



Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

PEDRO SALAZAR,
Complainant,

A.C. No. 7035

Present:

- versus -

PERALTA, *CJ.*, Chairperson,
CAGUIOA,
REYES, J., JR.,
LAZARO-JAVIER,
LOPEZ, *JJ.*

ATTY. ARMAND DURAN,
Respondent.

Promulgated:

JUL 13 2020

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R E S O L U T I O N

LOPEZ, J.:

This is an administrative complaint filed by Pedro Salazar against Atty. Armand Duran for unethical conduct, dishonesty, false testimony, violation of the lawyer’s oath, and for acts inimical to his client.

Facts

In his Complaint-Affidavit,¹ Pedro alleged that he engaged the services of Atty. Duran in a partition case involving the estate of his (Pedro) parents. Thereafter, Pedro and Atty. Duran executed two contracts for attorney’s fees: one, a contract on contingent basis wherein 20% of any and all proceeds of the partition case will be paid to Atty. Duran;² and second, a contract wherein the

¹ *Rollo*, pp. 1-9.

² *Id.* at 11. The Agreement for Attorney’s Fee reads in part, as follows:

That in consideration for filing a partition case to recover my hereditary share in the estates left b[y] my late parents Jesus Salazar and Soledad F. Salazar, together with the handling of all other ancillary or collateral cases related to or also involving the recovery of said share in any court, agency or tribunal, I PEDRO F. SALAZAR, x x x do hereby bind myself to pay ATTY. ARMAND A. DURAN of the “Duran and Associates”

attorney's fees and acceptance fee were set at ₱50,000.00 each, subject to certain conditions.³

Meantime, Pedro received a Land Bank of the Philippines (LBP) check⁴ in the amount of ₱339,854.50 and LBP bonds representing his share in the just compensation of his parent's property that was expropriated. With the money available, Pedro informed Atty. Duran that he will pay him the attorney's fees. At the behest of Atty. Duran, Pedro signed a waiver for the LBP bonds in his favor. However, when Pedro learned that the value of the LBP bonds was considerably higher than the attorney's fees stipulated in the two contracts, he asked Atty. Duran to return the excess but Atty. Duran refused. Pedro claimed that the value of the LBP bonds was ₱821,038.50, more or less.⁵

On March 17, 1997, Pedro tried to cash the LBP check but Atty. Duran grabbed it from him and left. Pedro then learned that Atty. Duran deposited the check in his own account with Allied Bank. Further, Atty. Duran secured a loan from LBP and used the money value of the LBP bonds to pay off the loan.⁶ With these actuations of Atty. Duran, Pedro lost the trust and confidence in him and terminated his services.⁷

Later, another property of Pedro's parents was expropriated. Since the partition case between the heirs was still pending, LBP required a court order for the release of the just compensation to the heirs. Pedro requested the assistance of a new lawyer, Atty. Gualberto C. Manlagñit, to file the necessary motion in the partition case. To Pedro's surprise, Atty. Duran intervened, claiming 20% of the just compensation due to Pedro. Eventually, the trial court ordered LBP to release Pedro's share but withheld 20% of it pending the determination of Atty. Duran's claim.⁸

Pedro alleged that it was during the hearing on the motion that Atty. Duran committed false testimony. Atty. Duran testified that he signed the LBP check only as a witness, and that it was Pedro who received the money.⁹ However, on cross-examination, Atty. Duran stated that he deposited the check in his account with Allied Bank, withdrew some money, and gave it to Pedro.¹⁰

Law Office, on contingent basis, twenty (20) percent of all rights, properties, real or personal, that I may recover as his attorney's fees.

