

# Republic of the Philippines Supreme Court Manila

### THIRD DIVISION

DIMAYUGA LAW OFFICES,

G.R. No. 247724

Petitioner,

Present:

LEONEN,

Chairperson,

GESMUNDO,
HERNANDO,\*
CARANDANG,

ZALAMEDA,\*\* JJ.

TITAN-IKEDA CONSTRUCTION AND DEVELOPMENT CORPORATION,

- versus -

Promulgated:

Respondent.

September 23, 2020

MISSICROTH

### DECISION

### CARANDANG, J.:

Before this Court is a Petition for Review on *Certiorari*<sup>1</sup> under Rule 45 of the Rules of Court, assailing the Resolutions dated January 17, 2019<sup>2</sup> and May 30, 2019,<sup>3</sup> respectively, of the Court of Appeals (CA) in CA-G.R. SP No. 159007 denying the Petition for *Certiorari* filed by Dimayuga Law Offices, which questioned the Order<sup>4</sup> of the Regional Trial Court (RTC) of Makati City, Branch 58, to cancel the attorney's lien and adverse claim annotated on the condominium certificates of title subject of this case.

<sup>\*</sup> Designated as additional Member per Raffle Dated September 23, 2020.

<sup>\*\*</sup> On official leave.

Rollo, pp. 9-32.

Penned by Associate Justice Celia C. Librea-Leagogo, with the concurrence of Associate Justices Samuel H. Gaerlan (now a Member of this Court) and Pablito A. Perez; id. at 257-261;

<sup>&</sup>lt;sup>3</sup> Id. at 33-39.

<sup>4</sup> Id. at 220-222.

#### Antecedents

On February 4, 1993, Primetown Property Group, Inc. (Primetown Property) entered into an agreement with Titan-Ikeda Construction and Development Corporation (Titan-Ikeda Construction) for the structural works of its 32-storey condominium building to be known as the "Prime Tower" located at Kalayaan Avenue, Makati City for a contract price of \$\frac{1}{2}40,000,000.00.5\$ On January 31, 1994, the parties entered into a Supplemental Agreement whereby Primetown Property awarded the architectural works in the Prime Tower to Titan-Ikeda Construction for a contract price of \$\frac{1}{2}130,000,000.00. The parties agreed that the payment shall be by "full swapping" or such number of condominium units and parking lots equivalent to the contract price. Pursuant to this, on June 30, 1994, Primetown Property executed a Deed of Absolute Sale in favour of Titan-Ikeda Construction covering a total of 114 condominium units and 20 parking slots in exchange for the contract price of \$\frac{1}{2}130,000,000.00.6\$

As the works on Prime Tower progressed, it became evident that Titan-Ikeda Construction would not meet the target completion date. Hence, Primetown Property took over the completion of the architectural works. Primetown Property also hired Integraltech, Inc., a private engineering consultancy firm, which evaluated that as of September 1995, Titan-Ikeda Construction's accomplished architectural works is only estimated at 48.71%. Per Integraltech, Inc.'s computation, the value of the remaining works still to be completed amounted to ₱66,677,000.00. Hence, Primetown Property overpaid Titan-Ikeda Construction with condominium units and parking slots equivalent to ₱66,677,000.00. Despite repeated demands, Titan-Ikeda refused to return the condominium units and parking slots corresponding to ₱66,677,000.00.

Because of the failure of Titan-Ikeda Construction to return the condominium units and parking slots, Primetown Property filed a complaint for collection of sum of money before the RTC of Makati City, Branch 58 on July 2, 1997.

In its Answer, Titan-Ikeda Construction insists that it had no obligation to return the condominium units and parking slots to Primetown Property. According to Titan-Ikeda Construction, during the progress of the architectural works, additive works and/or change orders were requested by Primetown Property due to revisions in the architectural plan. Titan-Ikeda Construction agreed to do the additive works in the amount of not less than \$\mathbb{P}39,000,000.00. Allegedly, these additive works contributed to the delay of the project. Titan-Ikeda Construction also argues that Primetown Property incurred considerable delay in supplying concrete mix and rebars as

Id. at 56.

