

Republic of the Philippines
Supreme Court
Manila

EN BANC

EDITHA M. FRANCIA,
Complainant,

A.C. No. 10938

Present:

BERSAMIN, C.J.,
CARPIO,
PERALTA,
PERLAS-BERNABE,
LEONEN,
CAGUIOA,
REYES, A. JR.,
GESMUNDO,
REYES, J. JR.,
HERNANDO,
CARANDANG,
LAZARO-JAVIER,
INTING,* and
ZALAMEDA, JJ.

- versus -

Promulgated:

ATTY. QUIRINO SAGARIO,
Respondent.

October 8, 2019

X ----- X

DECISION

HERNANDO, J.:

This administrative case arose from a verified complaint¹ filed by Editha M. Francia (complainant) against the respondent, Atty. Quirino Sagario (Atty. Sagario), before the Commission on Bar Discipline (CBD) of the

* On official leave.

¹ Rollo, pp. 2-4.

Integrated Bar of the Philippines (IBP) for failing to file the petition for annulment despite receiving his legal fees.

The Facts

Sometime in 2009, complainant contracted the services of Atty. Sagario to handle the annulment of her marriage to her husband, Jose Francia. Atty. Sagario agreed to represent her for a total fee of PhP 70,000.00. In accordance with their agreement, complainant paid Atty. Sagario an initial payment of PhP 30,000.00 on December 14, 2009 for which the latter issued an acknowledgment receipt. On January 20, 2010, complainant again paid Atty. Sagario PhP 20,000.00 upon the latter's assurance that he would soon file the petition for annulment of her marriage. Atty. Sagario again issued a written acknowledgment for the said payment. During a subsequent meeting held on February 6, 2010, complainant paid another PhP 7,000.00 to Atty. Sagario who did not issue any receipt this time reasoning that the amount would be used as filing fees and representation expenses for the sheriff. After receipt of a total sum of PhP 57,000.00 from the complainant, Atty. Sagario avoided her phone calls and cancelled their appointments. Atty. Sagario limited his communication with complainant through text messages only. Despite several demands from complainant, Atty. Sagario did not file the petition.

After six months had lapsed without Atty. Sagario having filed anything in court in connection with complainant's annulment case, complainant asked him to just return the total amount she had paid. In response, Atty. Sagario promised that he would return the money he received from complainant but failed to do so despite several repeated demands. Consequently, complainant filed a small claims case² against Atty. Sagario before Branch 38 of the Metropolitan Trial Court (MeTC) of Quezon City.

Atty. Sagario failed to appear in any of the scheduled hearings before the MeTC despite service of summons and notice of hearing. Thus, on October 19, 2010, the MeTC ordered Atty. Sagario to pay complainant the amount of PhP 50,000.00 with interest. The dispositive portion of the Decision reads:

WHEREFORE, judgment is hereby rendered directing defendant Quirino Sagario to return the amount of ₱50,000.00 to plaintiff Editha Macay Francia, plus legal rate of interest of 12% per annum [from] August 26, 2010, the date of extra-judicial demand until fully paid.

SO ORDERED.³

Notwithstanding the MeTC's Decision ordering him to return the amount he received from complainant, Atty. Sagario has yet to pay complainant the amount adjudged. Complainant was compelled to bring the matter before the IBP.

² SCC No. 38-1168.

³ *Rollo*, pp. 6-7.

Ruling of the Integrated Bar of the Philippines

In his Report and Recommendation⁴ dated May 5, 2014, Investigating Commissioner Salvador B. Belaro, Jr. (Commissioner Belaro, Jr.) recommended that Atty. Sagario be suspended from the practice of law for a period of two (2) years.

Commissioner Belaro, Jr. found that:

“[Atty. Sagario] committed grave misconduct when he converted the money received by him from the Complainant without filing the petition for annulment of marriage, let alone further the cause of his client and represent her in court. His continuous inaction and evasive attitude towards the client and the courts show the cavalier attitude of the respondent and appalling indifference in willful disregard of the duties of a lawyer to his client and to the legal profession.”⁵

In Resolution No. XXI-2014-799 dated October 11, 2014, the IBP Board of Governors adopted and approved the report and recommendation of Commissioner Belaro, Jr. that Atty. Sagario be suspended from the practice of law for two (2) years for violation of Canon 16, Rules 16.01 and 16.02, Canon 17, and Canon 18, Rule 18.03 of the Code of Professional Responsibility (CPR).

