



Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

PHILIPPINE ASSOCIATION
OF COURT EMPLOYEES
(PACE), represented by its
President, ATTY. VIRGINIA
C. RAFAEL,

Complainant,

- versus -

ATTY. EDNA M.
ALIBUTDAN-DIAZ,

Respondent.

A.C. No. 10134

Present:

CARPIO, J., Chairperson,
DEL CASTILLO,
MENDOZA,
REYES,* and
LEONEN, JJ.

Promulgated:

NOV 26 2014

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DECISION

MENDOZA, J.:

This resolves the complaint for suspension or disbarment filed by the Philippine Association of Court Employees (*PACE*) through its president, Atty. Virginia C. Rafael (*Atty. Rafael*), on July 17, 2008 against Atty. Edna M. Alibutdan-Diaz (*Atty. Diaz*), former National Treasurer of *PACE*, before the Integrated Bar of the Philippines (*IBP*).¹

PACE, the umbrella association of 1st and 2nd level court employees in the Judiciary held its 11th National Convention/Seminar in Davao City from October 6 to 8, 2005. As then National Treasurer of *PACE*, Atty. Diaz was entrusted with all the money matters of *PACE*.

The complainant alleged that the liquidation for the 11th *PACE* national convention was submitted by Atty. Diaz only on March 29, 2007, during the 12th *PACE* national convention in Iloilo City²; that during the 12th

* Designated Acting Member in lieu of Associate Justice Arturo D. Brion, per Special Order No. 1881, dated November 25, 2014.

¹ *Rollo*, pp. 2-4, 506 and 557.

² *Id.* at 2, 507-508.

convention, an election of officers was conducted and Atty. Diaz ran for the position of National Treasurer, but she was not elected; that on the last day of the convention or on March 31, 2007, the outgoing Board of Directors, including Atty. Diaz, passed and approved Resolution No. 1-2007 appropriating the amount of ₱30,000.00 as term-end bonus for each PACE official qualified thereto; that Atty. Diaz did not submit a liquidation report for the 12th convention; that there was no turn over of monies belonging to the association as a matter of procedure despite a letter of demand, dated June 20, 2007 sent to Atty. Diaz;³ and that the new set of PACE officers issued Board Resolution No. 00-07 directing past president, Rosita D. Amizola; and past treasurer, Atty. Diaz, to explain why they failed to liquidate the finances of PACE for the Davao and Iloilo conventions.⁴

In her defense, Atty. Diaz countered that she had filed the Statement of Liquidation for the 11th national convention in Davao in less than a week after the said convention; that it was duly audited by the national auditor, Letecia Agbayani; that the net proceeds of that convention was “fully accounted, liquidated and entirely deposited to PACE accounts;”⁵ that she also filed the Statement of Liquidation for the 12th national convention on May 22, 2007; that the report, together with the cash, checks and original receipts, were received by Rosita Amisola and witnessed by former PACE officers;⁶ that she denied running for re-election as PACE national treasurer during the Iloilo convention as she had already filed her certificate of candidacy for Board Member of the First District of Ipil, Zamboanga Sibugay;⁷ that the approval of the ₱30,000.00 term-end bonus did not rest with her solely, rather, it was approved by the previous board of directors; and that she never sponsored the bonus, as it was initiated by Aliven Maderaza and seconded by Atty. Lourdes Garcia and Sarah Ampong.

On her part, Atty. Garcia averred that she was not privy to the disbursement of the said term-end bonus.⁸

Initially, the case was assigned to IBP Commissioner Elpidio G. Soriano. After an exchange of pleadings, the mandatory conference was held. Afterwards, the protagonists were directed to submit their respective position papers. Thereafter, the case was re-assigned to IBP Commissioner Victor C. Fernandez (*Commissioner Fernandez*).⁹

³ Id. at 2-3, 508.

⁴ Id. at 3 and 508.

⁵ Id. at 509.

⁶ Id.

⁷ Id. at 509-510.

⁸ Id. at 510.

⁹ Id. at 507.

The lone issue here is whether or not Atty. Diaz violated Chapter 1, Canon 1, Rule 1.01 of the Code of Professional Responsibility (*CPR*), which reads:

“A lawyer should not engage in an unlawful, dishonest, immoral or deceitful conduct.”

In his Report and Recommendation, dated June 28, 2010, Commissioner Fernandez recommended the dismissal of the case against Atty. Diaz for lack of merit. Atty. Diaz offered documentary evidence to show that she was able to submit the liquidation reports for the two aforementioned conventions of PACE. He also took note that Atty. Rafael herself acknowledged the liquidation report made by Atty. Diaz with respect to the Davao City convention.¹⁰ As to the sufficiency and completeness of these reports, this would be better resolved through an audit rather than in disbarment proceedings. Besides, Commissioner Fernandez did not consider the position of Atty. Diaz as national treasurer of PACE to have any connection with her being as a lawyer. Thus, according to him, she should be sanctioned in accordance with the by-laws of PACE instead of a disbarment case.¹¹

As regards the accusation that Atty. Diaz ran for re-election in the PACE elections even though she was no longer connected with the Judiciary and therefore disqualified, Commissioner Fernandez opined that the best evidence, which was the “certificate of candidacy,” was never offered,¹² and that Atty. Diaz, being a lawyer, knew that her bid for re-election would be a useless exercise since she would not be able to assume office if she won.¹³

Finally, Commissioner Fernandez believed Atty. Diaz’s assertion that she never sponsored the appropriation of the ₱30,000.00 term-end bonus and that the approval of Resolution No. 1-2007 was a collegial action among the Board of Directors. Again, Commissioner Fernandez was of the view that her participation in the passage of the questioned board resolution was not connected to her being a lawyer.¹⁴

On November 19, 2011, the IBP Board of Governors (*IBP-BOG*) passed a resolution *adopting* and *approving* the report and recommendation of Commissioner Fernandez, and dismissed the complaint against Atty. Diaz.¹⁵

¹⁰ Id. at 372.

