

### Title:

**\*\*Santos, Estacio, Fajardo, and Desiderio vs. Sandiganbayan and People of the Philippines (Estafa Through Falsification of Public Documents)\*\***

### Facts:

Four separate petitions for review on certiorari challenged the July 19, 1985, Sandiganbayan decision convicting Alfredo Fajardo, Jr., Marcelo Desiderio, Jesus Estacio, and Rolando Santos for three (3) separate complex crimes of estafa through falsification of public documents. The origins trace back to April 15, 1982, when three informations were filed against multiple individuals for defrauding the Bank of the Philippine Islands (BPI), Laoag Branch, through a scheme involving the pilferage of checks and the falsification of Central Bank clearing documents. The scheme led to a total defrauded amount of Php 9 million across three incidents.

The prosecution presented extensive testimony and documentary evidence detailing the operations of a syndicate that exploited banking procedures to facilitate unauthorized withdrawals. Key figures from this syndicate included Central Bank employees, who were instrumental in altering clearing documents to cover up the fraudulent transactions.

Upon arraignment, the accused individuals pleaded not guilty, with subsequent trials leading to the discharge of certain individuals to become state witnesses. Throughout the lengthy court proceedings, the Sandiganbayan ultimately found Fajardo, Desiderio, Estacio, and Santos guilty, sentencing them to various periods of imprisonment and fines, in addition to mandating joint indemnification to the defrauded parties.

### Issues:

1. The admissibility of extrajudicial confessions and their voluntariness, given the constitutional provisions on the rights of individuals under custodial investigation.
2. The appropriateness of discharging specific individuals from the charges to become state witnesses.
3. The establishment and proof of conspiracy among the accused.
4. The correct imposition of penalties for the complex crime of estafa through falsification of public documents.

### Court's Decision:

The Supreme Court delved into each issue systematically:

- **\*\*On the admissibility of confessions\*\***: The Court held the extrajudicial confessions to be

voluntary and admissible, citing sufficient compliance with constitutional requirements for custodial interrogation.

- **On discharging individuals to become state witnesses**: The Court recognized prosecutorial discretion and judicial determination in the discharge of individuals to become state witnesses, affirming the necessity of such actions for successful prosecution.

- **On the conspiracy**: While the Court acknowledged the conspiracy among the accused, it differentiated the levels of participation and guilt, leading to divergent outcomes for the petitioners.

- **On penalties**: The Court rectified the penalties imposed by the Sandiganbayan, applying legal principles governing the imposition of penalties for complex crimes and acknowledging mitigating circumstances where applicable.

### ### Doctrine:

The decision reiterates the fundamental legal doctrines concerning the voluntariness of confessions, the criteria for discharging accused individuals to become state witnesses, and the principles guiding the imposition of penalties for complex crimes involving conspiracy.

### ### Class Notes:

- **Conspiracy in Criminal Cases**: For a conviction based on conspiracy, participation in planning and executing the crime must be clearly demonstrated. Mere presence or association with conspirators is insufficient without an overt act indicating complicity.

- **Right Against Uncounseled Waiver**: An accused's right to counsel during custodial investigation is sacrosanct, with any waiver requiring the presence and assistance of counsel to be valid.

- **Complex Crimes**: The penalty for the most serious crime in a complex crime scenario is imposed in its maximum period, barring the presence of modifying circumstances.

### ### Historical Background:

The case unfolds against the backdrop of the Philippines' efforts to safeguard its banking and financial systems against fraudulent schemes that exploit procedural vulnerabilities. It highlights the judiciary's role in interpreting and applying constitutional guarantees during criminal proceedings, ensuring the protection of rights while upholding the law.