Our Ruling

After a careful review of the records, the Court finds Atty. Sagario guilty of professional misconduct for violating Canons 16, 17, and 18 of the CPR. The Court adopts the findings and recommendation of the IBP.

Once a lawyer agrees to represent a client, he/she is duty-bound to exert his/her best effort and to serve the latter with utmost diligence and competence. A lawyer owes fidelity to his/her client's cause and must always be mindful of the trust and confidence reposed upon him/her. A lawyer's neglect of a legal matter entrusted to him/her by his/her client constitutes inexcusable negligence for which he/she must be held administratively liable.⁶

The Code of Professional Responsibility pertinently provides:

CANON 18 – A LAWYER SHALL SERVE HIS CLIENT WITH COMPETENCE AND DILIGENCE.

Rule 18.03 – A lawyer shall not neglect a legal matter entrusted to him, and his negligence in connection therewith shall render him liable.

⁴ Id. at 42-45.

⁵ Id. at 43.

⁶ *Agot v. Rivera*, 740 Phil. 393, 400 (2014).

In this case, Atty. Sagario breached his duties to his client when he failed to exercise due diligence in handling the annulment case of complainant. In fact, to the detriment of complainant, he failed to render any legal service to her despite receipt of fees in the total amount of PhP 57,000.00. This constitutes a clear violation of Rule 18.03, Canon 18 of the CPR.

Atty. Sagario also violated Canon 16, Rules 16.01 and 16.03, and Canon 17 when he failed to return the amount of PhP 57,000.00 upon complainant's demand. The relevant provisions of the CPR provide:

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

Rule 16.01 — A lawyer shall account for all money or property collected or received for or from the client.

Rule 16.03 — A lawyer shall deliver the funds and property of his client when due or upon demand. x x x

CANON 17 — A LAWYER OWES FIDELITY TO THE CAUSE OF HIS CLIENT AND HE SHALL BE MINDFUL OF THE TRUST AND CONFIDENCE REPOSED IN HIM.

Acceptance of money from a client establishes an attorney-client relationship and gives rise to the duty of fidelity to the client's cause.⁷ In *Maglente v. Agcaoili, Jr.*,⁸ we held that:

[W]hen a lawyer receives money from the client for a particular purpose, the lawyer is bound to render an accounting to the client showing that the money was spent for the intended purpose. Consequently, if the money was not used accordingly, the same must be immediately returned to the client. A lawyer's failure to return the money to his client despite numerous demands is a violation of the trust reposed on him and is indicative of his lack of integrity, as in this case.

The highly fiduciary nature of an attorney-client relationship imposes upon the lawyer the duty to account for the money received from his/her client. A lawyer's failure to return upon demand the money he/she received from his/her client gives rise to the presumption that he/she has appropriated the same for his/her own use. An attorney-client relationship requires utmost good faith, loyalty, and fidelity on the part of the lawyer. In this case, Atty. Sagario clearly fell short of the demands required of him as a member of the Bar.⁹

⁷ *Nery v. Sampana*, 742 Phil. 531, 536 (2014).

⁸ 756 Phil. 116, 122 (2015).

⁹ *Small v. Banares*, 545 Phil. 226, 231 (2007).

Moreover, Atty. Sagario did not bother to submit his response to the complaint before the MeTC in the small claims action filed against him. To make matters worse, Atty. Sagario did not even appear during the scheduled mandatory conference or file any responsive pleading before the IBP despite due notice. Atty. Sagario's failure or refusal to answer the complaint against him and to appear at the mandatory hearings before the MeTC and the IBP are manifestations of his stubborn, disobedient, and disrespectful attitude toward lawful orders of the court and illustrate his willful disregard for his oath of office.¹⁰

Having established his administrative liability, the Court now determines the proper penalty to be imposed upon Atty. Sagario. In similar cases where a lawyer neglects his/her client's case despite receipt of legal fees and fails to return the latter's money despite demand, the Court imposed the penalty of suspension from the practice of law.

In *Rollon v. Naraval*,¹¹ the Court imposed the penalty of suspension from the practice of law for two (2) years for the lawyer's failure to render any legal service despite receipt of legal fees. In view of the foregoing, the Court sustains the recommendation of the IBP that Atty. Sagario be meted the penalty of suspension from the practice of law for two (2) years.

