



Republic of the Philippines
Supreme Court
Baguio City

EN BANC

MANUEL H. REYES,

Complainant,

A.C. No. 14062

[Formerly CBD Case No. 08-2188]

- versus -

Present:

ATTY. DIOSDADO C. SEBRIO,
JR.,

Respondent.

GESMUNDO, C.J.,
LEONEN,
CAGUIOA,
HERNANDO,
LAZARO-JAVIER,
INTING,
ZALAMEDA,
LOPEZ, M.,
GAERLAN,
ROSARIO,
LOPEZ, J.,
DIMAAMPAO,
MARQUEZ,
KHO, JR., and
SINGH,* JJ.

Promulgated:

April 2, 2025

X

X

DECISION

ROSARIO, J.:

* On leave.

For resolution of the Court is a verified Complaint¹ (Complaint) filed by complainant Manuel H. Reyes (Reyes) against respondent Atty. Diosdado C. Sebrio, Jr. (Atty. Sebrio) for serious misconduct.²

Antecedents

On November 24, 1997, Gregorio B. Galarosa as vendor, and Danilo L. Zialcita (Zialcita) as vendee, executed a Deed of Absolute Sale³ (DOAS) over a parcel of land in Quezon City.⁴

Reyes and Zialcita are friends from the movie industry. Reyes was to finance the clearance of the property subject of the DOAS. Zialcita introduced Atty. Sebrio to Reyes to work out clearances with the government agencies to facilitate the transfer and registration of the subject property in Zialcita's name. It was agreed that Atty. Sebrio's fees shall be on a contingency basis, once the property is sold.⁵ Reyes alleged that he was induced to hire Atty. Sebrio as the latter represented that he personally knows the Administrator of the Land Registration Authority (LRA) and the Register of Deeds of Quezon City. Atty. Sebrio also promised that he could deliver the proper title within six months.⁶

Reyes thereafter gave Atty. Sebrio the following amounts, which Atty. Sebrio received, as shown by his signature on several handwritten receipts that Reyes attached to his Complaint:

- a. January 19, 2007 – PHP 400,000.00 for expenses for the eventual release of TCT No. 261-465;⁷
- b. January 29 2007 – PHP 100,000.00 for LRA expenses Re: Reconstituted Original TCT No. 261-465;⁸
- c. February 2, 2007 – PHP 70,000.00 for LRA expenses;⁹
- d. March 2007 – PHP 128,000.00 for representation before the LRA;¹⁰ [and]
- e. April 9, 2007 – PHP 72,000.00 in cash and PHP 100,000.00 in check “for representation, miscellaneous expenses re: Libis Property of 20,000 sq. m. project.”¹¹

¹ *Rollo*, pp. 2-6.

² *Id.* at 69.

³ *Id.* at 7-8.

⁴ *Id.* at 2-3.

⁵ *Id.* at 3.

⁶ *Id.* at 4.

⁷ *Id.* at 11.

⁸ *Id.* at 12.

⁹ *Id.* at 13.

¹⁰ *Id.* at 14.

¹¹ *Id.* at 15.

After six months, Reyes became apprehensive and no longer gave in to Atty. Sebrio's plea for more money as the amount that Reyes had given to Atty. Sebrio already exceeded the agreed amount.¹²

Atty. Sebrio then became scarce and no longer met with Reyes, even evading Reyes's phone calls.¹³

Reyes and Zialcita then inquired with the LRA and the Registry of Deeds, and found that Atty. Sebrio is not known to them, nor do they remember transacting with him.¹⁴

On June 7, 2007, as stated in a promissory note¹⁵ of even date, Atty. Sebrio borrowed PHP 200,000.00 and promised to cover the same by issuing a check to be delivered on June 13, 2007.¹⁶ However, Atty. Sebrio did not pay Reyes back, nor did he issue a check despite several demands,¹⁷ prompting Reyes to write Atty. Sebrio a final demand letter,¹⁸ which Atty. Sebrio received on November 19, 2007.¹⁹

According to Reyes, Atty. Sebrio's refusal to return the amount given to him, despite never using these for the purposes intended, is deceitful conduct, which has no place in the legal profession.²⁰

In his Answer,²¹ Atty. Sebrio countered that Zialcita hired him to do the following:

5.1. To negotiate anew with the heirs of GREGORIO B. [GALAROSA] as the Deed of Absolute Sale (Annex "A") is actually a Memorandum of Agreement - short of even a Conditional Sale;

5.2 To evaluate and research on status of the title (Annex "B") with the Land Registration Authority, the Registry of Deeds of Quezon City and the Land Management Bureau;

5.3. To verify the back taxes/tax due of the property before the City Assessors Office of Quezon City; [and]

5.4 And to negotiate with the ABADILLA Family who actually occupied the subject property[.]²²

¹² *Id.* at 4.