³ *Id.* at 12. The conditions are as follows:

a. Should there be no settlement within 6 months as aforementioned, an additional sum of P100,000.00 shall be paid within 30 days thereafter plus P100,000.00 as additional expenses of litigation[;]

b. In case of appeal, attorney[']s fee[s] in the Court of Appeals is P100,000.00 and in the Supreme Court, another P100,000.00. These amounts are subjected to 10% annual and cumulative increase[;]

c. In addition, [Pedro Salazar] shall defray all expenses of litigation including appearance expenses of P1,000.00 per hearing. The sum of P100,000.00 shall initially be paid to initiate the case[;]

d. Other ancillary and collateral cases that may crop up also involving the recovery of said hereditary share also be compensated upon agreement of the parties.

⁴ *Id.* at 13-14.

⁵ *Id.* at 3; paragraph 8 of the Complaint-Affidavit. See also *id.* at 242.

⁶ *Id.* at 15.

⁷ *Id.* at 18.

⁸ *Id.* at 5; paragraph 21 of the Complaint-Affidavit.

⁹ See *id.* at 39-40.

¹⁰ See *id.* at 48-50.



Consequently, Pedro filed the instant complaint praying that Atty. Duran be administratively investigated for his unethical conduct, dishonesty, false testimony, and violation of the lawyer's oath.¹¹

In his Comment,¹² Atty. Duran averred that the attorney's fees he received from Pedro were reasonable and that he was the victim who was betrayed by his client. He narrated that Pedro was one of the heirs of Soledad F. Salazar. Since the heirs, except for Pedro, had already appropriated for themselves substantial portions of the estate, Pedro sought assistance from him to obtain his rightful share. Pedro, however, could not afford the expenses of litigation. Thus, Atty. Duran agreed to advance all litigation expenses on the condition that the attorney's fees will be on a contingent basis equivalent to 20% of the value of Pedro's share in the estate.

Later, Atty. Duran learned that Pedro hired another lawyer to file motions to withdraw a total of ₱5,046,945.13 just compensation from LBP. Apparently, Pedro did this to avoid paying the 20% attorney's fees due to him under the contract. When Atty. Duran discovered this, he intervened and asked for the trial court to segregate 20% of Pedro's share in the just compensation as attorney's fees. It was during the hearing on the motion that he allegedly committed false testimony. Nevertheless, Atty. Duran averred that the false testimony charge was already dismissed.¹³

On December 6, 2006, we referred the administrative complaint to the Integrated Bar of the Philippines (IBP) for investigation, report and recommendation.¹⁴

Proceedings in the IBP

In his Position Paper,¹⁵ Atty. Duran reiterated his comment to the complaint. He explained that the contingent fee contract contained an addendum allowing Pedro to pay attorney's fees on a non-contingent basis if he can secure a loan to finance the expenses of litigation.¹⁶ However, since Pedro failed to secure the loan, the contingent fee contract was implemented.

Atty. Duran admitted that he deposited the LBP check in his own account with Allied Bank but he withdrew ₱160,000.00¹⁷ and gave it to Pedro. Then, at his office, he gave ₱111,200.00 to Pedro after they agreed that he will be paid an additional amount of ₱67,800.00 as attorney's fees. With

¹¹ *Id.* at 9.

¹² *Id.* at 63-73.

¹³ *Id.* at 74-82, 98-100, 101-102.

¹⁴ *Id.* at 121.

¹⁵ *Id.* at 224-236.

¹⁶ *Id.* at 248. The addendum reads:

The attached Agreement for attorney[']s fee is subject to renegotiation within 45 days from date thereof if the client PEDRO F. SALAZAR is able to arrange for a loan to pay the attorney[']s fee on a non-contingent basis in which case, a new agreement for attorney[']s fee will be drafted based on the attached draft.

Legaspi City, 10 January 1997.

(signed)
PEDRO F. SALAZAR

¹⁷ *Id.* at 243-245.



respect to the LBP bonds, Atty. Duran claimed that only ₱332,520.59 was assigned to him, to which he realized ₱243,467.32 after trading.

On April 24, 2009, the IBP Commission on Bar Discipline (IBP-CBD) issued its Report¹⁸ finding Atty. Duran's inconsistent statements on the witness stand reflective of his poor moral character and on his fitness to practice law. However, since Pedro did not suffer any prejudice as a result of Atty. Duran's acts, the IBP-CBD recommended that Atty. Duran be reprimanded with a stern warning that repetition of the same or similar acts shall be dealt with more severely.

