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[A.C. No. 11439; January 4, 2022]

BATAAN SHIPYARD AND ENGINEERING COMPANY INC., *Complainant*, *v.* **ATTY. ANTHONY JAY B. CONSUNJI,** *Respondent*.

D E C I S I O N

***PER CURIAM*:**

This administrative case stemmed from a Complaint[1] filed by Bataan Shipyard and Engineering Company Inc. (BASECO), through its Board of Directors, against Atty. Anthony Jay B. Consunji (Atty. Consunji) for receiving excessive cash advances and professional fees from BASECO and failing to render an accounting and liquidation of the said moneys in violation of the Code of Professional Responsibility (CPR).

Facts of the Case

BASECO is a stock corporation engaged in the leasing of real properties for pier and port operations, ship docking, provisioning and cargo handling. Meanwhile, Atty. Consunji was the legal counsel of BASECO from 2005-2011.

According to the complaint, Atty. Consunji received several cash advances purportedly as payment for professional fees and taxes due to the government from BASECO in the total amount of ₱20,593,781.42, which consist of:

Date	Description	Amount	Payee
09-04-07	SEC Registration of Joint Venture Corporation and other SEC registration expenses[2]	₱1,150,000.00	Law Firm of Ramos

[1] *Rollo*, pp. 1-9.

[2] Id. at 41.

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04-27-10	Payment of Transfer taxes to Province of Bataan, CGT, DST and registration fee[3]	₱4,350,000.00	Anthony Jay Consunji
06-23-10	Payment of DST, CGT and other BIR expenses[4]	₱7,962,781.42	Anthony Jay Consunji
03-07-10	Preparation and filing expenses for Articles of Incorporation and By-laws of Bataan-Baseco Joint Venture, Inc.[5]	₱51,000.00	Law Firm of Ramos
03-28-11	Advances for professional fees for re-issuance of Engineering Island titles[6]	₱110,000.00	Law Firm of Ramos
04-13-11	Representation regarding issuance of new titles at Engineering Island[7]	₱500,000.00	Anthony Jay Consunji
04-26-11	Professional fee for reconstitution of Engineering Island title[8]	₱1,020,000.00	Anthony Jay Consunji
04-26-11	Professional fee for titling of four parcels of land in Engineering Island[9]	₱850,000.00	Anthony Jay Consunji
04-26-11	Representation re: reconstitution of Engineering Island titles[10]	₱1,600,000.00	Anthony Jay Consunji
04-26-11	Representation re: titling of four parcels of land in Engineering Island[11]	₱3,000,000.00	Anthony Jay Consunji
	TOTAL:	**₱20,593,781.42**	

Out of the ₱20,593,781.42 cash advances paid by BASECO, Atty. Consunji received ₱4,350,000.00, as representation fees for

[3] Id. at 42.

[4] Id. at 43.

[5] Id. at 44.

[6] Id. at 45.

[7] Id. at 46.

[8] Id. at 47.

[9] Id. at 48.

[10] Id. at 49.

[11] Id. at 50.

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the titling of the four parcels of unregistered land and ₱2,730,000.00, as professional fees for the reconstitution of the lost titles of BASECO, both in Engineering Island. Moreover, Atty. Consunji received the amount of ₱12,312,781.42, as payments for the taxes due to the government on certain transactions of BASECO. These payments were evidenced by the payment vouchers submitted by BASECO.

BASECO avers that Atty. Consunji failed to liquidate or account for the advanced professional fees and taxes he received. Likewise, he failed to render the professional services he was supposed to provide which include the titling of unregistered lands and reconstitution of lost titles in the Engineering Island. Likewise, Atty. Consunji failed to submit the Official Receipts of the several taxes he paid to the Province of Bataan and the Bureau of Internal Revenue (BIR). Further, he did not issue Official Receipts to BASECO with respect to the professional fees paid to him.

Moreover, BASECO contends that it was able to successfully secure the re-issuance or reconstitution of the subject titles with the help of other lawyers, instead of Atty. Consunji, only for the amount of ₱200,000.00.

On December 14, 2012, BASECO sent a Demand Letter[12] to Atty. Consunji asking him for accounting, liquidation and refund or reimbursement of the cash advances he received. However, Atty. Consunji failed to heed from its demand.

