

**TRADERS ROYAL BANK EMPLOYEES UNION-INDEPENDENT,
PETITIONER, VS. NATIONAL LABOR RELATIONS COMMISSION AND
EMMANUEL NOEL A. CRUZ, RESPONDENTS.**

G.R. No. 120592. March 14, 1997

Ponente: REGALADO, J.

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REGALADO, J.:

Petitioner Traders Royal Bank Employees Union and private respondent Atty. Emmanuel Noel A. Cruz, head of the E.N.A. Cruz and Associates law firm, entered into a retainer agreement on February 26, 1987 whereby the former obligated itself to pay the latter a monthly retainer fee of P3,000.00 in consideration of the law firm's undertaking to render the services enumerated in their contract.[1] Parenthetically, said retainer agreement was terminated by the union on April 4, 1990.[2]

During the existence of that agreement, petitioner union referred to private respondent the claims of its members for holiday, mid-year and year-end bonuses against their employer, Traders Royal Bank (TRB). After the appropriate complaint was filed by private respondent, the case was certified by the Secretary of Labor to the National Labor Relations Commission (NLRC) on March 24, 1987 and docketed as NLRC-NCR Certified Case No. 0466.[3]

On September 2, 1988, the NLRC rendered a decision in the foregoing case in favor of the employees, awarding them holiday pay differential, mid-year bonus differential, and year-end bonus differential.[4] The NLRC, acting on a motion for the issuance of a writ of execution filed by private respondent as counsel for petitioner union, raffled the case to Labor Arbiter Oswald Lorenzo.[5]

However, pending the hearing of the application for the writ of execution, TRB challenged the decision of the NLRC before the Supreme Court. The Court, in its decision promulgated on August 30, 1990,[6] modified the decision of the NLRC by deleting the award of mid-year and year-end bonus differentials while affirming the award of holiday pay differential.[7]

The bank voluntarily complied with such final judgment and determined the holiday pay differential to be in the amount of P175,794.32. Petitioner never contested the amount thus found by TRB.[8] The latter duly paid its concerned employees their respective entitlement in said sum through their payroll.[9]

After private respondent received the above decision of the Supreme Court on September 18, 1990,[10] he notified the petitioner union, the TRB management and the NLRC of his right to exercise and enforce his attorney's lien over the award of holiday pay differential through a letter dated October 8, 1990.[11]

Thereafter, on July 2, 1991, private respondent filed a motion before Labor Arbiter Lorenzo for the determination of his attorney's fees, praying that ten percent (10%) of the total award for holiday pay differential computed by TRB at P175,794.32, or the amount of P17,579.43, be declared as his attorney's fees, and that petitioner union be ordered to pay and remit said amount to him.[12]

The TRB management manifested before the labor arbiter that they did not wish to oppose or comment on private respondent's motion as the claim was directed against the union,[13] while petitioner union filed a comment and opposition to said motion on July 15, 1991.[14] After considering the position of the parties, the labor arbiter issued an order[15] on November 26, 1991 granting the motion of private respondent, as follows:

WHEREFORE, premises considered, it is hereby ordered that the TRADERS ROYAL BANK EMPLOYEES UNION with offices at Kanlaon Towers, Roxas Boulevard is hereby ordered (sic) to pay without delay the attorney's fees due the movant law firm, E.N.A. CRUZ and ASSOCIATES the amount of P17,574.43 or ten (10%) per cent of the P175,794.32 awarded by the Supreme Court to the members of the former.

This constrained petitioner to file an appeal with the NLRC on December 27, 1991, seeking a reversal of that order.[16]

On October 19, 1994, the First Division of the NLRC promulgated a resolution affirming the order of the labor arbiter.[17]The motion for reconsideration filed by petitioner was denied by the NLRC in a resolution dated May 23, 1995,[18] hence the petition at bar.

Petitioner maintains that the NLRC committed grave abuse of discretion amounting to lack of jurisdiction in upholding the award of attorney's fees in the amount of P17,574.43, or ten percent (10%) of the P175,794.32 granted as holiday pay differential to its members, in violation of the retainer agreement; and that the challenged resolution of the NLRC is null and void,[19] for the reasons hereunder stated.