As to the allegations of "check-grabbing" and that Atty. Duran forced Pedro to surrender the LBP bonds to him, the IBP-CBD found no evidence to support Pedro's claims. Likewise, the attorney's fees received by Atty. Duran under the first contract in the amount of ₱423,111.85 were reasonable under Canon 20¹⁹ of the Code of Professional Responsibility (CPR).

On May 14, 2011, the IBP Board of Governors passed a Resolution²⁰ dismissing the charges of dishonesty, false testimony, and violation of the lawyer's oath against Atty. Duran, but reprimanded him for unethical conduct, *viz.*:

RESOLUTION NO. XIX-2011-189
Adm. Case No. 7035
Pedro Salazar v. Atty. Armand Duran

*RESOLVED to ADOPT and APPROVE, as it is hereby unanimously ADOPTED and APPROVED, with modification, the Report and Recommendation of the Investigating Commissioner in the above-entitled case, herein made part of this Resolution as Annex "A" and finding the recommendation fully supported by the evidence on record and the applicable laws and rules, the charges of dishonesty, false testimony and violation of the lawyer's Oath against Respondent, are hereby **DISMISSED**. However, on the charge of unethical conduct, Atty. Armand Duran is hereby **REPRIMANDED** considering his conflicting declaration under oath, with the stern Warning that repetition of the same or similar acts shall be dealt with more severely.²¹*

Pedro sought reconsideration,²² alleging a pattern of flawed behavior on Atty. Duran that is deserving of the penalty of disbarment. Pedro claimed that Atty. Duran previously defrauded another client in Naga City and that Atty. Duran fomented lawsuits to advance his financial interests.

On February 11, 2014, the IBP Board of Governors granted Pedro's motion and imposed upon Atty. Duran the penalty of suspension from the practice of law for three months:²³

¹⁸ *Id.* at 259-279.

¹⁹ CANON 20 - A LAWYER SHALL CHARGE ONLY FAIR AND REASONABLE FEES.
²⁰ *Rollo*, pp. 257-258.

²¹ *Id.* at 257. Emphases retained.

²² *Rollo*, pp. 280-312.

²³ *Id.* at 368.

RESOLUTON NO. XX-2014-16
Adm. Case No. 7035
Pedro Salazar v. Atty. Armand Duran

*RESOLVED to GRANT Complainant's Motion for Reconsideration except for the penalty. Thus, Resolution No. XIX-2011-189 dated May 14, 2011 is hereby SET ASIDE and Respondent is hereby SUSPENDED from the practice of law for three (3) months instead.*²⁴

On April 25, 2014, the IBP-CBD transmitted the pertinent records of the case to this Court.²⁵

Meantime, Atty. Duran filed a Motion to Set Aside Resolution No. XX-2014-16,²⁶ which was transmitted by the IBP-CBD to the Office of the Bar Confidant in its Indorsement dated May 29, 2014.²⁷ In his motion, Atty. Duran averred that the new charges in the motion for reconsideration must be reinvestigated properly and that he will be allowed to adduce his evidence to controvert the new charges.

On June 27, 2016, we referred Atty. Duran's motion to the IBP.²⁸

On November 28, 2017, the IBP Board of Governors passed a Resolution denying Atty. Duran's motion, viz.:²⁹

Adm. Case No. 7035
Pedro Salazar v. Atty. Armand Duran

*RESOLVED to DENY the respondent's Motion for Reconsideration there being no new reason and/or new argument adduced to reverse the previous findings and decision of the Board of Governors.*³⁰

Thereafter, the case was transmitted to this Court for review.³¹

Issue

Whether Atty. Duran should be administratively liable for unethical conduct, dishonesty, false testimony, violation of the lawyer's oath, and for acts inimical to his client.