¹³ *Id.*

¹⁴ *Id.* at 4-5.

¹⁵ *Id.* at 16.

¹⁶ *Id.*

¹⁷ *Id.* at 5.

¹⁸ *Id.* at 17.

¹⁹ *Id.* at 18, registry return card.

²⁰ *Id.* at 5.

²¹ *Id.* at 21-25.

²² *Id.* at 21-22.

Atty. Sebrio admitted that he received the amounts detailed by Reyes, but described them as portions of Reyes's commitment to finance PHP 10 million in exchange for a return of an investment equal to 40% of the property or any of its proceeds as contained in a contract Reyes signed with Zialcita.²³

Atty. Sebrio denied misrepresenting to Reyes and Zialcita that he personally knew the LRA Administrator and the Register of Deeds of Quezon City, and countered that he told Reyes that he has friends in the LRA, the Office of the Registry of Deeds, the Assessor's Office in Quezon City, and the Land Management Bureau (LMB), "who will definitely offer a hand [in] this transaction."²⁴ He also denied promising to deliver the title in six months' time, as the project would entail so much effort and time.²⁵

Atty. Sebrio claimed that it was Reyes who failed to meet his obligation in defraying the amount of PHP 10 million needed to finish the project. In one of their meetings with Zialcita, Reyes admitted his financial reverses and even suggested looking for another financier, but that he was willing to lessen his 40% share by 10%.²⁶

Atty. Sebrio also admitted that he borrowed PHP 200,000.00 from Reyes, but that he could have easily paid this if not for the unreasonable interest of 20% per month, which Reyes allegedly demanded. Atty. Sebrio denies receiving any demand letter.²⁷

Atty. Sebrio also denies receiving PHP 1.2 million, claiming that he only received PHP 870,000.00 for representation expenses, which were spent accordingly.²⁸

Atty. Sebrio avers that he is aware of the exacting demands and requirements for integrity and good moral character from the members of the bar and that he has not departed from them in his dealings with Reyes.²⁹

Reyes filed a Reply,³⁰ attaching Zialcita's Affidavit,³¹ which confirmed Reyes's allegations.

²³ *Id.* at 22.

²⁴ *Id.*

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.* at 23.

²⁹ *Id.*

³⁰ *Id.* at 30-31.

³¹ *Id.* at 32-33.

*Report and Recommendation of the IBP
Commission on Bar Discipline*

In its Report and Recommendation,³² the Integrated Bar of the Philippines (IBP) Commission on Bar Discipline (CBD) recommended Atty. Sebrio's suspension from the practice of law for five years. The recommendation of the IBP-CBD reads:

IN VIEW OF THE FOREGOING, Respondent Atty. [Diosdado] C. [Sebrio], Jr. is hereby declared to have violated [] Rule 1.01, Rule 15.06 and Rule 16.01 of the 1988 Code of Professional Responsibility, and is hereby recommended to be suspended from the practice of law [for] five (5) years.³³

According to the IBP-CBD, Reyes substantiated his claim that Atty. Sebrio committed serious misconduct for engaging in deceitful conduct, for which Atty. Sebrio should be disciplined.³⁴

The handwritten signed receipts for the money received by Atty. Sebrio from Reyes show their respective purposes, and with these undisputed proof of the amounts given to Atty. Sebrio for expenses and representation, the IBP-CBD was convinced that Atty. Sebrio, by deceitful and unlawful acts, misrepresented to Reyes that he personally knew the LRA Administrator, and that Atty. Sebrio promised that in about six months, he could facilitate the transfer and registration of the property to Zialcita's name.³⁵

Reyes also proved, by substantial evidence, his claim that Atty. Sebrio borrowed from him PHP 200,000.00 and promised to issue a check as payment, and that despite demands, Atty. Sebrio did not pay, nor did he issue the promised check.³⁶

