

IN RE ATTORNEY MELCHOR E. RUSTE, RESPONDENT.

Adm. Case No. 632. June 27, 1940

Ponente: LAUREL, J.

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LAUREL, J.:

By virtue of an administrative complaint filed by Mateo San Juan against Melchor E. Ruste on February 27, 1934, to which the respondent made answer on March 15, 1934, this Court, by resolution of December 1, 1934, referred the case to the Solicitor-General for report. The reference brought forth the following formal complaint filed by the Solicitor-General against the respondent on March 26, 1935:

"Comes now the undersigned Solicitor-General of the Philippine Islands in the above entitled administrative case, and pursuant to the provisions of Rule 5 of the rules concerning disbarment or suspension of attorneys-at-law, to this Honorable Supreme Court, respectfully alleges:

"1. That in cadastral case No. 6, G. L. R. O. Record No. 483 of the Court of First Instance of Zamboanga, the respondent, Melchor E. Ruste, appeared for and represented, as counsel, Severa Ventura and her husband, Mateo San Juan, the herein complainant, who claimed lot No. 3765; and as a result of said cadastral proceedings, an undivided eleven-twentieth (11/20) share of said lot was adjudicated by said court to said claimants;

"2. That there was no agreement between the respondent and his said clients as to the amount of his fees; but that they paid to him upon demand on different occasions the sums of P30 and P25 as attorney's fees;

"3. That after said payments, the respondent again demanded of the complainant and his wife as additional fees the sum of P25, but they had no money to pay him, and so he asked them to execute in his favor a contract of lease, and a contract of sale, of their share in said lot No. 3764 in order that he may be able to borrow or raise said sum of P25;

"4. That in accordance with said respondent's request, the complainant and his wife executed on September 22, 1930, a contract of lease, whereby in consideration of P100, they leased to him their coconut and banana plantation in said lot No. 3764 for a term of five years, and also a deed of sale, whereby in consideration of P1,000, they sold and transferred to him their undivided eleven-twentieth (11/20) share in said lot No. 3764, although, in fact and in truth, neither of the considerations mentioned in said contracts of lease and sale were ever received by them;

"5. That on March 21, 1931, the respondent executed a deed of sale, whereby in consideration of P370 he sold and transferred to Ong Chua said undivided eleven-twentieth (11/20) share in lot No. 3764 excluding the house and its lot, occupied by the complainant and his wife; and on March 28, 1931, the respondent executed another deed of sale, whereby in consideration of the same amount of P370 paid to him by the same Ong Chua, he sold and transferred to the latter the same undivided eleven-twentieth (11/20) share in lot No. 3764, but already including said house and its lot;

"6. That by virtue of the sale to him, Ong Chua has taken possession of said eleven-twentieth share in lot No.

3764;

"7. That notwithstanding said second deed of sale, the respondent obtained authority from Ong Chua to allow the complainant and his wife to continue living in said house for a period of two years without paying any rent,;

"8. That on October 10, 1933, however, the respondent notified the complainant and his wife in writing that the said house still belonged to the respondent, and requires said spouses to pay, the sum of P40.50, representing ten months' rental in arrears, and thereafter a monthly rental of P1.50; and

"9. That the respondent did not turn over to the complainant and his wife the amount of P370 paid by Ong Chua nor any part thereof.

"Wherefore, the undersigned prays that disciplinary action be taken against the respondent."

To the foregoing complaint, the respondent, on April 23, 1935, interposed the following answer:

"Comparece el infrascrito, en su propia representación, y a la Honorable Corte Suprema, alega:

"Niega, general y específicamente sus alegaciones en dicha demanda, sobre todo en cuanto al pago de cantidades monetarias allí especificadas, y como defensa especial, alega:

"Que el denunciante Mateo San Juan, y sus testigos Esperato Bucoy y Severa Ventura han infringido la Ley del Perjurio; además el Fiscal Provincial José Evangelista es una parte interesada en el resultado de este asunto;

"Por todo lo expuesto, al Honorable Tribunal pide:

"(a) Que para la substanciación de esta causa que actúe de Fiscal, el Honorable Enrique Braganza, Fiscal de Joló, Sulú;

"(b) Que dicho Honorable Fiscal Enrique Braganza, sea requerido a investigar a los testigos, Esperato Bucoy y Severa Ventura, y al denunciante, Mateo San Juan, bajo las provisiones de la Ley del Perjurio tal como está enmendada."