Ruling

First off, we emphasize that the dismissal of the criminal charge of false testimony against Atty. Duran has no bearing on the administrative

²⁴ *Id.* Emphases retained.

²⁵ *Rollo*, p. 367.

²⁶ *Id.* at 394-417.

²⁷ *Id.* at 393.

²⁸ *Id.* at 424-425.

²⁹ *Id.* at 431-432.

³⁰ *Id.* at 431. Emphases retained.

³¹ *Id.* at 429.



complaint. Disbarment proceedings are *sui generis*; they belong to a class of their own and are distinct from that of civil or criminal actions.³²

We shall now discuss Atty. Duran's conduct as a lawyer.

In its Report, the IBP-CBD found Atty. Duran untruthful and unethical when he testified about his participation in the check. Atty. Duran stated that he signed in the check as a witness but his signature and account number were found at the back of the check indicating that complainant indorsed it to him. The IBP-CBP found Atty. Duran's claim of sudden recollection of the events that actually transpired too contrived and convenient to be worthy of belief. Atty. Duran could not have forgotten how he received a check for a substantial sum especially the argument that allegedly ensued between him and complainant on that day. Further, Atty. Duran himself filed the motion to segregate his supposed share in the just compensation. Hence, there was a presumption that he prepared for his testimony. For him not to remember the facts of his own case was, therefore, quite farfetched. Accordingly, the IBP reprimanded him for unethical conduct.

However, the IBP modified the penalty to suspension for three months after taking into consideration the new allegations of complainant in his motion for reconsideration. Complainant alleged that Atty. Duran previously defrauded another client and that he initiated lawsuits for personal gain.

We modify the recommendation of the IBP.

In all his dealings with his client and with the courts, every lawyer is expected to be honest, imbued with integrity, and trustworthy.³³ Every lawyer is enjoined to obey the laws of the land, to refrain from doing any falsehood in or out of court or from consenting to the doing of any in court, and to conduct himself according to the best of his knowledge and discretion with all good fidelity to the courts and to his clients.³⁴ These expectations, though high and demanding, are basic professional and ethical burdens of every member of the Philippine Bar, for they have been given full expression in the Lawyer's Oath that every lawyer of this country has taken upon admission as a *bona fide* member of the Law Profession.³⁵

Canon 10, Rule 10.01 of the CPR echoes the Lawyer's Oath, *viz.*:

³² *Gonzalez v. Atty. Alcaraz*, 534 Phil. 471, 481-482 (2006).

³³ *Samonte v. Atty. Abellana*, 736 Phil. 718, 729 (2014).

³⁴ The Lawyer's Oath:

I, _____, do solemnly swear that I will maintain allegiance to the Republic of the Philippines; I will support its Constitution and obey the laws as well as the legal orders of the duly constituted authorities therein; I will do no falsehood, nor consent to the doing of any in court; I will not wittingly or willingly promote or sue any groundless, false or unlawful suit, nor give aid nor consent to the same. I will delay no man for money or malice, and will conduct myself as a lawyer according to the best of my knowledge and discretion with all good fidelity as well to the courts as to my clients; and I impose upon myself this voluntary obligation without any mental reservation or purpose of evasion. So help me God.

³⁵ *Supra* note 33.

CANON 10 — A LAWYER OWES CANDOR, FAIRNESS
AND GOOD FAITH TO THE COURT.

Rule 10.01 — A lawyer shall not do any falsehood, nor consent to the doing of any in Court; nor shall he mislead, or allow the Court to be misled by any artifice.

Indeed, to all lawyers, honesty and trustworthiness have the highest value. In *Young v. Batuegas*,³⁶ we explained:

A lawyer must be a disciple of truth. He swore upon his admission to the Bar that he will “do no falsehood nor consent to the doing of any in court” and he shall “conduct himself as a lawyer according to the best of his knowledge and discretion with all good fidelity as well to the courts as to his clients.” He should bear in mind that as an officer of the court his high vocation is to correctly inform the court upon the law and the facts of the case and to aid it in doing justice and arriving at correct conclusion. The courts, on the other hand, are entitled to expect only complete honesty from lawyers appearing and pleading before them. While a lawyer has the solemn duty to defend his client’s rights and is expected to display the utmost zeal in defense of his client’s cause, his conduct must never be at the expense of truth.