The IBP-CBD found Atty. Sebrio's excuses lame, weak, and unsubstantiated, and that Atty. Sebrio failed to effectively counter the charges against him. Even assuming Atty. Sebrio did not receive the demand letter; it cannot excuse him from complying with his promise to deliver a check as payment and from paying his loan. There is also a need for Atty. Sebrio to account for all the money he received from Reyes, as they were given for the transfer and registration of the subject property to Zialcita's name. The IBP-

³² *Id.* at 69–76. The May 13, 2023 Report and Recommendation was penned by Commissioner Teresita D. Castillon-Lora of the Commission on Bar Discipline, Integrated Bar of the Philippines, Pasig City.

³³ *Id.* at 76.

³⁴ *Id.* at 73.

³⁵ *Id.* at 74.

³⁶ *Id.*

CBD further found that Atty. Sebrio failed to deliver despite his representations.³⁷

Considering the foregoing, the IBP-CBD found that Atty. Sebrio committed serious misconduct for engaging in deceitful conduct, for which he should be disciplined. Specifically, Atty. Sebrio violated Rules 1.01,³⁸ 15.06,³⁹ and 16.01⁴⁰ of the Code of Professional Responsibility (CPR).⁴¹

Report of the IBP Board of Governors

Per the Notice of Resolution,⁴² the IBP Board of Governors (BOG) passed Resolution No. CBD-XXV-2023-06-66 on June 21, 2023, resolving as follows:

RESOLVED, to MODIFY, as it is hereby MODIFIED, the Report and Recommendation of the Investigating Commissioner, taking into account the current status of the respondent as disbarred, to recommend instead, in accordance with the provisions of the Code of Professional Responsibility and Accountability (CPRA), the imposition upon respondent Atty. Diosdado C. Sebrio Jr. of the penalty of a FINE in the amount of [PHP] 100,000.00, and that respondent be directed to RETURN to the complainant the unutilized advances in the amounts of [PHP] 870,000.00 and [PH] 200,000.00, with legal interest thereon from the finality of the Supreme Court's decision in this case until the same is fully paid.⁴³ (Emphasis in the original)

The Court's Ruling

The Court adopts the findings of the IBP-CBD and the IBP-BOG, but further modifies the penalty, in view of A.M. No. 22-09-01-SC,⁴⁴ otherwise known as "The Code of Professional Responsibility and Accountability" (CPRA). Moreover, We differ with the recommendation to return the amount of PHP 200,000.00, representing respondent's loan.

From the IBP's findings, which the Court adopts, respondent is guilty of violating the following provisions of the CPRA:

³⁷ *Id.* at 75.

³⁸ Rule 1.01 – A lawyer shall not engage in unlawful, dishonest, immoral or deceitful conduct.

³⁹ Rule 15.06 – A lawyer shall not state or imply that he is able to influence any public official, tribunal or legislative body.

⁴⁰ Rule 16.01 – A lawyer shall account for all money or property collected or received for or from the client.

⁴¹ *Rollo*, p. 76.

⁴² *Id.* at 67–68. The Notice of Resolution was signed by National Secretary Doroteo Lorenzo B. Aguila of the Integrated Bar of the Philippines, Pasig City.

⁴³ *Id.* at 67.

⁴⁴ A.M. No. 22-09-01-SC, May 29, 2023, Code of Professional Responsibility and Accountability.

CANON I INDEPENDENCE

The independence of a lawyer in the discharge of professional duties without any improper influence, restriction, pressure, or interference, direct or indirect, ensures effective legal representation and is ultimately imperative for the rule of law.

....

SECTION 2. *Merit-based practice.* — A lawyer shall rely solely on the merits of a cause and not exert, or give the appearance of, any influence on, nor undermine the authority of, the court, tribunal or other government agency, or its proceedings.

....

CANON II PROPRIETY

A lawyer shall, at all times, act with propriety and maintain the appearance of propriety in personal and professional dealings, observe honesty, respect and courtesy, and uphold the dignity of the legal profession consistent with the highest standards of ethical behavior.

SECTION 1. *Proper conduct.* — A lawyer shall not engage in unlawful, dishonest, immoral, or deceitful conduct.

....

SECTION 15. *Improper claim of influence or familiarity.* — A lawyer shall observe propriety in all dealings with officers and personnel of any court, tribunal, or other government agency, whether personal or professional. Familiarity with such officers and personnel that will give rise to an appearance of impropriety, influence, or favor shall be avoided.

