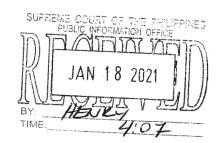


## Republic of the Philippines Supreme Court Manila

#### THIRD DIVISION

### NOTICE



Sirs/Mesdames:

Please take notice that the Court, Third Division, issued a Resolution dated **September 7, 2020**, which reads as follows:

"A.C. No. 10298 – (REMIGIAS B. MANGABON, complainant v. ATTY. REBENE C. CARRERA, respondent). – The Court resolves to NOTE:

- (1) the letter dated August 28, 2019 of Atty. Randall C. Tabayoyong, Director for Bar Discipline of the Integrated Bar of the Philippines (IBP) Commission on Bar Discipline, transmitting to this Court the documents pertaining to this case;
- (2) the Notice of Resolution dated August 29, 2018 of the IBP Board of Governors (BOG) adopting the findings of fact and recommendation of the investigating commissioner, and dismissing the complaint; and
- (3) the Notice of Change of Address dated June 10, 2019, filed by Atty. Rose Mary R. Molina-Lim of Carrera & Associates, counsel for respondent, to Unit 2-D, Dahlia Tower, Suntrust Parkview Condominium, Natividad Lopez St., Ermita, Manila, and **GRANT** her request that she be furnished with copies of all notices, orders, resolutions, pleadings, motions and other papers issued/filed at her new address.

For resolution by this Court is a handwritten letter-complaint<sup>1</sup> filed by Remigias B. Mangabon (Mangabon) against respondent Atty. Rebene C. Carrera (Atty. Carrera). In the said letter-complaint, Mangabon alleged that: Atty. Carrera represented him in National Labor Relations Commission (NLRC) LAC Case No. 11-000980-12-OFW/RAB Case No. (M)-12-19021-

<sup>&</sup>lt;sup>1</sup> Rollo, pp. 1-2.

11; that Atty. Carrera charged him with excessive attorney's fees; and that Atty. Carrera demanded US\$4,500.00 from him to resolve his case before the Court of Appeals (CA).<sup>2</sup>

In his Comment,<sup>3</sup> Atty. Carrera admitted that sometime in 2013, he represented Mangabon, a seafarer, in the aforementioned NLRC case for disability compensation. He further alleged that their engagement was on a contingency basis.<sup>4</sup> The Labor Arbiter awarded US\$5,225.00 in disability benefits, and the same amount as attorney's fees, in favor of Mangabon. Atty. Carrera elevated the case to the NLRC, which increased Mangabon's award to US\$60,000.00, plus 10% of the total monetary award as attorney's fees. On motion for reconsideration filed by Atty. Carrera, the award was further increased to US\$80,000.00 plus sick days pay from 120 to 130 days and attorney's fees of 10% of the total monetary award.<sup>5</sup> Pending the resolution of the appeal filed by his employer, Mangabon was offered an amicable settlement in consideration of a deduction of US\$4,500.00 from the judgment award.<sup>6</sup>

Mangabon and Atty. Carrera discussed the offer. Mangabon was hesitant to accept it but Atty. Carrera reminded him that reversal of the NLRC judgment was possible and that the case may be further delayed. During the settlement conference before the Labor Arbiter, the settlement and its implications were further explained to Mangabon, who, together with his wife, decided to accept the offer of settlement. Consequently, Mangabon signed a Satisfaction of Judgment, a waiver of rights written in English and Filipino, and a Receipt of Payment for ₱3,906.702.50. Upon receipt of the payment, Mangabon paid 25% of the compromise settlement to Atty. Carrera plus the 10% attorney's fees awarded by the NLRC. 12

Atty. Carrera argues that the amount paid to him by Mangabon was reasonable and judicious compensation for the services he had rendered. He cites decisions of this Court holding contingent attorney's fees of 40% and 39% as reasonable. Atty. Carrera also denied demanding or receiving US\$4,500.00 from Mangabon, asseverating that he accepted not a single centavo more than the agreed-upon fees. Atty. Carrera alleges that Mangabon may have misunderstood the settlement and incorrectly concluded that the US\$4,500.00 deduction was made for the lawyer's benefit. Finally, Atty. Carrera clarified that the US\$4,500.00 had already

<sup>&</sup>lt;sup>2</sup> Id.

<sup>&</sup>lt;sup>3</sup> Id. at 18-26.

<sup>&</sup>lt;sup>4</sup> Id. at 87.

<sup>&</sup>lt;sup>5</sup> Id. at 12.

<sup>&</sup>lt;sup>6</sup> Id. at 18-20,

Id. at 20.

<sup>&</sup>lt;sup>8</sup> Id. at 28-29.

<sup>9</sup> Id. at 30-33, entitled "Release of All Rights".

<sup>10</sup> Id. at 34-37, entitled "Pagpapaubaya ng Lahat ng Karapatan".

<sup>&</sup>lt;sup>11</sup> Id. at 38.

<sup>&</sup>lt;sup>12</sup> Id. at 21-22.

been deducted from the judgment award before the settlement check was given to Mangabon.<sup>13</sup>

In a resolution dated July 9, 2014, this Court directed<sup>14</sup> Mangabon to file a reply, but he failed to do so.<sup>15</sup> Thus, this Court resolved on February 15, 2016 to refer the matter to the Integrated Bar of the Philippines (IBP) for further proceedings.<sup>16</sup> The case was referred to Commissioner Peter M. Bantilan (IC Bantilan) of the IBP Commission on Bar Discipline.<sup>17</sup> Two mandatory conferences were held wherein only Atty. Carrera and his counsel appeared.<sup>18</sup> IC Bantilan thus directed the parties to submit their respective position papers.<sup>19</sup> After the submission of Atty. Carrera's Manifestation and Position Paper,<sup>20</sup> IC Bantilan issued a Recommendation and Report dated September 23, 2016 for the dismissal of the complaint.