Thus, we penalized lawyers for withholding the true facts of the case with intent to mislead the court. In *Molina v. Atty. Magat*,³⁷ we suspended the respondent lawyer for **six months** for making untruthful statements on the existence of a similar case to mislead the court into dismissing the case due to double jeopardy.³⁸ Similarly, in *Coloma v. Ulep*,³⁹ we imposed the penalty of suspension from the practice of law for **six months** against the erring government lawyer who falsely testified in court. Meanwhile, in *Maligaya v. Atty. Doronilla, Jr.*,⁴⁰ the respondent lawyer stated untruthfully in open court that complainant had agreed to withdraw his lawsuits. His unethical conduct was compounded by his obstinate refusal to acknowledge the impropriety of his acts. We suspended him from the practice of law for **two months** after considering mitigating circumstances, *i.e.* he admitted during investigation the falsity of the statements he made, there was no material damage to complainant, and he was not previously charged with an administrative offense.

In the present case, Atty. Duran had been untruthful when he testified during the hearing on the motion to segregate 20% of complainant’s share in the just compensation. At first, he claimed that his signature appearing at the back of the check was only as a witness and not an endorsee. Further, he feigned unawareness of the account number appearing below his own signature at the back of the check. It must be noted that under the Negotiable

³⁶ 451 Phil. 155, 161-162 (2003), quoted in *De Leon v. Atty. Castelo*, 654 Phil. 224, 232 (2011).

³⁷ 687 Phil. 1 (2012).

³⁸ *Id.* at 6.

³⁹ A.C. No. 5961, February 13, 2019.

⁴⁰ 533 Phil. 303 (2006).

Instruments Law,⁴¹ a signature on an instrument payable to order, such as a check, without additional words, constitutes an indorsement.⁴²

ATTY. MANLAGÑIT:

Q: Now, Atty. Duran x x x about March 17, 1997 you received a check from Pedro M. Salazar in the amount of P339,854.60 x x x at the back of the check is a signature of P. Salazar and apparently your signature, kindly look over this document and tell the honorable court whether you have taken or received the check from Pedro Salazar?

A: **I merely signed as a witness. He was the one who received the money.** I have no right to receive the money. I am not the payee.

Q: **You mean your signature here is not an endorsement?**

A: **That is only as witness.** I do not know the bank requirements but I was together with Mr. Salazar and then he was the one in the counter and I was sitting in the benches for those who are waiting for such to be called and I was asked by Mr. Salazar to approach and to signed (*sic*) as a witness. **That's only my participation.**

Q: **In short, Atty. Duran, you are saying under oath that you did not receive a single centavo out of the check?**

A: **No, I did not say that. I say that I was not the one who received the money. He was the one who received the money because he was the payee because I was only made a witness.**

COURT (to the witness)

Q: **This 0460-004056 below the signature of Atty. Duran is that the account number or what?**

A: **I do not know, Your Honor.**⁴³

On cross-examination, however, Atty. Duran recanted his testimony. He clarified that he deposited the check in his own account with Allied Bank after reaching an agreement with the complainant that he will be paid for the litigation expenses that he advanced with the value of the check.

Q: Atty. Duran, x x x with respect to the check according to you, you were only asked to signed (*sic*) as a witness?

A: Which check?

Q: The check which you have already identified in the sum of

⁴¹ Act No. 2031, February 3, 1911.

⁴² See Sections 30 and 31, Act No. 2031.

Sec. 30. *What constitutes negotiation.* – An instrument is negotiated when it is transferred from one person to another in such manner as to constitute the transferee the holder thereof. If payable to bearer, it is negotiated by delivery; if payable to order, it is negotiated by the indorsement of the holder and completed by delivery.