¹¹ Id. at 511.

¹² Id. at 512.

¹³ Id.

¹⁴ Id. at 513.

¹⁵ Id. at 505.

On reconsideration, the IBP-BOG issued the Extended Resolution,¹⁶ dated June 21, 2013, granting the complainant's motion for reconsideration. It *reversed* and *set aside* its earlier resolution and suspended Atty. Diaz from the practice of law for one (1) year.¹⁷

The IBP-BOG explained that the questions regarding (i) Atty. Diaz' liquidation of PACE funds; (ii) her running for re-election when she was no longer with the Judiciary; and (iii) her entitlement to the term-end bonus when she was no longer working in the Judiciary, constituted a "triple - whammy" of questionable actions¹⁸ committed by Atty. Diaz in contravention of Rule 1.01 of the CPR.

The Court's Ruling

This Court agrees with the IBP-BOG and adopts its June 21, 2013 Extended Resolution.

Everyone should keep in mind that the practice of law is only a privilege. It is definitely not a right. In order to enjoy this privilege, one must show that he possesses, and continues to possess, the qualifications required by law for the conferment of such privilege.

One of those requirements is the observance of honesty and candor. Candor in all their dealings is the very essence of a practitioner's honorable membership in the legal profession. Lawyers are required to act with the highest standard of truthfulness, fair play and nobility in the conduct of litigation and in their relations with their clients, the opposing parties, the other counsels and the courts. They are bound by their oath to speak the truth and to conduct themselves according to the best of their knowledge and discretion, and with fidelity to the courts and their clients.¹⁹

Time and again, the Court has held that the practice of law is granted only to those of good moral character. The Bar maintains a high standard of honesty and fair dealing. Thus, lawyers 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, including suspension and disbarment.²⁰

¹⁶ Id. at 533-534. Penned by Governor Israelito P. Torreon.

¹⁷ Id. at 531.

¹⁸ Id. at 534.

¹⁹ *Sonic Steel Industries, Inc. v. Chua*, AC No. 6942, July 17, 2013, 701 SCRA 340, 353.

²⁰ *Ronquillo v. Cezar*, 524 Phil. 311, 317 (2006).

It bears stressing that Atty. Diaz is a servant of the law and belongs to that profession which society entrusts with the administration of law and the dispensation of justice. For this, he or she is an exemplar for others to emulate and should not engage in unlawful, dishonest, immoral or deceitful conduct. Necessarily, this Court has been exacting in its demand for integrity and good moral character from members of the Bar. They are always expected to uphold the integrity and dignity of the legal profession and to refrain from any act or omission which might lessen the trust and confidence reposed by the public in the fidelity, honesty, and integrity of this noble profession.²¹


Atty. Diaz' delay in the liquidation of the finances of PACE; her running for re-election, including her non-admission that she ran for said election as shown not by her certificate of candidacy but by the affidavits of former PACE officers; and her involvement in the approval or passage of the questioned term-end bonus of PACE officers, including herself even though she was no longer working in the Judiciary, were definitely not the candor the Court speaks of. There was much to be desired in Atty. Diaz' actions/inactions.

WHEREFORE, Atty. Edna M. Alibutdan-Diaz is found **GUILTY** of violating Chapter 1, Canon 1, Rule 1.01 of the Code of Professional Responsibility, and is hereby **SUSPENDED** from the practice of law for a period of **three (3) months**.

This decision shall be immediately executory.

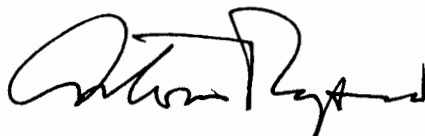
Let copies of this Decision be furnished the Court Administrator for its distribution to all courts of the land; the IBP; and the Office of the Bar Confidant to be entered into respondent's personal records as a member of the Philippine Bar.

SO ORDERED.


JOSE CATRAL MENDOZA
Associate Justice

²¹ *Malhabour v. Sarmiento*, 520 Phil. 529, 536 (2006).

WE CONCUR:



ANTONIO T. CARPIO

Associate Justice

Chairperson



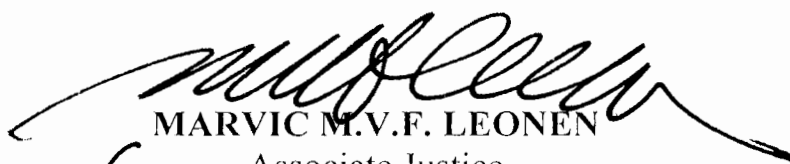
MARIANO C. DEL CASTILLO

Associate Justice



BIENVENIDO L. REYES

Associate Justice



MARVIC M.V.F. LEONEN

Associate Justice