Republic of the Philippines
Supreme Court
Manila

EN BANC

AURORA AGUILAR-DYQUIANGCO, Complainant,	**A.C. No. 10541** **(Formerly CBD Case No. 11-3046)**
	Present:
	SERENO, *C.J.*, CARPIO, VELASCO, JR., LEONARDO-DE CASTRO, BRION, PERALTA, BERSAMIN, DEL CASTILLO, PEREZ, MENDOZA,* REYES,* PERLAS-BERNABE, LEONEN, JARDELEZA, and CAGUIOA, *JJ.*
- versus -	
ATTY. DIANA LYNN M. ARELLANO, Respondent.	Promulgated: July 12, 2016

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DECISION

CAGUIOA, *J.:*

A lawyer, once he takes up the cause of his client, has the duty to serve such client with competence, and to attend to his client's cause with diligence, care and devotion, whether he accepts the engagement for free or for a fee.[1] Moreover, lawyers should refrain from obtaining loans from their clients, in order to avoid the perils of abusing the trust and confidence reposed upon him by such client.[2]

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* On official leave.

1 *Lad Vda. de Dominguez v. Agleron, Sr.*, A.C. No. 5359, March 10, 2014, 718 SCRA 219, 222.

2 See *Yu v. Atty. Dela Cruz*, A.C. No. 10912, January 19, 2016.

The facts established in the proceedings before the Integrated Bar of the Philippines (***"IBP"***), which we adopt in turn, are as follows:

Complainant Aurora Aguilar-Dyquiangco (***"Complainant"***) and Respondent Atty. Diana Lynn M. Arellano (***"Respondent"***) first met in 2004 at the Don Mariano Marcos Memorial State University, College of Law when the latter became Complainant's professor.[3]

Sometime in 2006, Complainant engaged Respondent's services for the purpose of filing a case for collection of sum of money against a certain Delia Antigua (***"Antigua"***), advancing ₱10,000.00 for filing fees and ₱2,000.00 as part of the attorney's fees out of the agreed amount of ₱20,000.00.[4] Three years later, Complainant, upon inquiry with the Regional Trial Court (***"RTC"***) of San Fernando, La Union, discovered that Respondent failed to file her case against Antigua.[5] Consequently, Complainant sent a letter to Respondent terminating Respondent's services and demanding the return of the said money and documents she entrusted to Respondent,[6] who, in turn, refused to return Complainant's documents alleging that she was enforcing her retainer's lien.[7]

During the existence of a lawyer-client relationship between them, Respondent frequently borrowed money from Complainant and her husband, Antonio Dyquiangco (***"Antonio"***),[8] for which Respondent issued postdated checks in July 2008 (***"checks issued in July 2008"***) as security.[9] Complainant and Antonio later stopped lending money to Respondent when they discovered that she was engaged in "kiting", that is, using the newer loans to pay off the previous loans she had obtained.[10]

These accumulated loans totaled ₱360,818.20 as of September 2008, covered by ten (10) checks.[11] Upon presentment by Complainant, all of the said checks were dishonored due to insufficiency of funds and closure of accounts. Hence, Complainant filed complaints for violation of Batas Pambansa Blg. 22 (***"BP Blg. 22"***) against Respondent.[12] These cases are currently pending with the Municipal Trial Court in Cities of San Fernando, La Union, Branch 2.[13]

Sometime in June 2008, in a separate transaction from the previous loans, Respondent purchased magnetic bracelets in the amount of

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3 *Rollo*, p. 2.
4 Id.
5 Id. at 3, 16.
6 Id. at 3.
7 Id.
8 Id. at 4-5.
9 Id. at 5.
10 Id.
11 Id. at 5, 24-33.
12 Id. at 5-6.
13 Id. at 36-40.