Accordingly, BASECO filed charges against Atty. Consunji and its other former directors, officers and employees for plunder and violation of Republic Act No. (R.A.) 3019, otherwise known as the "Anti-Graft and Corrupt Practices Act" before the Office of the Ombudsman docketed as OMB-C-C-13-0429.

BASECO made another demand[13] from Atty. Consunji but he failed to respond hence, BASECO filed the instant administrative complaint against him.

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[12] Id. at 51-52.

[13] Id. at 53.

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In a Resolution[14] dated August 17, 2016, this Court required Atty. Consunji to file his Comment to the Complaint within 10 days from notice. After requesting for five extensions of time to file his comment, Atty. Consunji filed his Comment[15] on December 22, 2016.

In his Comment, Atty. Consunji denies the charges against him. He argues that all the cash advances he received were liquidated and well accounted for. He submitted all the liquidation documents to the Finance Department of BASECO. Further, he avers that all the funds that were released to him were duly approved by the Board of Directors and with the knowledge of the Presidential Commission on Good Government (PCGG) Comptroller. To support his defense, he submitted the affidavits of former BASECO President Proceso L. Maligalig (Maligalig), Treasurer Agustiniana Avelino (Avelino) and Finance Branch Chief Socorro Santos (Santos).

In a Resolution[16] dated April 5, 2017, this Court required BASECO to file its Reply to the Comment within 10 days from notice. On March 24, 2017, BASECO filed its Reply.[17]

In its Reply, BASECO contends that it is incumbent upon Atty. Consunji to account for and liquidate the cash advances he received. It was his duty to document and retain proof of such accounting and liquidation if, indeed, these were done or made. His failure to produce any objective or documentary proof of accounting and liquidation suggests that he did not actually account for and liquidate the cash advances.

With respect to his receipt of professional fees on the titling of the lands, Atty. Consunji did not deny that he failed to complete the reconstitution of the land titles in Engineering Island, to which he was paid for. Thus, for such failure to render the services

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[14] Id. at 56.

[15] Id. at 95-108.

[16] Id. at 142.

[17] Id. at 146-149.

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required of him, BASECO argues that he must return or refund the professional fees he received in relation thereto.

Proceedings before the Integrated Bar of the Philippines

In a Resolution[18] dated August 9, 2017, this Court referred the case to the Integrated Bar of the Philippines (IBP) for investigation, report and recommendation within 90 days from receipt of the record.

The IBP, through the Commission on Bar Discipline (CBD), issued a Notice of Mandatory Conference Hearing[19] dated June 8, 2018 notifying the parties of the mandatory conference to be held on July 26, 2018, 9:30 am at IBP Office. The parties were likewise directed to submit their respective mandatory conference briefs 5 days prior to the scheduled hearing.

On July 23, 2018, Atty. Consunji, through counsel, filed a Motion for Cancellation of Mandatory Conference[20] citing as reason the prior scheduled hearing of his counsel at the Regional Trial Court of Puerto Princesa on July 25, 2018, and his counsel's flight back will be on July 26, 2018 at 10:25 am.

In an Order[21] dated July 26, 2018, the IBP-CBD continued with the mandatory conference however, neither of the parties appeared. However, it noted the Motion for Cancellation filed by Atty. Consunji. Thereafter, it directed the parties to submit their respective verified position papers within 10 days from notice.

After several extensions, Atty. Consunji filed his verified position paper.[22] He reiterated the arguments set forth in his Comment to the Complaint. In addition, he cited the Ombudsman Resolution[23] in OMB-C-C-13-0429 acquitting him of the charge

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[18] Id. at 166.

[19] Id. at 168.

[20] Id. at 169-170.

[21] Id. at 177.

[22] Id. at 188-198.

[23] Id. at 307-346.

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of plunder and violation of Section 3(e) of RA 3019 for lack of substantial proof to support the charges against him. Lastly, he argues that he tried to obtain the records from the Finance Department of BASECO, however, all the documents and records were seized by the PCGG on June 23, 2011.

BASECO did not file any position paper. The notices were returned unserved with a notation that the complainant has moved out. BASECO failed to inform this Court and the IBP of the change of its address, thus the IBP deemed BASECO to have waived its right to receive notices and other pleadings as well as its right to participate in the proceedings.