Although petitioner union concedes that the NLRC has jurisdiction to decide claims for attorney's fees, it contends that the award for attorney's fees should have been incorporated in the main case and not after the Supreme Court had already reviewed and passed upon the decision of the NLRC. Since the claim for attorney's fees by private respondent was neither taken up nor approved by the Supreme Court, no attorney's fees should have been allowed by the NLRC.

Thus, petitioner posits that the NLRC acted without jurisdiction in making the award of attorney's fees, as said act constituted a modification of a final and executory judgment of the Supreme Court which did not award attorney's fees. It then cited decisions of the Court declaring that a decision which has become final and executory can no longer be altered or modified even by the court which rendered the same.

On the other hand, private respondent maintains that his motion to determine attorney's fees was just an incident of the main case where petitioner was awarded its money claims. The grant of attorney's fees was the consequence of his exercise of his attorney's lien. Such lien resulted from and corresponds to the services he rendered in the action wherein the favorable judgment was obtained. To include the award of the attorney's fees in the main case presupposes that the fees will be paid by TRB to the adverse party. All that the non-inclusion of attorney's fees in the award means is that the Supreme Court did not order TRB to pay the opposing party attorney's fees in the concept of damages. He is not therefore precluded from filing his motion to have his own professional fees adjudicated.

In view of the substance of the arguments submitted by petitioner and private respondent on this score, it appears necessary to explain and consequently clarify the nature of the attorney's fees subject of this petition, in order to dissipate the apparent confusion between and the conflicting views of the parties.

There are two commonly accepted concepts of attorney's fees, the so-called ordinary and extraordinary.[20] In its ordinary concept, an attorney's fee is the reasonable compensation paid to a lawyer by his client for the legal services he has rendered to the latter. The basis of this compensation is the fact of his employment by and his agreement with the client.

In its extraordinary concept, an attorney's fee is an indemnity for damages ordered by the court to be paid by the losing party in a litigation. The basis of this is any of the cases provided by law where such award can be made, such as those authorized in Article 2208, Civil Code, and is payable not to the lawyer but to the client, unless they have agreed that the award shall pertain to the lawyer as additional compensation or as part thereof.

It is the first type of attorney's fees which private respondent demanded before the labor arbiter. Also, the present controversy stems from petitioner's apparent misperception that the NLRC has jurisdiction over claims for attorney's fees only before its judgment is reviewed and ruled upon by the Supreme Court, and that thereafter the former may no longer entertain claims for attorney's fees.

It will be noted that no claim for attorney's fees was filed by private respondent before the NLRC when it acted on the money claims of petitioner, nor before the Supreme Court when it reviewed the decision of the NLRC. It was only after the High Tribunal modified the judgment of the NLRC awarding the differentials that private respondent filed his claim before the NLRC for a percentage thereof as attorney's fees.

It would obviously have been impossible, if not improper, for the NLRC in the first instance and for the Supreme Court thereafter to make an award for attorney's fees when no claim therefor was pending before them. Courts generally rule only on issues and claims presented to them for adjudication. Accordingly, when the labor arbiter ordered the payment of attorney's fees, he did not in any way modify the judgment of the Supreme Court.

As an adjunctive episode of the action for the recovery of bonus differentials in NLRC-NCR Certified Case No. 0466, private respondent's present claim for attorney's fees may be filed before the NLRC even though or, better stated, especially after its earlier decision had been reviewed and partially affirmed. It is well settled that a claim for attorney's fees may be asserted either in the very action in which the services of a lawyer had been rendered or in a separate action.[21]

With respect to the first situation, the remedy for recovering attorney's fees as an incident of the main action may be availed of only when something is due to the client.[22] Attorney's fees cannot be determined until after the main litigation has been decided and the subject of the recovery is at the disposition of the court. The issue over attorney's fees only arises when something has been recovered from which the fee is to be paid.[23]

While a claim for attorney's fees may be filed before the judgment is rendered, the determination as to the propriety of the fees or as to the amount thereof will have to be held in abeyance until the main case from which the lawyer's claim for attorney's fees may arise has become final. Otherwise, the determination to be made by the courts will be premature.[24] Of course, a petition for attorney's fees may be filed before the judgment in favor of the client is satisfied or the proceeds thereof delivered to the client.[25]

It is apparent from the foregoing discussion that a lawyer has two options as to when to file his claim for professional fees. Hence, private respondent was well within his rights when he made his claim and waited for the finality of the judgment for holiday pay differential, instead of filing it ahead of the award's complete resolution. To declare that a lawyer may file a claim for fees in the same action only before the judgment is reviewed by a higher tribunal would deprive him of his aforestated options and render ineffective the foregoing pronouncements of this Court.

