



RECEIVED
JAN 27 2020

BY: XG
TIME: 3:39

Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

JERRY F. VILLA,
Complainant,

A.C. No. 12202 (formerly CBD
Case No. 15-4535)

Present:

- versus -

PERALTA, C.J., Chairperson
CAGUIOA,
REYES, J., JR.,
LAZARO-JAVIER, and
INTING,* JJ.

ATTY. PAULA DIMPA** BEATRIZ
DEFENSOR-VELEZ,
Respondent.

Promulgated:

DEC 05 2019

X ----- X

DECISION

LAZARO-JAVIER, J.:

The Case and the Proceedings Below

By letter-complaint¹ dated March 4, 2015, Jerry F. Villa alleged that he and respondent Atty. Paula D.B. Defensor-Velez were both engaged in the business of providing security services. Through her “sweet talk” and persistent prodding, respondent was able to convince him to lend her the amount of Two Hundred Thousand Pesos (Php200,000.00) which she claimed she desperately needed for the payroll of her security guards. Relying on respondent’s representations that she would not risk destroying her integrity as a lawyer by engaging in foolishness or reneging on her

* Designated as additional member per S.O. 2726 dated October 25, 2019.

** Respondent’s name in the roll of attorneys is spelled “Dimpna,” but she is referred to as Paula “Dimpa” in the Rollo.

¹ With annexes, rollo at pp. 2-9.

commitment, he tried hard to raise the money, even going to the extent of borrowing from a financier who usually helped him whenever he encountered the same problem.

They executed a Memorandum of Agreement² dated September 23, 2014 with him, detailing the loan amount and interest. Respondent also undertook to issue a postdated check to cover the loan. But after getting what she wanted, she cut all contact with him and “vanished in[to] thin air.”³ When he deposited the PNB check on its due date, it was dishonored for being drawn against insufficient funds.⁴ He sent demand letters⁵ to respondent but she ignored them. Because of respondent’s “scandalous and anomalous” conduct, he got constrained to initiate the present complaint.

Proceedings before the Integrated Bar of the Philippines- Commission on Bar Discipline (IBP-CBD)

Despite receipt of the Orders dated March 4, 2015 and November 23, 2015 from the IBP-CBD, directing her to respond to the letter-complaint, respondent failed to do so. She also failed to attend the mandatory conference/hearing called by the IBP-CBD and to file the required conference brief. Thus, she was deemed to have waived her right to participate in the proceedings.

The Findings and Recommendation of the IBP-CBD

The Investigating Commissioner noted respondent’s continuing disregard of the IBP-CBD’s processes showing her contumacious predilection to ignore letters and notices sent her. This, together with respondent’s act of evading lawful demands to pay her debt cannot shield her from liability arising from this complaint.⁶

On the merits, the Investigating Commissioner found respondent guilty of violating Rule 1.01, Canon 1 of the Code of Professional Responsibility (CPR), *viz.*: “[a] lawyer shall not engage in unlawful, dishonest, immoral or deceitful conduct.” Based on the evidence on record, respondent engaged in improper and wrongful conduct when she failed to pay her just loan willfully, albeit she knew it was already due and demandable. Worse, she even issued a worthless check notwithstanding that as a lawyer she knew its legal consequences. Although as a rule a lawyer may not be disciplined for failure to pay a debt or for actions or conduct in


² Annex A of the Complaint, *id.* at 5.

³ *Id.* at 2.

⁴ Annex B of the Complaint, *id.* at 6.

⁵ Annexes C and D of the Complaint, *id.* at 7-8.

⁶ *Id.* at 32-33.



his or her non-professional or private life, the Supreme Court has held that the issuance of a worthless check to cover a financial obligation is gross misconduct.⁷

Further, respondent transgressed Rule 1.02 of the CPR, *i.e.* “[a] lawyer shall not counsel or abet activities aimed at defiance of the law or at lessening confidence in the legal system.” Quite apart from her ignoble behavior towards complainant, respondent’s blatant disrespect and contempt against the proceedings of the IBP-CBD cannot be taken lightly. It, too, warranted disciplinary action.