Report and Recommendation of the Integrated Bar of the Philippines

In a Memorandum[24] dated November 23, 2018, the IBP-CBD, through Investigating Commissioner Sherwin C. De Joya, recommended the dismissal of the administrative complaint against Atty. Consunji for lack of merit.

The Investigating Commissioner found that BASECO failed to establish through substantial evidence that Atty. Consunji committed the acts complained of. In fact, BASECO did not even participate in the proceedings before the CBD. All that it submitted were machine copies of the annexes attached to its Complaint, which were not authenticated. There was no evidence to support the alleged irregularities in the disbursements made to Atty. Consunji.

On the other hand, Atty. Consunji presented evidence to support his defense, which the Investigating Commissioner gave more credence than the unsupported surmises and conjectures of BASECO.

In a Resolution[25] dated June 18, 2019, the IBP Board of Governors (BOG) approved and adopted the report and recommendation of the Investigating Commissioner to dismiss

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[24] Id. at 378-382.

[25] Id. at 376.

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the administrative complaint against Atty. Consunji. However, it resolved to impose against him a fine of ₱5,000.00 for his failure to comply with the mandatory hearing requirement of the IBP-CBD.

Issue

The issue in this case is whether Atty. Consunji should be administratively disciplined.

Ruling of the Court

The Court finds that Atty. Consunji violated Rule 16.01, Canon 16, and Rules 18.01 and 18.03, Canon 18 of the Code of Professional Responsibility. Hence, the Court reverses the findings and recommendation of the IBP and holds Atty. Consunji administratively liable.

In administrative or disciplinary proceedings, the burden of proving the allegations in the complaint rests on the complainant. A finding of guilt must be supported by substantial evidence or that evidence which the reasonable mind might accept as adequate to establish a conclusion. The standard of substantial evidence is satisfied when there is reasonable ground to believe that respondent is responsible for the misconduct complained of, even if such evidence might not be overwhelming or even preponderant.[26]

The Court holds that the complainant was able to prove by substantial evidence that Atty. Consunji committed acts in violation of his duties and obligations as a member of the Bar under the CPR.

Violation of Rule 16.01, Canon 16 of the CPR

Rule 16.01, Canon 16 of the CPR provides:

CANON 16 - A LAWYER SHALL HOLD IN TRUST ALL MONEYS AND PROPERTIES OF HIS CLIENT THAT MAY COME INTO HIS POSSESSION

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[26] *Re: Allegations Made under Oath at the Senate Blue Ribbon Committee Hearing*, 743 Phil. 622, 668 (2014).

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Rule 16.01 - A lawyer shall account for all money or property collected or received for or from the client. (Emphasis supplied)

The relationship between a lawyer and his client is highly fiduciary and prescribes on a lawyer great fidelity and good faith. The highly fiduciary nature of this relationship imposes upon the lawyer the duty to account for the money or property collected or received for or from his client.[27] Money entrusted to a lawyer for a specific purpose but not used for the purpose should be immediately returned. A lawyer's failure, to return upon demand, the funds held by him on behalf of his client gives rise to the presumption that he has appropriated the same for his own use in violation of the trust reposed in him by his client. Such act is a gross violation of general morality as well as of professional ethics. It impairs public confidence in the legal profession and deserves punishment.[28]

There is no dispute that Atty. Consunji received cash advances from BASECO for his professional fees and for the payment of certain taxes due to the government. According to BASECO, Atty. Consunji failed to liquidate and render an accounting of these cash advances. BASECO sent two demand letters asking Atty. Consunji to account for and liquidate the funds he received from them but Atty. Consunji failed to comply with the said demand.

On the other hand, Atty. Consunji argues that he was able to render an accounting and liquidation of the fees he received and all these documents were submitted to the Finance Department of BASECO. However, due to the seizure of BASECO's documents and files by the security personnel of the PCGG, he can no longer obtain access to the accounting and liquidation reports he submitted to BASECO. In his Comment and Position Paper, he provided the following explanation to the cash advances he received, which the Court quotes:

20.1 The amount of ₱1,150,000.00 was liquidated through original receipts which were turned over to the Finance Department of complainant BASECO;

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[27] *Minas v. Doctor, Jr.*, A.C. No. 12660, January 28, 2020.