A lawyer shall not make claims of power, influence, or relationship with any officer of a court, tribunal, or other government agency.

....

CANON III FIDELITY

Fidelity pertains to a lawyer's duty to uphold the Constitution and the laws of the land, to assist in the administration of justice as an officer of

u

the court, and to advance or defend a client's cause, with full devotion, genuine interest, and zeal in the pursuit of truth and justice.

....

SECTION 6. *Fiduciary duty of a lawyer.* — A lawyer shall be mindful of the trust and confidence reposed by the client.

To this end, a lawyer shall not abuse or exploit the relationship with a client.

....

SECTION 49. *Accounting during engagement.* — A lawyer, during the existence of the lawyer-client relationship, shall account for and prepare an inventory of any fund or property belonging to the client, whether received from the latter or from a third person, immediately upon such receipt.

When funds are entrusted to a lawyer by a client for a specific purpose, the lawyer shall use such funds only for the client's declared purpose. Any unused amount of the entrusted funds shall be promptly returned to the client upon accomplishment of the stated purpose or the client's demand.

....

CANON IV COMPETENCE AND DILIGENCE

A lawyer professionally handling a client's cause shall, to the best of his or her ability, observe competence, diligence, commitment, and skill consistent with the fiduciary nature of the lawyer-client relationship, regardless of the nature of the legal matter or issues involved, and whether for a fee or *pro bono*.

....

SECTION 2. *Undertaking legal services; collaborating counsel.* — A lawyer shall only undertake legal services he or she can deliver.

....

SECTION 3. *Diligence and punctuality.* — A lawyer shall diligently and seasonably act on any legal matter entrusted by a client.

....

SECTION 4. *Diligence in all undertakings.* — A lawyer shall observe diligence in all professional

undertakings, and shall not cause or occasion delay in any legal matter before any court, tribunal, or other agency.

....

SECTION 6. Duty to update the client. — A lawyer shall regularly inform the client of the status and the result of the matter undertaken, and any action in connection thereto, and shall respond within a reasonable time to the client's request for information.

First, respondent is guilty of violating Canon I, Section 2 and Canon II, Section 15 of the CPRA for boasting to complainant that he has friends in the LRA, the Office of the Registry of Deeds, the Assessor's Office of Quezon City, and the LMB, "who will definitely offer a hand [in] this transaction."⁴⁵

In *Rodco Consultancy and Maritime Services Corp. v. Concepcion*,⁴⁶ We found respondent guilty of influence peddling when he claimed that he is able to influence the outcome of cases because of his connections. We held:

Rule 15.06 states that "[a] lawyer shall not state or imply that he is able to influence any public official, tribunal or legislative body." Whether his boasts of connections in the right places are true, or whether respondent actually makes use of these connections, is irrelevant. The fact alone that he made it appear he is able to dictate the outcome of a case because of such connections is already a violation of the CPR and the lawyer's oath. . . The offense is consummated because the mere claim of influence inflicts damage to the image of the judiciary and assaults the integrity of the legal system.⁴⁷

In *Lim v. Bautista*,⁴⁸ We held that lawyers who are guilty of influence-peddling are unworthy of the title of an attorney:

To this Court, the lawyer's act of influence-peddling or implying that he is able to influence any public official, tribunal or legislative body erodes the public's trust and confidence in the legal system and puts the administration of justice in a bad light. In certain instances, the Court held that erring lawyers who are guilty of influence-peddling are unworthy of the title of an attorney. If the allegations against them are properly substantiated, as in this case, they must be meted the most severe penalty of disbarment.⁴⁹ (Citations omitted)

Second, respondent is also guilty of violating Canon II, Section 1; Canon III, Section 6; and Canon IV, Sections 2, 3, 4, and 6 of the CPRA for

⁴⁵ See respondent's Answer, *rollo*, p. 22.

⁴⁶ 906 Phil. 1 (2021) [*Per Curiam, En Banc*].

⁴⁷ *Id.* at 13.

⁴⁸ 936 Phil. 446 (2023) [*Per Curiam, En Banc*].

⁴⁹ *Id.* at 459.

failing to perform legal services despite receiving payment for said services. Corollary thereto, respondent failed to account for the money he received from complainant, which is a violation of Canon III, Section 49 of the CPRA.