₱282,110.00 from Complainant's Good Faith Network Marketing business in order to resell the same.[14] In addition, since Complainant's business uses "networking" as a marketing scheme, Respondent also bought an "up-line"[15] slot in the amount of ₱126,160.00 to maximize her earnings.[16]

Respondent then borrowed ₱360,000.00 from Complainant.[17] A part of the loan proceeds were used by Respondent to pay for the magnetic bracelets by issuing postdated checks for the purpose. Respondent purchased seventy five (75) bracelets, which were kept at Complainant's business center, and withdrawn by Respondent whenever she had buyers.[18] However, Respondent's total withdrawals exceeded the number of bracelets actually purchased from Complainant.[19] Moreover, Respondent failed to pay the price for the magnetic bracelets.[20]

Respondent similarly acquired from Complainant other products (i.e., soaps, slimming products, coffee, etc.) for reselling in the amount of ₱15,770.00 which Respondent failed to pay up to this day.[21]

On June 24, 2008, Complainant and Respondent opened a joint checking account with East West Bank in connection with their Good Faith Magnetic Bracelets business transactions, with an initial balance of ₱130,000.00.[22] Respondent issued a check from this joint account in the amount of ₱126,160.00 to pay for the "up-line" slot she purchased from Complainant.[23] Subsequent deposits by Complainant were used by Respondent when the latter issued checks in the amounts of ₱136,000.00 and ₱75,000.00.[24]

On June 17, 2009, Respondent obtained another loan from Complainant in the amount of ₱30,000.00, which the Respondent used to pay off her obligation to Complainant's husband.[25]

Complainant and her husband sent a demand letter dated August 26, 2009[26] to Respondent for the payment of the dishonored checks issued in July 2008. The Respondent's failure to pay despite demand resulted in letter

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14 Id. at 6.
15 "Up-line" is a term used in network marketing for independent distributors above the representative's genealogy. (What is UPLINE? Definition of UPLINE [Black's Law Dictionary]. Retrieved at <http://thelawdictionary.org/upline/>).
16 *Rollo*, p. 7.
17 Id.
18 Id.
19 Id.
20 Id. at 8.
21 Id.
22 Id.
23 Id.
24 Id. at 9.
25 Id. at 10.
26 Id. at 70.

exchanges between the parties dated September 28, 2009[27] and October 7, 2009.[28] The October 7, 2009 demand letter by Complainant was also sent to Respondent's mother, Florescita M. Arellano.[29] This exchange of letters, which the Respondent believed to be libelous, led to the filing of two (2) complaints for Libel against Complainant with the Office of the City Prosecutor of Manila and the Office of the Provincial Prosecutor of La Union, both of which were eventually dismissed for lack of probable cause.[30]

On May 27, 2011, based on the foregoing transactions and incidents between the parties, the Complainant filed against the Respondent the instant administrative case for suspension and disbarment with the Integrated Bar of the Philippines ("IBP"),[31] listing seven causes of action based on the Respondent's acts of:

1. Failing to file a collection case on behalf of the Complainant, for which the Respondent received ₱10,000.00 for filing fees (***"First Cause of Action"***);

2. Obtaining several loans from the Complainant, which remain unpaid (***"Second Cause of Action"***);

3. Taking out merchandise (i.e. magnetic bracelets) in excess of what she purchased from the Complainant (***"Third Cause of Action"***);

4. Acquiring other merchandise from the Complainant without paying for the same (***"Fourth Cause of Action"***);

5. Inducing the Complainant to open joint bank accounts, out of which the Respondent made several withdrawals (***"Fifth Cause of Action"***);

6. Obtaining a ₱30,000.00 loan that remains unpaid (***"Sixth Cause of Action"***);

7. Filing libel cases against the Complainant based on incidents related the transactions that gave rise to the second, third, fourth, fifth and sixth causes of action (***"Seventh Cause of Action"***).

Proceedings with the IBP

The instant case was initially set for mandatory conference on March 23, 2012,[32] but the same was reset to June 29, 2012 upon motion of

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27 Id. at 71.
28 Id. at 60-63.
29 Id.
30 Id. at 12, 86-91.
31 Id. at 2-13. Denominated as "Petition" by Complainant; should be Complaint.
32 Id. at 102.