<sup>6</sup> Id. at 56-57.

<sup>&</sup>lt;sup>7</sup> Id. at 57.

committed by them. As such, Primetown Property took over the architectural works but Titan-Ikeda Construction claims that it was a mutual agreement and was part of Primetown Property's long-range plan.<sup>8</sup>

To support its counterclaim, Titan-Ikeda Construction explained that prior to the actual turn-over of the project to Primetown Property, the parties even conducted a joint inventory where it was agreed that due to the additives made by Titan-Ikeda Construction, it was in fact Primetown Property which owed Titan-Ikeda Construction a total of ₱2,023,876.25.9 More importantly, Primetown Property allegedly failed to deliver the keys as well as management certificates of the condominium units it paid to Titan-Ikeda Construction. Hence, Titan-Ikeda Construction sent a demand for the delivery of the keys and the payment of ₱2,023,876.25. However, Primetown Property failed to do so. This forced Titan-Ikeda Construction to file a complaint with the Housing and Land Use Regulatory Board (HLURB) on December 10, 1996. On April 29, 1997, the HLURB rendered a Decision directing Primetown Property to issue the management certificates and to turn over the keys of the condominium units to Titan-Ikeda Construction and its buyers. It

Similarly, on August 5, 1998, the RTC rendered its Decision which dismissed the complaint filed by Primetown Property and granted the counterclaim prayed for by Titan-Ikeda Construction. The RTC ordered Primetown Property to pay the following: (a) the additive works made by Titan-Ikeda Construction in the amount of PhP2,023,876.25; (b) compensatory damages in the amount of USD1,665,260.00; and (c) attorney's fees.<sup>12</sup>

Insisting on its right to demand the return of the condominium units and parking slots, Primetown Property appealed the case until it reached the Supreme Court. Eventually, on February 12, 2008, We rendered a Decision, setting aside the August 5, 1998 Decision of the RTC, the dispositive portion of which provides:

### WHEREFORE, the petition is hereby GRANTED.

The March 15, 2002 decision and May 29, 2003 resolution of the Court of Appeals in CA-G.R. CV No. 61353 and the August 5, 1998 decision of the Regional Trial Court, Branch 58, Makati City in Civil Case No. 97-1501 are hereby **SET ASIDE**. New judgment is entered:

1. ordering petitioner Titan-Ikeda Construction and Development Corporation to return to respondent Primetown Property Group, Inc. the condominium units and parking slots corresponding to the payment made in excess of the proportionate (project) cost of its actual



<sup>8</sup> Id. at 58-59.

<sup>&</sup>lt;sup>9</sup> Id. at 59.

<sup>&</sup>lt;sup>10</sup> Id.

<sup>11</sup> Id. at 60.

<sup>&</sup>lt;sup>12</sup> Id. at 61.

accomplishment as of October 12, 1995, subject to its (petitioner's) allowable claims as stated in the inventory; and

2. dismissing petitioner Titan-Ikeda Construction and Development Corporation's claims for the cost of additional work (or change order) and damages.

The records of this case are **remanded** to the Regional Trial Court of Makati City, Branch 58 for:

- 1. the reception of additional evidence to determine:
- (a) the percentage of the architectural work actually completed by petitioner Titan-Ikeda Construction and Development Corporation as of October 12, 1995 on the Makati Prime Tower; and
- (b) the number of condominium units and parking slots sold by petitioner Titan-Ikeda Construction and Development Corporation to third persons.
- 2. the computation of petitioner Titan-Ikeda Construction and Development Corporation's actual liability to respondent Primetown Property Group, Inc. or vice-versa, and the determination of imposable interests and/or penalties, if any.