Assailing the rulings of the labor arbiter and the NLRC, petitioner union insists that it is not guilty of unjust enrichment because all attorney's fees due to private respondent were covered by the retainer fee of P3,000.00 which it has been regularly paying to private respondent under their retainer agreement. To be entitled to the additional attorney's fees as provided in Part D (Special Billings) of the agreement, it avers that there must be a separate mutual agreement between the union and the law firm prior to the performance of the additional services

by the latter. Since there was no agreement as to the payment of the additional attorney's fees, then it is considered waived.

En contra, private respondent contends that a retainer fee is not the attorney's fees contemplated for and commensurate to the services he rendered to petitioner. He asserts that although there was no express agreement as to the amount of his fees for services rendered in the case for recovery of differential pay, Article 111 of the Labor Code supplants this omission by providing for an award of ten percent (10%) of a money judgment in a labor case as attorney's fees.

It is elementary that an attorney is entitled to have and receive a just and reasonable compensation for services performed at the special instance and request of his client. As long as the lawyer was in good faith and honestly trying to represent and serve the interests of the client, he should have a reasonable compensation for such services.[26] It will thus be appropriate, at this juncture, to determine if private respondent is entitled to an additional remuneration under the retainer agreement[27] entered into by him and petitioner.

The parties subscribed therein to the following stipulations:

x x x

The Law Firm shall handle cases and extend legal services under the parameters of the following terms and conditions:

A. GENERAL SERVICES

1. Assurance that an Associate of the Law Firm shall be designated and be available on a day-to-day basis depending on the Union's needs;
2. Legal consultation, advice and render opinion on any actual and/or anticipatory situation confronting any matter within the client's normal course of business;
3. Proper documentation and notarization of any or all transactions entered into by the Union in its day-to-day course of business;
4. Review all contracts, deeds, agreements or any other legal document to which the union is a party signatory thereto but prepared or caused to be prepared by any other third party;
5. Represent the Union in any case wherein the Union is a party litigant in any court of law or quasi-judicial body subject to certain fees as qualified hereinafter;
6. Liaise with and/or follow-up any pending application or any papers with any government agency and/or any private institution which is directly related to any legal matter referred to the Law Firm.

B. SPECIAL LEGAL SERVICES

1. Documentation of any contract and other legal instrument/documents arising and/or required by your Union which do not fall under the category of its ordinary course of business activity but requires a special, exhaustive or detailed study and preparation;
2. Conduct or undertake researches and/or studies on special projects of the Union;
3. Render active and actual participation or assistance in conference table negotiations with TRB management or any other third person(s), juridical or natural, wherein the presence of counsel is not for mere consultation except CBA negotiations which shall be subject to a specific agreement (pursuant to PD 1391 and in relation to BP 130 & 227);

4. Preparation of Position Paper(s), Memoranda or any other pleading for and in behalf of the Union;
5. Prosecution or defense of any case instituted by or against the Union; and,
6. Represent any member of the Union in any proceeding provided that the particular member must give his/her assent and that prior consent be granted by the principal officers. Further, the member must conform to the rules and policies of the Law Firm.

C. FEE STRUCTURE

In consideration of our commitment to render the services enumerated above when required or necessary, your Union shall pay a monthly retainer fee of THREE THOUSAND PESOS (PHP 3,000.00), payable in advance on or before the fifth day of every month.

An Appearance Fee which shall be negotiable on a case-to-case basis.

Any and all Attorney's Fees collected from the adverse party by virtue of a successful litigation shall belong exclusively to the Law Firm.

It is further understood that the foregoing shall be without prejudice to our claim for reimbursement of all out-of-pocket expenses covering filing fees, transportation, publication costs, expenses covering reproduction or authentication of documents related to any matter referred to the Law Firm or that which redound to the benefit of the Union.

