

ROSEMARIE L. HSIEH, COMPLAINANT, VS ATTY. SALVADOR QUIMPO AND ATTY. NANCY QUIMPO, RESPONDENTS

A.C. NO. 6128. December 19, 2006

Ponente: CARPIO MORALES, J.

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CARPIO MORALES, J.:

The present complaint of Rosemarie Loria Hsieh[1] (complainant) against respondents-spouses Attorneys Salvador and Nancy Quimpo, for gross misconduct, was referred to the Integrated Bar of the Philippines (IBP) for investigation, report and recommendation.

The following antecedents spawned the filing of the complaint.

Complainant, together with one Pilar Cabuslay, was arrested for drug trafficking and possession of marijuana during a buy-bust operation conducted by police operatives within the vicinity of Isetann Department Store, Manila. Her car, a Mitsubishi Eclipse which she boarded in going to the site of the operation, was impounded by the police authorities. And she was detained at the Manila City Jail.

Complainant secured the services of respondents who represented her and Pilar during the inquest and preliminary investigation of the case.

As complainant did not have sufficient funds to defray the expenses attendant to her defense, she, while on detention at the Manila City Jail or on May 21, 1999, authorized respondents, who in the meantime were able to secure the release of the car, to sell it by signing a Deed of Sale the complete particulars of which were left in blank.

By complainant's claim, respondents informed her that the proceeds of the sale would defray "expenses in dismissing her case and expediting and facilitating her release from the Manila City Jail;"[2] respondents, however, ceased to appear on her behalf, forcing her to secure the services of another lawyer; and when she demanded the return of her car, respondents refused, claiming that it would serve as payment for their legal services.

Complainant thus filed a complaint for replevin[3] against respondents. She soon discovered, however, that the car was already registered in the name of respondents by virtue of the Deed of Sale.[4]

While complainant was able to regain possession of the car, the Traffic Management Group seized it from her and charged her with carnapping and theft,[5] and respondents were eventually able to get hold of it.

Respondents, on the other hand, claim that they agreed to handle complainant's case for P20,000 as acceptance fee, and P1,000,000 success fee, but as complainant did not have money, she convinced them to accept the Deed of Sale covering her car as a form of assurance that she would settle any outstanding account.

Respondents claim further that on September 1999, as there was a big possibility that complainant would be released on bail, she secured the services of another lawyer without her informing them, and to avoid a

"humiliating" situation, they withdrew as her counsel but demanded full settlement of her outstanding account; and since complainant failed to settle her account, she and respondents mutually agreed on September 21, 1999 to "give effect" to the Deed of Sale which they caused to be notarized.

The IBP Investigator defined the issue in the present complaint to be whether respondents, as counsels for complainant, violated the Canons of Professional Responsibility "when they acquired from the complainant the [car]."

The IBP investigator found that there was a breach of trust on respondents' part, in light of, among other things, the lack of justification of the charge of P600,000 for attorney's fees, and the fact that the order allowing complainant to post bail was issued two months after the deed of sale was concluded and, therefore, the amount could not have represented the success fee even if there was such an agreement for the payment thereof.

. . . [T]here is here a case of a breach of trust on the part of the respondents. It is submitted that respondents took advantage of the fact that the Deed of Sale of Motor Vehicle was already signed in blank by the complainant and which was in their possession coupled with the fact that complainant was still in jail. Their act of "filling in" the details of the blank instrument by causing the name of Atty. Nancy Quimpo as well as the purchase price of the sale at P600,000.00 to be indicated therein and Atty. Nancy Quimpo's signing the same in 21 September 1999 [see p. 3, Respondents' Reply to Complainant's Position Paper] was unethical if not improper, and smacks of lack of delicadeza especially since the amount of P600,000.00 allegedly representing legal fees or expenses incurred have not been clearly substantiated or justified by the respondents. It is further pointed out that the complainant was allowed to post bail only on 09 November 1999 [see Order dated 09 November of Regional Trial Court of Manila, Branch 54; Annex F, Complainant's Reply to Respondent's Position Paper]. This is roughly two (2) months after the questioned instrument was allegedly notarized. At this time [21 September 1999], respondents were thus not entitled to collect a success fee from the complainant even if there was an agreement between the parties for the payment of such a fee. Ergo, said P600,000.00 could not also be considered a success fee payable to the respondents. Canon 16 of the Code of Professional Responsibility provides that a lawyer shall hold in trust all moneys and properties of his client that may come into his possession. Moreover, the respondents were duty-bound to observe faithfulness towards their client and should have conducted themselves with utmost professionalism in discharging their fiduciary duty.[6] (Emphasis and underscoring supplied)

