



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

MUNICIPALITY OF TIWI, G.R. No. 250830
PROVINCE OF ALBAY,

Petitioner, Present:

CAGUIOA, * J.,
INTING, ** *Acting Chairperson,*
GAERLAN,
DIMAAMPAO, and
SINGH, JJ.

- versus -

ANTONIO B. BETITO,

Respondent.

Promulgated:

October 12, 2022

MisDCCBatt

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RESOLUTION

INTING, J.:

Before the Court is a Petition for Review¹ under Rule 45 of the Rules of Court seeking to reverse and set aside the Decision² and Resolution³ dated March 1, 2019 and November 4, 2019, respectively, of the Court of Appeals (CA), Special Former 7th Division, in CA-G.R. CV No. 104098.

The CA Decision affirmed with modification the Decision⁴ dated December 27, 2013 of Branch 96, Regional Trial Court (RTC), Quezon City in favor of Antonio B. Betito (respondent) in Civil Case No. Q-99-39370. The dispositive portion of the CA Decision reads:

* On official leave.

** Per Special Order No. 2918-Revised dated October 12, 2022.

¹ *Rollo*, pp. 27-46.

² Id. at 47-68. Penned by Associate Justice Sesonando E. Villon, and concurred in by Associate Justices Edwin D. Sorongon and Germano Francisco D. Legaspi.

³ Id. at 69-71. Penned by Associate Justice Edwin D. Sorongon, and concurred in by Associate Justices Germano Francisco D. Legaspi and Tita Marilyn B. Payoyo-Villordon.

⁴ Id. at 100-108. Penned by Judge Afable E. Cajigal.

WHEREFORE, in light of all the foregoing, the appeal is DENIED for lack of merit. The Decision dated December 27, 2013 and Order June 5, 2014 of the Regional Trial Court of Quezon City, Branch 96, in Civil Case No. Q-99-39370 are AFFIRMED with MODIFICATION in that the legal interest rate imposed on the total monetary award in favor of appellee is hereby DELETED.

Let this case be REMANDED to the Regional Trial Court for the determination of the reasonable amount of attorney's fees to which appellee is entitled, in accordance with the guidelines set forth in the Decision of the Supreme Court in the case of *Municipality of Tiwi, represented by Hon. Mayor Jaime C. Villanueva, et al. vs. Antonio Betito*, G.R. No. 171873, July 9, 2010.

Appellee's "Urgent Motion to Implement Writ of Execution Pending Appeal with Prayer to Resume Proceedings" is now deemed MOOT and ACADEMIC.

SO ORDERED.⁵

On the other hand, the CA Resolution denied the Motion for Reconsideration⁶ of the Municipality of Tiwi (Tiwi) for lack of merit and reiterated its earlier directive to remand the case to the RTC for the determination of reasonable amount of attorney's fees in favor of respondent.

The Antecedents

This case stemmed from respondent's Complaint for Sum of Money against Tiwi. Respondent sought the enforcement of the Contract of Legal Services (the Contract) entered into by him, Atty. Alberto Lawenko (Atty. Lawenko), and Tiwi. The Contract provided, among others, that respondent and Atty. Lawenko would receive a 10% contingent fee on whatever amount of realty taxes that would be recovered by Tiwi through the efforts of respondent and Atty. Lawenko.

For a concise backdrop of the case, the incontrovertible facts in the case of *Municipality of Tiwi, represented by Mayor Villanueva v. Betito (2010 Tiwi Case)*,⁷ are summarized herein as follows:

⁵ Id. at 67.

⁶ Id. at 116-126.

⁷ 638 Phil. 609 (2010).

The *2010 Tiwi Case* is an offshoot of the *National Power Corporation (NPC) v. Province of Albay*⁸ (*NPC Case*) and *Salalima v. Guingona, Jr. (Salalima Case)* cases.⁹

On June 4, 1990, the Court issued a Decision in the *NPC Case*, finding the NPC liable for unpaid real estate taxes from June 11, 1984 to March 10, 1987 on its properties located in the Province of Albay (Albay). The subject properties are geothermal plants in Tiwi and substations in the Municipality of Daraga. Eventually, the properties were sold at an auction sale conducted by Albay to satisfy NPC's tax liabilities. Albay then acquired ownership of the properties being the sole bidder at the auction.¹⁰

On July 29, 1992, the NPC, through its then President Pablo Malixi (President Malixi), and Albay, represented by then Governor Romeo R. Salalima (Gov. Salalima), entered into a Memorandum of Agreement (MOA) wherein the NPC agreed to settle its tax liabilities estimated at ₱214,845,104.76. The MOA provided, among others, that the NPC shall make an initial payment of ₱17,763,000.00 upon signing of the agreement.¹¹

On August 3, 1992, then Mayor Naomi C. Corral (Mayor Corral) of Tiwi formally requested Gov. Salalima to remit the tax shares, relative to the payments which Albay received from NPC, to Tiwi and its *barangays*, where the NPC's properties are located.¹² On August 10, 1992, Gov. Salalima answered that Mayor Corral's request could not be granted because the initial payment in the amount of ₱17,763,000.00 was only an "earnest money;" and the total amount to be collected from the NPC was still being validated.¹³

Due to the brewing misunderstanding between Tiwi and the concerned *barangays*, on one hand, and Albay, on the other, the NPC, seeking to not be caught in the middle of the controversy, asked for a clarification from the Office of the President (OP) regarding the scope and extent of the shares of the local government units in the real estate tax collections.¹⁴

⁸ 264 Phil. 572 (1990).

⁹ 326 Phil. 847 (1996).

¹⁰ *Supra* note 7 at 613.

¹¹ *Id.*

¹² *Id.* at 614.

