

## **EN BANC**

**[ A.C. No. 11241, November 03, 2020 ]**

**PROFESSIONAL SERVICES, INC., COMPLAINANT, VS. ATTY.  
SOCRATES R. RIVERA, RESPONDENT.**

### **D E C I S I O N**

#### **PER CURIAM:**

This administrative case arose from a verified complaint<sup>[1]</sup> filed by Professional Services, Inc. (complainant) against the respondent, Atty. Socrates R. Rivera (Atty. Rivera), before the Commission on Bar Discipline (CBD) of the Integrated Bar of the Philippines (IBP) for defrauding the complainant of the amount of P14,358,477.15 in violation of Canon 1, Rule 1.01, and 1.02; Canon 7; Canon 16, Rules 16.01, 16.02, and 16.03, of the Code of Professional Responsibility (CPR).

#### **The Facts:**

Complainant is a medical care and hospital management business entity. It engaged the services of Atty. Rivera as Head of its Legal Services Department sometime in September 2008. As such, Atty. Rivera was tasked to determine what cases and legal actions could be filed and pursued to protect complainant's interests. Most of these cases involved collection cases.

To facilitate the filing of cases on complainant's behalf, Atty. Rivera had the authority to request for cash advances to cover the expenses related to the filing of collection cases subject to liquidation and must be supported by official receipts.

Complainant alleged that Atty. Rivera accepted and misappropriated the amount of PI 4,35 8,477.15 through an elaborate scheme as follows:

1. From 2009 to 2012, while still working for complainant, Atty. Rivera misrepresented and pretended to have filed civil actions and/or instituted proceedings purportedly for and on behalf of complainant when in fact none was filed;
2. Atty. Rivera pretended to have paid filing and other miscellaneous fees in connection with said actions and/or proceedings he allegedly filed;
3. Atty. Rivera pocketed the money purportedly for filing fees and other related fees in the total amount of P14,358,477.15.<sup>[2]</sup>

Atty. Rivera filled out cash advance slips and fraudulently stated that the amounts he requested were for filing fees and/or expenses related to the filing of collection cases for the complainant. To make the transaction appear credible, Atty. Rivera

attached a copy of the first page of the complaints he was supposed to file. He then submitted the cash advance slip with the attached first page of the complaint to complainant's Accounting Department.

Relying on Atty. Rivera's representations, complainant's Accounting Department processed the requested cash advance and prepared the checks payable to Atty. Rivera. Upon release of the check, Atty. Rivera immediately deposited and/or withdrew the amount specified therein.

Since complainant requires liquidation for all cash advances by authorized employees, Atty. Rivera submitted liquidation slips with fake official receipts purportedly covering the expenses made in relation to the fraudulent filing. Complainant found out that the receipts that Atty. Rivera had submitted were fraudulent because the Clerk of Court of the Pasig Regional Trial Court (RTC) certified that the purported official receipts were in fact spurious.<sup>[3]</sup>

Atty. Rivera's fraudulent scheme would have gone unnoticed had he not requested Sylvia Nacpil (Nacpil), complainant's Vice-President for Finance Services, to sign more cash advance slips. When Atty. Rivera asked Nacpil for more cash advances, the latter asked Aida Placido (Placido), complainant's Chief Accountant, for a report on Atty. Rivera's outstanding cash advances. Placido, in turn, asked Atty. Rivera to comment in writing on his outstanding cash advances. He replied stating that he had submitted some of the liquidations while the others were on the table of complainant's Chief Finance Officer (CFO), Ms. Benita J. Macalagay. (Macalagay). It was discovered, however, that there were no such liquidation slips submitted to Macalagay prompting complainant to further investigate the matter.<sup>[4]</sup>

Upon further investigation, complainant discovered that Atty. Rivera forged the signature of his immediate supervisor, Atty. Martin Samson (Atty. Samson), and that of the CFO, in his attempt to deceive all those who relied on said signatures as part of the liquidation process.

Upon audit, complainant discovered that Atty. Rivera's cash advances purportedly to pay filing fees for civil cases, mediation fees, and miscellaneous expenses relative to these cases which remained unliquidated had amounted to F14,358,477.15. However, no case was actually filed for the said amount of advances for the filing fees of 156 collection cases. The handwritten receipts Atty. Rivera submitted to liquidate his cash advances were all fake as certified by the Clerk of Court of the Pasig RTC.<sup>[5]</sup>

On September 10, 2012, when confronted with the foregoing, Atty. Rivera admitted that he forged the signatures of Atty. Samson and the CFO on the liquidation forms.<sup>[6]</sup>

Thereafter, an inventory of Atty. Rivera's files and belongings revealed that the latter kept rubber stamps inside his office cabinet with the following engravings: "RTC Pasig City Office of the Clerk of Court;" "RTC Branch 22 Clerk of Court (Atty. Selen Cordez);" "Original Signed;" and "Office of the Prosecutor."<sup>[7]</sup>

Atty. Rivera made the complainant believe that complaints would be filed to recover money from purported defendants who had obligations to pay complainant.

However, after receipt of the funds intended as legal fees, respondent did not spend the amount as intended and instead, appropriated the funds for his own benefit. He resorted to false pretenses and misrepresentations to deceive the complainant into parting with its money in the total amount of P14,358,477.15.

On January 10, 2013, complainant filed the present disbarment case before the IBP. Atty. Rivera was directed to file his answer within 15 days from receipt thereof.

Atty. Rivera filed a Motion for Extension asking for an additional period of 15 days to file his Answer. However, Atty. Rivera, failed to file his Answer.

On March 14, 2014, the CBD set a hearing for mandatory conference. Atty. Rivera failed to appear at the hearing. Another mandatory conference was held on May 29, 2014, but Atty. Rivera again did not appear. As a result, he was declared in default and the complainant was directed to file its position paper.

### **Report and Recommendation of the Integrated Bar of the Philippines:**

In his Report and Recommendation<sup>[8]</sup> dated February 21, 2015, Investigating Commissioner Romualdo A. Din, Jr. (Commissioner Din, Jr.) recommended that Atty. Rivera be disbarred from the practice of law.

Commissioner Din, Jr. found that:

"[Atty. Rivera] disobeyed Rule 1.01 of the Code for committing acts of dishonesty, xxx His scheme, more than anything else, is a form of cheating to the extent of defrauding the complainant. He cheated by coming up with fake receipts not only to effectuate his plan to acquire money from complainant but also to cover up his wrongdoing.

The respondent likewise violated Rule 16 of the Code for failing to perform the mandate to hold sacred and safely keep and protect the money of one's client. His failure to give true and proper liquidation of the amounts he skimmed from his clients is a violation of Rule 16.01 of the Code. By doing so, he violated the client-lawyer relationship which is founded on trust and confidence."<sup>[9]</sup>

In Resolution No. XXI-2015-246 dated April 18, 2015, the IBP Board of Governors adopted and approved the report and recommendation of Commissioner Din, Jr. that Atty. Rivera be disbarred from the practice of law and his name stricken off from the Roll of Attorneys for violation of Canon 1, Rule 1.01; Canon 7; and Canon 16, Rule 16.01 of the CPR.

### **Our Ruling**

After a careful review of the records, the Court finds Atty. Rivera guilty of grave professional misconduct in violating the CPR and defrauding his client. The Court agrees with the recommendation of the IBP that Atty. Rivera should be disbarred and his name removed from the Roll of Attorneys. The CPR pertinently provides: