Title: Wilson Cham vs. Atty. Eva Paita-Moya

Facts:

Wilson Cham, representing Greenville Realty and Development Corp. (GRDC) as its President and General Manager, entered into a lease contract on October 1, 1998, with Atty. Eva Paita-Moya for a residential apartment in Quezon City. The lease was for a year at ₱8,000.00 per month. Post-contract, Paita-Moya requested to extend her stay until June 30, 2000, which was approved with a new rental rate of ₱8,650.00 per month.

Paita-Moya occupied the unit until October 2000 without paying rentals from July to October 2000 and failed to settle electric bills for September and October 2000, amounting to ₱71,007.88. Despite Cham's demands, Paita-Moya did not pay, leading Cham to file a complaint for disbarment against her for deceit. Paita-Moya responded, claiming she had paid all rents due and left the apartment not surreptitiously but because of a notice from Cham for required repairs, which never took place.

The case proceeded to the Commission on Bar Discipline of the Integrated Bar of the Philippines (IBP), where after the parties failed to submit respective position papers, a resolution was submitted recommending the case's dismissal by the IBP Board of Governors, citing lack of merit.

Issues:

- 1. Whether Atty. Paita-Moya's failure to pay her rent and utility bills constitutes gross misconduct justifying disciplinary action.
- 2. Whether the IBP Board of Governors erred in recommending the dismissal of the complaint for lack of merit.

Court's Decision:

The Supreme Court disagreed with the IBP Board of Governors, finding Atty. Paita-Moya guilty of willful failure to pay just debts. The Court pointed out that her failure to rebut the allegations of non-payment effectively admitted them. Since Paita-Moya could not present proof of payment against the demands, she was deemed to have admitted the debts. The conduct demonstrated deceit, violating the Code of Professional Responsibility. Paita-Moya's defense of not knowing how to contact Cham was dismissed as unfounded. Her actions reflected poorly on her moral character, obligating the Court to impose an administrative sanction.

Ultimately, Atty. Paita-Moya was found guilty of gross misconduct, and thus, was suspended

from the practice of law for one month. The Court emphasized the importance of maintaining moral character in the legal profession and warned Paita-Moya that a repetition of similar actions would result in more severe penalties.

Doctrine:

This case reiterates that lawyers must adhere to high standards of morality, honesty, integrity, and fair dealing in both their professional and private lives. Their behavior must reflect the legal profession's values, ensuring the public's trust in the legal system. Failure to fulfill just debts constitutes gross misconduct, warranting disciplinary action.

Class Notes:

- 1. **Legal Standard for Professional Conduct**: Lawyers are expected to demonstrate high standards of morality, honesty, integrity, and fair dealing at all times.
- 2. **Burden of Proof for Payment**: The onus is on the debtor to prove the payment of debts with legal certainty.
- 3. **Administrative Sanction for Non-Payment of Debts**: Deliberate failure to pay just debts by a lawyer can lead to suspension or disbarment as it reflects poorly on their moral character and integrity.
- 4. **Code of Professional Responsibility Violation**: Unpaid rentals and utility bills are considered "just debts," and failure to settle them is a violation of the Code of Professional Responsibility.
- 5. **Evidence of Payment**: Receipts or documented evidence are deemed the best form of proving debt payments.

Historical Background:

This case underscores the Philippine legal profession's stringent requirements for ethical and moral standards among its practitioners. It showcases the disciplinary mechanisms in place to address misconduct and maintain public trust in the judiciary and legal systems. The resolution of such disputes reflects the profession's self-regulating nature and the judiciary's role in upholding ethical standards among lawyers.