Respondent admits that he received the amounts complainant enumerated,⁵⁰ but he did not enumerate the steps he has taken to transfer the registration of the property to Zialcita. He did not even adduce any proof of the legal services he has performed.

Similar to his actions in *Reddi v. Atty. Sebrio, Jr.*,⁵¹ respondent failed to credibly account for the money paid to him for expenses for the transfer of the subject property to Zialcita's name. Complainant's allegation that respondent engaged in deceitful conduct is, therefore, meritorious. It likewise shows that respondent has the propensity to deceive clients and disregard legal ethics.

In *Professional Services, Inc. v. Rivera*,⁵² the Court reiterated that when a lawyer receives money from a client for a particular purpose, they are bound to render an accounting of how the money was spent for the said purpose:

The Court has always stressed that, "the relationship between a lawyer and his client is highly fiduciary and ascribes to a lawyer a great degree of fidelity and good faith." Thus, when they receive money from a client for a particular purpose, they are bound to render an accounting of how the money was spent for the said purpose; and, in case the money was not used for the intended purpose, they must immediately return the money to the client. Failure of a lawyer to return the money entrusted to him by his/her client upon demand creates a presumption that he/she has appropriated the same for his/her own use.⁵³ (Citations omitted)

Failure either to render an accounting or to return the money if the intended purpose of the money does not materialize constitutes a blatant disregard of Rule 16.01 of the CPR⁵⁴ — the precursor of Canon III, Section 49 of the CPRA. It is a violation of the trust reposed on the lawyer by the client, and is a gross violation of general morality, as well as professional ethics; it impairs public confidence in the legal profession and deserves punishment.⁵⁵

Third, respondent's act of not paying his loan, or at least issuing a check as payment of the loan, is likewise a violation of Canon II, Section 1 of the

⁵⁰ *Rollo*, p. 22.

⁵¹ 597 Phil. 168 (2009) [*Per Curiam, En Banc*].

⁵² 888 Phil. 366 (2020) [*Per Curiam, En Banc*].

⁵³ *Id.* at 373.

⁵⁴ *Yoshimura v. Panagsagan*, 840 Phil. 16, 27 (2018) [*Per Curiam, En Banc*].

⁵⁵ *Suarez v. Maravilla-Ona*, 796 Phil. 27, 34 (2016) [*Per Curiam, En Banc*].

CPRA. The record is bereft of any proof of respondent's effort to pay complainant. His excuse — that he would have paid the loaned amount if not for the demanded 20% interest per month⁵⁶ — is unacceptable and unsubstantiated.

Prompt payment of financial obligations is one of the duties of a lawyer, in accord with their mandate to faithfully perform at all times their duties to society, to the bar, to the courts and to their clients.⁵⁷

In *Sosa v. Mendoza*,⁵⁸ We found the act of respondent, i.e., his failure to pay the loan, to be willful in character and implied a wrongful intent and not a mere error in judgment. We also held that:

The facts and evidence in this case clearly establish Atty. Mendoza's failure to live up to his duties as a lawyer as dictated by the lawyer's oath, the Code of Professional Responsibility and the Canons of Professional Ethics, thereby degrading not only his personal integrity but his profession as well.

To reiterate, his failure to honor his just debt constitutes dishonest and deceitful conduct. This dishonest conduct was compounded by Atty. Mendoza's act of interjecting flimsy excuses that only strengthened the conclusion that he refused to pay a valid and just debt.⁵⁹ (Citations omitted)

The Court's pronouncement in *Reddi* regarding respondent's culpability is likewise applicable, to wit:

[Respondent's] culpability is further highlighted by his utter lack of regard for the seriousness of the charges against him. His defenses raised in his Comment consist mainly in bare denials. When the integrity of a member of the bar is challenged, it is not enough that he denies the charges against him; he must meet the issue and overcome the evidence against him. He must show proof that he still maintains that degree of morality and integrity which at all times is expected of him. This, respondent miserably failed to do.⁶⁰

Penalties

Considering that respondent has been disbarred,⁶¹ the IBP-BOG recommends the imposition of a fine of PHP 100,000.00. However, the totality of respondent's actions regarding his influence-peddling, failure to

⁵⁶ Rollo, p. 22.

⁵⁷ *Buenaventura v. Gille*, 892 Phil. 1, 7 (2020) [*Per Curiam, En Banc*].