D. SPECIAL BILLINGS

In the event that the Union avails of the services duly enumerated in Title B, the Union shall pay the Law Firm an amount mutually agreed upon PRIOR to the performance of such services. The sum agreed upon shall be based on actual time and effort spent by the counsel in relation to the importance and magnitude of the matter referred to by the Union. However, charges may be WAIVED by the Law Firm if it finds that time and efforts expended on the particular services are inconsequential but such right of waiver is duly reserved for the Law Firm.

x x x

The provisions of the above contract are clear and need no further interpretation; all that is required to be done in the instant controversy is its application. The P3,000.00 which petitioner pays monthly to private respondent does not cover the services the latter actually rendered before the labor arbiter and the NLRC in behalf of the former. As stipulated in Part C of the agreement, the monthly fee is intended merely as a consideration for the law firm's commitment to render the services enumerated in Part A (General Services) and Part B (Special Legal Services) of the retainer agreement.

The difference between a compensation for a commitment to render legal services and a remuneration for legal services actually rendered can better be appreciated with a discussion of the two kinds of retainer fees a client may pay his lawyer. These are a general retainer, or a retaining fee, and a special retainer.[28]

A general retainer, or retaining fee, is the fee paid to a lawyer to secure his future services as general counsel for any ordinary legal problem that may arise in the routinary business of the client and referred to him for legal action. The future services of the lawyer are secured and committed to the retaining client. For this, the client pays the lawyer a fixed retainer fee which could be monthly or otherwise, depending upon their arrangement. The fees are paid whether or not there are cases referred to the lawyer. The reason for the remuneration is that the lawyer is deprived of the opportunity of rendering services for a fee to the opposing party or other parties. In fine, it is a compensation for lost opportunities.

A special retainer is a fee for a specific case handled or special service rendered by the lawyer for a client. A client may have several cases demanding special or individual attention. If for every case there is a separate and independent contract for attorney's fees, each fee is considered a special retainer.

As to the first kind of fee, the Court has had the occasion to expound on its concept in *Hilado vs. David*[29] in this wise:

There is in legal practice what is called a "retaining fee," the purpose of which stems from the realization that the attorney is disabled from acting as counsel for the other side after he has given professional advice to the opposite party, even if he should decline to perform the contemplated services on behalf of the latter. It is to prevent undue hardship on the attorney resulting from the rigid observance of the rule that a separate and independent fee for consultation and advice was conceived and authorized. "A retaining fee is a preliminary fee given to an attorney or counsel to insure and secure his future services, and induce him to act for the client. It is intended to remunerate counsel for being deprived, by being retained by one party, of the opportunity of rendering services to the other and of receiving pay from him, and the payment of such fee, in the absence of an express understanding to the contrary, is neither made nor received in payment of the services contemplated; its payment has no relation to the obligation of the client to pay his attorney for the services for which he has retained him to perform." (Emphasis supplied).

Evidently, the P3,000.00 monthly fee provided in the retainer agreement between the union and the law firm refers to a general retainer, or a retaining fee, as said monthly fee covers only the law firm's pledge, or as expressly stated therein, its "commitment to render the legal services enumerated." The fee is not payment for private respondent's execution or performance of the services listed in the contract, subject to some particular qualifications or permutations stated there.

Generally speaking, where the employment of an attorney is under an express valid contract fixing the compensation for the attorney, such contract is conclusive as to the amount of compensation.[30] We cannot, however, apply the foregoing rule in the instant petition and treat the fixed fee of P3,000.00 as full and sufficient consideration for private respondent's services, as petitioner would have it.

We have already shown that the P3,000.00 is independent and different from the compensation which private respondent should receive in payment for his services. While petitioner and private respondent were able to fix a fee for the latter's promise to extend services, they were not able to come into agreement as to the law firm's actual performance of services in favor of the union. Hence, the retainer agreement cannot control the measure of remuneration for private respondent's services.

We, therefore, cannot favorably consider the suggestion of petitioner that private respondent had already waived his right to charge additional fees because of their failure to come to an agreement as to its payment.