¹³ *Id.*

¹⁴ *Id.*

On August 30, 1992, the *Sangguniang Bayan* of Tiwi passed Resolution No. 15-92¹⁵ authorizing Mayor Corral to hire a lawyer to represent Tiwi and its *barangays* in the recovery of their rightful share in the realty taxes.¹⁶

On January 25, 1993, Mayor Corral, representing Tiwi, entered into the Contract with respondent and Atty. Lawenko. The Contract provided, among others, that respondent and Atty. Lawenko would receive a 10% contingent fee on whatever amount of realty taxes that would be recovered by Tiwi through their efforts.¹⁷

On December 3, 1992, the OP, through then Chief Presidential Legal Counsel Antonio T. Carpio, now retired Supreme Court Justice, rendered an opinion stating that the MOA entered into by the NPC and Albay merely enunciated the tax liability of the NPC. He further opined that the *NPC Case* only established the liability of the latter for real property taxes, but it did not specifically provide that these back taxes should be exclusively paid to Albay. Thus, the manner of payment as provided for by law should govern, and because Tiwi is entitled to a share in the realty taxes, the NPC may remit such share directly to Tiwi.¹⁸

On December 19, 1992, the *Sangguniang Panlalawigan* of Albay passed Ordinance No. 09-92, which, among others, declared as forfeited in favor of Albay, all the payments already made by the NPC under the MOA.¹⁹ In other words, Albay refused to remit to Tiwi the latter's share in the payments made by NPC amounting to ₱40,724,471.74.²⁰ *Allegedly, respondent and Atty. Lawenko handled several administrative complaints and court cases to recover Tiwi's rightful share in the unpaid realty taxes, including the Salalima Case.*²¹

Respondent then sought to enforce the Contract after rendering legal services which allegedly benefited Tiwi. *In the Complaint for Sum of Money against Tiwi, respondent claimed that he handled numerous*

¹⁵ *Rollo*, pp. 97-98.

¹⁶ *Supra* note 7 at 614.

¹⁷ *Id.*

¹⁸ *Id.* at 615.

¹⁹ *Id.* at 616.

²⁰ *Id.*

²¹ *Id.*

*cases that resulted in the recovery of Tiwi's share in the realty taxes in the amount of ₱110,985,181.83, and another ₱35,594,480.00 from the NPC, as well as other amounts which would be proved during the trial.*²² Respondent averred that under the Contract, he is entitled to 10% of whatever amount that would be collected from the NPC.²³ However, despite respondent's repeated demands before the *Sangguniang Bayan* of Tiwi to pass an ordinance for the payment of his attorney's fees, Tiwi refused. Respondent then prayed, among others: that Tiwi be ordered to pay ₱11,000,000.00 as attorney's fees and 10% of the other amounts to be determined during trial including interest and damages; that the *Sangguniang Bayan* be ordered to pass the necessary appropriation ordinance; that the municipal treasurer be ordered to surrender all the receipts of payments made by the NPC to Tiwi from January 1993 to December 1996 for the examination of the court; and that Tiwi be ordered to pay ₱500,000.00 as attorney's fees.²⁴

In its Answer, Tiwi admitted that its *Sangguniang Bayan* passed Resolution No.15-92²⁵ but denied that the resolution authorized Mayor Corral to enter into the Contract. Tiwi alleged that Mayor Corral exceeded her authority when she bound Tiwi to an amount equivalent to 10% of the total amount of realty taxes recovered from the NPC. Tiwi argued that the legal services under the Contract should have been limited to the execution of the decision in the *NPC Case* per Resolution No. 15-92. Thus, according to Tiwi, the Contract is void, unenforceable, unconscionable, and unreasonable. Tiwi also raised the defense that the realty taxes were recovered by virtue of the opinion rendered by Chief Presidential Legal Counsel Antonio T. Carpio and not through respondent's efforts.²⁶

*As to the amount of ₱110,985,181.83 in realty taxes, Tiwi alleged that it was received by Albay and not Tiwi, and the amount of ₱35,594,480.00 was part of the share of Tiwi in the utilization of the national wealth.*²⁷

On March 3, 2001, the RTC rendered a Partial Judgment²⁸ on the pleadings in favor of respondent ruling that Tiwi's answer to the

²² Id.

²³ Id. at 617.

²⁴ Id.

²⁵ *Rollo*, pp. 97-98.

²⁶ *Supra* note 7 at 617.

²⁷ Id.

²⁸ Penned by then-Judge Lucas P. Bersamin, now a former Member of the Court.

complaint failed to tender an issue. It added that the authority given to Mayor Corral to hire a lawyer was not only for the purpose of executing the decision in the NPC case but extended to represent the interest of Tiwi in other cases as well. Also, the RTC ruled that Tiwi's answer admitted, through a negative pregnant, that Tiwi was paid the amounts of ₱110,985,181.83 and ₱35,594,480.00. Hence, respondent is entitled to 10% thereof as attorney's fees under the terms of the Contract.²⁹ The *fallo* of the Partial Judgment reads:

WHEREFORE, partial judgment on the pleadings is rendered ordering the defendant Municipality of Tiwi, Albay to pay the plaintiff the sum of ₱14,657,966.18 plus interest at the legal rate from the filing of the complaint until payment is fully delivered to the plaintiff; and for this purpose, the defendant *Sangguniang Bayan* of Tiwi, represented by the co-defendants officials, shall adopt and approve the necessary appropriation ordinance.

Trial to receive evidence on the remaining amounts due and payable to the plaintiff pursuant to the contract of legal services shall hereafter continue, with notice to all the parties.

SO ORDERED.³⁰

On October 19, 2005, the CA rendered a Decision³¹ affirming the trial court and ruled that there was nothing objectionable in the stipulated contingent fee of 10%; that the 10% contingent fee was voluntarily agreed upon by the parties and was allowed under existing jurisprudence. According to the CA, the fee was justified because respondent successfully prosecuted and defended numerous administrative and court cases against the provincial government to release Tiwi's share in the realty taxes paid by the NPC.³²

On July 9, 2010, the Court rendered a Decision³³ in the *2010 Tiwi Case* resolving the following issues raised by Tiwi:

1. The amount of award of attorney's fees to respondent is unreasonable, unconscionable and without any proof of the extent, nature and "result of his legal services" as required by the purported

²⁹ Supra note 7 at 618 - 619.

³⁰ Id. at 618.

³¹ Penned by Associate Justice Rosmari D. Carandang, now a former Member of the Court, and concurred in by Associate Justices Andres B. Reyes, Jr., now a former member of the Court, and Monina Arevalo-Zenarosa.

³² Supra note 7 at 620.

³³ Supra note 7.

“contract of legal services” and pursuant to Section 24, Rule 138 of the Rules of Court.

2. The application of the rule of judgment on the pleadings and/or summary judgment is baseless, improper and unwarranted in the case at bar.

3. The purported “contract of legal services” exceeded the authority of the late Mayor Corral and should have been ratified by the *Sangguniang Bayan* of Tiwi in order to be enforceable.³⁴

The Court in the *2010 Tiwi Case* ruled, among others, that the scope of the legal services contemplated in Resolution No. 15-92 was limited to the execution of the Court’s Decision in the *NPC Case*. The Court disagreed with respondent’s assertion that the Contract includes services outside the scope of the execution of the *NPC Case*. Respondent relied on the broad wording of paragraph 4 of the Contract, which reads:

4. That the legal services which the Party of the FIRST PART is obliged to render to the Party of the SECOND PART under this AGREEMENT consists of the following:

- a) To prepare and file cases in courts, Office of the President, Ombudsman, Sandiganbayan, Department of the Interior and Local Government and Department of Finance or to represent the Party of the SECOND PART in cases before said bodies;
- b) To coordinate or assist the Commission on Audit, The National Bureau of Investigation or the Fiscals Office in the prosecution of cases for the Party of the SECOND PART;
- c) To follow-up all fees, taxes, penalties and other receivables from National Power Corporation (NPC) and Philippine Geothermal Inc. due to the Municipality of Tiwi;
- d) To provide/give legal advice to the Party of the SECOND PART in her administration of the Municipal Government of Tiwi where such advice is necessary or proper; and
- e) To provide other forms of legal assistance that may be necessary in the premises.³⁵

The Court explained that the wording of Resolution No. 15-92 is clear that the hiring of a lawyer was for the sole purpose of executing the

³⁴ Id. at 620

³⁵ Id. at 629.

judgment in the *NPC Case*, *i.e.*, to allow Tiwi to recover its rightful share in the unpaid realty taxes of the NPC.³⁶ Further, the Court stressed that in his complaint, respondent admitted that he was furnished and he read a copy of Resolution No. 15-92 before he entered into the Contract. Thus, respondent could not feign ignorance of the limitations of the authority of Mayor Corral to enter into the Contract and the purpose for which his services were employed.³⁷ The Court held:

We cannot accept respondent's (herein respondent Betito) strained reading of Resolution No. 15-92 in that the phrase "to represent the interest of the Municipality of Tiwi and its *Barangays*" is taken to mean such other matters not related to the execution of the decision in *National Power Corporation v. Province of Albay*. It could not have been the intention of the *Sangguniang Bayan* of Tiwi to authorize the hiring of a lawyer to perform general legal services because this duty devolves upon the municipal legal officer. The council sought the services of a lawyer because the dispute was between the municipality (Tiwi) and province (Albay) so much so that it fell under the exception provided in Section 481 (b) (3) (i) 27 of the LGC which permits a local government unit to employ the services of a special legal officer. *Thus, the provisions of paragraph 4 of the Contract of Legal Services to the contrary notwithstanding, the basis of respondent's compensation should be limited to the services he rendered which reasonably contributed to the recovery of Tiwi's share in the subject realty taxes.*

In sum, the allegations and admissions in the pleadings are sufficient to rule that Mayor Corral was duly authorized to enter into the Contract of Legal Services. However, the legal services contemplated therein, which are properly compensable, are limited to such services which reasonably contributed to the recovery of Tiwi's rightful share in the unpaid realty taxes of NPC. Paragraph 4 of the Contract of Legal Services, insofar as it covers legal services outside of this purpose, is therefore unenforceable.³⁸ (Emphasis supplied)

It is worthy to note that the Court emphasized in the *2010 Tiwi Case* that the actual attorney's fees due to respondent could not still be determined; that the issue of the reasonable legal fees due him still needs to be resolved in a trial on the merits. Thus, the Court granted the petition in the *2010 Tiwi Case*. The *fallo* of the Decision dated July 9, 2010 reads:

³⁶ Id. at 629-630.

³⁷ Id.

³⁸ Id. at 630-631.

WHEREFORE, the petition is GRANTED. The October 19, 2005 Decision and March 10, 2006 Resolution of the Court of Appeals in CA G.R. CV No. 79057 are REVERSED and SET ASIDE. This case is REMANDED to the trial court for further proceedings to determine the reasonable amount of attorney's fees which respondent is entitled to in accordance with the guidelines set in this Decision.

SO ORDERED.³⁹

The case was then remanded to the RTC.

On December 27, 2013, after the parties filed their respective position papers,⁴⁰ the RTC rendered the Decision⁴¹ in Civil Case No. Q-99-39370 ordering Tiwi to pay respondent the amount equivalent to 10% of the amount that it recovered from the NPC as provided for in the Contract. The pertinent portions of the Decision read:

Given the circumstances, there being a written agreement between the herein parties, in the opinion of the Court, the defendant – Municipality of Tiwi, Albay must comply with the terms and conditions of the said contract of legal services. Besides, the ten (10%) percent contingent fee is reasonable and not unconscionable, and more so, it will duly compensate the legal services rendered by plaintiff. It has been held that, in all cases, a client is bound to pay his lawyer for his services.

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.

WHEREFORE, in light of the foregoing, judgment is hereby rendered in favour of the plaintiff- Antonio Betito and against defendant – Municipality of Tiwi, Albay. Accordingly, defendant is hereby ordered to pay plaintiff ten percent (10%) of the amount recovered from National Power Corporation (NPC) provided for in the contract of legal services, as contingency fee.

SO ORDERED.⁴²

Respondent filed a "Partial Motion for Reconsideration and Partial

³⁹ Id. at 638.

⁴⁰ *Rollo*, p. 100.

⁴¹ Id. at 100-108.

⁴² Id. at 107-108.

Motion for Immediate Execution” of the RTC Decision dated December 27, 2013 praying that the award of attorney’s fees amounting to 10% of ₱146,759,661.80, representing the total amount recovered by Tiwi from the NPC, or in the amount of ₱14,657,966.18, be immediately implemented and that respondent be further awarded with legal interest accruing from 1992 up to the present.⁴³

Tiwi, on the other hand, instituted an appeal before the CA challenging the RTC Decision dated December 27, 2013. Likewise, Tiwi filed a Comment/Opposition on Plaintiff’s Twin Motion with Reiteration of Notice of Appeal to which respondent responded through a rejoinder.

On June 5, 2014, the RTC issued an Order granting the twin motions filed by respondent and modifying its earlier Decision dated December 27, 2013 imposing a legal interest rate on the attorney’s fees awarded in favor of respondent.⁴⁴ The pertinent portions of the Order dated June 5, 2014 read:

In the herein decision sought to be reconsidered by plaintiff (herein respondent Betito), this Court ruled that the 10% attorney’s fee agreed upon by the parties in their Contract of Legal Services is reasonable considering that: (1) hundreds of millions of pesos were delivered to the coffer of the Municipality of Tiwi; (2) the personal and professional risks that factored after filing several legal actions against the top local government officials of the Province of Albay; and (3) the awarded attorney’s fee is but a mere compliance with the contract of legal services, the agreed rate of which, as correctly argued by the plaintiff, is even below the usual and accepted industry standard in contingency arrangement. x x x

x x x

x x x Good reasons consist of compelling circumstances justifying immediate execution lest judgment becomes illusory, or the prevailing party after the lapse of time be unable to enjoy it, considering the tactics of the adverse party who may have apparently no cause to delay. Such reasons must constitute superior circumstances demanding urgency which will outweigh the injury or damages should the losing party secure a reversal of the judgment. Execution of a judgment pending appeal is an exception to the general rule that only a final judgment may be executed. x x x

After a careful review of the records on hand and mindful of

⁴³ Id. at 57.