Respondent.[33] After due proceedings, the mandatory conference was terminated and both parties were required by the investigating commissioner, Commissioner Oliver A. Cachapero, to file their respective position papers.[34] Both parties filed their respective position papers on July 26, 2012[35] and September 7, 2012.[36]

The Findings of the IBP

On September 28, 2012, Commissioner Cachapero rendered a Report and Recommendation[37] finding Respondent guilty of violation of Rules 16.04, 16.02, and 18.03 of the Code of Professional Responsibility (***"CPR"***). The dispositive portion reads:

> Foregoing premises considered, the undersigned believes and so hold that the instant complaint is with merit. Accordingly, he recommends that the Respondent be meted with the penalty of SUSPENSION for a period of one (1) year.[38]

In a Resolution dated March 21, 2013, the IBP Board of Governors resolved to adopt and approve with modification the Report and Recommendation of the Investigating Commissioner dated September 28, 2012 which states:

> RESOLVED to ADOPT and APPROVE, as it is hereby unanimously ADOPTED and APPROVED, **with modification,** the Report and Recommendation of the Investigating Commissioner in the above-entitled case, herein made part of this Resolution as Annex "A", and finding the recommendation fully supported by the evidence on record and the applicable laws and rules, and considering that Respondent violated Canon 16, Rule 16.02 and Canon 18, Rule 18.03 of the Code of Professional Responsibility, Atty. Diana Lynn M. Arellano is hereby **SUSPENDED from the practice of law for five (5) years.**[39]

Respondent filed a Motion for Reconsideration dated July 16, 2013,[40] which was subsequently denied through a Resolution dated March 21, 2014.[41] In view of the penalty recommended by the IBP Board of Governors, the case was referred to this Court *En Banc.*

The Court's Ruling

After a judicious examination of the records and submission of the parties, we find no cogent reason not to adopt the factual findings of the

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33 Id. at 116.
34 Id. at 213.
35 Id. at 214.
36 Id. at 255.
37 Id. at 383 to 389-A.
38 Id. at 389 to 389-A.
39 Id. at 382; emphasis in the original.
40 Id. at 390-393.
41 Id. at 404.

Investigating Commissioner as approved by the IBP Board of Governors. However, we reduce the penalty for the reasons to be discussed below.

First Cause of Action

Respondent violated Canon 18 when she failed to file the collection case in court. In this regard, Canon 18 of the CPR mandates, thus:

> A lawyer shall serve his client with competence and diligence.

Rule 18.03 thereof emphasizes that:

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

In *Reyes v. Vitan,*[42] this Court held that the failure of a lawyer to file a complaint with the court in behalf of his client, despite receiving the necessary fees from the latter, is a violation of the said canon and rule:

> 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 *Code of Professional Responsibility* which provides that a lawyer shall serve his client with competence and diligence. More specifically, Rule 18.03 states:
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> > "Rule 18.03. A lawyer shall not neglect a legal matter entrusted to him, and his negligence in connection therewith shall render him liable."
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> 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.[43]

Further, as this Court ruled in *Pariñas v. Paguinto,*[44] it is of no moment that there is only partial payment of the acceptance fee, to wit:

> Rule 16.01 of the Code of Professional Responsibility ("the Code") provides that a lawyer shall account for all money or property collected for or from the client. Acceptance of money from a client establishes an attorney-client relationship and gives rise to the duty of fidelity to the client's cause. **Money entrusted to a lawyer for a specific purpose, such as for filing fee, but not used for failure to file the case must**

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42 496 Phil. 1 (2005).
43 Id. at 4-5; citations omitted.
44 478 Phil. 239 (2004).