SO ORDERED.<sup>13</sup> (Emphasis supplied)

In compliance with the order to remand the case to the RTC of Makati City, Branch 58, the case was set for hearing or reception of other evidence. Eventually, the RTC rendered another Decision<sup>14</sup> dated April 30, 2012. The RTC found that as of October 12, 1995, the percentage of architectural works actually completed by Titan-Ikeda Construction was only 48.71%. 15 The RTC also determined that 117 titles of condominium units are transferred to Titan-Ikeda Construction as payment for the architectural works. However, of the 117 titles, 42 were already cancelled and transferred to the names of the buyers of Titan-Ikeda Construction. The remaining 75 titles are still registered in the name of Titan-Ikeda Construction. 16 Since Primetown Property already paid Titan-Ikeda Construction in full and the actual architectural works completed as of October 12, 1995 was only 48.71%, there was overpayment at the rate of 51.29%. Hence, Titan-Ikeda Construction was ordered to return to Primetown Property the amount of ₱66,677,000.00 or 60 condominium units, with the following Condominium Certificate of Title Nos.: 35739, 35743, 35744, 35745, 35748, 35749, 35750, 35751, 35752, 35753, 35756, 35757, 35758, 35762, 35764, 35766, 35767, 35768, 35769, 35770, 35771, 35774, 35776, 35777, 35778, 35779, 35782, 35783, 35785, 35787, 35795, 35796, 35797, 35798, 35801, 35803, 35804, 35805, 35806, 35810, 35811, 35814,

Titan-Ikeda Construction and Development Corp. v. Primetown Property Group, Inc., 568 Phil. 432, 455-456 (2008).

<sup>&</sup>lt;sup>14</sup> *Rollo*, pp. 56-76.

<sup>&</sup>lt;sup>15</sup> Id. at 66.

<sup>&</sup>lt;sup>16</sup> Id. at 75.

35816, 35817, 35818, 35819, 35820, 35821, 35822, 35823, 35825, 35826, 35827, 35829, 35830, 35831, 35832, 35833, 35834, and 35835. 17

Titan-Ikeda Construction moved for reconsideration but it was denied in a Resolution dated August 6, 2012. Eventually, Titan-Ikeda Construction filed a notice of appeal. However, in an Order<sup>18</sup> dated December 4, 2012, the RTC dismissed the same for failure to pay the appeal fee within the reglamentary period. Due to this, the April 30, 2012 RTC decision became final and executory.

As counsel for Primetown Property, Dimayuga Law Offices filed a Motion to Record and Enforce Attorney's Lien based on a Retainer Agreement dated April 24, 2003 entered into by them, which entitles Dimayuga Law Offices to 12% of all the monetary awards and interests granted to Primetown Property. The RTC granted the motion in an Omnibus Order<sup>19</sup> dated April 10, 2013 which specifically subjected Condominium Certificate of Title Nos. 35739, 35743, 35744, 35745, 35748, 35779, 35797, 35798, 35805, and 35806 to the attorney's lien.<sup>20</sup>

On April 29, 2013, the RTC issued a Writ of Execution<sup>21</sup> of the Decision dated April 30, 2012.<sup>22</sup> On December 19, 2013, the RTC issued an Order instructing Titan-Ikeda Construction to return to Primetown Property the 60 condominium units which include the 10 condominium units paid to Dimayuga Law Offices. Further, the RTC ordered the Register of Deeds to cancel the subject condominium certificates of title in the name of Titan-Ikeda Construction and issue new titles in the name of Primetown Property.<sup>23</sup>

Because of the finality of judgment and issuance of the Writ of Execution, Primetown Property paid Dimayuga Law Offices' attorney's fees in kind, using the ten condominium units earlier subjected to attorney's lien.<sup>24</sup> Hence, on May 5, 2015, Primetown Property and Dimayuga Law Offices executed several Deeds of Absolute Sale involving the 10 condominium units.<sup>25</sup> In addition, Dimayuga Law Offices paid and updated the real property taxes of the 10 condominium units since 2005. However, because the condominium certificates of title were still registered in the name of Titan-Ikeda Construction due to its refusal to comply with the writ of execution ordering it to return the condominium units to Primetown Property, Primetown Property was not able to transfer the condominium certificates of title in the name of Dimayuga Law Offices.<sup>26</sup>

<sup>17</sup> Id. at 76.