⁴⁴ Id.

the directive of the Supreme Court in G.R. No. 171873 (*the 2010 Tiwi Case*), this Court finds that there are special and good reasons to justify the grant of the motion under consideration x x x

x x x

Anent the imposition of the legal interest on awarded attorney's fees, plaintiff anchored his claim for legal interest in a **form of damages** on the ground of evidence (*sic*) bad faith in delaying the payment of attorney's fees.

There are two (2) commonly accepted concepts of attorney's fees the ordinary and extraordinary. In its ordinary concept, an attorney's fees is the reasonable compensation paid to a lawyer by his client for the legal services the former renders; compensation is paid for the cost and/or results of legal services per agreement or as may be assessed. In its extraordinary concept, attorney's fees are deemed indemnity for damages ordered by the court to be paid by the losing party to the winning party. The instances when these may be awarded are enumerated in Article 2208 of the Civil Code, specifically in its paragraphs 2 and 5 on action that compelled the plaintiff to file a case against defendant to protect his interest [paragraph 2] and when the defendant acted in gross evident bad faith [paragraph 5].

In this case, it is clear that the SC prohibition to impose interest rate falls under the category of ordinary concept while plaintiff invoked the extraordinary concept of the attorney's fees.

x x x

Accordingly, the legal interest at the rate of 6% per annum on the amounts awarded starts to run from 11 October 1997, when plaintiff made formal demand for the defendant to pay. From the time this Court's Decision dated 27 December 2013 becomes final and executory, the interest rate shall be 12% per annum on the judgment amount and the interest earned up to that dated (*sic*), until judgment is wholly satisfied.

WHEREFORE, in light of the foregoing, the plaintiff's motion for execution pending appeal is hereby *GRANTED* on the condition that the latter shall post a bond in the amount of *THIRTY MILLION FOUR HUNDRED EIGHTY EIGHT THOUSAND FIVE HUNDRED SIXTY NINE PESOS AND SIXTY FIVE CENTAVOS (Php30,488,569.65)*. Likewise, the plaintiff's prayer for the imposition of legal interest of 6% is also *GRANTED* which shall be computed pursuant to above-cited case of *Leticia Ta, v. OMC Carriers*.

Let therefore, a Writ of Execution issue.



Furthermore, considering the timely filing of the Notice of Appeal by defendant – Municipality of Tiwi, Province of Albay, the same is hereby given due course. Thus, the Branch Clerk of Court of this Court is hereby directed to transmit the entire records of this case to the Honorable Court of Appeals for further proceedings.

SO ORDERED.⁴⁵

Respondent filed an Urgent Motion to Reduce Bond praying that the amount of bond be reduced to ₱10,000,000.00.⁴⁶

On September 2, 2014, the RTC issued an Order granting the motion. Thus, on January 29, 2015, the RTC issued a Writ of Execution Pending Appeal and ordered the sheriff to cause the execution of the Decision dated December 27, 2013 and Order dated June 5, 2014.⁴⁷

Tiwi, on the other hand, filed before the CA an Omnibus Motion praying, among others, that the sheriff be enjoined from implementing the issued Writ of Execution Pending Appeal and that it be exempted from filing an injunction bond.⁴⁸

On January 13, 2016, the CA issued a Resolution denying Tiwi's Omnibus Motion.⁴⁹

On Tiwi's motion for reconsideration, the CA issued another Resolution dated April 27, 2016 denying the motion.⁵⁰

Tiwi filed a Petition for *Certiorari* before the Court assailing the CA Resolutions dated January 13, 2016 and April 27, 2016, docketed as G.R. No. 224999.⁵¹

On July 18, 2016, the Court issued a Resolution dismissing Tiwi's Petition for *Certiorari* based on the following grounds: (1) failure to sufficiently show that the CA committed grave abuse of discretion in the issuance of the Resolutions dated January 13, 2016 and April 27, 2016;

⁴⁵ Id. at 57-59.

⁴⁶ Id. at 59.

⁴⁷ Id.

⁴⁸ Id.

⁴⁹ Id.

⁵⁰ Id.

⁵¹ Id. at 60.

and (2) failure to comply with the requirements under Rule 65, and other related provisions of the 1997 Rules of Civil Procedure, as amended.⁵²

On November 28, 2016, the Court's Resolution dated July 18, 2016 became final and executory.⁵³

Hence, respondent filed before the CA an Urgent Motion to Implement Writ of Execution Pending Appeal with Prayer to Resume Proceedings praying that the RTC's Writ of Execution Pending Appeal be implemented and that the proceedings before the CA resumed.⁵⁴

Ruling of the CA

On March 1, 2019, the CA rendered the assailed Decision⁵⁵ resolving the sole issue raised by Tiwi, to wit:

WHETHER OR NOT THE HONORABLE REGIONAL TRIAL COURT ERRED IN HOLDING THAT THE DEFENDANT-APPELLANT IS LIABLE TO PAY THE PLAINTIFF-APPELLEE TEN PERCENT (10%) CONTINGENT FEE STRICTLY AS STATED IN THE CONTRACT OF LEGAL SERVICES, WHEN, AS FOUND BY THE HONORABLE SUPREME COURT IN THE ORIGINAL CASE OF TIWI VS. BETITO, THE RECOVERY OF THE REALTY TAXES BY DEFENDANT-APPELLANT MUNICIPALITY OF TIWI IS NOT SOLELY ATTRIBUTABLE TO THE EFFORTS OF PLAINTIFF-APPELLEE AND THE CONTRACT WAS PARTLY UNENFORCEABLE.⁵⁶

The CA ruled that the 10% contingent fee stipulated in the Contract is conscionable or reasonable given the extent of the legal services rendered by respondent.⁵⁷ The CA declared that the principle of *quantum meruit* as raised by Tiwi does not apply in the case considering that respondent's professional fees were expressly provided for in the Contract.⁵⁸

⁵² Id.

⁵³ Id.

⁵⁴ Id.

⁵⁵ Id. at 47-68.

⁵⁶ Id. at 60-61.

⁵⁷ Id. at 65.