Considering the pronouncement of the MeTC of Quezon City, Branch 38, directing Atty. Sagario to return the amount he received from the complainant, this Court will refrain from making further discussion or ruling on said issue.


WHEREFORE, Atty. Quirino Sagario is found **GUILTY** of violating Rules 16.01 and 16.03 of Canon 16, Canon 17, and Rule 18.03 of Canon 18 of the Code of Professional Responsibility. Accordingly, Atty. Quirino Sagario is hereby **SUSPENDED** from the practice of law for two (2) years effective immediately with a **STERN WARNING** that a repetition of the same or similar acts will be dealt with more severely.

Let a copy of this Decision be furnished the Bar Confidant to be included in the records of the respondent; the Integrated Bar of the Philippines for distribution to all its chapters; and the Office of the Court Administrator for dissemination to all courts throughout the country for their information and guidance.

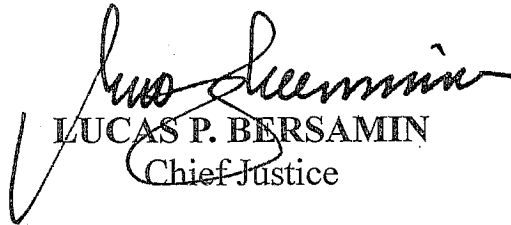
¹⁰ *Flora III v. Luna*, A.C. No. 11486, October 17, 2018.

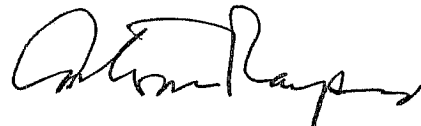
¹¹ 493 Phil. 24 (2005).

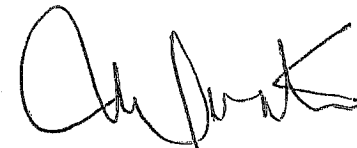
SO ORDERED.



RAMON PAUL L. HERNANDO
Associate Justice


WE CONCUR:

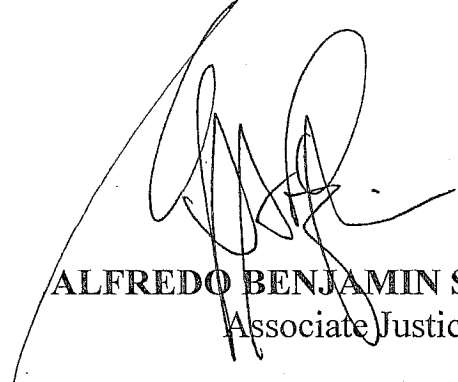

LUCAS P. BERSAMIN
Chief Justice



ANTONIO T. CARPIO
Associate Justice

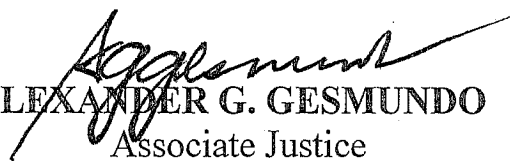

DIOSDADO M. PERALTA
Associate Justice

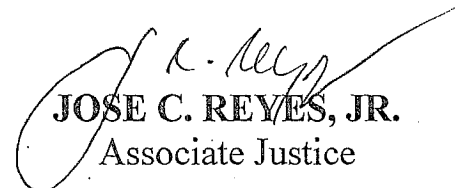

ESTELA M. PERLAS BERNABE
Associate Justice


MARVIC M.V.F. LEONEN
Associate Justice



ALFREDO BENJAMIN S. CAGUIOA
Associate Justice


ANDRES B. REYES, JR.
Associate Justice

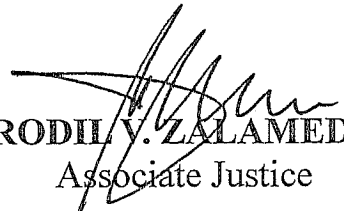

ALEXANDER G. GESMUNDO
Associate Justice


JOSE C. REYES, JR.
Associate Justice



ROSMARI D. CARANDANG
Associate Justice


AMY C. LAZARO-JAVIER
Associate Justice

On Official Leave
HENRI JEAN PAUL B. INTING
Associate Justice


RODIL V. ZALAMEDA
Associate Justice

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EDGAR O. ARICHETA
Clerk of Court En Banc
Supreme Court