> **immediately be returned to the client on demand**. Paguinto returned the money only after Pariñas filed this administrative case for disbarment.[45]

In the case before us, it is undisputed that after Complainant paid the filing fees and also part of the acceptance fees, Respondent did not bother to file any complaint before the court. Worse, Respondent knew for a long time that she required additional documents from Complainant before filing the complaint, yet Respondent did not appear to exert any effort to contact Complainant in order to obtain the said documents and finally file the said case.[46] In fact, in the occasions Respondent met with Complainant in order to obtain a loan or discuss the magnetic bracelet business, Respondent never brought up the needed documents for the case to Complainant. As correctly held by Commissioner Cachapero, Respondent displayed a lack of zeal in handling the case of Complainant in neglecting to remind the latter of the needed documents in order to file the complaint in court.[47]

Second, Third, Fourth, Fifth and Sixth Causes of Action

Respondent violated Canon 16 when she obtained loans from a client. Pertinently, Canon 16 of the CPR states:

> A lawyer shall hold in trust all moneys and properties of his client that may come into his possession.

Moreover, Rule 16.02 provides that:

> A lawyer shall keep the funds of each client separate and apart from his own and those of others kept by him.

Finally, Rule 16.04 thereof commands that:

> A lawyer shall not borrow money from his client unless the client's interests are fully protected by the nature of the case or by independent advice. Neither shall a lawyer lend money to a client except, when in the interest of justice, he has to advance necessary expenses in a legal matter he is handling for the client.

In the instant case, there is no dispute that Respondent obtained several loans from Complainant beginning in 2008 or two (2) years after they established a lawyer-client relationship in 2006, and before they terminated the same in 2009, in violation of Rule 16.04 of the CPR.[48]

We have previously emphasized that it is unethical for a lawyer to obtain loans from Complainant during the existence of a lawyer-client

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45 Id. at 245; citations omitted; emphasis supplied.
46 *Rollo*, p. 389.
47 Id.
48 Id. at 388.

relationship between them as we held in *Paulina T. Yu v. Atty. Berlin R. Dela Cruz*[49]:

> This act alone shows respondent lawyer's blatant disregard of Rule 16.04. Complainant's acquiescence to the "pawning" of her jewelry becomes immaterial considering that the CPR is clear in that lawyers are proscribed from borrowing money or property from clients, unless the latter's interests are fully protected by the nature of the case or by independent advice. Here, respondent lawyer's act of borrowing does not constitute an exception. Respondent lawyer used his client's jewelry in order to obtain, and then appropriate for himself, the proceeds from the pledge. In so doing, he had abused the trust and confidence reposed upon him by his client. That he might have intended to subsequently pay his client the value of the jewelry is inconsequential. What deserves detestation was the very act of his exercising influence and persuasion over his client in order to gain undue benefits from the latter's property. The Court has repeatedly emphasized that the relationship between a lawyer and his client is one imbued with trust and confidence. And as true as any natural tendency goes, this "trust and confidence" is prone to abuse. **The rule against borrowing of money by a lawyer from his client is intended to prevent the lawyer from taking advantage of his influence over his client.** The rule presumes that the client is disadvantaged by the lawyer's ability to use all the legal maneuverings to renege on his obligation. **Suffice it to say, the borrowing of money or property from a client outside the limits laid down in the CPR is an unethical act that warrants sanction**.
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> Given the circumstances, the Court does not harbor any doubt in favor of respondent lawyer. Obviously, his unfulfilled promise to facilitate the redemption of the jewelry and his act of issuing a worthless check constitute grave violations of the CPR and the lawyer's oath. These shortcomings on his part have seriously breached the highly fiduciary relationship between lawyers and clients. Specifically, his act of issuing worthless checks patently violated Rule 1.01 of Canon 1 of the CPR which requires that "[a] lawyer shall not engage in unlawful, dishonest, immoral or deceitful conduct." **This indicates a lawyer's unfitness for the trust and confidence reposed on him, shows such lack of personal honesty and good moral character as to render him unworthy of public confidence, and constitutes a ground for disciplinary action, and thus seriously and irreparably tarnishes the image of the profession**. Such conduct, while already off-putting when attributed to an ordinary person, is much more abhorrent when exhibited by a member of the Bar. In this case, respondent lawyer turned his back from the promise that he once made upon admission to the Bar. As "vanguards of the law and the legal system, lawyers must at all times conduct themselves, especially in their dealings with their clients and the public at large, with honesty and integrity in a manner beyond reproach."[50]

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[49] Supra note 2.
[50] Id. at 5-6; emphasis supplied.

