



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

NOTICE

Sirs/Mesdames:

Please take notice that the Court, Third Division, issued a Resolution dated February 3, 2021, which reads as follows:

“A.C. No. 11781 [Formerly CBD Case No. 15-4581] (*Ready Form, Inc. represented by Guillermo L. Sylianteng, Jr. v. Atty. Egmedio J. Castillon, Jr.*). - This is a Complaint for Disbarment¹ filed by complainant Ready Form, Inc. (RFI), represented by Guillermo L. Sylianteng, Jr., against respondent Atty. Egmedio J. Castillon, Jr. (Atty. Castillon) for allegedly making a perjured and false statement in verified pleadings.

The Facts:

Complainant alleged that Atty. Castillon was the counsel of Eastland Printing Corporation (Eastland) which competed with RFI for printing jobs of government accountable forms. Respondent, on behalf of Eastland, allegedly filed a Petition for the Blacklisting of RFI before the National Printing Office (NPO) Bids and Awards Committee by fabricating RFI’s sales figure for 2006 and submitting a falsified or understated financial document during the biddings.²

RFI claimed that in the petition for blacklisting, Atty. Castillon submitted falsified/understated figures of RFI’s Summary of Taxes Withheld (STW). Atty. Castillon supposedly knew that the said STW was based on the total payments made to RFI in 2006 which included RFI’s sales in 2005 and 2006, and not for 2006 alone.³

By doing so, RFI contended that Atty. Castillon violated Canon 1, Rules 1.01 to 1.03 and 19.01 of the Code of Professional Responsibility (CPR) and acted maliciously. Likewise, RFI averred that Atty. Castillon purportedly admitted that the figure he used was not supported by proof.⁴

¹ *Rollo*, pp. 2-25.

² *Id.* at 134.

³ *Id.* at 4-9.

⁴ *Id.* at 20-23.

For his part, Atty. Castillon asserted that Eastland hired him to file a petition for blacklisting against RFI by invoking grounds provided by law. He averred that in the petition he filed, RFI's Income Tax Return was not presented because he was not able to secure a copy of the said document and did not have any information about it. He merely had a copy of RFI's financial statement. Thus, he maintained that he committed no illegality or irregularity.⁵

Moreover, respondent alleged that RFI was guilty of forum shopping for filing several cases (CBD Case Nos. 09-2565 and 09-2579) against him which have already been dismissed by the Court.⁶ He added that the allegations in the instant complaint are closely intertwined with that of CBD Case No. 14-4186.⁷

Report and Recommendation of the Integrated Bar of the Philippines:

In a Report and Recommendation⁸ dated March 3, 2016, the Investigating Commissioner of the Integrated Bar of the Philippines-Commission on Bar Discipline recommended the dismissal of the administrative complaint for lack of evidence. As counsel for Eastland, Atty. Castillon agreed to take on the cause of his client which is entitled to the benefit of any remedy and defense available in accordance with law, and which Atty. Castillon may pursue.⁹

In a Resolution¹⁰ dated September 23, 2016, the IBP-Board of Governors resolved to adopt the findings of fact and recommendation of the Investigating Commissioner to dismiss the complaint.

Our Ruling

The Court adopts the findings and the recommendation of the IBP to dismiss the instant complaint for disbarment against Atty. Castillon.

In A.C. No. 11774 (formerly CBD Case No. 14-4186) entitled *Ready Form, Inc. v. Atty. Castillon, Jr.*,¹¹ the Court already declared that Atty. Castillon did not violate any law when he attached a copy of RFI's audited financial statements to the Petition for Blacklisting which he filed before the NPO. This is because audited financial statements submitted by corporations, as required by Section 141 of the Corporation Code, are made available by the Securities and Exchange Commission to the public. Hence, Atty. Castillon

⁵ Id. at 90.

⁶ Id. at 91.

⁷ Id. at 90-91.

⁸ Id. at 134-136; penned by Commissioner Rebecca Villanueva-Maala.

⁹ Id. at 136.

¹⁰ Id. at 132-133.

¹¹ *Ready Form, Inc. v. Atty. Castillon, Jr.*, A.C. No. 11774, March 21, 2018.

cannot be penalized for using a publicly-available document to support the pleadings which he signed and filed. Thus, the disbarment complaint against Atty. Castillon in A.C. No. 11774 was dismissed.¹²

Upon observation, it appears that RFI committed forum shopping when it filed the instant complaint as it is closely intertwined with the allegations and issues raised in A.C. No. 11774. Thus,

[t]here is forum shopping when, between two (2) actions, there is identity of parties, causes of action, and reliefs sought. Absolute identity is not required. Identity of causes of action ensues when actions involve fundamentally similar breaches of the same right-duty correlative. In such instances, separate proceedings will have to consider substantially the same evidence, engendering possibly conflicting interpretations on fundamentally the same incidents and unnecessarily expending judicial resources.¹³

Relevantly, RFI reasoned that A.C. No. 11774 relates to Atty. Castillon's act "in usurping the authority of the [Bureau of Internal Revenue] and using information contained in the financial documents of [RFI] which acts are criminal in nature and [violate Republic Act No.] 8424 (Internal Revenue Act of 1997) while the instant complaint pertains to his **use of fabricated evidence** in his pleadings against RFI thus making perjured statements in his pleadings."¹⁴ However, a reading of the Court's ruling in A.C. No. 11774 shows that RFI essentially referred to the same parties, documents and arguments which it cited in the case at bench, specifically the use of RFI's financial documents in the Petition for Blacklisting which Atty. Castillon signed.