<sup>&</sup>lt;sup>18</sup> Id. at 77-80.

<sup>&</sup>lt;sup>19</sup> Id. at 81-82.

<sup>&</sup>lt;sup>20</sup> Id. at 82.

Id. at 83-84.

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

<sup>&</sup>lt;sup>23</sup> Id. at 191.

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

<sup>&</sup>lt;sup>25</sup> Id. at 13.

<sup>&</sup>lt;sup>26</sup> Id. at 192.

To further protect its right, Dimayuga Law Offices executed an Affidavit of Adverse Claim which was also annotated on the ten condominium certificates of title.<sup>27</sup>

However, before the return of the condominium units to Primetown Property, unexpectedly and without the knowledge of Dimayuga Law Offices, Primetown Property and Titan-Ikeda Construction filed a Joint Motion to Approve Compromise Agreement, which the RTC granted. On October 6, 2017, a Compromise Judgement was rendered by the RTC.<sup>28</sup>

Because of this, Dimayuga Law Offices filed an Urgent Motion for Intervention to Protect Attorney's Rights. In an Order<sup>29</sup> dated March 6, 2018, the RTC ordered Primetown Property to pay Dimayuga Law Offices its attorney's fees pursuant to their Retainer Agreement.<sup>30</sup>

In the meantime, Titan-Ikeda Construction filed a Motion to Cancel Attorney's Lien and Adverse Claim on the ten condominium certificates of title earlier subjected to Dimayuga Law Offices' attorney's lien. In an Order<sup>31</sup> dated June 4, 2018, the RTC granted the motion and ordered the removal of the attorney's lien and adverse claim annotated in the ten condominium certificates of title.<sup>32</sup> The RTC ratiocinated that paragraphs 3 and 7 of the Compromise Agreement entered into by Primetown Property and Titan-Ikeda Construction support this, to wit:

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3. Upon the execution of this Compromise Agreement, the letter dated July 21, 2017 and signed by Kenneth Yap, sent to the Registry of Deeds of Makati, addressed to Atty. Caluya, Jr. is considered automatically revoked, withdrawn, recalled and have no effect whatsoever and the processing of any titling or transfer related to the 60 titles mentioned in the Civil Case No. 97-1501 of RTC Branch 58, Makati City, shall be allowed;

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7. Upon the execution of this Compromise Agreement, any lis pendens, adverse claims annotated in the sixty (60) titles mentioned in the decision shall accordingly be cancelled;

 $x \times x \times^{33}$  (Underscoring and italics omitted)

The RTC stated that Dimayuga Law Offices should collect from its client, Primetown Property, and not from Titan-Ikeda Construction.

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

<sup>&</sup>lt;sup>28</sup> Id. at 14.

<sup>&</sup>lt;sup>29</sup> Id. at 203-204.

<sup>&</sup>lt;sup>30</sup> Id. at 204.

Id. at 220-222.

<sup>&</sup>lt;sup>32</sup> Id. at 221-222.

<sup>&</sup>lt;sup>33</sup> Id. at 220.

Considering that the condominium titles are still in the name of Titan-Ikeda Construction because the April 30, 2012 Decision of the RTC was never executed, they continued to be owned by the latter and cannot be the subject of attorney's lien.<sup>34</sup>