Respondent even exacerbated her infractions when she issued worthless checks to pay for her debts,[51] the existence of which was admitted by Respondent. Both the *Yu* case quoted above and the case of *Wong v. Moya II*[52] citing *Lao v. Medel*[53] are in point:

> Canon 1 of the Code of Professional Responsibility mandates all members of the Bar to obey the laws of the land and promote respect for law. Rule 1.01 of the Code specifically provides that "[a] lawyer shall not engage in unlawful, dishonest, immoral or deceitful conduct." In *Co v. Bernardino*, [A.C. No. 3919, January 28, 1998, 285 SCRA 102] the Court considered the issuance of worthless checks as violation of this Rule and an act constituting gross misconduct.
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> Moreover, in *Cuizon v. Macalino*, we also ruled that **the issuance of checks which were later dishonored for having been drawn against a closed account indicates a lawyer's unfitness for the trust and confidence reposed on him, shows such lack of personal honesty and good moral character as to render him unworthy of public confidence, and constitutes a ground for disciplinary action.** Similarly, *Sanchez v. Somoso* held that the **persistent refusal to settle due obligations despite demand manifests a lawyer's low regard to his commitment to the oath he has taken when he joined his peers, seriously and irreparably tarnishing the image of the profession he should, instead, hold in high esteem.** This conduct deserves nothing less than a severe disciplinary action.
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> Clearly, therefore, the act of a lawyer in issuing a check without sufficient funds to cover the same constitutes such willful dishonesty and immoral conduct as to undermine the public confidence in the legal profession. He cannot justify his act of issuing worthless checks by his dire financial condition. Respondent should not have contracted debts which are beyond his financial capacity to pay. If he suffered a reversal of fortune, he should have explained with particularity the circumstances which caused his failure to meet his obligations. His generalized and unsubstantiated allegations as to why he reneged in the payment of his debts promptly despite repeated demands and sufficient time afforded him cannot withstand scrutiny.[54]

Regarding the issue of commingling of funds, the Court ruled in the case of *Velez v. De Vera,*[55] citing *Espiritu v. Ulep*,[56] that using a client's funds for the lawyer's personal use and depositing the same in his personal account is prohibited, to wit:

> **[A] lawyer's failure to return upon demand the funds or property held by him on behalf of his client gives rise to the presumption that he has appropriated the same for his own use to the prejudice of, and in violation of the trust reposed in him by, his client.**

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51 *Rollo,* p. 389.
52 590 Phil. 279 (2008).
53 453 Phil. 115, 121 (2003).
54 Supra note 53, at 288-289; emphases supplied.
55 528 Phil. 763 (2006).
56 497 Phil. 339, 345-346 (2005).

> It is a gross violation of general morality as well as of professional ethics; it impairs the public confidence in the legal profession and deserves punishment.
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> Lawyers who misappropriate the funds entrusted to them are in gross violation of professional ethics and are guilty of betrayal of public confidence in the legal profession. Those who are guilty of such infraction may be disbarred or suspended indefinitely from the practice of law. (Emphases supplied.)
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> In the instant case, the act of Atty. de Vera in holding on to his client's money without the latter's acquiescence is conduct indicative of lack of integrity and propriety. It is clear that Atty. de Vera, **by depositing the check in his own account and using the same for his own benefit is guilty of deceit, malpractice, gross misconduct and unethical behavior.** He caused dishonor, not only to himself but to the noble profession to which he belongs. For, it cannot be denied that the respect of litigants to the profession is inexorably diminished whenever a member of the profession betrays their trust and confidence. Respondent violated his oath to conduct himself with all good fidelity to his client.[58]

Further, in *Barcenas v. Alvero,*[59] the Court held that the failure of a lawyer to render an account of any money received from a client and deliver the same to such client when due or upon demand, is a breach of the said rule; and, that a lawyer is liable for gross misconduct for his failure to return or repay money due to another person upon demand, even in the absence of an attorney-client relationship between them.

