

# Republic of the Philippines Supreme Court Manila

#### FIRST DIVISION

#### NOTICE

Sirs/Mesdames:

Please take notice that the Court, First Division, issued a Resolution dated March 29, 2023 which reads as follows:

"A.C. No. 13622 [Formerly CBD Case No. 16-5022] (Gilbert T. Vigilla v. Atty. Victor M. Manlapaz).—Gilbert T. Vigilla filed a Verified Complaint Affidavit<sup>1</sup> seeking the disbarment of Atty. Victor M. Manlapaz for the latter's alleged deliberate refusal to perform his duties as complainant's counsel, and for his failure to return complainant's money in violation of the Lawyer's Oath.<sup>2</sup>

Complainant engaged respondent's legal services for the filing of a petition for declaration of nullity of the former's marriage with his wife. Respondent charged ₱380,000.00 as his professional and acceptance fee.³ Complainant paid said amount in the following manner: (a) ₱30,000.00 in cash, with acknowledgment receipt⁴ dated July 5, 2013 signed by respondent; (2) ₱100,000.00 in cash, with acknowledgment receipt⁵ dated July 15, 2013 signed by respondent; (3) ₱200,000.00 evidenced by a manager's check⁶ dated September 5, 2013, and with acknowledgment receipt⁵ dated September 9, 2013 signed by respondent; and (4) ₱50,000.00 in cash, which acknowledgment receipt⁵ was undated but with respondent's signature. 9

Complainant alleged that respondent assured him that a decision would be rendered within one year from the filing of the petition unless the former's wife would avail of the legal remedies within the reglementary period. Complainant kept following up the status of the case but was instructed to wait for the trial stage. After the lapse of two years, complainant was no

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<sup>&</sup>lt;sup>1</sup> Rollo, pp. 2-5.

<sup>&</sup>lt;sup>2</sup> Id. at 4.

<sup>&</sup>lt;sup>3</sup> Id. at 2.

<sup>&</sup>lt;sup>4</sup> Id. at 6.

<sup>&</sup>lt;sup>5</sup> Id. at 7.

<sup>6</sup> Id. at 9.

 <sup>7</sup> Id. at 10.
 8 Id. at 11.

<sup>&</sup>lt;sup>9</sup> Id. at 2-3.

longer entertained and answered. He made personal visits at the residence and law firm of respondent, but the latter became elusive. Feeling defrauded, complainant consulted another lawyer who advised that he demand the return of the acceptance fee because respondent failed to perform his legal obligations. Despite demand, respondent failed to return the money amounting to ₱380,000.00. This prompted complainant to file the disbarment case against respondent. 11

Respondent, in his Verified Answer, 12 conceded that complainant engaged his legal services to handle the case for declaration of nullity of marriage. The agreed package fee was ₱325,000.00 and not ₱380,000.00, as erroneously asserted by complainant.<sup>13</sup> The Contract of Legal Services<sup>14</sup> was signed on September 9, 2013. It stated that the petition would only be filed upon full payment of the package fee and the submission of the necessary documents for the filing of said case. 15 Only \$\mathbb{P}\$250,000.00 was paid, with ₱75,000.00 as the remaining balance. Respondent sent demand letters<sup>16</sup> for the payment of the remaining balance and the submission of documents. These matters and submissions have yet to be complied with.<sup>17</sup> The disbarment complaint was filed without first informing respondent. He attached an unsigned petition<sup>18</sup> which complainant claimed was the petition respondent filed before the Regional Trial Court of Quezon City. Consequently, respondent filed a Complaint 19 for perjury and falsification of public document.<sup>20</sup> Respondent prayed for the dismissal of the disbarment case against him.<sup>21</sup>

## Report and Recommendation of the Integrated Bar of the Philippines

The Integrated Bar of the Philippines-Commission on Bar Discipline's (IBP-CBD) Report and Recommendation<sup>22</sup> dated May 24, 2017, held that complainant failed to justify the allegations to merit the imposition of suspension or disbarment as against respondent. The IBP-CBD found that good faith attended respondent's actions. Respondent enjoys the legal presumption of innocence until the contrary is proved, and that he had performed his obligations as an officer of the court in accordance to his oath.



<sup>10</sup> Id. at 3.

<sup>11</sup> Id. at 3-4.

<sup>&</sup>lt;sup>12</sup> Id. at 27-33.

ld. at 27-28.

<sup>&</sup>lt;sup>14</sup> Id. at 34-35.

Id. at 28-29.Id. at 36-38.

<sup>17</sup> Id. at 29.

<sup>&</sup>lt;sup>18</sup> Id. at 12-21.

<sup>&</sup>lt;sup>19</sup> Id. at 40-45.

<sup>&</sup>lt;sup>20</sup> Id. at 30-31 and 162-163.

<sup>&</sup>lt;sup>21</sup> Id. at 28.

<sup>&</sup>lt;sup>22</sup> Id. at 161-163. Penned by Commissioner Gilbert L. Macatangay.

It concluded that complainant failed to discharge the burden of proof for a sanction to be imposed against respondent.<sup>23</sup>

The IBP-CBD thus recommended the dismissal of the complaint in this wise:

WHEREFORE, the instant complaint filed against respondent, Atty. Victor Manlapaz is hereby DISMISSED for lack of merit.

#### RESPECTFULLY SUBMITTED.24

The IBP Board of Governors (BOG), in its Notice of Resolution dated March 22, 2018,<sup>25</sup> reversed the findings of IBP-CBD. It reads:

RESOLVED to REVERSE the findings of fact and recommendation of the Investigating Commissioner and instead recommend that Atty. Victor M. Manlapaz be SUSPENDED from the practice of law for six (6) months and Ordered to Return the amount of \$\bigsigma\$350,000.00 to complainant.

RESOLVED FURTHER to direct the Commission to prepare an extended resolution explaining the Board of Governors' action.<sup>26</sup>

In its Extended Resolution<sup>27</sup> dated July 1, 2022, the IBP-BOG found a clear justification for respondent's suspension and the restitution of the acceptance fee which he received from the complainant.<sup>28</sup> Respondent violated Rules 18.03 and 18.04, Canon 18<sup>29</sup> of the Code of Professional Responsibility (CPR). After receipt of the acceptance fee amounting to ₱380,000.00, respondent failed to perform legal services, *i.e.*, to act on complainant's nullity of marriage case and to respond to complainant's correspondence about the status of the case. Respondent likewise failed to return the acceptance fee despite his inaction.<sup>30</sup> He becomes administratively liable for his failure to act on the legal matter entrusted to him. Respondent's defense that he was waiting for complainant to submit documents such as the marriage contract was flimsy because respondent could have secured the same. For this inexcusable negligence, respondent may be penalized with suspension for six months and ordered to restitute the ₱350,000.00 acceptance fee to complainant.<sup>31</sup> The IBP-BOG resolved, *viz.*:

<sup>&</sup>lt;sup>23</sup> Id. at 163.

<sup>&</sup>lt;sup>24</sup> Id.

<sup>25</sup> Id. at 159-160. Penned by National Secretary Patricia-Ann T. Prodigalidad.

<sup>&</sup>lt;sup>26</sup> Id at 159

<sup>&</sup>lt;sup>27</sup> Id. at 164-167. Signed by CBD Task Force Commissioner Marissa V. Manalo.

<sup>&</sup>lt;sup>28</sup> Id. at 165.

<sup>&</sup>lt;sup>29</sup> CANON 18 — A lawyer shall serve his [or her] client with competence and diligence.

RULE 18.03 A lawyer shall not neglect a legal matter entrusted to him [or her], and his [or her] negligence in connection therewith shall render him [or her] liable.

RULE 18.04 A lawyer shall keep the client informed of the status of his [or her] case and shall respond within a reasonable time to the client's request for information.

<sup>&</sup>lt;sup>30</sup> *Rollo*, pp. 165-166.

<sup>31</sup> Id. at 166-167.

