

Republic of the Philippines  
**SANDIGANBAYAN**  
Quezon City

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Second Division

REPUBLIC OF THE PHILIPPINES,  
*Plaintiff,*


Civil Case No. 0030  
For Reconveyance, Reversion,  
Accounting, Restitution, Damages

-versus-

Present:  
Herrera, Jr., J. *Chairperson*  
Musngi, J. &  
Malabaguio, J.

ALFONSO LIM, SR., ET.AL,  
*Defendants.*

Promulgated:

July 28, 2022 

X-----X

**RESOLUTION**

**HERRERA, JR., J.:**

For resolution of the Court is a *Motion to Exclude Certificate of Title No. 0-1107 From the Implementation of Writ of Execution*<sup>1</sup> dated April 8, 2022 filed by one Benito T. Dy, through counsel.

In the aforementioned motion, Mr. Dy alleges and prays:

“1. That on October 23, 1997, this Honorable Court promulgated a Resolution appointing Fiscal Agent/Asset Monitor Nicasio B. Jimenez of the Presidential Commission on Good Government (PCGG) as Special Sheriff and directed him:

“To sell at public auction in the manner provided in Section 39, 1997 Rules of Civil Procedure, within thirty (30) days from receipt of said Resolution, such portions of the sequestered assets of Taggat Industries, Incorporated as will be sufficient to satisfy the NCRC judgment mentioned in the Writ of Partial Execution dated January 8, 1977”;

A certified true photocopy of said resolution issued by Maria Elena S. Valencia, Records Officer III, Archives Section of this court is hereto attached and made integral part hereof as ANNEX “A”.

2. That in compliance with said Resolution, Special Sheriff Nicasio B. Jimenez on December 12, 1997 sold at public auction to

<sup>1</sup> Record, Vol. 14, pp. 8069-8084



herein Benito T. Dy being the highest bidder that certain parcel of land located at Claveria, Cagayan, designated as Lot no. 1110 and covered by Original Certificate of Title (OCT) no. 0-1107(s) in the name of Taggat Industries, Inc. as evidenced by a Sheriff's Certificate of Sale as even date;

An electronic copy of said sheriff's Certificate of sale issued by the Registry of Deeds of Cagayan, Sanchez Mira Branch is hereto attached and made integral part hereof Annex "B";

3. That on January 22, 1998, said Sheriff's Certificate of sale was duly annotated on page B of OCT no. 0-1107(s) on file in the Registry of Deeds of Cagayan, Sanchez Mira Branch and found under Entry no. 63130 to serve as constructive notice to the whole world that Lot no. 1110 covered by OCT no. 01107(s) was sold to Benito T. Dy;

An electronic copy of said OCT no. 0-1107(s) issued by the Registry of Deeds of Cagayan, Sanchez Mira Branch, is hereto attached and made integral part hereof as ANNEX "C".

3. That Benito T. Dy discovered recently that are annotated encumbrances on page 5 of OCT no. 0-1107(s) abovementioned to wit:

**"MEMORANDUM OF ENCUMBRANCES**

Entry No. 2011000103 Date: January 26, 2011 09:56:58 AM  
NOTICE OF LEVY ON ATTACHMENT : ISSUED BY  
EDGARDO A. URIETA, CHIEF JUDICIAL STAFF OFFICER  
AND PARTICIPATION OF THE REGISTERED OWNER AND  
BY VIRTUE OF A WRIT OF ATTACHMENT ISSUED BY  
SANDIGANBAYAN, SECOND DIVISION OF QUEZON CITY IN  
CIVIL CASE NO. 0030, ENTITLED, REPUBLIC OF THE  
PHILIPPINES VS. ALFONSO LIM, ET.AL. DATED NOVEMBER  
11, 2010.

ATTY. BENEFROI PACRIS PASCUAL  
DUTY REGISTER OF DEEDS IV

Entry No. 2019000424 Date: March 19, 2019 04:24:19 PM  
WRIT OF EXECUTION : ISSUED BY THE REPUBLIC OF THE  
PHILIPPINES, SANDIGANBAYAN, SECOND DIVISION,  
QUEZON CITY, IN CONNECTION WITH CIVIL CASE NO. 0030  
AND BY VIRTUE OF AN ORDER DECISION DATED  
FEBRUARY 19, 2018.

ATTY. HERMINIO CARONAN SYCHANGCO, JR.  
DEPUTY REGISTER OF DEEDS II"

4. That the foregoing notice of levy and writ of execution were issued by this Honorable Court on November 11, 2010 and February 19, 2018, respectively, that is many years after the sale of Lot no. 1110 on December 12, 1997 mentioned in paragraph 2 hereof.