⁵⁸ 756 Phil. 490 (2015) [*Per J. Brion, Second Division*].

⁵⁹ *Id.* at 499.

⁶⁰ *Reddi v. Sebrío, Jr.*, 597 Phil. 168, 179 (2009) [*Per Curiam, En Banc*].

⁶¹ *See Reddi v. Sebrío, Jr.*, 597 Phil. 168 (2009) [*Per Curiam, En Banc*].

perform legal services, and failure to account for the money he received, equates to gross misconduct, which is a serious offense under Canon VI, Section 33(a)⁶² of the CPRA.

Under Canon VI, Section 37(a)⁶³ of the CPRA, a serious offense is punishable by disbarment, suspension from the practice of law for a period exceeding six months, or a fine exceeding PHP 100,000.00.

The Court has previously disbarred erring lawyers for failure to account for money received for legal services they failed to render.⁶⁴ The Court has likewise disbarred erring lawyers for influence-peddling.⁶⁵ Hence, for the first count of gross misconduct, respondent should be disbarred.

Respondent's act of reneging on his promise to issue a check as payment for the PHP 200,000.00 loan, as well as his failure to pay the same despite demand, is likewise gross misconduct, which is another serious offense under Canon VI, Section 33(a) of the CPRA. Since respondent has been disbarred, the Court finds that a fine of PHP 101,000.00 would be a more appropriate penalty for respondent's second count of gross misconduct.

Moreover, the aggravating circumstances⁶⁶ of respondent's previous administrative liability, for which he was disbarred, and his lack of remorse,

⁶² Sec. 33. *Serious offenses.* — Serious offenses include:

(a) Gross misconduct, or any inexcusable, shameful or flagrant unlawful conduct[.]

⁶³ Sec. 37. *Sanctions.* —

(a) If the respondent is found guilty of a serious offense, any of the following sanctions, or a combination thereof, shall be imposed:

(1) Disbarment;

(2) Suspension from the practice of law for a period exceeding six (6) months;

(3) Revocation of notarial commission and disqualification as notary public for not less than two (2) years; or

(4) A fine exceeding Php100,000.00.

⁶⁴ See *Huang v. Atty. Zambrano*, 850 Phil. 544 (2019) [*Per Curiam, En Banc*]; *Yoshimura v. Atty. Panagsagan*, 840 Phil. 16 (2018) [*Per Curiam, En Banc*]; *Suarez v. Atty. Maravilla-Ona*, 796 Phil. 27 (2016) [*Per Curiam, En Banc*]; *Arellano University, Inc. v. Mijares III*, 620 Phil. 93 (2009) [*Per Curiam, En Banc*]; *Overgaard v. Valdez*, 588 Phil. 422 (2008) [*Per Curiam, En Banc*].

⁶⁵ See *Lim v. Bautista*, 936 Phil. 446 (2023) [*Per Curiam, En Banc*]; *Asuncion v. Salvado*, 924 Phil. 596 (2022) [*Per Curiam, En Banc*]; *Pacana, Jr. v. Pascual-Lopez*, 611 Phil. 399 (2009) [*Per Curiam, En Banc*].

⁶⁶ Sec. 38. *Modifying circumstances.* — In determining the appropriate penalty to be imposed, the Court may, in its discretion, appreciate the following mitigating and aggravating circumstances:

....
(b) Aggravating Circumstances:

(1) Finding of previous administrative liability where a penalty is imposed, regardless of nature or gravity;

(2) Age;

(3) Number of years in the practice of law;

(4) Employment of fraudulent means to conceal the offense;

(5) Respondent's act or omission was tainted with bad faith or malice, except when it is an element of the offense;

(6) Lack of remorse;

(7) Failure to comply with the orders of the Court and the IBP in relation to an administrative case;

(8) Other analogous circumstances.

which is evident in respondent's Answer⁶⁷ and Position Paper,⁶⁸ should be considered in the imposition of the penalty on respondent.

Pursuant to Canon VI, Section 39⁶⁹ of the CPRA, since there are two aggravating circumstances and no mitigating circumstance in this case, the Court may impose the penalties of suspension or fine for a period or amount not exceeding double of the maximum prescribed under the CPRA.

Thus, for the second count of gross misconduct, the penalty to be imposed on respondent is increased to PHP 150,000.00.