Verily, the Investigating Commissioner recommended that respondent be **suspended from the practice of law for one (1) year**, without prejudice to complainant’s judicial recourse to collect respondent’s indebtedness.

Findings and Recommendation of the IBP Board of Governors

By Board Resolution No. XXII-2017-1165⁸ dated June 17, 2017, the IBP Board of Governors resolved to adopt in full the findings and recommendation of the Investigating Commissioner.

Ruling

We adopt the factual findings and approve with modification the recommendation of the IBP Board of Governors.

In *Dayan Sta. Ana Christian Neighborhood Association, Inc. v. Espiritu*,⁹ we expounded on the nature of the legal profession as a noble calling intrinsically linked to public trust, *viz.*:

The fiduciary duty of a lawyer and advocate is what places the law profession in a unique position of trust and confidence, and distinguishes it from any other calling. Once this trust and confidence is betrayed, the faith of the people not only in the individual lawyer but also in the legal profession as a whole is eroded. To this end, all members of the bar are strictly required to at all times maintain the highest degree of public confidence in the fidelity, honesty and integrity of their profession. The nature of the office of a lawyer requires that he shall be of good moral character. This qualification is not only a

⁷ *Id.* at 33-34, citing *Lao v. Medel*, 453 Phil. 115, 121-122 (2003).

⁸ *Id.* at 28.

⁹ 528 Phil. 1 (2006).

condition precedent to admission to the legal profession, but its continued possession is essential to maintain one's good standing in the profession. Law is a noble profession, and the privilege to practice it is bestowed only upon individuals who are competent intellectually, academically, and, equally important, morally. Because they are vanguards of the law and the legal system, lawyers must at all times conduct themselves, especially in their dealings with their clients and the public at large, with honesty and integrity in a manner beyond reproach.¹⁰

Here, the following facts are undisputed: respondent incurred a Php200,000.00 loan from complainant; the loan was covered by the parties' Memorandum of Agreement dated September 23, 2014; respondent issued a PNB check as payment for the loan, albeit when presented on its due date, it was dishonored due to insufficiency of funds; and respondent invariably ignored the various demands for payment served on her by complainant and his counsel.

The record speaks for itself. Respondent evaded payment of a just debt, for which she even issued a worthless check. In so doing, she violated Rule 1.01, Canon 1 of the CPR, viz.: "[a] lawyer shall not engage in unlawful, dishonest, immoral or deceitful conduct."

We have emphasized time and again that "[a]ny wrongdoing which indicates moral unfitness for the profession, whether it be professional or non-professional, justifies disciplinary action. Thus, [respondent] may be disciplined for evading payment of a debt validly incurred. Such conduct is unbecoming and does not speak well of a member of the bar, for a lawyer's professional and personal conduct must at all times be kept beyond reproach and above suspicion."¹¹

Respondent's failure to pay her just loan was willful in character and implied a wrongful intent and not a mere error in judgment. She undeniably engaged in improper or wrongful conduct and violated the mandate that "[a] lawyer shall not engage in unlawful, dishonest, immoral or deceitful conduct."¹²

She also committed misconduct when she issued a worthless check, an offense punishable under Batas Pambansa Blg. 22.¹³ On this score, *Ong v. Delos Santos*¹⁴ is apropos:

¹⁰ *Id.* at 10-11.

¹¹ See *Grande v. de Silva*, 455 Phil. 1, 7 (2003).

¹² Rule 1.01, Canon 1, CPR; see also, *Sosa v. Mendoza*, 756 Phil. 490, 496 (2015).

¹³ See, for example, *Enriquez v. De Vera*, 756 Phil. 1, 10 (2015).

¹⁴ 728 Phil. 332, 338 (2014).