Otherwise stated, at the time the aforementioned notice of levy on attachment and writ of execution were issued, Lot no. 1110 covered by OCT No. 1107(s) is no longer owned by Taggat Industries, Inc. but by Benito T. Dy although OCT No. 1107(s) remains in the name of Taggat Industries, Inc. up to the present in the Registry of Deeds of Cagayan, Sanchez Mira Branch; and

5. That Benito T. Dy is deeply anxious and concerned about the writ of execution annotated at the back of OCT no. 1107(s) because it may happen that the Sheriff of this court will hereafter sell Lot no. 1110 covered by OCT no. 0-1107(s) earlier mentioned considering that, at the risk of being repetitious, OCT no. 1107(s) is still in the name of Taggat Industries, Inc. in the Registry of Deeds of Cagayan, Sanchez Mira Branch, hence, this motion.

#### PRAYER

WHEREFORE, in the interest of justice and fair play, it is respectfully prayed of this Honorable Court that an order be issued directing the Sheriff of this Court to exclude OCT no. 01107(s) in the name of Taggat Industries, Inc. covering Lot no. 1110 on file in the Registry of Deeds of Cagayan, Sanchez Mira Branch, from the implementation of the writ of execution in the above-mentioned case."

Plaintiff Republic of the Philippines, through the Office of the Solicitor General, filed an *Opposition* (Re: *Motion to Exclude Certificate of Title No. 0-1107 from the Implementation of the Writ of Execution dated 8 April 2022*)<sup>2</sup> dated June 30, 2022, contending that:

"1. Among the properties covered by the *Writ of Execution* dated 13 December 2021 is OCT No. 1107(s), registered under Taggat Industries, Incorporated.

2. Consequently, Mr. Dy filed the subject Motion seeking the exclusion of OCT No. 1107(s) from the coverage of the *Writ of Execution*. In support of said prayer, Mr. Dy explained that he acquired the subject property through the public bidding held on 12 December 1997.

3. To recall, the public bidding was had pursuant to this Honorable Court's Resolution dated 23 October 1997, which granted the request of Mr. Elpidio C. Cervantes, then Acting Chief, Sheriff, and Bailiff Division of the National Labor Relations Commission, National Capital Region, to enforce against the sequestered assets of Taggat Industries, Inc. the decision of the Third Division of the National Labor Relations Commission in *Associated Labor Unions, et.al. v. Tagat Industries Inc., et.al.*

<sup>2</sup> Id, pp. 8162-8172



4. However, it should be noted that the subject property was sequestered ad in *custodia legis*, during the time it was sold at the public auction as the same is part of defendants' ill-gotten wealth. Furthermore, at the time of the public bidding, a notice of lis pendens regarding the instant case was annotated in OCT No. 1107(s).

5. Lis pendens is a Latin term which literally means a pending suit. Notice of lis pendens is filed to warn all persons that the title to specific property is in litigation and that if they purchase the same, they are in danger of being bound by an adverse judgment. The notice is, therefore, intended to be a warning to the whole world that one who buys the property does so at his own risk. This is necessary to save innocent third persons from any involvement in any future litigation concerning the property.

6. The filing of a notice of lis pendens in effect binds a purchaser of the land subject of the litigation to the judgment or decree that will be promulgated thereon whether such a purchaser is a bona fide purchaser or not.

7. Relatedly, on 14 December 2015, this Honorable Court rendered its Decision essentially declaring the listed properties, which included OCT No. 1107(s), as part of the defendants' ill-gotten wealth and ordering its reconveyance to plaintiff. Thus applying the above principles, Mr. Dy is bound to the Decision dated 14 December 2015 of this Honorable Court, and the subject property should be delivered to the plaintiff.

#### PRAYER

WHEREFORE, it is respectfully prayed of this Honorable Court that the instant motion be denied."


The Court finds merit in the ***Opposition, etc.*** of the plaintiff. It appears that indeed, a ***Notice of Lis Pendens*** has already been annotated in OCT No. 0-1107(s) pertaining to the pendency of this case, even before it was purchased by Mr. Dy. The annotation serves as constructive notice to any purchaser of the pendency of the action binding him to its outcome.<sup>3</sup>

WHEREFORE, premises considered, the ***Motion to Exclude Certificate of Title No. 0-1107 from the Implementation of Writ of Execution*** dated April 7, 2022 filed by Benito T. Dy, through counsel, is hereby denied.

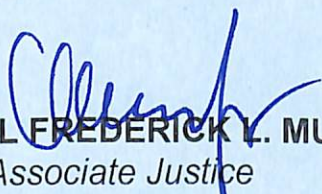
<sup>3</sup> Section 14, Rule 13, Rules of Court

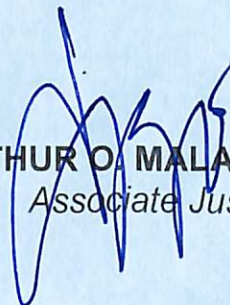


**SO ORDERED.**

  
**OSCAR C. HERRERA, JR.**  
*Chairperson*  
Associate Justice

*We concur:*

  
**MICHAEL FREDERICK L. MUSNGI**  
*Associate Justice*

  
**ARTHUR O. MALABAGUIO**  
*Associate Justice*