Dimayuga Law Offices moved for reconsideration but it was denied. Hence, it filed a petition for *certiorari* with the CA. The CA, in its Resolution dated January 17, 2019, dismissed the petition outright for failure to attach certified true copies of relevant documents.35 In its petition, Dimayuga Law Offices merely attached the assailed orders of the RTC and the writ of execution.<sup>36</sup> On reconsideration, Dimayuga Law Offices rectified its omission and attached the relevant documents but the CA still denied the same.<sup>37</sup> According to the CA, since Dimayuga Law Offices' claim arises from the legal services it rendered to Primetown Property, the same must be satisfied from the money or property of its client, Primetown Property. Here, the 10 condominium titles to which the attorney's lien and adverse claim were previously annotated remained in the name of Titan-Ikeda Construction for failure to execute the Decision dated April 30, 3012 of the RTC. Hence, Dimayuga Law Offices' attorney's lien cannot be satisfied from properties which do not belong to its client, Primetown Property.<sup>38</sup> The CA emphasized that in any event, Dimayuga Law Offices' attorney's fees are amply recognized pursuant to its retainer agreement with Primetown Property.

Aggrieved, Dimayuga Law Offices filed this Petition for Review on *Certiorari* dated July 31, 2019. According to Dimayuga Law Offices, the RTC had no jurisdiction to entertain the motion to cancel the adverse claim filed by Titan-Ikeda Construction because what the law requires in cancelling adverse claims is to file a petition in the court where the land is situated and not merely a motion. <sup>39</sup> Dimayuga Law Offices also assails the validity of the compromise agreement entered into by its client, Primetown Property, and Titan-Ikeda Construction. Dimayuga Law Offices claims that in Primetown Property's Manifestation in Lieu of Comment filed to the CA, it manifested that in its negotiations with Titan-Ikeda Construction, it has always stressed that the attorney's lien of Dimayuga Law Offices should be respected. However, through inadvertence, the attorney's lien of Dimayuga Law Offices was not mentioned in the compromise agreement. <sup>40</sup> Dimayuga Law Offices argues that the compromise agreement should not unjustifiably deprive it of its proper compensation for the legal services rendered to Primetown Property.

In its Comment<sup>41</sup> dated November 2, 2019, Titan-Ikeda Construction reiterates that the cancellation of attorney's lien and adverse claim is valid in accordance with the compromise agreement it entered into with Primetown

Id. at 221.

<sup>&</sup>lt;sup>35</sup> Id. at 258.

<sup>&</sup>lt;sup>36</sup> Id. at 258-260.

<sup>&</sup>lt;sup>37</sup> Id. at 33-39.

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

<sup>&</sup>lt;sup>39</sup> Id. at 20.

Id. at 24-25.

<sup>41</sup> Id. at 270-275.

Property.<sup>42</sup> It also stresses that Dimayuga Law Offices' client is Primetown Property and not Titan-Ikeda Construction so its attorney's fees cannot be satisfied from the properties of Titan-Ikeda Construction.<sup>43</sup>

#### Issue

The issue in this case is whether the attorney's fees and adverse claim of Dimayuga Law Offices annotated as a lien on the 10 condominium certificates of title can be cancelled pursuant to the compromise agreement entered into between Primetown Property and Titan-Ikeda Construction.

### **Ruling of the Court**

The petition filed by Dimayuga Law Offices is impressed with merit.

A lien is a charge on property usually for the payment of some debt or obligation. A lien is a qualified right or a proprietary interest, which may be exercised over the property of another. It is a right which the law gives in order for a debt to be satisfied out of a particular thing. It signifies a legal claim or charge on property, either real or personal, as a collateral or security for the payment of some debt or obligation.<sup>44</sup>

Section 37 of Rule 138 of the Rules of Court provides for the two types of attorney's liens – retaining lien and charging lien, to wit:

Section 37. Attorneys' liens. – An attorney shall have a lien upon the funds, documents and papers of his client which have lawfully come into his possession and may retain the same until his lawful fees and disbursements have been paid, and may apply such funds to the satisfaction thereof. He shall also have a lien to the same extent upon all judgments for the payment of money, and executions issued in pursuance of such judgments, which he has secured in a litigation of his client, from and after the time when he shall have the caused a statement of his claim of such lien to be entered upon the records of the court rendering such judgment, or issuing such execution, and shall have the caused written notice thereof to be delivered to his client and to the adverse party; and he shall have the same right and power over such judgments and executions as his client would have to enforce his lien and secure the payment of his just fees and disbursements. (Emphasis supplied)

Charging lien is the right which the attorney has upon all judgments for the payment of money, and executions issued in pursuance of said judgments, which he has secured in litigation of his client.<sup>45</sup> Pursuant to its successful litigation of Primetown Property's case against Titan-Ikeda Construction,

45 Peralta v. Victoriano, 105 Phil. 194 (1959).



<sup>&</sup>lt;sup>42</sup> Id. at 273.

