

THIRD DIVISION

[A.C. NO. 6501 (CBD CASE NOS. 03-1076, 03-1108, 03-1109, 03-1125), August 31, 2006]

**ATTY. LEON L. ASA AND ATTY. JOSE A. OLIVEROS,
COMPLAINANTS, VS. ATTY. PABLITO M. CASTILLO AND ATTY.
GINGER ANNE CASTILLO, RESPONDENTS.**

**ATTY. PABLITO M. CASTILLO, COMPLAINANT, VS. ATTY. JOSE A.
OLIVEROS, RESPONDENT.**

**ATTY. PABLITO M. CASTILLO, COMPLAINANT, VS. ATTY. LEON L.
ASA, RESPONDENT.**

**ATTY. LEON L. ASA, COMPLAINANT, VS. ATTY. PABLITO M.
CASTILLO, RESPONDENT.**

D E C I S I O N

CARPIO MORALES, J.:

Subject of the present Decision are four administrative cases, docketed by the Integrated Bar of the Philippines (IBP) as Commission on Bar Discipline (CBD) Case Nos. 03-1076,03-1108,03-1109, and 03-1125.

I. CBD Case No. 03-1076

In 1996, Atty. Pablito M. Castillo (Castillo), then an associate of the Laurel Law Offices of which Attorneys Leon L. Asa (Asa) and Jose A. Oliveros (Oliveros) are partners, endorsed to the law firm a guardianship case, Special Proceeding No. 5222, "*In re: Guardianship of the Minors Honeylyn, Alexandra and Jerill Nonan*," which was pending before the Regional Trial Court (RTC) of Angeles City, Branch 59. Castillo appeared as counsel of record for the therein petitioner, Dr. Salvador H. Laurel, guardian *ad litem* of the minors Nonan who appear to have inherited a sizeable amount of US dollars.

A misunderstanding later occurred between Asa and Castillo as regards their sharing in the attorney's fees in the guardianship case.

On page 6 of a pleading entitled "Reply to Petitioner-Guardian's Comment/Opposition,^[1] ETC." dated July 19, 2002 filed before Branch 59 of the Angeles RTC and signed by Castillo's daughter Ginger Anne Castillo (Ginger Anne) as "counsel" for Castillo who filed a Notice Ad Cautelam, it was alleged that, *inter alia*, "Asa wants to be paid an additional \$75,000.00 for his services in providing coffee and opening doors whenever there is a conference at the Laurel Law Offices."^[2]

Finding the above statement of Castillo and Ginger Anne to be a brazen falsehood

concocted to besmirch Asa's reputation, Asa and Oliveros filed before IBP an administrative complaint^[3] against Castillo and Ginger Anne, for gross violation of the lawyer's oath and the Code of Professional Responsibility. The case was docketed as CBD Case No. 03-1076.

In their complaint, Asa and Oliveros also charged Castillo with machinations and deceit arising from the following alleged incidents:

In a conference held at the Laurel Law Offices prior to January 20, 2000 attended by Dr. Laurel, the Nonan minors' counsel abroad Atty. Benjamin Cassidy III (Cassiday), Asa and Castillo, it was agreed that the amount to be received by Dr. Laurel in trust for the Nonan heirs would be deposited at the Rizal Commercial Banking Corporation (RCBC), St. Francis Square Branch, Pasig City under Dollar Savings Account No. 8-250-00043-0. Castillo, however, proposed that the funds be deposited instead at the United Coconut Planters Bank (UCPB), he explaining that he knew an employee there who could facilitate "the transaction." Dr. Laurel rejected this proposition and instead instructed Castillo to file the appropriate motion to have the funds deposited at the RCBC.^[4]

Without showing to Dr. Laurel the motion he was instructed to prepare, Castillo filed the same with the Angeles trial court. Dr. Laurel subsequently received a copy of a March 2, 2000 RTC Order^[5] signed by the then trial Judge Eliezer R. De los Santos granting his motion and accordingly directing that the funds to be held in trust for the Nonan children be deposited at the Trust Department of the UCPB Head Office. Dr. Laurel, Cassidy and Asa thus filed with the Angeles City trial court an Urgent Motion for Reconsideration^[6] of the March 2, 2000 Angeles RTC Order in order to have the funds deposited at the RCBC transferred to the RTC, as previously agreed upon. This motion was granted.

Still in the same complaint, Asa and Oliveros alleged that in a "Reply to Answer"^[7] dated June 25, 2001 filed by Castillo with the RTC of Makati City, Branch 145 in Civil Case No. 01-506, "*Atty. P.M. Castillo v. United Coconut Planters Bank, Lorenzo V. Tan and Angelica S. Hernandez*," Castillo again committed a clear falsehood when he therein stated that:

On the other hand, retired Justice Felipe Kalalo of the Court of Appeals who personally knew the plaintiff [Castillo] was also profuse in extolling his academic credentials and accomplishments as a Trial lawyer as follows:

Q: Do you know the claimant Atty. P.M. Castillo?