Sec. 31. *Indorsement; How Made.* – The indorsement must be written on the instrument itself or upon a paper attached thereto. The signature of the indorser, without additional words, is a sufficient indorsement.

⁴³ *Rollo*, pp. 39-40. Emphasis supplied.

P339,000.00, so you merely signed there as a witness, and it was [complainant/Pedro] who actually [cashed] the check, am I right?

A: I remember this check now. You know it's been a long time. **I remember that, that check after discussing we were supposed to talk about the reimbursement of the amount that I had advanced and according to him [complainant/Pedro], let[']s go to your bank, I now remember it was deposited in my account but we were together and I gave him the money.**

COURT:

Where?

WITNESS

A: In the bank.

COURT (to the witness)

Q: On the same day that you have deposited that?

A: Yes x x x

Q: What is your bank?

A: Allied.

Q: From the Land Bank of the Philippines, you mean to say that you withdrew from your own funds because that check cannot be encash[ed] except from the Land Bank of the Philippines?

A: I deposited it in my account.

Q: Correct, you mean to say you withdrew an amount to this check that you gave to Mr. Salazar?

A: I think so, I even have money in my vault, it could be lower amount and then he cover (*sic*) the balance of the amount in my vault.⁴⁴

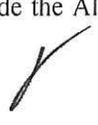
Clearly, Atty. Duran did not disclose his true participation in the check right away. Nevertheless, he corrected himself after realizing the erroneous statement he made. To be sure, during the mandatory conference before the IBP-CBD on October 2, 2007, he reiterated that the check was indorsed to him by complainant.⁴⁵ Truly, it was revealed to the court that he received the proceeds of the check as an endorsee. In the circumstances, we conclude that Atty. Duran did not knowingly and consciously lied about the events

⁴⁴ *Id.* at 48-50.

⁴⁵ See *id.* at 128.

ATTY. DURAN:

That I and my client, the complainant in this case, went together to the Land Bank to get this check and by agreement this check was turned over to me by Mr. Salazar for encashment and an amount was partially taken by Mr. Salazar from the account of this representation as respondent inside the Allied Bank Legaspi City itself. x x x.



that transpired in his acquisition of the check with the intent to deceive the trial court.

Furthermore, complainant failed to substantiate his claim that (1) Atty. Duran grabbed the check from him before he could deposit it in his LBP account, and (2) Atty. Duran “pressure[d]” him to assign the value of the LBP bonds to him. We quote with approval the disquisition of the IBP-CBD:

4.09. Complainant also takes issue with respondent’s failure to mention anything at all about the “check-grabbing.” Complainant’s lawyer, however, never directly questioned respondent about how the latter physically acquired the check or explicitly asked him if he actually grabbed it from complainant. At any rate, other than complainant’s allegations, there is no evidence to support such assertions. No doubt, the supposed grabbing would have caused quite a stir in the bank premises yet complainant did not present any witness to corroborate his claim. This Commission is thus inclined to conclude that the alleged incident did not take place. The Regional Prosecutor’s disposition of the same issue is quite convincing:

x x x the claim of [complainant herein] that [respondent herein] grabbed the check while he was about to encash the same with the Land Bank of Legazpi is incredible, since human nature dictates that if indeed [respondent] had done that [complainant’s] reaction would be to run after him or seek the help of bank employees, [other] bank clients and [bank] security guard[s]. He could have created a commotion or a scene that could have attracted [their attention]. But he never did that. Nor did he file charges against [respondent] as a consequence of his alleged grabbing of said checks. x x x.

4.10. Complainant also alleges that respondent forced him to cede the Land Bank bonds in the amount of P295,573.86 in favor of respondent. This Commission likewise finds no evidence on record to substantiate such allegation. Complainant’s failure to take measures to invalidate the agreement or to prevent the bonds from being traded further diminishes the veracity of this claim.