<sup>&</sup>lt;sup>43</sup> Id. at 175.

People v. Regional Trial Court of Manila, 258-A Phil. 68, 76 (1989).

Dimayuga Law Offices caused the annotation of its attorney's lien in Condominium Certificate of Title Nos. 35739, 35743, 35744, 35745, 35748, 35779, 35797, 35798, 35805, 35806 based on the retainer agreement which entitles it to 12% of all the monetary awards and interests granted to Primetown Property. These 10 condominium certificates of title are part of the 60 condominium units which the RTC ordered Titen-Ikeda Construction to return to Primetown Property. Hence, upon the annotation of said attorney's lien to the condominium certificates of title, it became a burden upon the condominium units.

Notably, these 10 condominium units subjected to the attorney's lien of Dimayuga Law Offices were also the subject of Deeds of Absolute Sale entered into between Primetown Property as the seller and Dimayuga Law Offices as the buyer as payment for the latter's attorney's fees.

The lien, until properly discharged, follows the property.<sup>46</sup> In fact, under Section 59 of Presidential Decree No. 1529, otherwise known as the "Property Registration Decree," whenever a registered land is conveyed, all subsisting encumbrances or annotations appearing in the registration book and noted on the certificate shall be carried over and stated in the new certificate of title except where the said encumbrances or annotations are simultaneously released or discharged.<sup>47</sup>

In this case, the attorney's lien was not properly cancelled. The compromise agreement entered into between Primetown Property and Titan-Ikeda Construction providing for the dissolution of any lien and adverse claim annotated upon the condominium certificates of title cannot be the basis for the cancellation of the lien and adverse claim of Dimayuga Law Offices.

A compromise is a contract whereby the parties, by making reciprocal concessions, avoid litigation or put an end to one already commenced. There is no question that a client may enter into a compromise agreement even if there is already a final judgment, as in this case. Having exclusive control over the subject matter of the litigation, the client may, at any time before or after judgment, if acting in good faith, compromise, settle, and adjust his or her cause of action out of court and even without the intervention of his counsel. However, this is not without limitations. A compromise agreement is binding only between the parties and their successors-in-interest and could not affect the rights of third persons who were not parties to the agreement. A party's lawyer is a third person who should not be totally deprived of his compensation because of the compromise agreement executed by the client. 51



<sup>46</sup> Dev't Bank of the Phils. v. Clarges Realty Corp., 793 Phil. 227, 244 (2016).

Section 59. Carry over of encumbrances. If, at the time of any transfer, subsisting encumbrances or annotations appear in the registration book, they shall be carried over and stated in the new certificate or certificates; except so far as they may be simultaneously released or discharged.

CIVIL CODE OF THE PHILIPPINES, Article 2028.

<sup>&</sup>lt;sup>49</sup> Gubat v. National Power Corporation, 627 Phil. 511, 566-567 (2010).

<sup>&</sup>lt;sup>50</sup> CIVIL CODE OF THE PHILIPPINES, Article 1311.

<sup>&</sup>lt;sup>51</sup> Agustin v. Cruz-Herrera, 726 Phil. 533 (2014).

This is especially true in cases where the compromise agreement was entered into by the parties without the lawyer's participation and conformity.

In this case, a perusal of the provisions of the compromise agreement entered into between Primetown Property and Titan-Ikeda Construction would show that there was no mention of how the attorney's fees earned by Dimayuga Law Offices will be paid. Worse, the compromise agreement even provided for the cancellation of the attorney's lien already annotated in the 10 condominium certificates of title prior to the execution of the said compromise agreement. The absence of any provision respecting the attorney's lien annotated in the 10 condominium certificates of title cannot prejudice the rights of Dimayuga Law Offices which was not a party to the compromise agreement.

