

**\*\*Title:\*\*** Johnny M. Pesto vs. Atty. Marcelito M. Millo, A.C. No. 706 Phil. 286 (2012)

**\*\*Facts:\*\***

In May 1990, Canadian national Johnny Pesto and his wife Abella engaged Atty. Marcelito M. Millo to handle the transfer of a property title to Abella's name and the adoption of her niece, Arvi Jane Dizon. They provided Atty. Millo with P14,000.00 for the title transfer and P10,000.00 for the adoption case. However, Atty. Millo failed to complete these tasks, giving false information and excuses over the years.

In February 1995, upon their return to the Philippines, Johnny and Abella discovered the capital gains tax for the property had not been paid, contradicting Atty. Millo's claims. Atty. Millo returned the P14,000.00 only after persistent prodding, but ultimately, Johnny and Abella incurred penalties due to the nonpayment which Atty. Millo promised in writing to cover.

Additionally, Atty. Millo mishandled the adoption proceedings, leading to the Department of Social Welfare and Development (DSWD) considering the case closed. Appointments and hearings were either not scheduled or improperly communicated.

With persistent neglect from Atty. Millo, Johnny filed an administrative complaint with the Integrated Bar of the Philippines (IBP) on March 14, 1995. No answer from Atty. Millo, despite extensions and notices, coupled with delays and inaction from the IBP, led to years of stagnation.

Finally, on April 2, 2001, a representative for Atty. Millo appeared, claiming Johnny's death and Abella's impending withdrawal of the complaint. However, proceedings culminated with the IBP-CBD deeming the case submitted for resolution.

In October 2010, findings by the IBP-CBD recommended Atty. Millo's six-month suspension, later reduced to two months by the IBP Board of Governors. Atty. Millo moved for reconsideration, claiming he had believed in the prior withdrawal of complaints, but this was denied on June 9, 2012.

**\*\*Issues:\*\***

1. Whether Atty. Millo committed professional misconduct by misleading his clients and failing to render competent and diligent legal services.
2. Whether the recommended penalty by the IBP Board of Governors was appropriate concerning Atty. Millo's actions.

**Court's Decision:**

1. **Professional Misconduct:**

- The Court found Atty. Millo guilty of violating Rule 18.03, Canon 18 of the Code of Professional Responsibility. Atty. Millo's false representation about paying the capital gains tax and his handling of the adoption case demonstrated gross neglect and inefficiency.

2. **Penalty Appropriateness:**

- Disagreeing with the IBP's recommended penalty of a two-month suspension, the Court viewed Atty. Millo's failure to take disciplinary action seriously and his lack of remorse as aggravating factors justifying a six-month suspension.

The Court ordered Atty. Millo to refund the P10,000.00 paid for the adoption case with legal interest and submit proof of compliance within thirty days.

**Doctrine:**

A lawyer must always serve their clients with competence and diligence (Rule 18.03, Canon 18 of the Code of Professional Responsibility). Misleading a client, failing to perform professional duties diligently, and neglecting to address administrative complaints are violations of this duty. Administrative complaints are serious and independent of the complainant's interests and should be addressed promptly and thoroughly by the respondent attorney.

**Class Notes:**

- **Code of Professional Responsibility:**

- **Rule 18.03, Canon 18:** A lawyer shall not neglect a legal matter entrusted to him, and his negligence in connection therewith shall render him liable.

- **Lawyer's Oath:** Lawyers must conduct themselves with utmost fidelity to their clients and the courts. Any deviation from duty constitutes misconduct.

- **Proceedings in Disbarment:** Unlike civil suits, these are pursued for public welfare, aiming to ensure that the courts remain free from the operation of unfit legal practitioners.

- **Withdrawal of Complaints:** Withdrawal does not automatically terminate disciplinary proceedings, emphasizing the overarching public interest in maintaining legal ethics.

**Historical Background:**

The case contextualizes the importance of maintaining professional ethics within the Philippine legal system. This case exemplifies the Supreme Court's vigilance in upholding responsibility among lawyers to mitigate malpractice and ensure justice administration integrity.