Accordingly, we deem the penalty of reprimand recommended by the IBP-CBD in its Report dated April 24, 2009 and approved by the IBP Board of Governors in its Resolution No. XIX-2011-189 dated May 14, 2011 sufficient. Atty. Duran was careless and remiss in his duty to correctly inform the court of the facts and circumstances surrounding the check at the earliest opportunity, in violation of the lawyer’s oath and Canon 10, Rule 1.01 of the CPR. Further, there is no evidence that complainant suffered any material damage or prejudice as a result of the recanted testimony, or of any malice or intent to defraud the trial court on the part of Atty. Duran.⁴⁶ Also, this is Atty. Duran’s first offense and there is nothing in the records that shows that a similar administrative offense was filed against him.⁴⁷

⁴⁶ See *Maligaya v. Doronilla, Jr.*, *supra* note 40 at 311, citing *Cailing v. Espinosa*, 103 Phil. 1165 (1958).

⁴⁷ *Id.*, citing *e.g.*, *Whitson v. Atienza*, 457 Phil. 11 (2003); *Alcantara v. Pefianco*, 441 Phil. 514 (2002); *Fernandez v. Novero, Jr.*, 441 Phil. 506 (2002).

Therefore, we find it improper for the IBP to suspend Atty. Duran from the practice of law for three months based solely on the allegation that he was engaged in unethical conduct in his prior dealings with other clients. There is nothing in the records that supports this claim. We stress that lawyers enjoy the presumption of innocence, and the burden of proof rests upon the complainant to clearly prove his allegations by preponderant evidence.⁴⁸

Attorney's Fees

As to the moneys received by Atty. Duran from complainant, a perusal of the records shows that these were payment for attorney's fees. We note in the Complaint-Affidavit that complainant intended the LBP check as payment to Atty. Duran for his services,⁴⁹ although not for the entire amount of the check. Records also show that complainant and Atty. Duran divided the value of the LBP bonds between them.⁵⁰ As previously discussed, the case is bereft of evidence that Atty. Duran forced or pressured complainant to surrender the LBP bonds to him. In the circumstances, we conclude that the moneys given by complainant to Atty. Duran were payment for services rendered.

We shall now determine whether the attorney's fees received by Atty. Duran are unconscionable.

Canon 20⁵¹ of the CPR requires that attorney's fees must be fair and reasonable. Rule 20.1 of the CPR enumerates criteria to be considered in assessing the proper amount of compensation that a lawyer should receive:

Rule 20.01. A lawyer shall be guided by the following factors in determining his fees:

- (a) The time spent and the extent of the services rendered or required;
- (b) The novelty and difficulty of the question 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 he belongs;
- (g) The amount involved in the controversy and the benefits resulting to the client from the service;
- (h) The contingency or certainty of compensation;

⁴⁸ *Rodica v. Atty. Lazaro et al.*, 693 Phil. 174, 183 (2012).

⁴⁹ See paragraphs 4, 5 and 6 of the Complaint-Affidavit; *rollo*, p. 2.

4. While the partition case was pending I was able to receive money as my share in the compensation for the property of my late parents that was involuntarily taken by the government through its Agrarian Reform Program. This money consisted of land bonds plus cash in the sum of **Php339,854.60**.

5. Atty. ARMAND DURAN has no participation whatsoever in that case for just compensation. The government initiated and fixed the compensation and it was also the government through the Land Bank of the Philippines (LBP for brevity) who effected payment. As heirs, our respective shares were agreed and fixed us.

6. Because of this supervening event that was independent from our agreement, I informed and apprised respondent Atty. Duran that I may pay him the attorney's fees, per contract, when I receive the money. x x x.

⁵⁰ See *id.* at 242.

⁵¹ *Supra* note 19.

- (i) The character of the employment, whether occasional or established; and
- (j) The professional standing of the lawyer.