Firstly, there is no showing that private respondent unequivocally opted to waive the additional charges in consonance with Part D of the agreement. Secondly, the prompt actions taken by private respondent, i.e., serving notice of charging lien and filing of motion to determine attorney's fees, belie any intention on his part to renounce his right to compensation for prosecuting the labor case instituted by the union. And, lastly, to adopt such theory of petitioner may frustrate private respondent's right to attorney's fees, as the former may simply and unreasonably refuse to enter into any special agreement with the latter and conveniently claim later that the law firm had relinquished its right because of the absence of the same.

The fact that petitioner and private respondent failed to reach a meeting of the minds with regard to the payment of professional fees for special services will not absolve the former of civil liability for the corresponding remuneration therefor in favor of the latter.

Obligations do not emanate only from contracts.[31] One of the sources of extra-contractual obligations found in our Civil Code is the quasi-contract premised on the Roman maxim that *nemo cum alterius detrimento locupletari* protest. As embodied in our law,[32] certain lawful, voluntary and unilateral acts give rise to the juridical relation of quasi-contract to the end that no one shall be unjustly enriched or benefited at the expense of another.

A quasi-contract between the parties in the case at bar arose from private respondent's lawful, voluntary and unilateral prosecution of petitioner's cause without awaiting the latter's consent and approval. Petitioner cannot deny that it did benefit from private respondent's efforts as the law firm was able to obtain an award of holiday pay differential in favor of the union. It cannot even hide behind the cloak of the monthly retainer of P3,000.00 paid to private respondent because, as demonstrated earlier, private respondent's actual rendition of legal services is not compensable merely by said amount.

Private respondent is entitled to an additional remuneration for pursuing legal action in the interest of petitioner before the labor arbiter and the NLRC, on top of the P3,000.00 retainer fee he received monthly from petitioner. The law firm's services are decidedly worth more than such basic fee in the retainer agreement. Thus, in Part C thereof on "Fee Structure," it is even provided that all attorney's fees collected from the adverse party by virtue of a successful litigation shall belong exclusively to private respondent, aside from petitioner's liability for appearance fees and reimbursement of the items of costs and expenses enumerated therein.

A quasi-contract is based on the presumed will or intent of the obligor dictated by equity and by the principles of absolute justice. Some of these principles are: (1) It is presumed that a person agrees to that which will benefit him; (2) Nobody wants to enrich himself unjustly at the expense of another; and (3) We must do unto others what we want them to do unto us under the same circumstances.[33]

As early as 1903, we allowed the payment of reasonable professional fees to an interpreter, notwithstanding the lack of understanding with his client as to his remuneration, on the basis of quasi-contract.[34] Hence, it is not necessary that the parties agree on a definite fee for the special services rendered by private respondent in order that petitioner may be obligated to pay compensation to the former. Equity and fair play dictate that petitioner should pay the same after it accepted, availed itself of, and benefited from private respondent's services.

We are not unaware of the old ruling that a person who had no knowledge of, nor consented to, or protested against the lawyer's representation may not be held liable for attorney's fees even though he benefited from the lawyer's services.[35] But this doctrine may not be applied in the present case as petitioner did not object to private respondent's appearance before the NLRC in the case for differentials.

Viewed from another aspect, since it is claimed that petitioner obtained respondent's legal services and assistance regarding its claims against the bank, only they did not enter into a special contract regarding the compensation therefor, there is at least the innominate contract of *facio ut des* (I do that you may give).[36] This rule of law, likewise founded on the principle against unjust enrichment, would also warrant payment for the services of private respondent which proved beneficial to petitioner's members.

In any case, whether there is an agreement or not, the courts can fix a reasonable compensation which lawyers should receive for their professional services.[37] However, the value of private respondent's legal services should not be established on the basis of Article 111 of the Labor Code alone. Said article provides:

ART. 111. Attorney's fees. - (a) In cases of unlawful withholding of wages the culpable party may be assessed attorney's fees equivalent to ten percent of the amount of the wages recovered.

x x x

The implementing provision[38] of the foregoing article further states:

Sec. 11. Attorney's fees. - Attorney's fees in any judicial or administrative proceedings for the recovery of wages shall not exceed 10% of the amount awarded. The fees may be deducted from the total amount due the winning party.