⁵⁸ Id.

However, the CA ruled that it could not uphold the RTC Order dated June 5, 2014 which imposed a legal interest rate on the total amount of monetary award in favor of respondent. The CA explained that Article 2209 of the Civil Code does not justify the imposition of legal interest on the payment of attorney's fees as it is a provision of law governing ordinary obligations and contracts. Further, the CA stressed that contracts for attorney's services are entirely different from contracts relating to the payment of compensation for other services. Because lawyering is not a moneymaking venture and lawyers are not merchants, the imposition of legal interest on the amount payable to respondent as attorney's fees is unwarranted.⁵⁹

The dispositive portion of the assailed Decision reads:

WHEREFORE, in light of all the foregoing, the appeal is DENIED for lack of merit. The Decision dated December 27, 2013 and Order (dated) June 5, 2014 of the Regional Trial Court of Quezon City, Branch 96, in Civil Case No. Q-99-39370 are AFFIRMED with MODIFICATION in that the legal interest rate imposed on the total monetary award in favor of appellee is hereby DELETED.

Let this case be REMANDED to the Regional Trial Court for the determination of the reasonable amount of attorney's fees to which appellee is entitled, in accordance with the guidelines set forth in the Decision of the Supreme Court in the case of Municipality of Tiwi, represented by Hon. Mayor Jaime C. Villanueva, et al. vs. Antonio Betito, G.R. No. 171873, July 9, 2010.

Appellee's "Urgent Motion to Implement Writ of Execution Pending Appeal with Prayer to Resume Proceedings" is now deemed MOOT and ACADEMIC.

SO ORDERED.⁶⁰

On Tiwi's Motion for Reconsideration,⁶¹ the CA issued the assailed Resolution⁶² dated November 4, 2019 denying the motion and reiterating its earlier directive to remand the case to the RTC for the determination of the reasonable amount of attorney's fees in favor of respondent.

Hence, the instant petition.

⁵⁹ Id. at 66.

⁶⁰ Id. at 67.

⁶¹ Id. at 116-126.

⁶² Id. at 69-71.

Issues

WHETHER OR NOT THE HONORABLE COURT OF APPEALS ERRED AS (A) MATTER OF LAW IN AFFIRMING THE DECISION OF THE HONORABLE REGIONAL TRIAL COURT, THAT THE DEFENDANT IS ENTITLED TO 10% OF THE AMOUNT REMITTED AS TIWI'S RIGHTFUL SHARE IN THE REALTY TAXES PAID BY THE NATIONAL POWER CORPORATION, AS ATTORNEY'S FEES.⁶³

Tiwi, however, adopted the sub-issues as laid down by the Court in the *2010 Tiwi Case*, to wit:

- a. the reasonableness of the 10% contingent fee given that the recovery of Tiwi's share was not solely attributable to the legal services rendered by herein defendant (respondent Betito herein);
- b. the nature, extent of legal work, and significance of the cases allegedly handled by herein defendant which reasonably contributed, directly or indirectly, to the recovery of Tiwi's share, and;
- c. the relative benefit derived by Tiwi from the services rendered by herein defendant.⁶⁴

The Court's Ruling

In its petition, Tiwi maintains that the 10% contingent fee claimed by respondent as his attorney's fee is excessive, exorbitant, unreasonable, unjust, and unconscionable. Thus, Tiwi argues that respondent should be paid based on *quantum meruit* or "*as much as he deserves*."⁶⁵

On the other hand, in his Comment/Opposition (to the Petition for Review under Rule 45),⁶⁶ respondent alleges that the RTC lawfully followed the guidelines set forth in the *2010 Tiwi Case* when it declared the reasonableness of the 10% contingent fee.⁶⁷

After a careful study of the assailed Decision, the Court finds that there is yet an undetermined amount constituting respondent's

⁶³ *Rollo*, p. 34.

⁶⁴ *Id.*

⁶⁵ *Id.* at 43.

⁶⁶ *Rollo*, pp. 78-96.

⁶⁷ *Id.* at 83.

reasonable attorney's fee.

In other words, when the case was remanded to the RTC for further proceedings to determine the reasonable amount of attorney's fees in favor of respondent, following the guidelines set forth in the *2010 Tiwi Case*, there is yet no amount that has been sufficiently established by the RTC.

On appeal to the CA, the CA erroneously affirmed the RTC Decision in ruling that the 10% contingent fee is conscionable or reasonable considering that respondent rendered legal services for Tiwi. However, the CA ordered that the case be remanded again to the RTC for the determination of the reasonable amount of attorney's fees. Respondent then insists that he be awarded the amount of ₱14,657,966.18 representing the 10% of ₱146,759,661.80 which is the total amount remitted to Tiwi by the NPC.⁶⁸

The Court disagrees.

For the complete resolution of this case and for the guidance of the RTC, it is necessary to revisit the guidelines set forth by the Court in the *2010 Tiwi Case*.

Paragraph 2 of the Contract provides that respondent is entitled to 10% of whatever amount that would be collected from the NPC as a result of the legal services rendered by respondent, which reads:

2. That the legal fees to be paid by the Party of the SECOND PART for the legal services of the Party of the FIRST PART, shall be a minimum of Ten (10%) per centum of whatever amount or payment collected from the National Power Corporation (NPC) as a result of the legal service rendered by the latter since August 1, 1992; Provided that all expenses incidental to the prosecution of the cases shall be for the account of the Party of the FIRST PART;⁶⁹

The Court in the *2010 Tiwi Case* ruled that the provisions of paragraph 4 of the Contract, which is the basis of respondent's attorney's fees, *should be limited to the services which respondent Betito rendered that reasonably contributed to the recovery of Tiwi's share in the subject realty taxes.*⁷⁰ It must be stressed that the hiring of respondent per

⁶⁸ Id. at 92.

⁶⁹ Id. at 64.

⁷⁰ Supra note 7 at 630.

Resolution No. 15-92 was for the sole purpose of executing the judgment in the *NPC Case*, that is, to allow Tiwi to recover its rightful share in the unpaid realty taxes of the NPC.⁷¹ The Court also declared unenforceable that part in paragraph 4 of the Contract, insofar as it covered legal services outside the purpose of Resolution No. 15-92 is concerned.⁷² *Notably, the unpaid realty taxes of the NPC subject of the NPC Case covers the period from June 11, 1984 to March 10, 1987.*⁷³

Further, the Court in the *2010 Tiwi Case* ruled that while there are admissions in the pleadings, the actual attorney's fees due to respondent could not still be determined.⁷⁴ *Hence, the issue of the reasonable legal fees due to respondent still needs to be resolved in a trial on the merits.*⁷⁵ The pertinent portions of the *2010 Tiwi Case* are herein reproduced and made an integral part of this Resolution; thus:

The subject contract stipulated that respondent's [herein respondent Betito] 10% fee shall be based on "whatever amount or payment collected from the National Power Corporation (NPC) **as a result of the legal service rendered by [respondent].**" **As will be discussed hereunder, the extent and significance of respondent's legal services that reasonably contributed to the recovery of Tiwi's share as well as the amount of realty taxes recovered by Tiwi arising from these alleged services requires a full-blown trial.** (Emphases supplied.)