A: Yes sir, because we were both active Senior Trial lawyers of the Laurel Law Offices,^[8] (Underscoring supplied),

he knowing that retired Justice Kalalo had never been at any time a lawyer at the Laurel Law Offices. In support of this allegation, they appended to the complaint a certified true copy of the Service Record^[9] of Justice Kalalo which does not show that he was ever connected with the Laurel Law Office.

In their Answer^[10] to the complaint, Castillo and Ginger Anne declared:

There is nothing wrong or objectionable to the statement that Asa's services in the guardianship case consisted in providing coffee and opening doors whenever there was a conference at the Laurel Law Offices, as this was in fact the truth, the comportment being "strictly in accordance with long cherished Filipino hospitality," and "he [Castillo] would have done the same with his own visitors."^[11] In any event, they claim that the assailed factual narration was material and relevant to Castillo's question why Asa was given the lion's share of attorney's fees when he had not rendered any known material service which redounded to the benefit of the Nonan children.

Moreover, the Castillos declared that the deposit of the Nonan funds at the UCPB was not attended with malice or bad faith, nor was it intended to benefit them as the funds could only be withdrawn by Dr. Laurel who had exclusive access to all the information pertaining to the interest and benefits accruing thereto.

As regards the assailed June 25, 2001 "Reply to Answer" filed with the Makati RTC in Civil Case No. 01-506, the Castillos asserted that Castillo had no control nor influence over the voluntary and spontaneous testimony of retired Justice Kalalo in his favor during the proceedings adverted to.^[12]

II. CBD Case No. 03-1108

Castillo subsequently filed a **complaint**^[13] **against Oliveros** before the IBP, docketed as CBD Case No. 03-1108, for gross violation of lawyer's oath and the Code of Professional Responsibility.

Castillo alleged that: (1) Oliveros assisted Cassiday in embezzling US \$950,000 representing the share adjudicated to the Nonan heirs; (2) in conspiracy with Dr. Laurel and a certain Atty. Douglas Cushnie, Oliveros resorted to forum shopping to undermine and defeat the jurisdiction of the Philippine court in the guardianship proceedings; (3) Oliveros, along with Asa, Dr. Laurel and Cassiday, perpetuated other acts of fraud in the guardianship proceedings; and (4) Oliveros, together with Asa, deliberately and maliciously filed a groundless administrative complaint against him and Ginger Anne.

In his Answer^[14] to the Complaint in CBD Case No. 03-1108, Oliveros, decrying the allegations against him as patently false, baseless and malicious, claimed that the complaint was Castillo's way of retaliating against him for having joined Asa in filing the administrative complaint against him and Ginger Anne (CBD Case No. 03-1076).

III. CBD Case No. 03-1109

Castillo also filed an **administrative complaint**^[15] **against Asa** before the IBP, charging him with embezzlement, dishonesty, betrayal of trust, grave abuse of confidence and violation of the lawyer's oath and the Code of Professional Responsibility. The case was docketed as CBD Case No. 03-1109.

Castillo alleged that (1) Asa, Cassiday and Dr. Laurel scandalously mismanaged the estate of the Nonan heirs, the bulk of which they indiscriminately pocketed; (2) Asa and Oliveros filed a groundless administrative complaint against him and Ginger Anne to compel him to withdraw his claim for attorney's fees against Dr. Laurel and

his bid to replace the latter as guardian of the Nonan heirs; (3) despite an Agreement^[16] dated February 16, 2000 between him and Asa that the latter would receive only 25% of whatever he (Castillo) would receive as attorney's fees, Asa secretly pocketed the amounts of \$24,500 and \$160,500 from the guardianship case on April 18, 2000; (4) Asa refused to account for and turn over the amount of \$130,000 in attorney's fees which belonged to him (Castillo); and (5) Asa embarked on a scheme to force him into resigning as counsel for Dr. Laurel to enable them to exercise absolute control over the guardianship case and appropriate for themselves the attorney's fees allocated for him.