Hence, it is possible that the resolution or final judgment in A.C. No. 11774 would amount to *res judicata*¹⁵ in the instant case. Nonetheless, due to the lack of documents attached in the instant complaint to ascertain if RFI indeed presented the same issues, evidence, arguments and reliefs sought in A.C. No. 11774, the Court will withhold a ruling relating to this matter.

¹² Id.

¹³ *Philippine College of Criminology, Inc. v. Bautista*, G.R. No. 242486, June 10, 2020.

¹⁴ *Rollo*, p. 95.

¹⁵ *Spouses De Guzman v. Republic*, G.R. No. 199423, March 9, 2020 citing *Heirs of Marcelo Sotto v. Palicte*, 726 Phil. 651 (2014).

There is forum shopping when the following elements are present, namely: (a) identity of parties, or at least such parties represent the same interests in both actions; (b) identity of rights asserted and reliefs prayed for, the relief being founded on the same facts; and (c) the identity of the two preceding particulars, such that any judgment rendered in the other action will, regardless of which party is successful, amounts to *res judicata* in the action under consideration.

Regardless, the Court finds that Atty. Castillon committed none of the grounds for disbarment under Section 27, Rule 138¹⁶ of the Rules of Court.¹⁷ Rather, his actions are supported by Canons 17 and 19 of the CPR, as follows:

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.

x x x x

CANON 19 – A LAWYER SHALL REPRESENT HIS CLIENT WITH ZEAL WITHIN THE BOUNDS OF THE LAW.

Atty. Castillon had the duty to his client, Eastland, to file pleadings within the bounds of law to protect his client's interests. Surely, he cannot be penalized for doing so, especially when he attached documents which were readily available to the public to support the allegations in the pleadings. Simply put, RFI did not adequately show how Atty. Castillon used fabricated evidence which would justify disciplinary action upon him.

In view of the foregoing, and as earlier held by the Court in A.C. No. 11774, RFI's evidence is insufficient to hold respondent lawyer liable for a violation of the CPR.

WHEREFORE, the Complaint for Disbarment against Atty. Egmedio J. Castillon, Jr. is hereby **DISMISSED** for lack of merit.

The Letter dated June 5, 2017 of Ramon S. Esguerra, Director for Bar Discipline, is **NOTED**.

SO ORDERED.”

By authority of the Court:

Misael Domingo C. Battung III
MISAELO DOMINGO C. BATTUNG III
Division Clerk of Court
GER
313121

¹⁶ SEC. 27. *Disbarment or suspension of attorneys by Supreme Court; grounds therefor.* – A member of the bar may be disbarred or suspended from his office as attorney by the Supreme Court for any deceit, malpractice, or other gross misconduct in such office, grossly immoral conduct, or by reason of his conviction of a crime involving moral turpitude, or for any violation of the oath which he is required to take before admission to practice, or for willful disobedience of any lawful order of a superior court, or for corruptly or willfully appearing as an attorney for a party to a case without authority to do so. The practice of soliciting cases at law for the purpose of gain, either personally or through paid agents or brokers, constitutes malpractice.

¹⁷ *In Re: Pactolin*, 686 Phil. 351, 355 (2012).

Mr. Guillermo L. Syliangteng, Jr.
Complainant's representative
READY FORM INC.
246 Katipunan Avenue, Blue Ridge
1100 Quezon City

Atty. Egmedio J. Castillo, Jr.
Respondent
ILEDAN BANARES & ASSOCIATES
4/F The Manila Bank Building, No. 6772
Ayala Avenue, 1200 Makati City

Atty. Rosita M. Requillas-Nacional
Deputy Clerk of Court & Bar Confidant
OFFICE OF THE BAR CONFIDANT
Supreme Court, Manila

Atty. Randall C. Tabayoyong
Director for Bar Discipline
INTEGRATED BAR OF THE PHILIPPINES
Dona Julia Vargas Avenue
Ortigas Center, 1600 Pasig City

JUDICIAL & BAR COUNCIL
Supreme Court, Manila

PHILIPPINE JUDICIAL ACADEMY
research_philja@yahoo.com
Supreme Court, Manila

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