"Sometido respetuosamente."

By resolution of this court of April 24, 1935, the said formal complaint and answer were referred to the judge of First Instance of Zamboanga for investigation, report, and recommendation. After various hearings and postponements, transpiring between August 3, 1935 and October 18, 1939, the Honorable Catalino Buenaventura, then presiding over the Court of First Instance of Zamboanga, elevated the record of the case to this court. On October 31, 1939, the case was included in the January, 1940 calendar, and at the hearing thereof on February 1, 1940, the respondent submitted the case without oral argument, and the memorandum presented by the Solicitor-General, recommending the dismissal of the complaint filed against the respondent, was ordered attached to the record.

From a perusal of the entire record, particularly of the formal complaint filed by the Solicitor-General against the respondent attorney, we gather the following material charges formulated against the latter, to wit, (1) that he engineered the execution in his favor, by the spouses Mateo San Juan and Severa Ventura, of the contract of lease, Exhibit A, and of the deed of sale, Exhibit B, covering the property in question; (2) that he did not turn over the considerations therefor to the said spouses; (3) that he likewise deeded the same property to one Ong Chua, for P370, without paying the spouses the said purchase price, and (4) that he required the spouses to pay P40.50 for ten months' rental in arrears, and thereafter a monthly rental of P1.50 for the house occupied by the said spouses.

Sometime in July, 1930, the respondent acted as counsel for the complainant and his wife when the latter laid

claim of ownership upon lot No. 3764 in case No. 6, G. L. R. O., Cadastral Record 483 of the Court of First Instance of Zamboanga, eleven-twentieth of said lot having been eventually adjudicated to the wife, Severa Ventura, on December 20, 1933. On September 22, 1930, that is, during the pendency of said cadastral case, the spouses purportedly leased a part of said lot to the respondent for P100, which lease was cancelled and superseded by a deed of sale executed on the same date, whereby the said spouses, in consideration of P1,000, conveyed eleven-twentieth of the same land in favor of the respondent. This is also the finding of the Solicitor-General in his report submitted in this case:

"* * * convinieron cancelar el arrendamiento y otorgar en sustitución un contrato de compraventa absoluta a favor del recurrido, como en efecto se hizo y es el Exhíbito B (pp. 37-38, Rollo 1), por cuyo documento Severa Ventura con el consentimiento marital correspondiente vendió definitivamente al recurrido su participación pro indivisa de 11/20 partes en el referido lote, y estando aún el mismo pendiente de vista y decisión el Expediente Catastral No. 6, Record No. 483, del Juzgado de Primera Instancia de Zamboanga." (Pp. 19-20.)

The property being thus in suit, which the respondent was waging on behalf of his clients, his acquisition thereof by the deed of sale, Exhibit B, constitutes malpractice. (Hernandez vs. Villanueva, 40 Phil., 775; In re Calderón, 7 Phil. 427.) Whether the deed of sale in question was executed at the instance of the spouses driven by financial necessity, as contended by the respondent, or at the latter's behest, as contended by the complainant, is of no moment. In either case an attorney occupies a vantage position to press upon or dictate his terms to a harrassed client, in breach of the "rule so amply protective of the confidential relations, which must necessarily exist between attorney and client, and of the rights of both." (Hernandez vs. Villanueva, supra.)

There is evidence to show that the respondent has failed to account to the aggrieved spouses for the various amounts received by him on account of the transactions effected by him pertaining to the portion of lot No. 3764. However, as the evidence is conflicting and the statements of the of the parties are contradictory on this point, it is believed that the determination of the exact amount due them by the respondent should better be elucidated and determined in an appropriate action which the complaint and his spouse may institute against the respondent for this purpose.

For having improperly acquired the property referred to in Exhibits A and B, under the above circumstances, which property was then the subject matter of a judicial proceeding, in which he was counsel, the respondent is found guilty of malpractice and is hereby suspended for a period of one year, reserving to the complainant and his spouse such action as may be proper for the recovery of such amount or amounts as may be due from the respondent. So ordered.

Avanceña, C. J., Imperial, Diaz, Concepción, and Moran, JJ., concur.

Respondent suspended for one year.

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