

# **Tomas G. Tan vs. Atty. Dennis C. Pangan**

## **Title:** Tomas G. Tan vs. Atty. Dennis C. Pangan

## **Facts:**

1. On June 20, 2013, Tomas G. Tan (Tan) entered into an agreement with Atty. Dennis C. Pangan (Pangan) wherein Pangan would act as a collaborating counsel in a civil case pending before the Regional Trial Court of Makati City, Branch 66 (Civil Case No. 02-299). The fee was PHP 2,050,000.00 with a money-back guarantee if Pangan failed to deliver a favorable court decision.
2. On December 5, 2014, the Regional Trial Court ruled against Tan.
3. Failing to fulfill the promise, Pangan issued a check from Asia United Bank (AUB) for PHP 2,000,000.00, postdated to April 30, 2016, to Tan as part of the money-back guarantee. The check bounced due to insufficient funds.
4. On May 6, 2016, Tan sent a demand letter to Pangan, which was unheeded.
5. On June 10, 2016, Tan filed a criminal case for estafa against Pangan and also filed a disbarment complaint with the Integrated Bar of the Philippines (IBP) for violation of the Code of Professional Responsibility.

### **Procedural Posture:**

1. The case went through the Integrated Bar of the Philippines' Commission on Bar Discipline, which issued a Report and Recommendation on March 14, 2019, finding Pangan guilty of gross misconduct for issuing a bouncing check and recommended a two-year suspension.
2. The IBP Board of Governors modified and adopted the recommendation on June 17, 2019, reducing the suspension to one year.
3. Documents related to the case were transmitted to the Supreme Court on December 7, 2020.
4. The Supreme Court deemed its resolution as served to Pangan on December 6, 2021, despite being unserved due to a change of address.

## **Issues:**

1. Whether Atty. Pangan violated the Code of Professional Responsibility.
2. Whether Atty. Pangan should be administratively disciplined and ordered to return PHP 2,050,000.00 to Tan.

## **Court's Decision:**

### **\*\*Issue 1: Violation of the Code of Professional Responsibility\*\***

The Supreme Court found that Atty. Pangan's actions constituted gross misconduct and were a clear violation of Canon 1 and Rule 1.01 of the Code of Professional Responsibility, which mandates that a lawyer shall not engage in unlawful, dishonest, immoral, or deceitful conduct. The issuance of a worthless check constituted willful dishonesty and immoral conduct undermining public confidence in the legal profession.

### **\*\*Issue 2: Administrative Discipline and Payment Obligation\*\***

The Court noted that Atty. Pangan had been disciplined thrice before. Given his repeated offenses and failure to comply with the terms of the agreement with Tan despite multiple demands, the Court found it proper to impose the penalty of disbarment. Consequently, the Court also ordered Pangan to return PHP 2,050,000.00 to Tan with interest at 6% per annum from the finality of the decision until full payment.

## **\*\*Doctrine:\*\***

- **\*\*Canon 1, Rule 1.01 of the Code of Professional Responsibility\*\***: A lawyer shall not engage in unlawful, dishonest, immoral, or deceitful conduct.
- Issuance of worthless checks by a lawyer represents willful dishonesty and immoral conduct, seriously tarnishing the image of the legal profession and undermining public confidence in law and lawyers.
- Repeated violations and administrative sanctions against a lawyer justify the penalty of disbarment.

## **\*\*Class Notes:\*\***

- **\*\*Elements of Gross Misconduct\*\***: Unlawful, dishonest, immoral, or deceitful conduct; Conduct must be grave, serious, and egregious enough to warrant disbarment or suspension.
- **\*\*Canon 1\*\***: A lawyer must uphold the constitution, obey the laws of the land, and promote respect for legal processes.
- **\*\*Rule 1.01\*\***: Prohibits engagement in unlawful, dishonest, immoral, or deceitful conduct.
- **\*\*Estafa\*\***: Crime involving deceit causing another to suffer damage, typically involving fraudulent checking practices.
- **\*\*Quantum Meruit\*\***: Legal principle that a party can recover damages or payment based on the reasonable value of services provided when a contract exists but is deemed unenforceable.

## **\*\*Historical Background:\*\***

This case arose in the context of recurring disciplinary actions against Atty. Pangan, emphasizing the Supreme Court's increasingly stringent measures against lawyers repeatedly violating ethical standards. Historical precedence underscores the Supreme Court's role in maintaining the integrity of the legal profession by removing those found unworthy of public trust and confidence. In the legal landscape of the Philippines, this case reiterates the significance of upholding ethical conduct and the ultimate penalty of disbarment for persistent offenders.