[28] *Sison v. Atty. Camacho*, 777 Phil. 1, 14 (2016).

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20.2 The amount of ₱4,350,000.00 was liquidated through official receipts which were turned over to the Finance Department of complainant BASECO;

20.3 The amount of ₱7,962,781.42 was likewise liquidated through turnover of official receipts to the Finance Department of complainant BASECO;

20.4 The amount of ₱51,000.00 was paid to Consunji by way of professional fees for the preparation and filing of the Articles of Incorporation and By-Laws of the Bataan-BASECO Joint Venture Corporation. Surely, an official receipt therefor was issued;

20.5 The amount of ₱110,000.00 was paid to respondent Consunji as initial professional fees for the re-issuance of the titles for the properties of complainant BASECO at the Engineering Island;

20.6 The amount of ₱500,000.00 was received by respondent Consunji for settlement of representation expenses in relation to the properties of complainant BASECO at the Engineering Island. This amount was subsequently liquidated through acknowledgement receipts which were turned over to the Finance Department of BASECO;

20.7 The amount of ₱1,020,000.00 was received by respondent Consunji as professional fees for the reconstitution of titles of Engineering Island. An official receipt therefor was issued;

20.8 The amount of ₱850,000.00 was paid to respondent Consunji as payment of the last tranche of the latter's professional fees for the reissuance of the titles for the properties of BASECO at the Engineering Island;

20.9 The amount of ₱1,600,000.00 represented the settlement of representation expenses incurred in relation to the properties of BASECO at the Engineering Island. This amount was liquidated through presentation of acknowledgment receipts which were subsequently turned over to the Finance Department of complainant BASECO;

20.10 The amount of ₱3,000,000.00 represented the settlement of representation expenses incurred in relation to the properties of BASECO at the Engineering Island. This amount was liquidated through presentation of acknowledgment receipts which were subsequently turned over to the Finance Department of complainant BASECO[.][29]

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[29] *Rollo*, pp. 100-101.

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The Court finds Atty. Consunji's contentions bereft of merit. The explanation he provided is general and lacks substantiation. He merely stated that the receipts were turned over to the Finance Department of BASECO without specifying the OR Nos. per transaction, the dates that these were turned over and the officers who received the same. Further, in the receipt of payment for his professional fees, he merely issued acknowledgment receipts instead of official receipts as required by the law. He did not retain copies of these receipts for his record. All these circumstances lead the Court to believe that no actual accounting and liquidation was done by Atty. Consunji.

It is incumbent upon a lawyer to keep records of his transactions with clients as a matter of prudence and due diligence. Ethical and practical considerations require lawyers to issue receipts to their clients, even if it was not demanded, and to keep copies of the said receipts for his own records.[30] Thus, he cannot simply claim that the records were already with the Finance Department of BASECO. As a dutiful and prudent lawyer, he should have kept copies of these receipts and records of transactions he had with BASECO. Pursuant to Rule 16.01 of the CPR, a lawyer must be aware that he is accountable for the money entrusted to him by the clients, and that his only means of ensuring accountability is by issuing and keeping receipts.

In this case, Atty. Consunji failed to provide evidence to show that he has already accounted for and liquidated the cash advances he received from BASECO. It is his duty to show that all moneys received from his client have been accounted for, that the money has been utilized for the purpose it was given, and that there are corresponding receipts issued with respect to these transactions. Atty. Consunji has not submitted any copies of the receipts he issued to BASECO with respect to the professional fees he received in processing the titling of the unregistered lands and reconstitution of lost titles in the Engineering Island. Further, he has failed to show copies of Official Receipts issued by the Province of Bataan and BIR with respect to the payment of

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[30] *Tarog v. Atty. Ricafort*, 660 Phil. 618, 628 (2011).

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transfer taxes, capital gains taxes, documentary stamp taxes and registration fees made by BASECO.

