

THIRD DIVISION

[G.R. No. 117422, May 12, 1999]

NEOMENIA PETILLA PIMENTEL, PETITIONER, VS. COURT OF APPEALS AND ZOSIMO B. NAMIT, RESPONDENTS.

DECISION

GONZAGA-REYES, J.:

This is a petition for review on *certiorari* under Rule 45 of the Rules of Court assailing the decision dated April 29, 1994 of respondent Court of Appeals in CA-G.R. CV. No. 33618 and its resolution dated September 28, 1994 denying petitioner Neomenia Petilla-Pimentel's motion for reconsideration of said decision.

The antecedent facts of the case are as follows:

Sometime in December 1976, petitioner through her lawyer, Atty. Pedro O. Laurel, filed an application for the payment of benefits with the US Department of Labor, Honolulu, Hawaii, USA in connection with the death of her husband, Pedro Petilla, Jr., who was a former employee in Wake Island, USA under the employ of Facilities Management Corporation, USA. After the filing of the said application for payment and during its pendency, Atty. Laurel died and for failure of petitioner to respond to a pre-hearing statement requested by the US Department of Labor, the case was considered closed. Sometime in 1985, petitioner requested private respondent Zosimo Namit, husband of her first cousin, to help her in reviving and pursuing her claim for death benefits before the US Department of Labor. Private respondent Namit accepted petitioner's request and initially wrote a letter addressed to the US Department of Labor regarding petitioner's application for death benefits, and as a result, the case was reopened. Private respondent was required to submit a pre-hearing statement together with a special power of attorney from petitioner authorizing him (private respondent Namit) to appear in behalf of petitioner; private respondent submitted the requirements to the Labor Department. The Continental Insurance company manifested its objection to the reopening of the claim and filed its Answer. After the issues were joined, a hearing on the claim was conducted at the US Embassy in Manila and the deposition of a certain Dr. Consolacion Altez-Montes was submitted to the Labor Department. The US Department of Labor rendered a decision granting petitioner benefits in the amount of US\$53,347.80. Thereafter, petitioner received the lump sum award as embodied in the decision and the subsequent monthly benefits in checks. Petitioner then paid private respondent the sum of US\$2,500.00 as attorneys fees for the services he had rendered. Dissatisfied, private respondent demanded payment of the alleged balance of his attorney's fees but petitioner did not heed respondent's demands.

On November 16, 1988, private respondent filed with the Regional Trial Court of Pasay City a complaint for sum of money against petitioner to recover from the latter the alleged balance of his attorney's fees alleging among others that petitioner

approached him and pleaded for his assistance in reviving her husband's application for payment with the US Department of Labor; that private respondent acceded to petitioner's request to handle the claim at an agreed attorney's fees of 25% of the amount that may be recovered, thus adopting the arrangement for attorney's fees which petitioner had with her former counsel; that after a favorable decision on petitioner's claim, he was paid the amount of US\$2,500 only hence he demanded payment of the balance of US\$10,836.95 but petitioner refused to pay. Petitioner filed her answer alleging that there was no agreement between her and private respondent as to attorney's fees nor was there any agreement with her former counsel as to the latter's attorney's fees; that the amount of US\$2,500 which she paid private respondent was more than commensurate to the nature and extent of private respondent's services since the re-opening of a "closed file" of her claim with the Department was not a difficult proceeding. By way of counterclaim, petitioner alleged that she failed to receive her monthly death benefits in checks when private respondent instructed the insurance company to mail these checks to his own address and since private respondent refused to return these checks amounting to US\$680, they all became stale; that she was hospitalized by reason of private respondent's unfounded demand for attorney's fees and suffered great embarrassment among her relatives.