WHEREFORE, premises considered, [IBP-BOG] resolves to REVERSE the findings of fact and recommendation of the Investigating Commissioner and instead recommends that Atty. Victor M. Manlapaz be SUSPENDED from the practice of law [for] Six (6) months and to Return the amount of \$\mathbb{P}350,000.00 to complainant.

SO ORDERED.32

#### Issue

The issue for Our resolution is whether respondent should be held administratively liable for his failure to perform his obligation to render legal service and to return complainant's money despite demand in violation of the CPR.

#### **Our Ruling**

This Court adopts the findings of the IBP-BOG, with modification as to the amount to be returned to complainant, from ₱350,000.00 to ₱380,000.00. Legal interest of 6% per *annum* is likewise be imposed from finality of this Resolution until full payment thereof.

Respondent violated Rules 18.03 and 18.04, Canon 18 of the CPR.

As partakers in the administration of justice, members of the bar who take up the cause of a client are duty-bound to observe competence and diligence in handling the case entrusted to them.<sup>33</sup> Failure to fulfill this mandate renders a lawyer responsible for violation of Rules 18.03 and 18.04 of the CPR. *Martin v. Dela Cruz (Martin)*<sup>34</sup> expounded in this wise:

A judicious review of the records shows that complainant secured respondent's legal services for several cases and paid [₱]60,000.00 as acceptance fee. However, respondent failed to perform legal services on any of these cases, and upon demand, refused to return the acceptance fee paid by complainant. He also failed to respond to complainant's letters and calls inquiring on the status of said cases. These acts indubitably constitute violations of Rules 18.03 and 18.04, Canon 18 of the CPR, x x x:

 $x \times x \times$ 

Under these provisions, a lawyer is duty-bound to competently and diligently serve his [or her] client once the former takes up the latter's cause. The lawyer owes fidelity to such cause and must always be mindful of the trust and confidence reposed upon him [or her]. Hence, his [or her] neglect of a legal matter entrusted to him [or her] amounts to inexcusable negligence for which he [or she] must be administratively liable, as in this case. x x x. 35

<sup>&</sup>lt;sup>32</sup> Id. at 167.

<sup>&</sup>lt;sup>33</sup> Aguilar-Dyquiangco v. Arellano, 789 Phil. 600, 602 (2016).

<sup>&</sup>lt;sup>34</sup> 817 Phil. 646 (2017).

<sup>35</sup> Id. at 652-653.

Contrary to respondent's assertion that he was waiting for the full payment of his acceptance fee, respondent was already in receipt of the total amount of \$\mathbb{P}\$380,000.00 when complainant engaged his legal services in 2013.\(^{36}\) This was despite the agreed amount of \$\mathbb{P}\$325,000.00 as indicated in the signed Contract of Legal Services.\(^{37}\) Notwithstanding complainant's payment, even granting that the full amount has yet to be received, respondent failed to act on the legal matter entrusted to him. Instead, he sent demand letters to complainant for the payment of the remaining balance and the submission of the required documents from 2014 until 2016.\(^{38}\) This Court holds that a lawyer must perform his or her legal obligations once the lawyer-client relationship has been established especially by the payment of acceptance fee, regardless whether partial or full amount has already been given.

Aguilar-Dyquiangco v. Arellano<sup>39</sup> clarified that "it is of no moment that there is only partial payment of the acceptance fee."40 Once a lawyer's legal service has been engaged, with or without fee, he or she must exert earnest efforts to attend to his or her client's legal needs in order to attain the ends of justice. Respondent's act of anticipating the full payment of his acceptance fee and the submission of the documents prior to filing of the petition not only showcased neglect but also unprofessional and unethical conduct. As members of the bar, it is one's foremost duty to participate in the administration of justice. Practice of law is a profession directed for public service and administration of justice, and not a business where money or profit is a primary consideration. Since respondent received his acceptance fee, he was already expected to perform his legal responsibility to represent complainant and file the petition. As the IBP-BOG correctly stated, respondent need not wait for the submission of the documents as he could have secured the same for complainant.<sup>41</sup> Bondoc v. Licudine (Bondoc)<sup>42</sup> highlighted the expectations from members of the bar, viz.:

Lawyers should always live up to the ethical standards of the legal profession as embodied in the Code. Public confidence in law and in lawyers may be eroded by the irresponsible and improper conduct of a member of the bar. Thus, every lawyer should act and comport himself [or herself] in a manner that would promote public confidence in the integrity of the legal profession.