Being a lawyer, Atty. Delos Santos was well aware of the objectives and coverage of Batas Pambansa Blg. 22. If he did not, he was nonetheless presumed to know them, for the law was penal in character and application. His issuance of the unfunded check involved herein knowingly violated Batas Pambansa Blg. 22, and exhibited his indifference towards the pernicious effect of his illegal act to public interest and public order. He thereby swept aside his Lawyer's Oath that enjoined him to support the Constitution and obey the laws. x x x

As a member of the Bar, respondent's act equates to such willful dishonesty and immoral conduct as to undermine the public confidence in the legal profession which cannot be justified by her so-called dire financial condition.¹⁵

In another vein, respondent's flagrant disregard of the legal processes and directives of the IBP-CBD to respond to the complaint and personally appear before it during the mandatory conference cannot be countenanced. We held in *Lim v. Rivera*.¹⁶


[R]espondent's failure to answer the complaint against him and his failure to appear at the scheduled mandatory conference/hearing despite notice are evidence of his flouting resistance to lawful orders of the court and illustrate his despicency for his oath of office in violation of Section 3, Rule 138, Rules of Court. Respondent should stand foremost in complying with the directives of the IBP Commission on Bar Discipline not only because as a lawyer, he is called upon to obey the legal orders of duly constituted authorities, as well as court orders and processes, but also because the case involved the very foundation of his right to engage in the practice of law. Therefore, his lack of concern or interest in the status or outcome of his administrative case would show how much less he would regard the interest of his clients.

In *Lim*, we pronounced that the appropriate penalty for an errant lawyer is a matter of sound judicial discretion depending on the circumstances of each case.

Lim also involved a lawyer who incurred a debt, issued a postdated check that was eventually dishonored, failed to settle his obligation despite repeated demands, and flouted the orders of the IBP-CBD. We found him

¹⁵ See, *Wong v. Moya II*, 590 Phil. 279, 289 (2008).

¹⁶ A.C. No. 12156, June 20, 2018.



guilty of violating Rule 1.01, Canon 1 of the CPR and the Lawyer's Oath and suspended him for one (1) year from the practice of law.¹⁷

In *Lao v. Medel*,¹⁸ we suspended respondent from the practice of law for one (1) year for gross misconduct and violation of Rule 1.01, Canon 1 of the CPR. In that case, respondent obtained a loan of Php22,000.00 from complainant and issued several postdated checks to cover the same but they were all dishonored. His offense was further compounded by his arrogant and disrespectful treatment of complainant and the Investigating Commissioner during one of the hearings.

De Jesus v. Collado is also precedent for imposing a one (1) year suspension on a lawyer who issued worthless checks to cover her financial obligations despite knowing she had insufficient funds. We considered that issuance of checks in violation of B.P. Blg. 22 as serious misconduct on the part of a member of the Bar, apart from being a sufficient justification to dismiss respondent (who was a court attorney) from the service of the Court.¹⁹

And in *Sosa v. Mendoza*,²⁰ we pronounced that respondent's failure to honor his just debt constituted dishonest and deceitful conduct. This dishonest conduct was compounded by his flimsy excuses and his issuance of a check that was dishonored upon presentment. Verily, therefore, we find the recommended penalty of one (1) year suspension from the practice of law to be in accordance with prevailing jurisprudence.

We further agree with the finding that respondent had shown a brazen disregard for the lawful orders and processes of the IBP-CBD. In *Tomlin II v. Moya II*, we held that failure to comply with the orders of the IBP without justifiable reason manifested respondent's disrespect of judicial authorities for which he was reminded that the IBP has disciplinary authority over him by virtue of his membership therein.²¹ To repeat, *Lim* characterized this disobedience as a violation of Section 3, Rule 138, Rules of Court. And in *Robiñol v. Bassig*,²² we imposed a fine of ten thousand pesos (Php10,000.00) on a lawyer for his repeated and unjustified refusal to comply with the IBP's lawful directives, thus:

For his behavior, Atty. Bassig committed an act in violation of Canon 11 of the Code of Professional Responsibility, to wit:

Canon 11 — A lawyer shall observe and maintain the respect due to the courts and to judicial officers and should insist on similar conduct by others.