After trial, the Regional Trial Court rendered its decision on February 26, 1991, the dispositive portion of which reads:

"WHEREFORE, premises considered, judgment is hereby rendered awarding an additional amount of US\$2,500.00 in favor of plaintiff as his attorney's fees in the labor case plus P10,000.00 attorney's fees for his counsel, for this case, without pronouncement as to costs. The counterclaim of the defendant is dismissed for lack of legal and factual basis."^[1]

An appeal was interposed before the respondent Court of Appeals which affirmed the decision appealed from.^[2]

Motion for reconsideration of the decision having been denied,^[3] the instant petition was filed submitting that the Court *a quo* committed reversible errors of law and acted with grave abuse of discretion:

I. IN HOLDING HEREIN PETITIONER LIABLE FOR ADDITIONAL ATTORNEY'S FEES IN THE HUGE AND UNREASONABLE AMOUNT OF US\$2,500 ON THE BASIS OF UNSUBSTANTIATED CONCLUSIONS IN UTTER DISREGARD OF THE GUIDING PRINCIPLES ENUNCIATED BY THE HONORABLE SUPREME COURT IN DETERMINING THE REASONABLENESS OF ATTORNEY'S FEES.

II. IN AFFIRMING THE AWARD OF P10,000 TO PRIVATE RESPONDENT AS ATTORNEY'S FEES FOR "HIS COUNSEL", DESPITE THE ABSENCE OF EXPRESS FINDINGS OF FACT AND LAW IN THE TEXT OF THE DECISION OF THE TRIAL COURT, AND THE FACT THAT SAID AWARD IS STATED ONLY IN THE DISPOSITIVE PORTION OF THE TRIAL COURT'S DECISION.

III. IN REJECTING PETITIONER'S COUNTERCLAIMS, WITHOUT PASSING UPON THE MERITS OF THE BASIS THEREOF, NAMELY, AMONG OTHERS, THE PROVEN UNETHICAL AND UNPROFESSIONAL CONDUCT OF THE PRIVATE RESPONDENT (AS LAWYER) TOWARD HIS CLIENT, THE HEREIN PETITIONER.

We find no merit in the first assigned error.

Petitioner contends that absent any agreement on attorney's fees, the determination of the compensation for the lawyer's services will have to be based on *quantum meruit*, such as but not limited to the extent and character of the services rendered, the labor, time and trouble involved, the skill and experience called for in performing the services, the professional and social standing of the lawyer, and the results secured (citing cases). Petitioner further contends that private respondent failed to demonstrate the circumstances showing the extent of services rendered and that there were no specific findings of fact in the court's decision that would justify the award of an additional US\$2,500.00 as attorney fees to private respondent.

The issue of the reasonableness of attorneys fees based on *quantum meruit* is a question of fact, and well-settled is the rule that conclusions and findings of fact by the lower courts are entitled to great weight on appeal and will not be disturbed except for strong and cogent reasons. The findings of the Court of Appeals by itself, which are supported by substantial evidence are almost beyond the power of review by the Supreme Court.^[4] We find no cogent reason to disturb the factual findings of the respondent court as follows:

"If it were really true as appellant alleged, that it was not difficult to reopen the "closed file" of her claim as the same did not involve a legal matter, why is it that she did not handle her claim single-handedly? Why did she took (sic) pains in requesting legal assistance from appellee?

In her testimony before the trial court, appellant testified that her former lawyer, Atty. Pedro Laurel died after the filing of her application for payment. Hence, during the pendency thereof, Atty. Laurel should therefore be credited the commencement of appellant's claim. Appellant likewise testified that after the death of Atty. Laurel, the case was considered "closed" obviously for the reason that no earnest efforts were exerted in relation thereto. It was at this crucial stage that appellee's services were utilized to its successful completion in the revival of reopening of appellant's claim. Needless to say, appellee's handling of appellant's claim demanded close and constant communication and dealings with foreign agencies like the U. S. Department of Labor and Continental Insurance. Even granting that appellee handled only a single hearing for appellant's case and that was when Dra. Altes-Montes' deposition was taken, the same was very material as it established the validity of appellant's claim. The degree and extent of service rendered by an attorney for a client is best measured in terms other than mere number of sheets of paper. A lawyer is entitled to have and receive the just and reasonable compensation for services rendered."^[5]

The respondent court's ratiocination in affirming the reasonableness of the additional compensation of US\$2,500.00 awarded by the trial court properly took