The main source of respondent's claim for attorney's fees lies with respect to several administrative and court cases that he allegedly prosecuted and defended on behalf of Tiwi against the elective officials of Albay in order to compel the latter to remit the rightful share of Tiwi in the unpaid realty taxes. In their Answer, petitioners denied knowledge of these cases on the pretext that they were filed during the prior term of Mayor Corral. However, we can take judicial notice of *Salalima v. Guingona, Jr.* where respondent appears as the counsel of record. In *Salalima v. Guingona, Jr.*, the Court found, among others, that the elective officials of Albay are administratively liable for (1) their unjustified refusal to release the share of Tiwi in the subject realty taxes, and (2) initiating unfounded and harassment disciplinary actions against Mayor Corral as a retaliatory tactic. This case, at the minimum, is evidence of the efforts of respondent in recovering Tiwi's share. Nevertheless, the other cases allegedly handled by respondent cannot be deemed admitted for purposes of

⁷¹ Id. at 629-630.

⁷² Id. at 631.

⁷³ Id. at 636.

⁷⁴ Id. at 631.

⁷⁵ Id.

fixing respondent's compensation because petitioners controverted the same on several grounds, to wit: (1) these cases were not handled by respondent, (2) the OSG was the lead counsel in these cases, and (3) these cases were the personal cases of Mayor Corral and other officials of Tiwi which had no bearing in the eventual recovery of Tiwi's share in the subject realty taxes. With our previous finding that the subject contract only covers legal services which reasonably contributed to the recovery of Tiwi's share, these defenses properly tender issues which should be determined in a trial on the merits.

More important, in their Answer, petitioners raise the main defense that the subject realty taxes were recovered by virtue of the opinion rendered by then Chief Presidential Legal Counsel Antonio T. Carpio and not through the efforts of respondent. As narrated earlier, the said opinion was issued after then NPC President Malixi asked clarification from the Office of the President regarding the distribution of the unpaid realty taxes to Albay and its municipalities and *barangays*, including Tiwi. Significantly, respondent himself stated in his Complaint that "pursuant to the advice of Sec. Carpio, NPC started to remit their shares directly to Tiwi and its *barangays* in January 1993." Our pronouncements in *Salalima v. Guingona, Jr.*, which respondent himself relies on in his pleadings, tell the same story, *viz.*:

Fortunately, the Municipalities of Tiwi and Daraga and the National Government eventually received their respective shares, which were paid directly to them by the NPC **pursuant to the directive of the Office of the President issued after the NPC requested clarification regarding the right of the municipalities concerned to share in the realty tax delinquencies.** But this fact does not detract from the administrative liability of the petitioners. Notably, when the NPC advised the Province of Albay on 9 December 1992 that starting with the January 1993 installment it would pay directly to the Municipality of Tiwi by applying the sharing scheme provided by law, the petitioners passed on 19 December 1992 an ordinance declaring as forfeited in favor of the Province all the payments made by the NPC under the MOA and authorizing the sale of the NPC properties at public auction. This actuation of the petitioners reveals all the more their intention to deprive the municipalities concerned of their shares in the NPC payments.

What appears then from the pleadings is that respondent, by his own admission, concedes the immense importance of the aforesaid opinion to the eventual recovery of the unpaid realty taxes. However, respondent never asserted the degree of his

participation in the crafting or issuance of this opinion. It is evident, therefore, that the recovery of the realty taxes is not solely attributable to the efforts of respondent. This aspect of the case is decisive because it goes into the central issue of whether the 10% contingent fee is unreasonable and unconscionable. Consequently, it becomes necessary to weigh, based on the evidence that will be adduced during trial, the relative importance of the aforesaid opinion *vis-à-vis* the cases allegedly handled by respondent on behalf of Tiwi insofar as they aided in the eventual recovery of the unpaid realty taxes. And from here, the trial court may reasonably determine what weight or value to assign the legal services which were rendered by respondent.⁷⁶ (Emphases supplied)

The Court in the *2010 Tiwi Case* stressed that *Salalima v. Guingona, Jr.* is only, *at the minimum*, an evidence of the efforts of respondent in recovering Tiwi's share.⁷⁷ This earlier pronouncement of the Court proves that this fact alone is not sufficient to determine the reasonableness of the 10% contingent fee.

More than the list of cases that the CA considered in the assailed Decision,⁷⁸ there is no discussion as to how these cases ultimately led to the actual recovery of Tiwi's share in the realty taxes from the NPC. There is no question that the cases mentioned in the assailed Decision are actual cases initiated by respondent and successfully prosecuted in favor of Tiwi. However, the 10% contingent fee being claimed by respondent must be computed from whatever amount or payment collected from the NPC as a result of respondent's legal service.

In other words, it is not all about identifying the cases, either administrative or civil cases, that are initiated and filed by respondent, but most importantly about establishing how these cases actually contributed to the eventual recovery of Tiwi of the realty taxes following the ruling in the *NPC Case*.

To reiterate, the Court in the *2010 Tiwi Case* provided these integral sub-issues for the RTC's guidance in determining the reasonableness of the legal fees due to respondent; thus:

Upon the other hand, the issue of the reasonable legal fees due to respondent still needs to be resolved in a trial on the merits with the following integral sub-issues: (1) the reasonableness of the 10%

⁷⁶ Id. at 631-633.

⁷⁷ Id. at 632.