In the first place, the 10 condominium units should not have been included in the compromise agreement because they have already been sold by Primetown Property to Dimayuga Law Offices as payment in kind of the attorney's fees that the latter earned. In other words, the 10 condominium units were already owned by Dimayuga Law Offices long before the compromise agreement was executed. This is the reason why in its *Manifestation in Lieu of Comment* submitted before the CA, Primetown Property admitted that:

PPGI (referring to Primetown Property), in its negotiations with Defendant Titan-Ikeda has always stressed that the Attorney's lien of Atty. Amado Paolo C. Dimayuga, its counsel be respected. It was its understanding that Atty. Dimayuga's claim be honored because he has worked so hard for it.

However, through inadvertence, and considering further that the representative of the Corporation is not a lawyer he overlooked the fact that the Attorney's lien of Atty. Dimayuga was not mentioned in the Compromise Agreement.<sup>52</sup>

It can be gleaned from here that it was the intention of Primetown Property to retain and respect the attorney's fees earned by Dimayuga Law Offices even during the negotiations it undertook with Titan-Ikeda Construction relative to the compromise agreement. Hence, the 10 condominium certificates of title should not have been included in the compromise agreement.

While lawyering is not a moneymaking venture and lawyers are not merchants,<sup>53</sup> an attorney is entitled to be properly compensated for the professional services rendered for the client.<sup>54</sup> Equity dictates that Dimayuga Law Offices must be awarded what it is due. As aptly found by the Court in *Gubat v. National Power Corporation*:<sup>55</sup>

<sup>&</sup>lt;sup>52</sup> Id. at 24-25

Bach v. Ongkiko Kalaw Manhit and Acorda Law Offices, 533 Phil. 69, 85 (2006).

<sup>54</sup> Malvar v. Kraft Food Phils., Inc., 717 Phil. 427, 435 (2013).

<sup>627</sup> Phil. 551 (2010).

X X X X

A lawyer is as much entitled to judicial protection against injustice or imposition of fraud on the part of his client as the client is against abuse on the part of his counsel. The duty of the court is not only to ensure that a lawyer acts in a proper and lawful manner, but also to see to it that a lawyer is paid his just fees.

Even if the compensation of a counsel is dependent only upon winning a case he himself secured for his client, the subsequent withdrawal of the case on the client's own volition should never completely deprive counsel of any legitimate compensation for his professional services. In all cases, a client is bound to pay his lawyer for his services.

 $x \times x \times x$ 

In the exercise of their supervisory authority over attorneys as officers of the Court, the courts are bound to respect and protect the attorney's lien as a necessary means to preserve the decorum and respectability of the law profession. Hence, the Court must thwart any and every effort of clients already served by their attorneys' worthy services to deprive them of their hard-earned compensation. Truly, the duty of the courts is not only to see to it that attorneys act in a proper and lawful manner, but also to see to it that attorneys are paid their just and lawful fees.<sup>56</sup>

WHEREFORE, the Petition for Review on *Certiorari* is **GRANTED**. The Order dated June 4, 2018 of the Regional Trial Court of Makati, Branch 58 is **SET ASIDE**.

SO ORDERED.

ROS IARI D. CARANDANC

Associate Justice

WE CONCUR:

Malvar v. Kraft Food Phils., Inc., supra note 54 at 452.

WE CONCUR:

MARVIC MARIO VICTOR F. LEONEN

Associate Justice

ALEXANDER G. GESMUNDO
Associate Justice

RAMON FAUL L. HERNANDO Associate Justice

(on official leave) **RODIL V. ZALAMEDA**Associate Justice

### ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MARVIC MARIO VICTOR F. LEONEN

Associate Justice Chairperson, Third Division

## CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

DIOSDADO M. PERALTA

Chief **Y**ustice