

****Title:**** Eugenio De Vera and Rosalia Padilla vs. Fausta Catungal, et al: A Case of Vitiating Consent in Land Transfer

****Facts:****

This case revolves around two unregistered parcels of land located in Calasiao, Pangasinan, originally owned by Vicente Catungal who died in 1944, leaving behind five children, including Fausta and Genaro Catungal. On July 23, 1994, Fausta and Genaro purportedly executed a Deed of Extrajudicial Settlement Among Heirs with Absolute Sale, transferring the land to their relative, Eugenio De Vera, and his spouse, Rosalia Padilla, for P30,000. The Deed was marked by Fausta using her thumbmark due to her inability to read or write.

Upon the execution of the deed and change of tax declarations in favor of the De Veras, discrepancies emerged. Fausta, claiming illiteracy and ignorance regarding the true nature of the deed, filed a complaint against the De Veras in the RTC of Dagupan City. She alleged deceit on the part of the De Veras, asserting the Deed was presented as a mere acknowledgment of debt rather than a sale, thus praying for nullity of the document, recovery of ownership, and damages.

The RTC initially dismissed her claim for lack of evidence of deceit or coercion. However, upon appeal, the Court of Appeals reversed the RTC's decision, highlighting Fausta's illiteracy and absence of a full explanation of the Deed to her as indicative of fraud or mistake per Article 1332 of the Civil Code. This decision was contested by the De Veras, leading to the elevation of the matter to the Supreme Court.

****Issues:****

The principal legal issue revolves around whether Fausta's consent to the Deed was freely and knowledgeably given, and if her alleged illiteracy vitiated that consent rendering the Deed null and void under Article 1332 of the Civil Code.

****Court's Decision:****

The Supreme Court affirmed the decision of the Court of Appeals with modifications, holding that the Deed was voidable due to the vitiation of Fausta's consent by fraud. Since Fausta was proven to be illiterate and unaware of the Deed's contents when she affixed her thumbmark, the presumption under Article 1332 was not overcome by the De Veras. As such, the Supreme Court decreed the Deed null and void and ordered the restoration of the

lands to Fausta's heirs, with payment of attorney's fees and costs of suit to them.

****Doctrine:****

The case reiterates the doctrine regarding the protection of parties unable to understand or read the contents of a contract they are entering into. Article 1332 of the Civil Code provides a presumption of fraud or mistake in cases where consent is given by someone who is unable to read or if the contract is in a language not understood by them. The burden shifts to the party enforcing the contract to show that the terms have been fully explained to and understood by the other party.

****Class Notes:****

- ****Consent:**** A vital element of a valid contract, which must be free, voluntary, and made with a thorough understanding of the contract's terms.
- ****Voidable Contracts:**** Contracts where consent is vitiated by factors such as fraud or mistake, rendering them invalid until annulled.
- ****Burden of Proof under Article 1332, Civil Code:**** When one party to a contract is illiterate or cannot understand the language of the contract, the enforcing party must demonstrate that the contract terms were fully explained.
- ****Protection of the Illiterate and Uninformed:**** Law safeguards parties disadvantaged due to illiteracy or language barriers, requiring clear evidence of their informed consent to contracts.

****Historical Background:****

In the Philippine legal system, this case underscores the meticulous scrutiny courts apply in ascertaining the validity of consent in contractual agreements, particularly involving individuals incapable of fully comprehending the legal documents they sign. The decision accentuates the judiciary's protective stance towards individuals disadvantaged by illiteracy or language barriers, reinforcing the necessity of informed consent in the formation of contracts.