By Report[7] dated July 22, 2005, the IBP thus recommended:

. . . that both respondents, Atty. Salvador Quimpo and Atty. Nancy Quimpo, be **STRONGLY REPRIMANDED**, and that a repetition by respondents of this offense shall be dealt with more severely. However, it is further recommended that the Regional Trial Court of Quezon City, Branch 90 and the Regional Trial Court of Kalookan, Branch 129, be required to submit their decisions in the replevin case [Civil Case No. Q-00-41395] and the carnapping/theft cases [Criminal Case Nos. C-67161 and C-67162], respectively, as soon as they are promulgated, to enable the Honorable Supreme Court to determine whether there is a need to revise or adjust the herein recommended penalty, assuming the same is approved.[8] (Underscoring supplied)

It appears from the computer-generated Deed of Sale that complainant's first name, the particulars of the car, and the month and year (May 1999) of the signing of the document were the only data originally provided therein. It can thus be reasonably concluded that the other important particulars, such as the vendee's name – respondent Atty. Nancy Quimpo, and the purchase price – P600,000, were subsequently filled up.

If the Deed of Sale was originally intended to serve as security for the payment of complainant's outstanding account with respondents, as claimed by the latter, why was not the name of the obligee for whom the security was allegedly executed – respondents – not also printed out? And why did not respondents bother to advise complainant of the eventual sale of the car and account the proceeds thereof? It is on this account that this Court

finds the above-quoted ratiocination of the IBP Investigator in holding respondents to have committed breach of contract well-taken.

Although a lawyer's lien over a client's property in satisfaction of his lawful fees and disbursements is recognized by this Court, the same cannot be exercised haphazardly.

This Court's pronouncement that a fiduciary relationship requires a high degree of fidelity and good faith and is designed to remove all such temptation and to prevent everything of that kind from being done for the protection of the client[9] bears reiterating.

It is thus this Court's duty to look into dealings between attorneys and their clients and guard the latter from any undue consequences resulting from a situation in which they may stand unequal.[10]

As the breach of the trust reposed upon respondents constitutes a violation of the Canon 16 of the Canons of Professional Responsibility which reads:

Canon 16 of the Code of Professional Responsibility provides:

CANON 16 – A LAWYER SHALL HOLD IN TRUST ALL MONEYS AND PROPERTIES OF HIS CLIENT THAT MAY COME INTO HIS POSSESSION,

this Court finds that the recommended penalty therefor is not commensurate. Instead, respondents' suspension for three months from the practice of law would be reasonable.

On the IBP-CBD recommendation that the courts before the replevin and carnapping/theft cases involving the same parties were lodged submit their decisions to enable this Court to determine whether there is a need to revise or adjust the penalty, the same does not lie.

Administrative cases against lawyers belong to a class of their own. They are distinct from and may proceed independently of civil and/or criminal cases. Hence, the disposition in the administrative case is not governed by that in the civil and/or criminal cases and vice versa.[11]

WHEREFORE, respondents Atty. Salvador Quimpo and Atty. Nancy Quimpo are SUSPENDED from the practice of law for a period of Three (3) Months from notice, with warning that a repetition of the same or similar acts will be dealt with more severely.

Let copies of this Decision be furnished all courts in the country, the Integrated Bar of the Philippines, and the Office of the Bar Confidant.

SO ORDERED

Quisumbing, (Chairman), Carpio, Tinga, and Velasco, Jr., JJ., concur.

[1] Rollo, pp. 1-7.

[2] Id. at 8, Exhibit "C-3."

[3] Id. at 20-26.

[4] Id. at 18-19.

[5] Id. at 46-47.

[6] Id. at 399-400.

[7] Id. at 397-400.

[8] Id. at 400.

[9] Judge Angeles v. Atty. Uy, Jr., 386 Phil. 221, 231 (2000).

[10] Id. at 234.

[11] Gatchalian Promotions Talents Pool, Inc., v. Atty. Naldoza, 374 Phil. 1, 9-10 (1999).

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