¹⁷ *Id.*

¹⁸ *Supra* note 7, at 120, 123-124.

¹⁹ *De Jesus v. Collado*, 290-A Phil. 410, 415 (1992).

²⁰ 756 Phil. 490, 499 (2015).

²¹ 518 Phil. 325, 332 (2006).

²² A.C. No. 11836, November 21, 2017, 845 SCRA 447.

His attitude of refusing to obey the orders of the IBP indicates his lack of respect for the IBP's rules and regulations, but also towards the IBP as an institution. Remarkably, the IBP is empowered by this Court to conduct proceedings regarding the discipline of lawyers. Hence, it is but proper for Atty. Bassig to be mindful of his duty as a member of the bar to maintain his respect towards a duly constituted authority.

Verily, Atty. Bassig's conduct is unbecoming of a lawyer, for lawyers are particularly called upon to obey court orders and processes and are expected to stand foremost in complying with court directives being themselves officers of the court. In disregarding the orders of the IBP, he exhibited a conduct which runs contrary to his sworn duty as an officer of the court.

We find it proper to likewise fine respondent here for her blatant disrespect of the proceedings before the IBP-CBD.

ACCORDINGLY, respondent Atty. Paula Dimpa Beatriz Defensor-Velez is found **GUILTY** of:

(1) violating Rule 1.01, Canon 1 of the Code of Professional Responsibility for which she is **SUSPENDED** from the practice of law for one (1) year to commence immediately from receipt of this Decision. She is **DIRECTED** to immediately manifest to the Court the date that she has commenced to serve her suspension, copy furnished all courts and quasi-judicial bodies where she has entered her appearance as counsel; and

(2) violating Section 3, Rule 138 of the Rules of Court and Canon 11 of the Code of Professional Responsibility for which she is **ORDERED** to immediately pay a **FINE** in the amount of **Ten Thousand Pesos** (P10,000.00) upon receipt of this Decision.

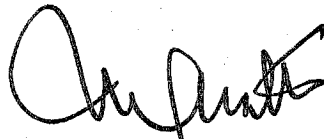
In both cases, respondent is **WARNED** that a repetition of the same or similar offense or offenses will warrant a more severe penalty.

Let copies of this Resolution be furnished to the Office of the Bar Confidant to be appended to respondent's personal record as an attorney; the Integrated Bar of the Philippines for its information and guidance; and the Office of the Court Administrator for circulation to all courts in the country.

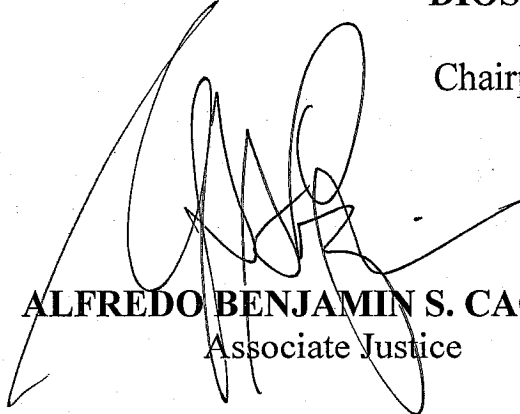
SO ORDERED.


AMY C. LAZARO-JAVIER
Associate Justice

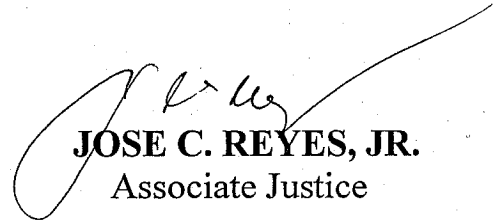
WE CONCUR:



DIOSDADO M. PERALTA
Associate Justice
Chairperson – First Division



ALFREDO BENJAMIN S. CAGUIOA
Associate Justice



JOSE C. REYES, JR.
Associate Justice



HENRI JEAN PAUL B. INTING
Associate Justice