IC Bantilan found that Atty. Carrera actually received less than the amount stipulated in his arrangement with Mangabon. It was found that, under the settlement, Mangabon received US\$91,316.50 but Atty. Carrera's 25% contingent fee was computed from a base of US \$76,500.00; while the award of 10% attorney's fees under the NLRC judgment which was also received by Atty. Carrera was computed from a base of US\$80,000.00. In both instances, the amount corresponding to the monetary equivalent of the sick days awarded to Mangabon was excluded from the computation for some reasons. Upon inquiry, Atty. Carrera stated that he just acceded to the omission of said amount from the computation because he was disappointed with Mangabon's actuations. If Atty. Carrera's fees were to be reckoned from the amount actually received by Mangabon, he should have received an additional US\$4,835.75 or ₱206,884.126. Furthermore, he did not receive a share of the amount representing the monetization of Mangabon's sick days.<sup>21</sup> As to Mangabon's claim that Atty. Carrera demanded US\$4,500.00 for the resolution of the case before the CA, no evidence was presented to support such. It was established that said amount was a discount requested by Mangabon's employers as a precondition for the settlement.<sup>22</sup> Considering the foregoing, IC Bantilan ruled that the fees received by Atty. Carrera were fair, just, and within the standards set by the Code of Professional Responsibility. IC Bantilan further held that Republic Act No. 10706, which limits representation fees in seafarers' monetary claims to 10% of the amount awarded, cannot be applied retroactively to the present case.23

<sup>&</sup>lt;sup>13</sup> Id. at 22-23.

<sup>&</sup>lt;sup>14</sup> Id. at 41.

<sup>&</sup>lt;sup>15</sup> Id. at 42.

<sup>&</sup>lt;sup>16</sup> Id. at 64.

<sup>17</sup> Id. at 465-66.

<sup>&</sup>lt;sup>18</sup> Id. at 90, 92.

<sup>&</sup>lt;sup>19</sup> Id. at 92.

<sup>&</sup>lt;sup>20</sup> Id. at 101-110.

<sup>&</sup>lt;sup>21</sup> Id. at 157-160, Report and Recommendation.

<sup>&</sup>lt;sup>22</sup> Id.

<sup>&</sup>lt;sup>23</sup> Id.

On August 29, 2018, the IBP Board of Governors passed a Resolution adopting the Recommendation and Report of IC Bantilan,<sup>24</sup> which We now adopt and approve.

It is undisputed that Atty. Carrera successfully represented Mangabon in his quest for disability compensation. Atty. Carrera was able to increase Mangabon's award from the initial amount of US\$5,225.00 to the final amount of US\$91,316.50 or ₱3,906.702.50. It is therefore indubitable that Atty. Carrera is entitled to compensation for his services. As to whether the compensation he received is excessive and unethical, this Court agrees with the IBP-CBD that it is not. In *Masmud v. National Labor Relations Commission*,<sup>25</sup> which also involves a dispute as to the excessiveness of attorney's fees received by the counsel in a successful seafarer's disability claim, this Court did not disturb the CA's finding that a contingent fee of 40% of the total award is reasonable. We held:

The issue of the reasonableness of attorney's fees is a question of fact. Well-settled is the rule that conclusions and findings of fact of the CA are entitled to great weight on appeal and will not be disturbed except for strong and cogent reasons which are absent in the case at bench. The findings of the CA, which are supported by substantial evidence, are almost beyond the power of review by the Supreme Court.<sup>26</sup>

In the case at bar, the contingent amount of 25% of the judgment award was agreed upon by Mangabon and Atty. Carrera in their contract.<sup>27</sup> Given the circumstances of the case, it is the opinion of this Court that Mangabon can no longer turn back and claim that such amount is unconscionable. Furthermore, during the mandatory conference, it was even discovered that Atty. Carrera's fees were incorrectly computed, and he should have received more than what he actually got. As regards Mangabon's claim that Atty. Carrera demanded US\$4,500.00 for the resolution of the appeal before the CA, suffice it to say that by his failure to participate in the proceedings, Mangabon failed to adduce any evidence to substantiate any of his claims. On the contrary, Atty. Carrera was able to present documentary and testimonial evidence showing that he never made such a demand and all that he received was the amount stipulated in his contract with Mangabon. Consequently, this Court finds no cogent reason to disturb the findings of the IBP-CBD.

WHEREFORE, the Court ADOPTS and APPROVES the Resolution of the Board of Governors of the Integrated Bar of the Philippines dated August 29, 2018 in CBD Case No. 16-4944 (Adm. Case No. 10298).

<sup>&</sup>lt;sup>24</sup> Id. at 153.

<sup>&</sup>lt;sup>25</sup> 598 Phil. 971 (2009).

<sup>&</sup>lt;sup>26</sup> Id. at 979.

<sup>&</sup>lt;sup>27</sup> Id. at 87.

#### SO ORDERED."

By authority of the Court:

# Misael Domingo C. Battung III

Division Clerk of Court

Mr. Remigias Mangabon Complainant Rizal St., Tuburan 6034 Cebu City

R.C. CARRERA & ASSOCIATES LAW OFFICE Counsel for Respondent Unit 8, Don Alex Building Del Monte Avenue cor. West Avenue 1100 Quezon City

Atty. Rosita M. Requillas-Nacional Deputy Clerk of Court and 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

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