

EN BANC

[A.C. No. 4881, October 08, 2003]

RAU SHENG MAO, COMPLAINANT, VS. ATTY. ANGELES A. VELASCO, RESPONDENT.

DECISION

BELLOSILLO, J.:

Complainant is a Taiwanese national. He came to the Philippines to invest in a beach resort for leisure and recreation. He engaged the services of respondent as legal consultant and retained counsel. Complainant now seeks his disbarment for gross misconduct and immorality.^[1]

Complainant Rau Sheng Mao narrates that sometime in 1993 he hired respondent Atty. Angeles A. Velasco as his legal consultant and counsel for his company, the Foreign Investors Consultancy and Management Inc. (FICMI). As he was new in the country, he trusted the business judgment of respondent who crowed about his being president of the Integrated Bar of the Philippines, Virac, Catanduanes Chapter.

A year later, complainant, in his capacity as President of FICMI, entered into a Management Agreement with Haru Gen Beach Resort and Hotel Corporation ("Haru Gen") for the operation and management of Twin Rock Beach Resort in Virac, Catanduanes. Haru Gen was represented in this transaction by respondent as director and stockholder. After concluding the management agreement, respondent sold complainant his ten thousand shares of stock with Haru Gen for P1,000,000.00. Complainant alleges that although he had fully paid for the shares, as evidenced by receipts acknowledged by respondent, the latter failed and refused to deliver the certificates for the purchased shares.

Complainant also alleges that respondent persuaded him to buy three (3) parcels of land belonging to the latter for P3,660,800.00. Although he paid respondent P3,300,000.00, the latter reneged on his obligation to deliver the certificates of title covering the purchased properties.

To further complicate his woes, in the course of FICMI's management of Twin Rock Beach Resort, several complaints were filed against him by former employees of the beach resort. Respondent acted as his counsel and in the course of their professional relationship respondent asked for several sums of money purportedly to be given to the judges hearing his cases. In one of his letters to complainant, respondent wrote -- "the Judge (whom he did not identify) was not contented of the P6,000.00 claiming that he dismissed two (2) cases. I suggest that you give additional P5,000.00 x x x"^[2] In another letter he reported to complainant that "Judge Barsaga has already rendered the decision in my case regarding the three (3) parcels of land x x x x He is asking - `Christmas gift' x x x x"^[3]

Complainant also claims that respondent represented him in the special proceedings involving the settlement of the estate of the deceased Miharū Matsuzawa where he (complainant) was appointed administrator. Thereafter however their relationship turned sour and respondent did not only sever their professional relationship but went further and moved for the revocation of complainant's appointment as administrator.

Lastly, complainant charges respondent with immorality for flaunting his illicit relationship with a certain Ludy Matienzo despite his being legally married to one Rosita Velasco. Complainant declares that the *affaire d' amour*, which was common knowledge in the place, produced three (3) children, namely, Jesebeth, Jenny and Jenneth, all of whom were acknowledged by respondent as his own.

Respondent denies the allegations and insists that he could not have deceived complainant in their business dealings inasmuch as the latter was represented in all their transactions by Atty. Ricardo B. Purog, Jr. Insofar as the charge of non-delivery of the purchased shares of stock is concerned, he asserts that complainant very well knew that he had not paid for his shares hence his failure to immediately deliver the certificates corresponding to the shares sold. As for the non-delivery of the certificates of title covering the three (3) parcels of land, respondent avers that he had told complainant that the purchased properties were still under litigation.

Without disclaiming authorship of any of the letters presented by complainant where respondent bragged about his influence over judges, respondent avers that in all his thirty-five (35) years of practice he had never asked favors from judges nor privately sought an audience with them. He likewise denies having had any relationship with Ludy Matienzo and in support thereof he presented the affidavit of Ludy Matienzo refuting the imputed relationship between them as well as the affidavit of his wife Rosita attesting to his fidelity.^[4]

In retort to respondent's denial of fathering any of Ludy Matienzo's daughters, complainant presented in evidence the baptismal certificate of Jenny M. Velasco which listed respondent Angeles Velasco as her father and Ludy Matienzo as her mother.^[5] He likewise presented affidavits of several persons residing within the municipality, including a lawyer, a court employee and a neighbor of the Matienzos, confirming respondent's intimate relationship with Ludy Matienzo.^[6]

Consistent with Rule 139-B of the Rules of Court, the matter was referred to the Commission on Bar Discipline of the Integrated Bar of the Philippines for investigation, report and recommendation. After conducting a thorough investigation, the Commission recommended that respondent Atty. Angeles A. Velasco be "suspended for a period of at least two (2) years." Mainly, the recommendation was premised on the ground that notwithstanding complainant's failure to support his allegation that respondent duped him in their business transactions, the evidence on record supports the charge of immorality against respondent. Also, respondent by writing letters to complainant boasting about being able to influence judges undermined the integrity of the judiciary.

Upon a review of the records, we are convinced that respondent's conduct leaves much to be desired. We however agree with the findings of the Investigating Commissioner that complainant was as not as gullible in his business dealings with