Considering respondent's disbarment in a previous case, the Court may no longer impose the penalty of an additional disbarment on respondent. Nonetheless, these are provided for the sole purpose of recording them in respondent's personal file with the Office of the Bar Confidant, which should be considered in case respondent subsequently files a petition to lift his disbarment,⁷⁰ or when he applies for judicial clemency.⁷¹

The Court may still, nonetheless, impose the penalties of fines against respondent, as the Court does not lose its exclusive jurisdiction over other offenses committed by a disbarred lawyer while they were still a member of the law profession.⁷²

Hence, the Court finds it proper to impose a fine of PHP 150,000.00 against respondent for each count of gross misconduct, considering the presence of aggravating circumstances.

Lastly, the Court adopts and approves the IBP-BOG's recommendation that respondent be directed to return to complainant the unutilized advances in the total amount of PHP 870,000.00, with legal interest of 6% per annum from his receipt of this Decision until full payment. Canon VI, Section 37 of the CPRA provides that "when the offense involves money or property owed, which is intrinsically linked to the lawyer-client relationship, the respondent shall be ordered to return the same."

⁶⁷ Rollo, pp. 21-25.

⁶⁸ *Id.* at 51-60.

⁶⁹ Sec. 39. *Manner of imposition.* — If one (1) or more aggravating circumstances and no mitigating circumstances are present, the Supreme Court may impose the penalties of suspension or fine for a period or amount not exceeding double of the maximum prescribed under this Rule. The Supreme Court may, in its discretion, impose the penalty of disbarment depending on the number and gravity of the aggravating circumstances.

⁷⁰ *Fernando v. Pallugna*, 936 Phil. 338, 347 (2023) [Per J. Lopez, J., Second Division].

⁷¹ See *Office of the Provincial Prosecutor of Cavite v. Mas*, 946 Phil. 474, 484 (2023) [Per J. Dimaampao, *En Banc*]; *Jumalon v. Dela Rosa*, 934 Phil. 886, 901 (2023) [Per *Curiam, En Banc*].

⁷² *Fernando v. Pallugna*, 936 Phil. 338, 347 (2023) [Per J. Lopez, J., Second Division].

✓

On the other hand, We differ from the IBP's recommendation ordering respondent to pay the loaned amount of PHP 200,000.00 plus legal interest. This is not the proper venue for respondent's return of the loaned amount.

We held in *Sosa v. Mendoza*:⁷³

While we agree with the punishment meted out by the IBP, [W]e differ with its recommendation ordering Atty. Mendoza to pay the amount of the loan plus legal interest.

We take exception to the IBP's order to pay **only** because the case before us is *solely an administrative complaint for disbarment and is not a civil action for collection of a sum of money*. The quantum of evidence in these two types of cases alone deters us from agreeing with the IBP's order to pay; the administrative complaint before us only requires substantial evidence to justify a finding of liability, while a civil action requires greater evidentiary standard of preponderance of evidence.

A proceeding for suspension or disbarment is **not a civil action** where the complainant is a plaintiff and the respondent lawyer is a defendant. **Disciplinary proceedings involve no private interest and afford no redress for private grievance. They are undertaken and prosecuted solely for the public welfare.**

The purpose of disbarment is mainly to determine the fitness of a lawyer to continue acting as an officer of the court and as participant in the dispensation of justice. The purpose of disbarment is to protect the courts and the public from the misconduct of the officers of the court and to ensure the administration of justice by requiring that those who exercise this important function shall be competent, honorable and trustworthy men in whom courts and clients may repose confidence.

We are aware that jurisprudence has allowed a complainant in a disbarment case to collect an outstanding debt from a lawyer. However, in the recent case of *Heenan v. Atty. Espejo*, this Court sitting *en banc* did not agree with the IBP's recommendation to order the erring lawyer to return the money he borrowed from the complainant. We said in this case:

In disciplinary proceedings against lawyers, the only issue is whether the officer of the court is still fit to be allowed to continue as a member of the Bar. Our only concern is the determination of respondent's administrative liability. **Our findings have no material bearing on other judicial action which the parties may choose to file against each other. Furthermore, disciplinary proceedings against lawyers do not involve a trial of an action, but rather investigations by the Court into the conduct of one of its officers.** The only question for determination in these proceedings is whether or not the attorney is still fit to be allowed to continue as a member of the Bar. **Thus, this Court cannot rule on the issue of the amount of money that should be returned to the complainant.** [Emphasis supplied and citations omitted.]