The taxes payable to the Province of Bataan and BIR were released to Atty. Consunji, as the legal counsel of BASECO, in order to facilitate and process its payment to the concerned government units. It is incumbent upon him to show that these moneys he received were properly utilized to its purpose and that there are Official Receipts issued by the government as evidence of payment of these taxes. The claim that the liquidation records of these cash advances were already with the Finance Department of BASECO, which were seized by the PCGG, deserves scant consideration. If the custody of these documents and records were really with BASECO or PCGG, Atty. Consunji could have easily requested the IBP or the Court to order the former to produce these records pursuant to Rules 21 and 27 of the Rules of Court. The IBP Investigators have the power to issue subpoenas, take depositions and administer oaths pursuant to Sections 8 and 9 of Rule 139-B of the Rules of Court. However, Atty. Consunji failed to avail of these legal remedies. He failed to rebut the allegation of BASECO that no accounting and liquidation has been made to the cash advances released to hire.

The affidavits of former BASECO officers Maligalig, Avelino and Santos are not sufficient to absolve Atty. Consunji of his administrative liability. Both Avelino and Santos, Treasurer and Finance Branch Chief respectively, testified on the process of budget approvals and release followed by BASECO. Santos, as the Finance Branch Chief, had no statement indicating that she received accounting and liquidation reports from Atty. Consunji. It was in the Joint Affidavit of Maligalig and Avelino where they testified that all the moneys disbursed to Atty. Consunji were liquidated. However, the Court finds their statement irrelevant and self-serving.

If indeed Atty. Consunji submitted the liquidation reports to the Finance Department, it should have been Santos, the Finance Branch Chief at that time, who is the most competent witness to testify having received these liquidation and accounting documents. However, there was no such statement coming from

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her which leads the Court to believe that there was no actual accounting and liquidation done for the moneys Atty. Consunji received from BASECO.

Further, under the Rules of Evidence, when the contents of a document are the subject of inquiry in an action, the original document must be presented, as in this case, the original Official Receipts of the transactions and liquidation report submitted by Atty. Consunji. It is only in exceptional cases enumerated in Section 3, particularly Section 3(b) of Rule 130 that secondary evidence may be admitted. Such exception cannot apply in this case because Atty. Consunji failed to avail of his legal remedy to require BASECO or PCGG to produce the said documents, which were purportedly in the latter's custody. Hence, the affidavits of his witnesses are not admissible to support his claim that he actually liquidated the moneys advanced to him by BASECO.

Violation of Rules 18.01 and 18.03 of Canon 18

Furthermore, the Court finds that Atty. Consunji also violated Rules 18.01 and 18.03, Canon 18 of the CPR, which state:

CANON 18 – A LAWYER SHALL SERVE HIS CLIENT WITH COMPETENCE AND DILIGENCE

Rule 18.01 – A lawyer shall not undertake a legal service which he knows or should know that he is not qualified to render. However, he may render such service if, with the consent of his client, he can obtain as collaborating counsel a lawyer who is competent on the matter.

Rule 18.03 – A lawyer shall not neglect a legal matter entrusted to him, and his negligence in connection therewith shall render him liable.

BASECO contends that despite receipt of his full legal compensation, Atty. Consunji failed to complete his obligation to process the registration of the untitled lands of BASECO and the reconstitution of the lost titles in Engineering Island. Atty. Consunji counters that he was not able to do so because the PCGG seized all the documents and files of BASECO and prevented him from gaining access to the documents in relation thereto. This was corroborated by the Affidavit of Maligalig stating that

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Atty. Consunji was able to accomplish substantial preparatory works however, he was prevented from completing the same because of the lack of relocation surveys and the records, documents, and papers in relation to the properties in Engineering Island which were also seized by the security personnel of PCGG.

In the Memorandum of Agreement[31] dated March 21, 2011, BASECO and Atty. Consunji entered into a service contract wherein Atty. Consunji obligated himself to process the registration of the untitled parcels of land of BASECO in Engineering Island. In consideration thereof, Atty. Consunji shall be entitled to an acceptance fee of ₱1,200,000.00. In addition to the acceptance fee, Atty. Consunji shall also be entitled to a success contingent fee, quoted hereunder:

> 3. In addition to the aforementioned acceptance fee, the SECOND PARTY shall be entitled to charge and collect from the FIRST PARTY, a SUCCESS — CONTINGENT — FEE of twenty-five percent (25%) of the fair market value of the PROPERTIES that were successfully registered and titled in the name of the FIRST PARTY or of the prevailing zonal valuation in the area or of real properties adjacent in location to the PROPERTIES, whichever is higher.
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> 4. The **Success — Contingent — Fee shall become due and collectible by the SECOND PARTY from the FIRST PARTY, upon his delivery to the latter, of the certificates of title over the PROPERTIES in the name of the FIRST PARTY** as well as the corresponding Tax Declarations thereof, and within thirty (30) days thereafter.[32] (Emphasis supplied)

According to the records, Atty. Consunji received a compensation of ₱4,350,000.00 for the issuance of new titles for the unregistered lands in Engineering Island, which consist of:

1. Representation regarding issuance of new titles at Engineering Island – ₱500,000.00 (under Payment Voucher No. 2011-04-137 dated April 13, 2011)

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[31] *Rollo*, pp. 283-286.