In this case, Respondent admitted that she commingled her money and those of the Complainant for the bracelet business by opening an East West Bank joint account for the said purpose.[60] To be sure, Commissioner Cachapero noted that Respondent has not shown that she had made any effort to separate her funds from Complainant's money and properly account for the same, including any withdrawals Respondent made therefrom.[61]

Seventh Cause of Action

The Court notes, in addition, that the Investigating Commissioner failed to consider Respondent's act of filing two (2) baseless complaints for libel against Complainant in two (2) different venues (Manila[62] and San Fernando City, La Union[63]) for the same alleged act. The fact that the handling prosecutors in both cases are in agreement that there was nothing in

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58 Supra note 56, at 796-797; citations omitted; emphases supplied.
59 633 Phil. 25, 33-34 (2010).
60 *Rollo,* p. 133.
61 Id. at 388-389.
62 Id. at 76-78.
63 Id. at 82-83.

the demand letter subject of the said cases that could be considered libelous,[64] and that the City Prosecutor of Manila made mention of the aforementioned criminal complaint filed with, and previously dismissed by, the Provincial Prosecutor of La Union,[65] make the aforementioned filing of criminal complaints by Respondent a clear violation of the Lawyer's Oath – which states that a lawyer shall "not wittingly or willingly promote or sue any groundless, false or unlawful suit, nor give aid or consent to the same."[67] This is enunciated by this Court in *Vaflor-Fabroa v. Paguinto*:[68]

> When respondent caused the filing of baseless criminal complaints against complainant, he violated the Lawyer's Oath that a lawyer shall "not wittingly or willingly promote or sue any groundless, false or unlawful suit, nor give aid or consent to the same."

The filing of baseless criminal complaints, even merely threatening to do so, also violates Canon 19 and Rule 19.01 of the CPR, as explained in *Pena v. Aparicio,*[69] thus:

> Canon 19 of the Code of Professional Responsibility states that "a lawyer shall represent his client with zeal within the bounds of the law," reminding legal practitioners that a lawyer's duty is not to his client but to the administration of justice; to that end, his client's success is wholly subordinate; and his conduct ought to and must always be scrupulously observant of law and ethics. In particular, Rule 19.01 commands that a "lawyer shall employ only fair and honest means to attain the lawful objectives of his client and shall not present, participate in presenting or threaten to present unfounded criminal charges to obtain an improper advantage in any case or proceeding." Under this Rule, a lawyer should not file or threaten to file any unfounded or baseless criminal case or cases against the adversaries of his client designed to secure a leverage to compel the adversaries to yield or withdraw their own cases against the lawyer's client.[70]

As to the imposable penalty, and after due consideration of the totality of the circumstances attendant to this case, the nature of the offenses committed, we find the recommended penalty of the IBP to be too harsh, especially in light of the fact that this is Respondent's first administrative case.[71]

In *Pariñas v. Paguinto,*[72] cited above, this Court suspended Atty. Paguinto from the practice of law for six (6) months for failing to file the

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64 Id. at 86-91.
65 Id. at 88.
67 See *Vaflor-Fabroa v. Paguinto*, 629 Phil. 230, 236 (2010); *Madrid v. Dealca*, A.C. No. 7474, September 9, 2014, 734 SCRA 468, 478.
68 Id. at 236.
69 552 Phil. 512 (2007).
70 Id. at 523; citations omitted.
71 See *Olayta-Camba v. Bongon*, A.C. No. 8826, March 25, 2015, 754 SCRA 205; *Samala v. Valencia*, 541 Phil. 1 (2007); *Maligaya v. Doronilla, Jr.*, 533 Phil. 303 (2006); .
72 Supra note 44.

complaint on behalf of his client despite having been paid a part of his acceptance fee.