In his Answer to the Complaint^[17] in CBD Case No. 03-1109, Asa alleged as follows: It was in fact Castillo who reneged on their February 16, 2000 Agreement as the latter had earlier bluntly told him that he changed his mind and that he would not give him (Asa) any share in the attorney's fees he would receive from the guardianship case, Castillo reasoning that he was the therein counsel of record and had endorsed the case to the Laurel Law Offices. He thus reported the matter to Dr. Laurel and informed him that he "would likewise not give Castillo's share in the attorney's fees he [Asa] might receive because [Castillo] has no word of honor."^[18]

As regards the \$24,500 that he allegedly secretly pocketed, Asa explained that several days prior to April 18, 2000, Dr. Laurel and Atty. Cassiday fixed the attorney's fees of both Castillo and Asa at \$100,000 each, based on the amount to be paid by the four heirs or \$25,000 per heir. When the first heir Merceditas Feliciano (Merceditas) paid \$1,150,000 on April 18, 2000, he deposited \$24,500 of this amount in his and his wife's joint Dollar Account No. 247-702-9275 at the Philippine National Bank (PNB), Ortigas Branch as his share in the attorney's fees, while he opened a new account in the name of Dr. Laurel to which he deposited the amount of \$160,500.

Asa went on to declare that Castillo received his own \$25,000 plus interest amounting to \$25,023.13 representing full payment of his attorney's fees from Merceditas, as evidenced by a Receipt^[19] dated May 2, 2000 signed by Castillo.

Continuing, Asa declared that of the \$160,500 belonging to Dr. Laurel, \$100,000 represented partial payment for his consenting to be the guardian *ad litem* of the Nonan heirs and \$60,000 represented reimbursement for expenses incurred over several years by Dr. Laurel, the total of which was placed temporarily on April 18, 2000 in his (Asa's) Dollar Account No. 8-250-00047-3 in RCBC. Dr. Laurel, however, withdrew \$160,000.00 the following day from RCBC and placed it in his own Dollar Time Deposit Account for which \$500.00 was spent for the purpose. A Certification^[20] to this effect, issued by RCBC Ortigas Business Center Manager Dolores L. Del Valle, was appended to Asa's Answer.

Finally, Asa declared that Castillo's claim for \$130,000 in attorney's fees is baseless and unconscionable, and that Castillo filed the complaint merely to harass him in retaliation for the complaint he and Oliveros priorly filed against him and Ginger Anne.

IV. CBD Case No. 03-1125

On August 25, 2003, Asa filed yet **another administrative complaint**,^[21]

against Castillo before the IBP, for disbarment/suspension, docketed as CBD Case No. 03-1125, charging him with deceit, malpractice, gross misconduct in office, immoral conduct, violation of the lawyer's oath and the Code of Professional Responsibility in light of his baseless, malicious and derogatory allegations in CBD Case No. 03-1109 which were founded on deceit and deliberate falsehood, and of promoting a groundless, false and unlawful suit.

IBP REPORT AND RECOMMENDATION:

By Report and Recommendation^[22] of February 27, 2004, the IBP CBD, through Commissioner Rebecca Villanueva-Maala, recommended the dismissal of the consolidated cases in this wise.

From the facts and evidence presented, what have been shown by the counsels are mutual bickerings, unjustified recriminations and offensive personalities between brother lawyers which detract from the dignity of the legal profession and do not deserve the attention of the Commission. The voluminous case record contains but personal peculiarities and idiosyncrasies hurled by the counsels against each other which constitute highly unprofessional conduct. A great part of man's comfort, as well as of his success at the bar, depends upon his relations with his professional brethren. With them he is in daily necessary intercourse, and he must have their respect and confidence, if he wishes to sail along in smooth waters. Hence, the parties are advised to conduct themselves honorably, fairly and candidly toward each other and try to maintain the dignity of the legal profession.^[23] (Underscoring supplied)

By Resolution^[24] of April 16, 2004, the Board of Governors of the IBP adopted and approved the February 27, 2004 Report and Recommendation and dismissed the consolidated cases for lack of merit.

The records of the cases were then forwarded for final action to this Court.

Asa filed with this Court an August 2, 2004 a Motion for Reconsideration^[25] in CBD Case No. 03-1125. He too, together with Oliveros, filed on August 3, 2004 a Motion for Reconsideration^[26] in CBD Case No. 03-1076.

Castillo likewise filed with this Court a Consolidated Omnibus Motion for Partial Reconsideration^[27] dated August 9, 2004 in CBD Case No. 03-1108 and CBD Case No. 03-1109.

On January 12, 2005, Asa filed his Comment^[28] on Castillo's Consolidated Omnibus Motion for Partial Reconsideration in CBD Case No. 03-1109 while also Oliveros filed his Comment on the same motion on February 28, 2005.

On March 16, 2005, Castillo filed his Consolidated Reply to the Comments of Asa and Oliveros, with Omnibus Motion to Appoint a Commissioner.^[29]

THIS COURT'S RULING

In his questioned "Reply to Petitioner-Guardian's Comment/Opposition," Castillo's