In the first place, the fees mentioned here are the extraordinary attorney's fees recoverable as indemnity for damages sustained by and payable to the prevailing part. In the second place, the ten percent (10%) attorney's fees provided for in Article 111 of the Labor Code and Section 11, Rule VIII, Book III of the Implementing Rules is the maximum of the award that may thus be granted.[39] Article 111 thus fixes only the limit on the amount of attorney's fees the victorious party may recover in any judicial or administrative proceedings and it does not even prevent the NLRC from fixing an amount lower than the ten percent (10%) ceiling prescribed by the article when circumstances warrant it.[40]

The measure of compensation for private respondent's services as against his client should properly be addressed by the rule of quantum meruit long adopted in this jurisdiction. Quantum meruit, meaning "as much as he deserves," is used as the basis for determining the lawyer's professional fees in the absence of a contract,[41] but recoverable by him from his client.

Where a lawyer is employed without a price for his services being agreed upon, the courts shall fix the amount on quantum meruit basis. In such a case, he would be entitled to receive what he merits for his services.[42]

It is essential for the proper operation of the principle that there is an acceptance of the benefits by one sought to be charged for the services rendered under circumstances as reasonably to notify him that the lawyer performing the task was expecting to be paid compensation therefor. The doctrine of quantum meruit is a device to prevent undue enrichment based on the equitable postulate that it is unjust for a person to retain benefit without paying for it.[43]

Over the years and through numerous decisions, this Court has laid down guidelines in ascertaining the real worth of a lawyer's services. These factors are now codified in Rule 20.01, Canon 20 of the Code of Professional Responsibility and should be considered in fixing a reasonable compensation for services rendered by a lawyer on the basis of quantum meruit. These are: (a) the time spent and the extent of services rendered or required; (b) the novelty and difficulty of the questions involved; (c) the importance of the subject matter; (d) the skill demanded; (e) the probability of losing other employment as a result of acceptance of the proffered case; (f) the customary charges for similar services and the schedule of fees of the IBP chapter to which the lawyer belongs; (g) the amount involved in the controversy and the benefits resulting to the client from the services; (h) the contingency or certainty of compensation; (i) the character of the employment, whether occasional or established; and (j) the professional standing of the lawyer.

Here, then, is the flaw we find in the award for attorney's fees in favor of private respondent. Instead of adopting the above guidelines, the labor arbiter forthwith but erroneously set the amount of attorney's fees on the basis of Article 111 of the Labor Code. He completely relied on the operation of Article 111 when he fixed the amount of attorney's fees at P17,574.43.[44]Observe the conclusion stated in his order.[45]

x x x

FIRST. Art. 111 of the Labor Code, as amended, clearly declares movant's right to a ten (10%) per cent of the award due its client. In addition, this right to ten (10%) per cent attorney's fees is supplemented by Sec. 111, Rule VIII, Book III of the Omnibus Rules Implementing the Labor Code, as amended.

x x x

As already stated, Article 111 of the Labor Code regulates the amount recoverable as attorney's fees in the nature

of damages sustained by and awarded to the prevailing party. It may not be used therefore, as the lone standard in fixing the exact amount payable to the lawyer by his client for the legal services he rendered. Also, while it limits the maximum allowable amount of attorney's fees, it does not direct the instantaneous and automatic award of attorney's fees in such maximum limit.

It, therefore, behooves the adjudicator in questions and circumstances similar to those in the case at bar, involving a conflict between lawyer and client, to observe the above guidelines in cases calling for the operation of the principles of quasi-contract and quantum meruit, and to conduct a hearing for the proper determination of attorney's fees. The criteria found in the Code of Professional Responsibility are to be considered, and not disregarded, in assessing the proper amount. Here, the records do not reveal that the parties were duly heard by the labor arbiter on the matter and for the resolution of private respondent's fees.