In *Orbe v. Adaza,*[71] this Court suspended Atty. Adaza for one (1) year for issuing two (2) worthless checks, in spite of the pendency of the BP Blg. 22 cases filed against him.

In *Velez v. De Vera,*[72] a two (2)-year suspension was given to Atty. de Vera for using his client's funds for his personal use and depositing the same in his personal account.

Finally, in *Olivares v. Villalon, Jr.,*[73] the Court would have imposed a penalty of six (6) months suspension against the late Atty. Villalon had he not died prior to the resolution of the said case for violating the rule on forum-shopping by filing a second complaint for the same cause of action, despite the finality of the decision in the first case.

In view of the foregoing jurisprudence, and taking into consideration that this is Respondent's first administrative case, and that she fully participated in the proceedings before the IBP, we deem it more appropriate to reduce the period of suspension from five (5) years, as recommended, to only three (3) years.

One final note: It also bears mentioning that there is nothing in the records to show that the ₱10,000.00 filing fee advanced by the Complainant has been returned to her by Respondent after failing to file the said complaint against Antigua. This Court has, in numerous administrative cases, ordered lawyers to return any acceptance, filing, or other legal fees advanced to them by their clients.[74] Hence, the return of the said amount to Complainant is proper. Furthermore, the ₱2,000.00 Respondent received as attorney's fees should likewise be returned.

As we conclude, we remind lawyers that it is not only important to serve their clients with utmost zeal and competence. It is also an equally important responsibility for them to properly separate and account for any money given to them by their clients, and to resist the temptation to borrow money from their clients, in order to preserve the trust and confidence reposed upon lawyers by every person requiring their legal advice and services.

WHEREFORE, we find Respondent Atty. Diana Lynn M. Arellano **GUILTY** of Violation of Rules 16.02, 16.04, and 18.03 of the Code of

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71 A.C. No. 5252, May 20, 2004, 428 SCRA 567.
72 Supra note 56.
73 549 Phil. 528 (2007).
74 See *Nenita D. Sanchez v. Atty. Romeo G. Aguilos*, A.C. No. 10543, March 16, 2016; *Ferrer v. Tebelin*, 500 Phil. 1 (2005); *Ramos v. Jacoba*, 418 Phil. 346 (2001).

Professional Responsibility, and the Lawyer's Oath. We **SUSPEND** Respondent from the practice of law for a period of **THREE (3) YEARS.** We also **ORDER** Respondent to return to Aurora Aguilar-Dyquiangco the full amount of **TWELVE THOUSAND PESOS (₱12,000.00)** within 30 days from notice hereof and **DIRECT** her to submit to this Court proof of such payment. We **STERNLY WARN** Respondent that a repetition of the same or similar act will be dealt with more severely.

We also **DIRECT** Respondent to inform this Court of the date of her receipt of this Decision to determine the reckoning point of the effectivity of her suspension.

Let a copy of this Decision be made part of Respondent's records in the Office of the Bar Confidant, and copies be furnished the Integrated Bar of the Philippines and the Office of the Court Administrator for circulation to all courts.

SO ORDERED.

ALFREDO BENJAMIN S. CAGUIOA
Associate Justice

MARIA LOURDES P. A. SERENO
Chief Justice

ANTONIO T. CARPIO
Associate Justice

PRESBITERO J. VELASCO, JR.
Associate Justice

TERESITA J. LEONARDO-DE CASTRO
Associate Justice

ARTURO D. BRION
Associate Justice

DIOSDADO M. PERALTA
Associate Justice

LUCAS P. BERSAMIN
Associate Justice

MARIANO C. DEL CASTILLO
Associate Justice

JOSE PORTUGAL PEREZ
Associate Justice

(On official leave)
JOSE CATRAL MENDOZA
Associate Justice

(On official leave)
BIENVENIDO L. REYES
Associate Justice

ESTELA M. PERLAS-BERNABE
Associate Justice

MARVIC M.V.F. LEONEN
Associate Justice

FRANCIS H. JARDELEZA
Associate Justice