifications for the profession. Thence, lawyers are duty-bound to maintain a high standard of legal proficiency, morality, honesty, integrity, and fair dealing. Otherwise, the Court will not hesitate to discipline an erring lawyer by imposing an appropriate penalty based on the exercise of sound judicial discretion.⁵⁵

For his failure to uphold the standards required in the legal profession, Atty. Debuque must be meted the penalty of suspension from the practice of law for three years.

A final word. The Court echoes the reminder from the Preamble of the CPRA: “an ethical lawyer is a lawyer possessed of integrity. Integrity is the sum total of all the ethical values that every lawyer must embody and exhibit. A lawyer with integrity, therefore, acts with independence, propriety, fidelity, competence and diligence, equality and accountability.”

It is primal that failure to abide by the Code results in sanctions.⁵⁶

ACCORDINGLY, respondent Atty. Alfonso D. Debuque is declared **GUILTY** of violation of Canon II, Section 1 of the Code of Professional Responsibility and Accountability. He is **SUSPENDED** from the practice of law for three years effective immediately from receipt of this Decision with a **STERN WARNING** that a repetition of any of the offenses involved in this case or a commission of similar acts will merit a more severe penalty. Atty. Alfonso D. Debuque is also **DIRECTED to INFORM** this Court of the date of his receipt of this Decision to determine the reckoning point of the effectivity of his suspension.

Let copies of this Decision be furnished to the Office of the Bar Confidant, to be appended to the personal record of respondent Atty. Alfonso D. Debuque as an attorney; the Integrated Bar of the Philippines, for their information and guidance; and the Office of the Court Administrator, for dissemination to all the courts in the country.

SO ORDERED.”

⁵⁵ See *Alcantara v. Atty. Salas*, 867 Phil. 676, 683 (2019) [Per J. J. Reyes, Jr., First Division].


⁵⁶ CPRA Preamble.

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JAPAR B. DIMAAMPAO
Associate Justice

WE CONCUR:


ALEXANDER G. GESMUNDO
Chief Justice



MARVIC M.V.F. LEONEN
Associate Justice

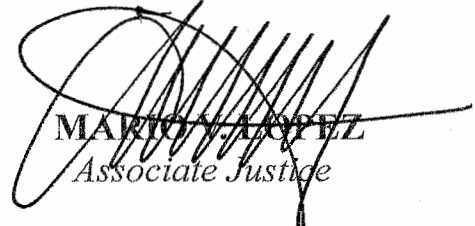

ALFREDO BENJAMIN S. CAGUIOA
Associate Justice

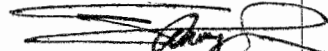

RAMON PAUL L. HERNANDO
Associate Justice

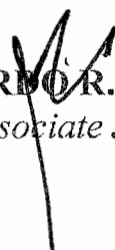

AMY C. LAZARO JAVIER
Associate Justice



HENRI JEAN PAUL B. INTING
Associate Justice



RODIL V. ZALAMEDA
Associate Justice


MARIO V. LOPEZ
Associate Justice


SAMUEL H. GAERLAN
Associate Justice


RICARDO R. ROSARIO
Associate Justice

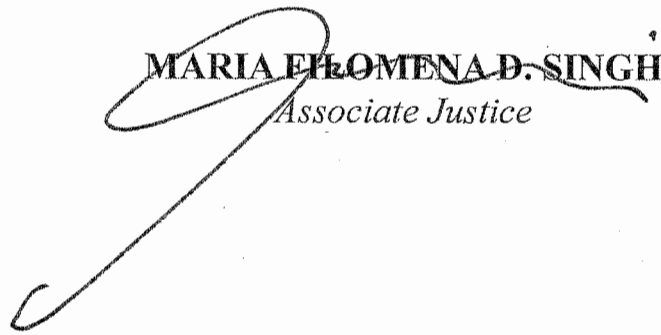

JHOSEP Y. LOPEZ
Associate Justice



JOSE MIDAS P. MARQUEZ
Associate Justice



ANTONIO T. KHO, JR.
Associate Justice



MARIA EFLOMENA D. SINGH
Associate Justice