[32] Id. at 284-285.

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2. Professional fee for titling of four (4) parcels of land at Engineering Island – ₱850,000.00 (under Payment Voucher No. 2011-04-151 dated April 26, 2011)
3. Representation re: for titling of four (4) parcels of land at Engineering Island – ₱3,000,000.00 (under Payment Voucher No. 2011-04-153 dated April 26, 2011)

It is not disputed that Atty. Consunji was not able to successfully deliver the certificates of title of the four parcels of unregistered land of BASECO in Engineering Island. Despite the nonfulfillment of his legal obligation in the MOA, Atty. Consunji received ₱4,350,000.00 as his legal compensation. Knowing that this is in excess of the compensation he was supposed to receive, Atty. Consunji retained such amount and did not bother to return the excess compensation he collected.

Moreover, Atty. Consunji received ₱2,730,000.00 for his legal services for the reconstitution of the lost titles, which breakdown as follows:

1. Advances for professional fees for re-issuance of Engineering Island titles – ₱110,000.00 (under Payment Voucher No. 2011 dated March 28, 2011)
2. Professional fee for reconstitution of titles of Engineering Island – ₱1,020,000.00 (under Payment Voucher No. 2011-04-150 dated April 26, 2011)
3. Representation re: for reconstitution of titles of Engineering Island – ₱1,600,000.00 (under Payment Voucher No. 2011-04-152 dated April 26, 2011)

Similar to the previous engagement, Atty. Consunji was not able to process the reconstitution of the lost titles despite receiving his legal compensation.

From the foregoing, it is evident that Atty. Consunji was remiss in fulfilling his obligation to his client. The affidavit of Maligalig stating that Atty. Consunji was able to prepare substantial preparatory works is self-serving. If indeed Atty. Consunji was able to make substantial preparatory works, he should have presented these works/documents to the IBP or the Court. Had he really done substantial work for the processing of the titles, he

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could have submitted documentary or object evidence to support his claim. There was no showing of what substantial preparatory works were done and what specific actions were taken by Atty. Consunji to fulfill his legal obligation. He does not deny having received the legal fees in relation to the engagements. Thus, it is incumbent upon him to prove that he has duly complied with his obligation or that he has substantially performed tasks to fulfill the same but was prevented from completing it for reasons not attributable to him. However, Atty. Consunji failed to prove that he did his professional duties properly and meticulously.

The act of receiving money as acceptance fee for legal services in handling complainant's case and subsequently failing to render such services is a clear violation of Canon 18 of the CPR which provides that a lawyer shall serve his client with competence and diligence. A member of the legal profession owes his client entire devotion to his genuine interest, warm zeal in the maintenance and defense of his rights. An attorney is expected to exert his best efforts and ability to preserve his client's cause, for the unwavering loyalty displayed to his client likewise serves the ends of justice. Verily, the entrusted privilege to practice law carries with it the corresponding duties, not only to the client, but also to the court, to the bar and to the public.

Failure to comply with such duty subjects the lawyer to administrative sanction.

Administrative Penalty

A member of the Bar may be penalized, even disbarred or suspended from his office as an attorney, for violation of the lawyer's oath and/or for breach of the ethics of the legal profession as embodied in the CPR. Lawyers should bear in mind that the practice of law is a profession, a form of public trust, the performance of which is entrusted only to those who are qualified and who possess good moral character. The appropriate penalty for a delinquent lawyer depends on the exercise of sound judicial discretion based on the surrounding facts.[33]

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[33] *Huang v. Zambrano*, A.C. No. 12460, March 26, 2019.