⁷⁸ *Rollo*, pp. 18-19.

contingent fee given that the recovery of Tiwi's share was not solely attributable to the legal services rendered by respondent, (2) the nature, extent of legal work, and significance of the cases allegedly handled by respondent which reasonably contributed, directly or indirectly, to the recovery of Tiwi's share, and (3) the relative benefit derived by Tiwi from the services rendered by respondent. In addition, we should note here that the amount of reasonable attorney's fees finally determined by the trial court should be without legal interest in line with well-settled jurisprudence.⁷⁹

Considering the Court's previous ruling in the *2010 Tiwi Case* that the contract only covers legal services which reasonably contributed to the recovery of Tiwi's share, the Court in that case also ruled that it is necessary to weigh, based on the evidence that would be adduced during trial, the relative importance of the cases allegedly handled by the respondent on behalf of Tiwi, insofar as they aided in the eventual recovery of the unpaid realty taxes.⁸⁰

However, when this case was remanded to the RTC, Judge Afable E. Cajigal (Judge Cajigal), then Presiding Judge, ordered the parties to file their respective position papers instead of conducting a full-blown trial⁸¹ as directed by the Court in the *2010 Tiwi Case*.

In fact, a careful study of the RTC Decision shows that Judge Cajigal only ruled that the Contract is valid and binding between the parties; that the Contract entered into by respondent and Tiwi is the law between them; and that both of them must comply with the provisions of the Contract in good faith.⁸² To the mind of the Court, such ruling of the RTC does not at all validate the reasonableness of the 10% contingent fee being claimed by respondent. There is no question that a contingent fee agreement is valid in this jurisdiction as aptly ruled by the RTC, but the validity of paragraph 2 of the Contract and the reasonableness of the 10% contingent fee are two different issues. *It has to be stressed* that the main issue here is the reasonableness of the 10% contingent fee and not the validity of the Contract particularly paragraph 2 thereof.

It is therefore erroneous for the CA to affirm the RTC Decision in ruling that the 10% contingent fee stipulated in the Contract is

⁷⁹ *Supra* note 7 at 637.

⁸⁰ *Id.* at 633.

⁸¹ *Rollo*, p. 100.

⁸² *Id.* at 105.

conscionable or reasonable⁸³ without discussing further the nature, extent of legal work, and the significance of the cases allegedly handled by respondent that reasonably contributed, directly or indirectly, to the recovery of Tiwi's share, and the relative benefit actually derived by Tiwi from respondent's legal services.

Verily, the RTC failed to observe the Court's guidelines laid down in the *2010 Tiwi Case*.

There is also an apparent inconsistency in the assailed Decision when the CA found that the 10% contingent fee stipulated in the Contract is conscionable and reasonable,⁸⁴ but further declared that there is still a need to remand the case to the RTC for the determination of the reasonable amount of attorney's fees,⁸⁵ which reads:

Let this case be REMANDED to the Regional Trial Court for the determination of the reasonable amount of attorney's fees to which appellee is entitled, in accordance with the guidelines set forth in the Decision of the Supreme Court in the case of Municipality of Tiwi, represented by Hon. Mayor Jaime C. Villanueva, et al. vs. Antonio Betito, G.R. No. 171873, July 9, 2010.

Moreover, the Court notes the RTC's discussion that in case of dispute as regards the amount to be paid as legal fees between the lawyer and his client, and the court's intervention is sought as a consequence, *it is jurisprudential that the determination requires that there must be evidence to prove the amount of fees and the extent and value of the services rendered, taking into account the facts determinative thereof.*⁸⁶ However, the RTC itself failed to abide by its own decision when it sweepingly ruled as follows:

Given the circumstances, there being a written agreement between the herein parties, in the opinion of the Court, the defendant – Municipality of Tiwi, Albay must comply with the terms and conditions of the said contract of legal services. Besides, the ten (10%) percent contingent fee is reasonable and not unconscionable, and more so, it will duly compensate the legal services rendered by plaintiff. It has been held that, in all cases, a client is bound to pay his lawyer for his services.⁸⁷

⁸³ *Rollo*, p. 65.

⁸⁴ *Id.* at 65.

⁸⁵ *Id.* at 67.

⁸⁶ *Id.* at 106-107.

⁸⁷ *Id.* at 107.

Furthermore, the Court cannot turn a blind eye to the allegations of respondent when he asks the Court, in his Comment, to award him the amount of ₱14,657,966.18 representing the 10% of ₱146,759,661.80, which is allegedly the total amount remitted to Tiwi by the NPC.⁸⁸ Respondent must be reminded of the Court's ruling in the *2010 Tiwi Case* wherein the Court already dismissed these claims based on the following ratiocination:

Apart from this, there is another vital issue tendered by the pleadings regarding the extent of the benefits which Tiwi allegedly derived from the legal services rendered by respondent. In partially ruling that these amounts should be ₱110,985,181.83 and ₱35,594,480.00, respectively, the trial court explained in this wise:

The complaint alleged as to this:

“18. Based on the available records obtained by the plaintiff from the NPC, the Municipality of Tiwi received One Hundred Ten Million Nine Hundred Eighty Five Thousand One Hundred Eighty One & 83/100 (₱110,985.83) [sic] plus Thirty Five Million Five Hundred Ninety Four Thousand Four Hundred Eighty (₱35,594,480.00) Pesos remittances from the said agency. The total receipts of taxes by Tiwi remitted by the NPC could be higher and this will be proven during the trial when all the records of remittances of taxes of the NPC-SLRC in Biñan, Laguna are subpoenaed, marked as ANNEXES-P; Q and R;”

In relation thereto, the answer stated:

“14. With respect to the allegation in paragraph 18 of the complaint answering defendant admits that the amount of ₱110,985.83 [sic] was remitted to Albay province so far as the annex is concerned but the same is immaterial, useless as there was no allegation that this was recovered/received by Tiwi. With respect to the amount of ₱35,594,480.00, the said amount was received as a matter of the clear provision of the law, specifically Sections 286-293 of the present Local Government Code and not through the effort of the plaintiff. Annex “R” is hearsay and self-serving.”

While the plaintiff directly averred that “the Municipality of Tiwi received One Hundred Ten Million Nine Hundred Eighty Five Thousand One Hundred Eighty One & 83/100 (₱110,985.83) [sic]

⁸⁸ Id. at 92.

plus Thirty Five Million Five Hundred Ninety Four Thousand Four Hundred Eighty (P35,594,480.00) Pesos remittances from the said agency,” the defendant evasively stated that “the amount of P110,985.83 [sic] was remitted to Albay province” and that “the same is immaterial, useless as there was no allegation that this was recovered/received by Tiwi.” Thereby, the answer was a negative pregnant because its denial was not specific. Hence, the defendants have admitted that Tiwi was paid the stated amounts.

The defendants further stated that Tiwi received the amount of P35,594,480.00 “as a matter of the clear provision of the law, [sic] and not through the effort of the plaintiff.” However, considering that the legal services of the plaintiff were rendered under a written contract, the qualification as to the P35,594,480.00 was meaningless.