It is axiomatic that the reasonableness of attorney's fees is a question of fact.[46] Ordinarily, therefore, we would have remanded this case for further reception of evidence as to the extent and value of the services rendered by private respondent to petitioner. However, so as not to needlessly prolong the resolution of a comparatively simple controversy, we deem it just and equitable to fix in the present recourse a reasonable amount of attorney's fees in favor of private respondent. For that purpose, we have duly taken into account the accepted guidelines therefor and so much of the pertinent data as are extant in the records of this case which are assistive in that regard. On such premises and in the exercise of our sound discretion, we hold that the amount of P10,000.00 is a reasonable and fair compensation for the legal services rendered by private respondent to petitioner before the labor arbiter and the NLRC.

WHEREFORE, the impugned resolution of respondent National Labor Relations Commission affirming the order of the labor arbiter is MODIFIED, and petitioner is hereby ORDERED to pay the amount of TEN THOUSAND PESOS (P10,000.00) as attorney's fees to private respondent for the latter's legal services rendered to the former. SO ORDERED.

Romero, Puno, Mendoza, and Torres, Jr., JJ., concur.

[1] Rollo, 26-30.

[2] Ibid., 45, 105.

[3] Ibid., 4.

[4] Ibid., 5.

[5] Ibid., 106.

[6] Traders Royal Bank vs. NLRC and Traders Royal Bank Employees Union, G.R. No. 88168.

[7] Ibid., 31-38.

[8] Ibid., 106.

[9] Ibid., 17, 106.

[10] Ibid., 106.

[11] Ibid., 112-113.

[12] Ibid., 39-43.

- [13] Ibid., 107.
- [14] Ibid., 44-45.
- [15] Ibid., 46-49.
- [16] Ibid., 7.
- [17] Ibid., 17-21.
- [18] Ibid., 22-25.
- [19] Ibid., 7-8.
- [20] Pineda E.L., Legal and Judicial Ethics, 1994 ed., 220.
- [21] Tolentino vs. Escalona, G.R. No. L-26556, January 24, 1969, 26 SCRA 613.
- [22] Quirante, et al. vs. Intermediate Appellate Court, et al., G.R. No. 73886, January 31, 1989, 169 SCRA 769.
- [23] Otto Gmur, Inc. vs. Revilla, et al., 55 Phil. 627 (1931).
- [24] See Quirante, et al. vs. Intermediate Appellate Court, et al., supra, Fn. 22.
- [25] Palanca vs. Pecson, 94 Phil. 419 (1954).
- [26] De Guzman vs. Visayan Rapid Transit Co., Inc., et al., 68 Phil. 643 (1939).
- [27] Rollo, 26-30.
- [28] Pineda, op. cit., 224-225, Fn. 20.
- [29] 84 Phil. 579 (1949), citing 7 C.J.S. 1019.
- [30] Francisco vs. Matias, G.R. No. L-16349, January 31, 1965, 10 SCRA 89.
- [31] Article 1157, Civil Code.
- [32] Article 2142, Civil Code.
- [33] Tolentino, A.M., Commentaries and Jurisprudence on the Civil Code, Vol. V, 1992 ed., 575.
- [34] See Perez vs. Pomar, 2 Phil. 682 (1903).
- [35] Orosco vs. Heirs of Hernandez, 1 Phil. 77 (1901).
- [36] Corpuz vs. Court of Appeals, et al., G.R. No. L-40424, June 30, 1980, 98 SCRA 424.
- [37] Panis vs. Yangco, 52 Phil. 499 (1928).
- [38] Sec. 11, Rule VIII, Book III of the Omnibus Rules Implementing the Labor Code.
- [39] Sebuguero, et al. vs. NLRC, et al., G.R. No. 115394, September 27, 1995, 248 SCRA 532.
- [40] Taganas vs. NLRC, et al., G.R. No. 118746, September 7, 1995, 248 SCRA 133.
- [41] Sesbreño vs. Court of Appeals, et al., G.R. No. 117438, June 8, 1995, 245 SCRA 30.
- [42] Lorenzo vs. Court of Appeals, et al., G.R. No. 85383, August 30, 1990, 189 SCRA 260.
- [43] Agpalo, R.E., The Code of Professional Responsibility for Lawyers, 1991 ed., 257.

[44] The amount is short by P5.00 because 10% of P175,794.32 is P17,579.43.

[45] Rollo, 48-49.

[46] Gonzales vs. National Housing Corporation, G.R. No. 50092, December 18, 1979, 94 SCRA 786.

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