The Lawyer's Oath requires every lawyer to "delay no man [or woman] for money or malice" and to act "according to the best of [his or her] knowledge and discretion, with all good fidelity as well to the courts as to [his or her] clients." A lawyer is duty-bound to serve his [or her] client with competence, and to attend to his [or her] client's cause with diligence, care

<sup>&</sup>lt;sup>36</sup> *Rollo*, pp. 6-11.

<sup>&</sup>lt;sup>37</sup> Id. at 34-35.

<sup>38</sup> Id. at 36-38.

<sup>&</sup>lt;sup>39</sup> Supra.

<sup>40</sup> Id. at 609.

<sup>&</sup>lt;sup>41</sup> *Rollo*, p. 166.

<sup>&</sup>lt;sup>42</sup> A.C. No. 12768, June 23, 2020.

and devotion. This is because a lawyer owes fidelity to his [or her] client's cause and must always be mindful of the trust and confidence reposed on him [or her].<sup>43</sup> (Emphases supplied, citations omitted)

For respondent's omission on to perform the legal services expected of him and for his failure to return the acceptance fee despite demand and his inaction, *Martin*<sup>44</sup> imposed the penalty of suspension for a period of six months and restitution of the acceptance fee. It rationalized that while acceptance fee is non-refundable as a rule, this presupposes that the lawyer rendered some legal service. But in the absence of such service, as in this case, respondent has no basis for retaining complainant's payment. Furthermore, in *Bondoc*, the Court imposed legal interest of 6% per *annum* on the amount held by the lawyer which was to be returned to the complainant. Consequently, respondent shall be suspended for a period of six months and shall return the total amount of \$\mathbb{P}380,000.00\$ received from complainant, with interest rate of 6% per *annum* from the finality of this Resolution until full payment.

WHEREFORE, the Court finds respondent Atty. Victor M. Manlapaz GUILTY of violating Rules 18.03 and 18.04, Canon 18 of the Code of Professional Responsibility. Consequently, respondent is SUSPENDED from the practice of law for a period of six (6) months. He is STERNLY WARNED that a repetition of the same or similar acts shall be dealt with more severely.

Further, Atty. Victor M. Manlapaz is **ORDERED** to return to complainant Gilbert T. Vigilla the amount of \$\mathbb{P}\$380,000.00, with interest at the legal rate of six percent (6%) per *annum* from the finality of this Resolution until full payment. He is further **DIRECTED** to submit to this Court proof of payment within 10 days from said payment.

The suspension from the practice of law shall take effect immediately upon receipt of this Resolution by Atty. Victor M. Manlapaz. He is **DIRECTED** to immediately file a Manifestation to the Court that his suspension has started, copy furnished all courts and quasi-judicial bodies where he has entered his appearance as counsel.

Let copies of this Resolution be furnished to the Office of the Bar Confidant to be appended to respondent's personal record as an attorney-at law; the Integrated Bar of the Philippines for its information and guidance; and the Office of the Court Administrator for circulation to all courts in the country.

<sup>&</sup>lt;sup>43</sup> Id

<sup>44</sup> Supra note 34 at 653-654.

<sup>45</sup> Id. at 654.

<sup>46</sup> Supra.

#### SO ORDERED."

#### By authority of the Court:

LIBRADA C. BUENA
Division Clerk of Court

by:

### MARIA TERESA B. SIBULO

Deputy Division Clerk of Court

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Mr. Gilbert T. Vigilla Complainant No. 1168-C Sta. Clara Street Sampaloc, 1008 Manila Atty. Victor M. Manlapaz Respondent No. 47 Rancho Avenue Rancho Concepcion Dos 1800 Marikina City

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