The pleadings render it indubitable, therefore, that the total amount of P146,579,661.84, which was received by Tiwi from NPC, is subject to the 10% attorney’s fees under the plaintiff’s contract of legal services.

We disagree. Although concededly petitioners’ counter-allegations in their Answer were not well-phrased, the overall tenor thereof plainly evinces the defense that the amount of P110,985,181.83 was received by Albay and not by Tiwi. Consequently, the said amount cannot be deemed admitted for the purpose of fixing respondent’s compensation. There is no occasion to apply the rule on negative pregnant because the denial of the receipt of the said amount by Tiwi is fairly evident. The dictates of simple justice and fairness precludes us from unduly prejudicing the rights of petitioners by the poor phraseology of their counsel. Verily, the Rules of Court were designed to ascertain the truth and not to deprive a party of his legitimate defenses. In fine, we cannot discern based merely on the pleadings that this line of defense employed by petitioners is patently sham especially since the documentary evidence showing the alleged schedule of payments made by NPC to Albay and its municipalities and barangays, including Tiwi, was not even authenticated by NPC.

We also disagree with the trial court’s above-quoted finding that the qualification as to the amount of P35,594,480.00 which was received “as a matter of the clear provision of the law, [sic] and not through the effort of the plaintiff” is meaningless. The error appears to have been occasioned by the failure to quote the exact allegation in petitioners’ Answer which reads “the said amount [P35,594,480.00] was received as a matter of the clear provision of the law, specifically

Sections 286-293 of the present Local Government Code and not through the effort of the plaintiff.” The omitted portion is significant because Sections 286-293 of the LGC refer to the share of the local government unit in the utilization of the national wealth. Petitioners are, in effect, claiming that the ₱35,594,480.00 was received by Tiwi as its share in the utilization and development of the national wealth within its area and not as its share in the unpaid realty taxes of NPC subject of *National Power Corporation v. Province of Albay*. What’s more, respondent’s own documentary evidence, appended to his Complaint, confirms this posture because said document indicates that the ₱35,594,480.00 was derived from the “Computation of the Share of Local Government from Proceeds Derived in the Utilization of National Wealth SOUTHERN LUZON For CY 1992 and First Quarter 1993.” **It may be added that the unpaid realty taxes of NPC subject of National Power Corporation v. Province of Albay covered the period from June 11, 1984 to March 10, 1987 and not from 1992 to 1993.** There is, thus, nothing from the above which would categorically establish that the amount of ₱35,594,480.00 was part of the realty taxes that NPC paid to Tiwi or that said amount was recovered from the legal services rendered by respondent on behalf of Tiwi. (Emphases supplied.)

Based on the preceding discussion, it was, thus, erroneous for the trial and appellate courts to peg the amount of realty taxes recovered for the benefit of Tiwi at ₱110,985,181.83 and ₱35,594,480.00 considering that petitioners have alleged defenses in their Answer and, more importantly, considering that said amounts have not been sufficiently established as reasonably flowing from the legal services rendered by respondent.⁸⁹ (Emphases supplied.)

Lastly, as much as the Court agrees with the CA when it ruled that “[a] lawyer is as much entitled to judicial protection against injustice, imposition of fraud on the part of his client, as the client against abuse on the part of his counsel. Appellee (herein respondent Betito), with his capital consisting only of his brains and with his skill acquired at tremendous cost not only in money but in expenditure of time and energy, is entitled to the protection of any judicial tribunal against any attempt on the part of his client to escape payment of his just compensation,” the Court, however, reiterates its earlier pronouncement in the *2010 Tiwi Case* as it is more prudent given the peculiar circumstances attendant to this case, which reads:

To end, justice and fairness require that the issue of the reasonable attorney’s fees due to respondent be ventilated in a trial on the merits amidst the contentious assertions by both parties because in the end, neither party must be allowed to unjustly enrich himself at the expense of the other. More so here

⁸⁹ Supra note 7 at 633-636.

because contracts for attorney's services stand upon an entirely different footing from contracts for the payment of compensation for any other services. Verily, a lawyer's compensation for professional services rendered are subject to the supervision of the court, not just to guarantee that the fees he charges and receives remain reasonable and commensurate with the services rendered, but also to maintain the dignity and integrity of the legal profession to which he belongs.⁹⁰ (Emphasis supplied)

All told, the Court reiterates the necessity to remand the case to the RTC for the proper determination of the issue and the sub-issues herein set forth. More importantly, the remand of the case to the RTC is for the proper determination of the total amount of the realty taxes already recovered by Tiwi from the NPC by reason of the legal services rendered by respondent since August 1, 1992.

At the risk of being repetitive, a full-blown trial is required as the Court finds it necessary to weigh, based on the evidence that would be adduced during trial, the relative importance of the cases allegedly handled by respondent on behalf of Tiwi, insofar as the cases actually contributed in the eventual recovery of Tiwi of the unpaid realty taxes from the NPC.

The Court further reminds the RTC to resolve the case with deliberate dispatch and in strict compliance with the guidelines set in the *2010 Tiwi Case*.

WHEREFORE, the Petition for Review is **GRANTED**. Accordingly, the Decision dated March 1, 2019 and Resolution dated November 4, 2019 of the Court of Appeals, Special Former 7th Division, in CA-G.R. CV No. 104098 are **REVERSED and SET ASIDE**. This case is **REMANDED** to the RTC for further proceedings to determine the reasonable amount of attorney's fees which respondent is entitled to in accordance with the guidelines set in the *2010 Tiwi Case*.

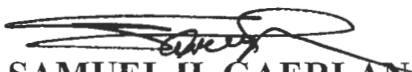
SO ORDERED.



HENRI JEAN PAUL B. INTING
Associate Justice

⁹⁰ Id. at 63.

WE CONCUR:

(On official leave)
ALFREDO BENJAMIN S. CAGUIOA
Associate Justice
Chairperson



SAMUEL H. GAERLAN
Associate Justice


JAFAR B. DIMAAMPAO
Associate Justice


MARIA FILOMENA D. SINGH
Associate Justice

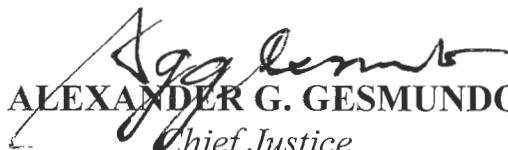
ATTESTATION

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


HENRI JEAN PAUL B. INTING
Associate Justice
Acting Chairperson
(Per S.O. 2198-Revised dated October 12, 2022)

CERTIFICATION

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


ALEXANDER G. GESMUNDO
Chief Justice