⁷³ 756 Phil. 490 (2015) [Per J. Brien, Second Division].

We note that as in the facts of the present case, the respondent-lawyer in the *Heenan* case also did not deny the validity of her loan nor did she proffer any reason for issuing unfunded checks.

As a final note, we understand the frustration of, and sympathize with Ms. Sosa in her present situation. However, because the matter before us is not a civil action for the collection money, we cannot order Atty. Mendoza to pay his outstanding loan. We can only clarify that our ruling in this case is without prejudice to any future civil or criminal action that Ms. Sosa, if she so decides, may file against Atty. Mendoza in the future. Our action likewise is without prejudice to any action we may take that is not based on the violation of the Code of Professional Responsibility.⁷⁴ (Citations omitted, emphasis in the original)

Hence, Our ruling in this case is without prejudice to any future civil or criminal action that complainant, if he so decides, may file against respondent. Our ruling is likewise without prejudice to any action We may take that is not based on the violation of the CPRA.

ACCORDINGLY, the Court finds respondent Atty. Diosdado C. Sebrio, Jr. **GUILTY** of two counts of Gross Misconduct, committed in violation of Canon I, Section 2; Canon II, Sections 1 and 15; Canon III, Sections 6 and 49; and Canon IV, Sections 2, 3, 4, and 6 of the Code of Professional Responsibility and Accountability. Consequently, the Court imposes the following penalties on him:

1. **DISBARMENT** for the first count of Gross Misconduct, effective upon receipt of this Decision. The Court, thus, **ORDERS** his name stricken off the Roll of Attorneys for the first count; and
2. A **FINE** of PHP 150,000.00 for the second count of Gross Misconduct.

Considering that respondent Atty. Diosdado C. Sebrio, Jr. has been previously disbarred, the penalty of disbarment for the first count of gross misconduct may no longer be imposed, but should nonetheless be considered.

Further, in view of his previous disbarment, the Court imposes the penalties of **FINES** in the amount of PHP 150,000.00 for the first count of gross misconduct and PHP 150,000.00 for the second count, or a total fine in the amount of PHP 300,000.00.

⁷⁴ *Id.* at 499-501.

Respondent is also **ORDERED TO RETURN** to complainant the amount of PHP 870,000.00, with legal interest of 6% per annum upon receipt of this Decision until full payment.


Payment of the fine shall be made within 10 days from the receipt of this Decision and respondent is **ORDERED** to submit to the Court proof of compliance within 10 days from such payment.


SO ORDERED.


RICARDO R. ROSARIO

Associate Justice

WE CONCUR:


ALEXANDER G. GESMUNDO
Chief Justice


MARVIC M.V.F. LEONEN
Associate Justice

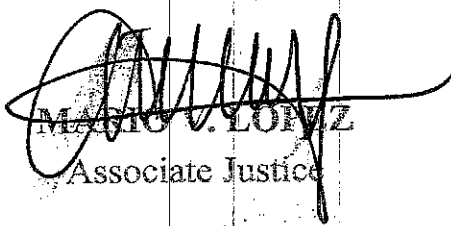

ALFREDO BENJAMIN S. CAGUIOA
Associate Justice

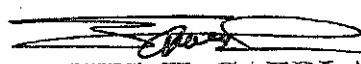

RAMON PAUL L. HERNANDO
Associate Justice



AMY C. LAZARO JAVIER
Associate Justice


HENRI JEAN PAUL B. INTING
Associate Justice

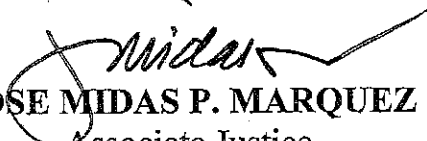

RODIL V. ZALAMEDA
Associate Justice



MARIO V. LOPEZ
Associate Justice


SAMUEL H. GAERLAN
Associate Justice


JHOSEP Y. LOPEZ
Associate Justice


JAPAR B. DIMAAMPAO
Associate Justice


JOSE MIDAS P. MARQUEZ
Associate Justice


ANTONIO T. KHO, JR.
Associate Justice

ON LEAVE
MARIA FILOMENA D. SINGH
Associate Justice