

SEVERO M. LORENZO, PETITIONER, VS. HON. COURT OF APPEALS, ESTHER BANEZ, AND CHARITY BALDONADO, RESPONDENTS.

G.R. No. 85383. August 30, 1990

Ponente: PARAS, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-85383/>

PARAS, J.:

On January 19, 1980, petitioner Lorenzo filed Special Proceedings No. 57 in the Municipal Court of Cauayan, Isabela, for the adoption of Charity Baldonado by one Benjamin S. Baldonado who was then a pensioner of the Social Security System of the United States Government. On February 27, 1980, Benjamin S. Baldonado died. Subsequently, on March 5, 1980, the decision was rendered approving the adoption of Charity. In view of said decision, Charity applied for insurance benefits as heir of Benjamin with the Social Security System of United States of America. The claim was, however, denied. Petitioner prepared for Charity a motion for reconsideration but was signed by her guardian, the private respondent Esther Banez. This motion was denied. Private respondent Banez filed a second motion for reconsideration with petitioner signing as her counsel on July 15, 1981. This time, private respondent won. Sometime in May, 1983, private respondent informed petitioner of the approval of Charity's claim which amounted to US\$182.00 (P3,891.06 converted to pesos under the current rate) monthly and a three-year lump sum-monthly pension in arrears. Private respondent Esther Banez gave petitioner P1,000.00 as his professional fee. On June 25, 1983 petitioner sent a letter to private respondent Banez demanding payment of P33,250 as attorney's fees, plus a monthly share of P500.00 from the pension of Charity. Private respondents rejected the demand. Thereupon, petitioner filed a complaint for payment of attorney's fees.

The trial court rendered judgment in favor of private respondents. On appeal to the respondent Court of Appeals, it affirmed the lower court's judgment. Hence, this petition.

The only issue in this case is whether or not P1,000 is a reasonable amount of compensation to which petitioner is entitled for the legal services he had rendered to the private respondents.

Noteworthy are the following facts: (1) petitioner was paid his fees in the Special Proceedings case which ended with the adoption of the minor thereby terminating the client and lawyer relationship; (2) petitioner was paid for his preparation of the first motion for reconsideration with regard to the denial of the claims for insurance benefit which was signed by Charity's guardian, private respondent Banez; and (3) this particular motion was not signed by petitioner as counsel for the private respondents.

Petitioner is now asking his fees for his assistance in preparing the second motion for reconsideration.

The petition has no merit.

The relevant provision of law is Section 24 of Rule 138, to wit:

"Sec. 24. Compensation of attorneys agreements as to fees. - An attorney shall be entitled to have and recover from his client no more than a reasonable compensation for his services, with a view to the importance of the subject matter of the controversy, the extent of the services rendered, and the professional standing of the

attorney. No court shall be bound by the opinion of attorneys as expert witnesses as to the proper compensation, but may disregard such testimony and base its conclusion on its own professional knowledge. A written contract for services shall control the amount to be paid therefor unless found by the court to be unconscionable or unreasonable."

Under the aforecited Rule, it is clear that a lawyer has the right to be paid for the legal services he has extended to his client. However, the same provides for a limitation in the fixing of said attorney's fees, that is, it must be just and reasonable. And in determining the reasonableness of attorney's fees, several factors or circumstances must be taken into account, namely: the amount and character of the services rendered; the nature and importance of the litigation or business in which the services were rendered; the responsibility imposed; the amount of money or the value of the property affected by the controversy or involved in the employment; the skill and experience called for in the performance of the services; the professional character and social standing of the attorney; the results secured, among others.

We see no reversible error on the part of respondent Court in affirming the lower court's judgment. Said respondent Court:

"Turning to the present controversy, it is at once apparent that the legal work done by herein plaintiff-appellant, Atty. Severo M. Lorenzo, in preparing the second motion for reconsideration, a two-page letter addressed to the Social Security Administration of the United States of America, dated July 18, 1981 (Exh. "E-1"), was quite simple in nature. It did not require much time, effort or skill. Certainly, it does not serve to justify a hefty claim to half of the pension due to the defendant minor, or to P32, 260.00 plus P500.00 monthly, to be precise, as attorney's fees. The records further disclose that plaintiff-appellant never attended any hearing in connection with the aforementioned motion for reconsideration in regard to the insurance benefits due Charity Baldonado. Then, too, a close perusal of the said motion for reconsideration would reveal that the arguments therein raised by him were merely a reiteration of the points touched upon by the defendants-appellants in their first motion for reconsideration." (p. 21, Rollo)

We share likewise the observation made by the trial court in applying Section 1 of Republic Act 145 which actually militates against petitioner's claim. Said law provides:

"Any person assisting a claimant in the preparation, presentation and prosecution of his claim for benefits under the laws of the United States administered by the United States Veterans Administration who shall directly or indirectly, solicit, contract for, charge or receive, or who shall attempt to solicit contract for, charge or receive any fee or compensation exceeding twenty pesos, in any claim, or who shall collect his fee before the claim is actually paid to a beneficiary or claimant shall be guilty of an offense and upon conviction thereof shall for every offense be fined not exceeding one thousand pesos or imprisonment not exceeding five years, or both, in the discretion of the court."

As aptly put by the trial court:

"While the defendants' claim was filed with the Social Security Administration of the United States of America, the evidence overwhelmingly shows that said claim is being administered by the United States Veterans Administration. The communications sent by the defendants (Exhs. '1', 'E-1' and 'C'), as well as those received from the United States Government (Exhs. '2', '3', '5', '7', and 'D'), show that the claim of Charity Baldonado was being administered by the United States Veterans Administration. The fact that communications, although pertaining to the Social Security Administration, were coursed through the United States Veterans Administration, merely supports the view that this particular claim of the defendant is being administered by said department. Since under the aforequoted law, the plaintiff is only authorized to exact a fee of P20.00, the plaintiff, therefore, has no cause of action against the defendants for the latter have paid him more than what the law requires." (pp. 22-23, Rollo)

The principle of quantum meruit applies if a lawyer is employed without a price agreed upon for his services. In which case, he would be entitled to receive what he merits for his services, as much as he has earned. (Robinol vs. Montemayor, Adm. Case No. 2180, April 10, 1989). Under the circumstances and on the basis of quantum meruit, the P1,000 paid to appellant is reasonable compensation for his legal work, there being no agreement on the amount of the fee.

PREMISES CONSIDERED, the appealed judgment is hereby AFFIRMED with costs against the petitioner.

SO ORDERED.

Melencio-Herrera, (Chairman), Padilla, and Regalado, JJ., concur.
Sarmiento, J., on leave.

* Penned by Justice Alfredo L. Benipayo and concurred in by Justices Jose C. Campos, Jr. and Ricardo J. Francisco.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.