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In this case, Atty. Consunji received millions of pesos from his client as his legal compensation but he failed to fulfill his obligation. He likewise received money in trust as payment for his client's taxes but he did not render an accounting and liquidation of the moneys he received. Neither did he present any Official Receipt or proof of payment of the said liabilities of the client. These acts are evidently against the provisions of the CPR, the lawyer's oath and the law. The Court cannot turn a blind eye on these palpable imprudence of Atty. Consunji for these constitute as blatant disregard and desecration of the fiduciary duty, competence, diligence and loyalty that a lawyer owes to his client.

Likewise, it is also the Court's mandate to ensure that the lawyer shall impose and charge reasonable and proper attorney's fees in accordance with the efforts and time spent in the case. A lawyer shall not unjustly enrich himself at the expense of the client. It must always be remembered that the practice of law is not a business and a lawyer plays a vital role in the administration of justice. Hence, it is of utmost importance that lawyers maintain an honest and fair dealings with its clients.

In this case, Atty. Consunji charged exorbitant legal fees to his client despite nonfulfillment of his legal obligation. BASECO was able to process the reconstitution of the lost titles in Engineering Island with the help of another lawyer only for the amount of ₱200,000.00 while Atty. Consunji charged BASECO ₱2,730,000.00 for the same engagement but still failed to accomplish the reconstitution. Having failed to complete his engagement, Atty. Consunji should have returned the excess legal fees he received from his client. Instead, he retained the money and appropriated it unto himself, to the damage and prejudice of BASECO. Such acts display Atty. Consunji's propensity to take advantage of his clients in violation of his duties as a member of the Bar.

Based from the foregoing, the Court finds that Atty. Consunji's acts are so reprehensible and disgraceful, and his violations of the provisions of the CPR are so blatant, demonstrating his moral unfitness and unsuitability to discharge the duties of a lawyer. His

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actions besmirch the public perception of the legal profession. As such, Atty. Consunji deserves the ultimate penalty of disbarment.

In *Atty. Navarro v. Atty. Meneses III*,[34] the Court ordered the disbarment of Atty. Meneses III after he failed to account for the money received by him from his client. Atty. Meneses III was given ₱50,000.00 as the consideration for the out-of-court settlement in the case where his client was involved. However, the settlement did not materialize. Despite that, Atty. Meneses III continued to keep the money entrusted to him in his professional capacity in violation of his duty to immediately return the same to his client. The Court ruled that such conduct on his part indicated his unfitness for the confidence and trust reposed on him. Showing such lack of personal honesty or of good moral character as to render him worthy of public confidence, constitutes a ground for disciplinary action extending to disbarment.[35]

In *Sison v. Atty. Camacho*,[36] Atty. Camacho was meted out the penalty of disbarment for violating Rules 1.01 and 16.01 of the CPR. Atty. Camacho entered into a compromise agreement without the authority of his client and he failed to account for the money he received from his client in the amount of ₱1,288,260.00 intended for payment of additional docket fees. The Court therein ruled that Atty. Camacho's acts are inexcusable and shameful to the legal profession. His failure to abide by the legal duties and moral obligations of a member of the Bar and the damage and prejudiced caused to the client because of such acts warranted the imposition of the penalty of disbarment.[37]

In *Mariveles v. Atty. Mallari*,[38] the Court imposed the penalty of disbarment on Atty. Mallari after he failed to file his client's appellant's brief with the Court of Appeals despite asking for several extensions of time, in direct violation of Rules 12.03

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[34] 349 Phil. 520 (1998).

[35] Id. at 526-530.

[36] *Sison v. Atty. Camacho*, supra note 28 at 9-16.

[37] Id.

[38] 292 Phil. 34 (1993).

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and 18.03 of the CPR. The Court ruled that Atty. Mallari's act demonstrated not only appalling indifference and lack of responsibility to the courts and his client but also a shameless disregard for his duties as a lawyer. He is unfit for membership in this noble profession.[39]

Lastly, in *Enriquez v. Atty. Lavadia*,[40] Atty. Lavadia Jr. was disbarred after he failed to file several pleadings which resulted to an adverse decision against his client. His client paid a total of ₱29,750.00 as acceptance fee and other fees relating to the preparation of the pleadings. However, Atty. Lavadia Jr. failed to file the position paper which resulted to his client being declared to be in default. He filed an appeal, moved for several extensions, but still failed to file the appeal memorandum which resulted to the dismissal of his client's appeal. These acts revealed Atty. Lavadia's nonchalant attitude to the cause of his client in violation of his duty under Rule 18.03, Canon 18 of the CPR.[41]

Further, Atty. Consunji must return the amount of ₱12,312,781.42 to BASECO, which he received in his professional capacity, for the purported payment of transfer taxes, capital gains tax, documentary stamp tax and registration fees to the Province of Bataan and BIR. Likewise, he must return the excess legal fees in the amount of ₱3,150,000.00 which he received in relation to his engagement to register the untitled parcels of land in Engineering Island in the name of BASECO. As above-stated, Atty. Consunji failed to successfully deliver the certificates of title of these parcels of land. In accordance with the MOA dated March 21, 2011, he shall only be paid a success contingent fee of 25% of the FMV of the properties upon delivery of the certificates of title. Failing to accomplish his obligation, Atty. Consunji can only retain the acceptance fee of ₱1,200,000.00. Lastly, he must return the amount of ₱2,530,000.00 as excess legal compensation he received for the reconstitution of the lost titles. Assuming that he made substantial preparatory works for the said engagement,

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[39] Id. at 36-38.

[40] 760 Phil. 1 (2015).

[41] Id. at 8-13.

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the Court deems it proper to let Atty. Consunji retain ₱200,000.00 as his legal fees therefor, on the basis of the principle of *quantum meruit* and in accordance with the customary fees actually paid for the said transaction.

Payment for transfer taxes, CGT, DST and registration fees to the Province of Bataan	₱4,350,000.00
+	
Payment for transfer taxes, CGT, DST and registration fees to the BIR	₱7,962,781.42
Total taxes advanced:	**₱12,312,781.42**
Legal fees received for the registration of the untitled parcels of land in Engineering Island	₱4,350,000.00
Legal fees indicated in the MOA dated March 21, 2011	– ₱1,200,000.00
Total excess fees advanced:	**₱3,150,000.00**
Legal fees received for the reconstitution of the lost titles in Engineering Island	₱2,730,000.00
Actual fees paid for the successful reconstitution of the lost titles	– ₱200,000.00
Total excess fees advanced:	**₱2,530,000.00**

The practice of law is a privilege given to few, and it is granted only to those of good moral character. The Bar maintains and aims to uphold a high standard of honesty and fair dealing. Lawyers

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must conduct themselves beyond reproach at all times, whether they are dealing with their clients or the public at large, and a violation of the high moral standards of the legal profession justifies the imposition of the appropriate penalty.

WHEREFORE, premises considered, respondent Atty. Anthony Jay B. Consunji is found **GUILTY** of violation of Rule 16.01, Canon 16, and Rule 18.01 and Rule 18.03, Canon 18 of the Code of Professional Responsibility. For reasons above-stated, he is **DISBARRED** from the practice of law and his name is **ORDERED STRICKEN OFF** from the Roll of Attorneys.

Further, he is **ORDERED** to Return to Bataan Shipyard and Engineering Company Inc. the amount of ₱12,312,781.42 intended for the payment of certain taxes to the Province of Bataan and the Bureau of Internal Revenue, the amounts of ₱3,150,000.00 and ₱2,530,000.00 as excess legal fees he received from the latter for his failure to complete his engagements which shall earn interest of six percent (6%) *per annum* from the finality of this Decision until full payment. He is further **DIRECTED** to submit proof of payment to the Court within ten (10) days from his full payment.

Let a copy of this Decision be furnished the Office of the Bar Confidant to be entered into the records of respondent Atty. Anthony Jay B. Consunji. Copies shall likewise be furnished the Integrated Bar of the Philippines and the Office of the Court Administrator for circulation to all courts concerned.

SO ORDERED.

Gesmundo, C.J., Perlas-Bernabe, Leonen, Caguioa, Hernando, Carandang, Lazaro-Javier, Inting, Zalameda, M. Lopez, Gaerlan, Rosario, J. Lopez, Dimaampao, and *Marquez, JJ.*, concur.

APPEARANCES OF COUNSEL

Rebekah Eunice O. Supapo for complainant.
Adonis Edgar Angelo A. Macam for respondent.