Atty. Duran admitted that out of the ₱339,854.60 value of the check deposited in his account, he gave ₱160,000.00 to complainant,⁵² leaving a balance of ₱179,854.60. Complainant did not dispute receiving this amount. Further, the value of the LBP bonds assigned to Atty. Duran was ₱332,520.59.⁵³ In all, Atty. Duran received ₱512,375.19⁵⁴ as attorney's fees. The complainant conceded in the termination letter which he prepared, that Atty. Duran was already paid "more than [₱500,000.00]."⁵⁵

Atty. Duran claimed that he thoroughly studied the partition case, filed the necessary pleadings, and through his efforts, complainant secured part of the just compensation for some of the estate. Before complainant terminated Atty. Duran's services, complainant was able to collect ₱13,171,334.66 as just compensation, 25% of which represents his share. Complainant did not dispute these facts. Under the contingent fee arrangement, 20% of complainant's share in the partition case shall inure to the benefit of Atty. Duran as attorney's fees, or an estimated amount of ₱658,566.73.⁵⁶

Considering the number of properties involved in the partition case (74 parcels of land),⁵⁷ that Atty. Duran is the counsel of complainant in other cases, to which attorney's fees was not proven to have been paid,⁵⁸ and that Atty. Duran has been in practice of law for at least four decades, we find the amount of ₱512,375.19 attorney's fees commensurate to the services rendered and reasonable in the circumstances.

FOR THESE REASONS, this Court resolves to **ADOPT and APPROVE** the recommendation of the Integrated Bar of the Philippines' Board of Governors in its Notice of Resolution No. XIX-2011-189 dated May 14, 2011. The Resolution No. XX-2014-16 dated February 11, 2014 and Notice of Resolution dated November 28, 2017 are hereby **SET ASIDE**. Accordingly, respondent Atty. Armand Duran is **REPRIMANDED** for breach of his duties as a lawyer under the Lawyer's Oath and Canon 10, Rule 10.01 of the Code of Professional Responsibility, **WITH A STERN WARNING** that a repetition of the same or any similar act will be dealt with more severely.

SO ORDERED.

⁵² *Rollo*, pp. 243-245.

⁵³ *Id.* at 70; paragraph 4.8, sub-paragraph c of the Comment.

⁵⁴ ₱179,854.60 plus ₱332,520.59.

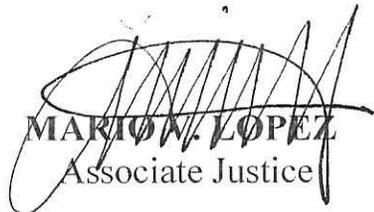
⁵⁵ See *rollo*, p. 18. The Letter reads in part, as follows:

You complained that you have not been paid your attorney's fees. You know this is not true because per my record, you have already taken from me more than Five Hundred Thousand Pesos (P500,000.00).

⁵⁶ ₱13,171,334.66 x 0.25 x 0.20 = ₱658,566.73.

⁵⁷ See *rollo*, pp. 337-349.

⁵⁸ *Id.* at 18.

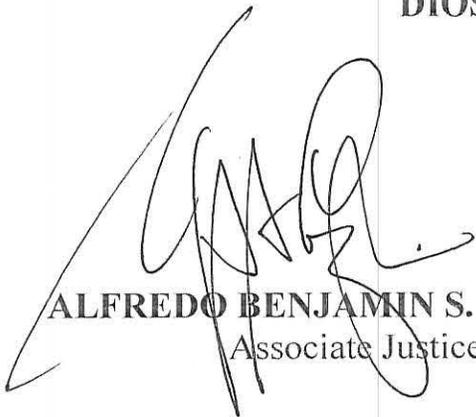


MARION N. LOPEZ
Associate Justice

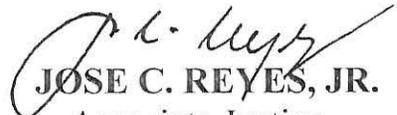
WE CONCUR:



DIOSDADO M. PERALTA
Chief Justice
Chairperson



ALFREDO BENJAMIN S. CAGUIOA
Associate Justice



JOSE C. REYES, JR.
Associate Justice



AMY C. LAZARO-JAVIER
Associate Justice